



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

OMAHEKE REGIONAL COUNCIL

FOR THE FINANCIAL YEARS ENDED 31 MARCH 2021 AND 2022

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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 Omaheke Regional Council for the financial years ended 31 March 2021 and 2022, 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, (Act No. 31 of 1991) to be laid upon the Table of the National Assembly in terms of Section 27(4) of the Act.

WINDHOEK, March 2025

A handwritten signature in black ink, appearing to read 'Junias Etuna Kandjeke'.

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNT OF THE
OMAHEKE REGIONAL COUNCIL
FOR THE FINANCIAL YEARS ENDED 31 MARCH 2021 AND 2022**

1. ADVERSE AUDIT OPINION

I have audited the financial statements of the Omaheke Regional Council for the financial years ended 31 March 2021 and 2022. These financial statements comprise the Statement of Financial Position, Statement of Financial Performance, Statement of Changes in Net Assets, Statement of Cash Flow, and notes to the annual financial statements for the years then ended, and a summary of significant accounting policies.

In my opinion, because of the significance of the matter discussed in the Basis for Adverse Audit Opinion paragraph, the financial statements do not give a true and fair view in all material respects, the financial position of the Omaheke Regional Council as at 31 March 2021 and 2022, and their financial performance and cash flows for the years then ended, in accordance with the International Public Sector Accounting Standards (IPSAS).

2. BASIS FOR ADVERSE AUDIT OPINION

I conducted the audit in accordance with International Standards for Supreme Audit Institutions (ISSAI's). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of the audit report. I am independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to the audit of the financial statements in Namibia and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for the audit opinion. An adverse audit opinion is being expressed due to the following:

2.1 PRIOR YEAR AUDIT FINDINGS

- ***OMAHEKE REGIONAL COUNCIL SPECIAL INVESTIGATIONS REPORT (MURD)***

On the 05 August 2020 the Internal Audit Division of the Ministry of Urban and Rural Development completed and signed off the Internal Audit Report as per the subject matter. There were several findings reflected in that internal audit report with recommendations on the way forward to rectify these findings. The Council has not made any progress in implementing these recommendations.

- ***CASH AND CASH EQUIVALENTS***
- ***DIFFERENCES BETWEEN BALANCE DISCLOSED IN THE FINANCIAL STATEMENTS AND BANK CONFIRMATION***

The auditors noted differences of N\$ 4 573 805 between the balance disclosed in the financial statements and the balance confirmed by the bank on one of the accounts held in the name of Council, this was due to improper reconciliations.

- **BANK ACCOUNTS NOT DISCLOSED IN THE FINANCIAL STATEMENTS**

The auditors noted that 11 bank accounts held in the name of the Council as at year end with balances amounting to N\$ 3 003 279 and one (1) bank account with an overdraft balance of N\$ 134 142 as at year end were confirmed by the respective individual banks, but not disclosed in the Council's financial statements.

- **DORMANT BANK ACCOUNTS DISCLOSED IN THE FINANCIAL STATEMENTS**

The Council disclosed a capital project bank account with a favourable balance amounting to N\$ 10 966 628. Bank confirmations from commercial banks indicate that the bank account is dormant and has a favourable balance amounting to N\$ 3 784, resulting in a difference of N\$ 10 962 844.

- **NON-SUBMISSION OF AUDIT DOCUMENTS**

- **5% RATES AND LEVIES FROM LOCAL AUTHORITIES**

The auditors could not confirm the accuracy of the levies amounting to N\$ 727 298 received during the year under review, due to non-submission of supporting evidence apart from the bank statements.

Furthermore, through inquiries, the auditors noted that the Council does not recognise the 5% levies from the Local Authorities as incurred, only when payment is effected and no debtors were raised thereon.

“This contravenes Section 77(1) of the Local Authorities Act No. 23 of 1992 read with Section 33(1) (b) of the Regional Council's Act No. 22 of 1992. “Stipulates that each Local Authority must transfer 5% of assessment rates levied on all rateable property to the relevant Regional Council”

- **CENORED SURCHARGES**

The auditors were unable to confirm the accuracy and completeness of the surcharges received amounting to N\$ 291 856 as the Council did not provide the breakdown of the transactions and the approved Electricity Control Board tariffs as supporting documents. Furthermore, the Council does not recognise income when incurred and, only when it appears on the bank statement and no debtors were raised.

- **EXPENDITURE**

Procurement documents relating amounting to N\$ 1 922 393 were not submitted for audit purpose.

- **VALUATION ROLL**

The Council could not provide the auditors with the Valuation Roll or the list of the erven for audit purpose as a result the auditor could not verify the existences of erven.

- **NON-SUBMISSION OF PROCUREMENT DOCUMENTS**

Procurement documents amounting to N\$ 23 618 264 were not submitted for audit purpose.

2.2 FINANCIAL STATEMENT PRESENTATION AND DISCLOSURES

The auditors noted that there were several discrepancies and errors in the presentation of financial statements for both financial years under review. Notes to the financial statements did not correspond to the information on the face of the financial statements.

- **STATEMENT OF CASHFLOWS**

The auditors noted that the statement of cashflows as presented by the Council does not present fairly the financial cashflows of the Council for the periods under review.

- **STATEMENT OF COMPARISON: BUDGET VS ACTUAL**

The auditors noted significant differences between the Statement of Comparison: Budget Vs Actual and the amounts in the budget provided by the Council and signed off by the Ministry of Urban and Rural Development.

- **NOTES TO THE FINANCIAL STATEMENTS**

The auditors noted that certain required disclosures were missing in the notes to the financial statements:

- **Note 2.1.1 Revenue from Non-Exchange Transactions:** In line with IPSAS 23, paragraph 106, the Council is required to disclose the accounting policies used to recognize and measure revenue from non-exchange transactions. This includes methods of revenue recognition, criteria for measurement and any particular considerations for different types of non-exchange transactions;
- **Note 2.3.2 Other Non-Financial Assets:** The note does not present comparative figures for the 2020 financial period;
- **Note 2.4 Intangible Assets:** The note omits details on recognition criteria, measurement, and amortization, as required by IPSAS 31, paragraph 117;
- **Note 2.5 Inventories:** The note does not sufficiently explain the accounting policy used for inventories or the types of inventory held by the Council;
- **Note 2.6 Provisions:** This note lacks detailed information on the nature of obligations and the expected timing of any outflows of economic benefits or service potential;
- **Note 2.7 Depreciation and Amortization Expenses:** The note discloses an amortization amount of N\$ 101 432 for the 2020 financial period, which does not align with the information disclosed in notes 2.2.1 and 2.3;
- **Note 2.9 Trade and other receivables:** The note does not present comparative figures for the 2020 financial period;
- **Note 2.10 (b) Provision for Accrued Bonus:** The figures disclosed in the note N\$ 979 825 (2022), N\$ 951 030 (2021) and N\$ 1 794 848 (2020) have not been disclosed in the statement of financial position; and
- **Note 3 Delegated Functions:** According to IPSAS 1, paragraph 132, entities are required to disclose the nature, purpose, and scope of delegated functions and explain their impact on the financial statements. Paragraph 140 further requires a description of relationships with entities performing delegated functions, particularly where there is significant influence or control, to clarify accountability relationships.

2.3 INTANGIBLE ASSETS NOT ARMOTISED

The auditors noted that intangible assets valued at N\$ 66 370 were not amortized during the periods under review. Intangible assets should be amortized over their useful life unless they are deemed to have an indefinite useful life, according to IPSAS 31, *Intangible Assets*, paragraphs 67-68, which states that:

67. The amortization period of an intangible asset with a finite useful life shall be reviewed at least at each annual reporting date. If the expected useful life of the asset is different from previous estimates, the amortization period shall be changed accordingly, and the change shall be accounted for as a change in accounting estimate under IPSAS 3, Accounting Policies, Changes in Accounting Estimates and Errors.

68. The amortization method applied to an intangible asset shall be reviewed at least at each annual reporting date. If there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method shall be changed to reflect the new pattern. Such a change shall be accounted for as a change in accounting estimate under IPSAS 3.

2.4 WORK-IN-PROGRESS-CAPITAL PROJECTS

• VEHICLE PURCHASED AS PART OF WORK-IN-PROGRESS

The auditors noted that the Council recorded the purchase of a vehicle, valued at N\$ 296 654 (2022), under "Work-in-Progress" within Capital Projects. However, IPSAS 17 specifies that assets should only be classified as work-in-progress if they are under construction or development and not yet ready for their intended use.

• COMPLETED WORK-IN-PROGRESS

The auditors noted that the Council did not capitalize completed projects to Property, Plant and Equipment (PPE) as required by IPSAS 17, Property, Plant and Equipment, which mandates that completed projects that meet capitalization criteria should be transferred to PPE to accurately reflect the entity's asset. Projects valued at N\$ 18 357 854 for the 2021 period, which were closed off during that period, were not transferred to PPE.

2.5 TRADE RECEIVABLES

The auditors noted credit balances on the Trade Receivables Age Analysis amounting to N\$ 1 864 002 (2022) and N\$ 1 846 002 (2021). Trade receivables and revenue from municipal services are understated with the amounts indicated.

2.6 TRADE PAYABLES - CREDIT BALANCES

The auditors noted credit balances on the Trade Payables Age Analysis amounting to N\$ 8 812 104 (2022) and N\$ 7 556 770 (2021). The Council trade payables are understated with the above credit balances.

2.7 RURAL DEVELOPMENT

The auditors noted that the Council accounts for funds received for Rural Development as liability contrary to the requirements of IPSAS 23, Revenue from Non-Exchange Transactions paragraphs 31-32 (*see paragraphs below*), which requires that such funds be recognized as revenue when control over the resources is obtained; unless conditions exist that defer recognition:

31. An inflow of resources from a non-exchange transaction, other than services in-kind, that meets the definition of an asset shall be recognized as an asset when, and only when: (a) It is probable that the future economic benefits or service potential associated with the asset will flow to the entity; and (b) The fair value of the asset can be measured reliably.

Control of an Asset

32. The ability to exclude or regulate the access of others to the benefits of an asset is an essential element of control that distinguishes an entity's assets from those public goods that all entities have access to and benefit from. In the public sector, governments exercise a regulatory role over certain activities, for example financial institutions or pension funds. This regulatory role does not necessarily mean that such regulated items meet the definition of an asset of the government, or satisfy the criteria for recognition as an asset in the general purpose financial statements of the government that regulates those assets. In accordance with paragraph 98, entities may, but are not required, to recognize services in-kind.

2.8 CASH AND CASH EQUIVALENTS

• DIFFERENCES BETWEEN THE FINANCIAL AND BANK STATEMENTS

The auditors noted differences of N\$ 295 964 (2022) and N\$ 5 301 (2021) between the balance disclosed in the financial statements and the balance in the bank statements for several accounts.

• DORMANT BANK ACCOUNTS

The auditors found that the balances of several bank accounts remained the same for the periods ended 31 March 2022 and 2021, with a total balance of N\$ 86 263, respectively. Furthermore, these bank accounts could not be traced to the General Ledger and were not confirmed by the banks.

• BANK ACCOUNTS NOT DISCLOSED

The auditors found that several bank balances as at year-end amounting to N\$ 183 632 (2022) and N\$ 143 689 (2021) were confirmed by the respective individual banks, but not disclosed in the Council financial statements.

• BANK ACCOUNTS RECORDED TWICE

The auditors found that one bank account appears twice in the financial statements and the balance of N\$ 86 278 does not appear in the bank statement nor was it confirmed by the bank, however was disclosed for both financial periods ended 31 March 2022 and 2021.

2.9 REVENUE

- **GOVERNMENT SUBSIDY**

The auditors noted material differences of N\$ 39 513 663 (2022) and N\$18 464 285 (2021) between the balances disclosed in the financial statements and the government proof of payments for the financial years under review. The auditors further found, that the Council recorded funds received from the Ministry of Urban and Rural Development for capital projects under "Development Fund: Capital Projects," an equity account, these funds should have been disclosed as revenue in terms of IPSAS 23, Revenue from Non-Exchange Transactions.

IPSAS 23, Revenue from Non-Exchange Transactions; paragraphs 31-32, requires that such funds be recognized as revenue when control over the resources is obtained; unless conditions exist that defer recognition.

- **5% RATES AND LEVIES**

The auditors could not confirm the accuracy and completeness of the levies amounting to N\$ 95 340 (2022) and N\$ 19 338 (2021) received during the periods under review, due to non-submission of supporting evidence apart from the bank statements.

Furthermore, the auditors noted that the Council does not recognize the 5% levies from the Local Authorities as incurred, only when payment is effected and no debtors were raised thereon. This contravenes Section 77(1) of the Local Authorities Act, No. 23 of 1992 read with Section 33(1) (b) of the Regional Council's Act No. 22 of 1992, which stipulates that each Local Authority must transfer 5% of assessment rates levied on all ratable property to the relevant Regional Council.

Additionally, this practice is non-compliant with IPSAS 23, Revenue from Non-Exchange Transactions, paragraphs 31-32, which require that revenue be recognized as an accrual when control over resources is established.

- **CENORED SURCHARGES**

The auditors were unable to confirm the accuracy and completeness of the surcharges received amounting to N\$ 623 784 (2022) and N\$ 339 982 (2021) as the Council did not provide the breakdown of the transactions and the approved Electricity Control Board tariffs as supporting documents. Furthermore, the Council does not recognize income when incurred and, only when it appears on the bank statement and no debtors were raised. This practice is inconsistent with IPSAS 23, Revenue from Non-Exchange Transactions.

2.10 EXPENDITURE

• FRUITLESS EXPENDITURE

The auditors noted that the Council incurred fruitless expenditure amounting to N\$ 23 400 (2021) on IPSAS training for the Internal Audit department staff, as the training did not yield the intended benefits. Despite this investment, no Internal Audit reports were produced in the current or subsequent years, and the Internal Audit department does not contribute to financial statement preparation, which remains solely the responsibility of the Deputy Director of Finance. This suggests that the expenditure did not enhance the effectiveness or output of the Internal Audit department.

Furthermore, the Council's internal audit function is not operational in alignment with the Council's structure and standard corporate governance requirements. Additionally, the auditors noted that the internal auditors were not available during the audit, this was also observed during the prior year audits, (2019 & 2020).

• SUBSISTENCE AND TRAVELLING ALLOWANCES

The auditors noted that the budgeted allocation of N\$ 581 700 for each of the financial periods under review was exceeded by N\$ 361 296 (2021) and N\$ 500 005 (2022). The actual expenditure exceeded the budget by 62% in 2022 and 85% in 2021, this reflects a clear lack of efficiency, economy, as expenditures far exceeded planned financial limits; and effectiveness, as the funds have been viremented from other priority areas.

2.11 NON-SUBMISSION OF AUDIT DOCUMENTS

• SERVICE LEVEL AGREEMENTS

The auditors noted that the Council has entered into various Service Level Agreements (SLAs) such as security services, Refuse removal, Photocopy machine rentals and storage amounting to N\$ 1 021 889 (2021) and N\$ 521 780 (2022), these SLAs were not provided for audit purpose.

• EXPENDITURE VOUCHERS

Expenditure vouchers relating to the 2021 period amounting to N\$ 781 551 were not provided for audit purpose.

• WORK-IN-PROGRESS-CAPITAL PROJECTS

Work-in-Progress-Capital Projects vouchers amounting to N\$ 1 695 406 for 2022 were not provided for audit purpose.

3. KEY AUDIT MATTERS

Key audit matters are those matters that, in my professional judgment, were of most significance in the audit of the financial statements of the periods under review. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the audit opinion thereon, and I do not provide a separate audit opinion on these matters. I have nothing to report in this regard.

4. OTHER INFORMATION

My audit opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with the audit of the financial statements, my responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the audit or otherwise appears to be materially misstated. I have nothing to report in this regard.

5. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with legislation and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements management is responsible for assessing the entity'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 management either intends to liquidate the entity or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible of overseeing the entity's financial reporting process.

6. AUDITOR'S RESPONSIBILITY 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 audit report that includes the audit opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Standards for Supreme Audit Institutions (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 the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards for Supreme Audit Institutions, I exercise 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 controls;
- 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 Entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists I am required to draw attention in the audit report to the related disclosures in the financial statements or if such disclosures are inadequate to modify the audit opinion. My conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Entity 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 those charged with governance 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 the audit;
- I also provide those charged with governance 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; and

From the matters communicated with those charged with governance 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 the audit 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 the audit report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- The accounts were submitted later than required by the Accounting Officer to the Auditor-General on the 05 June 2024 in terms of Section 40(1) of the Regional Council Act 1992 (Act No. 22 of 1992), instead of three months after the financial year end;
- **The financial statements for the financial years ended 31 March 2023 and 2024 have not yet been submitted at the time of finalising this audit report;**
- **Compliance with the Public Procurement Act, 2015 (Act No. 15 of 2015)** – The auditors were unable to confirm that the Council followed the requirements of the Act as the necessary procurement documents and vouchers amounting to N\$ 1 599 239 (2021) and N\$ 4 680 281 (2022) were not provided for audit purposes.

8. KEY PERFORMANCE INDICATOR (KPI)

The auditors could not perform any tests on the implementation of the strategic plan and effectiveness of the performance management systems as there are no approved procedures in place. There was no signed Strategic Plan, Annual Plan and a performance management agreements provided to the auditors.

WINDHOEK, March 2025



**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

ANNEXURE A

REGIONAL COUNCIL FOR THE OMAHEKE REGION
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

	Note	2022 N\$	2021 N\$	2020 N\$
ASSETS				
Non-Current Assets				
Infrastructure, Plant and Equipment	2.3.1	773 140	952 575	1 422 968
Work-in-Progress-Capital Projects	2.3.2	233 215 352	202 281 062	260 740 381
Buildings	2.3.1	6 634 250	6 826 850	7 019 450
Intangible Assets- Software	2.4	66 370	66 370	-
Current Assets				
Inventories	2.5	351 750	320 175	1 045 397
Receivables	2.9(b)	18 099 732	17 939 257	18 024 028
Other Current Assets	2.9(a)	68 907 310	59 762 256	48 846 047
Cash and Cash Equivalents	2.12	54 690 153	55 117 681	69 706 758
TOTAL ASSETS		382 738 057	343 266 226	406 805 029
EQUITY AND LIABILITIES				
Equity				
Accumulated Fund or Retained Income		15 098 448	18 010 828	(23 070 713)
Development Fund: Capital Projects		339 121 526	299 494 745	401 118 498
Non-Current Liabilities				
Employee Benefits: Leave Days	2.10	7 760 058	7 799 772	9 007 700
Current Liabilities				
Account Payable		3 888 098	3 558 660	3 262 074
Cash Control Accounts		3 608 016	3 189 378	2 843 131
Sundry and Other Creditors		13 261 911	11 212 844	13 644 340
TOTAL EQUITY AND LIABILITIES		382 738 057	343 266 226	406 805 029

ANNEXURE B

**REGIONAL COUNCIL FOR THE OMAHEKE REGION
STATEMENT OF FINANCIAL PERFORMANCE AS AT 31 MARCH**

	Note	2022 N\$	2021 N\$	2020 N\$
REVENUE FROM NON-EXCHANGE TRANSACTIONS		45 652 338	45 727 867	109 426 829
Government subsidy	2.1.1(b)	45 633 000	45 632 527	108 699 531
Contribution from Local Authorities	2.1.1(c)	19 338	95 340	727 298
REVENUE FROM EXCHANGE TRANSACTIONS		2 754 746	3 400 654	5 580 298
Income from Municipal Services	2.1.2(a)	908 735	911 546	2 250 441
Finance Income – Bank Interest Received	2.1.2(b)	984 997	1 533 580	2 883 017
Other Income	2.1.3	237 230	594 546	152 984
Surcharges/Royalties	2.1.2(c)	623 784	339 982	291 856
Donations	2.1.2(d)	-	21 000	2 000
Delegated Function	3.1	6 558 400	7 311 012	14 624 585
TOTAL REVENUE		54 965 483	56 439 533	129 631 711
OPERATING EXPENDITURE				
Wage, Salaries and Employee Benefits	2.8	35 424 358	36 448 208	36 797 605
Subsistence and Travelling Allowance		942 996	1 081 705	1 529 648
Materials and Supplies	2.11(b)	380 281	1 572 681	747 225
Finance Costs		115 499	116 879	116 648
Other Expenses	2.11(a)	9 273 341	11 171 800	13 980 158
Depreciation	2.7	551 333	662 993	890 214
Rural Development		-	-	622 491
Delegated Function	3.2	10 729 260	10 747 017	6 292 783
TOTAL EXPENSES		57 417 068	61 801 285	60 976 383
SURPLUS/(DEFICIT)		(2 451 584)	(5 361 752)	68 655 329

REGIONAL COUNCIL FOR THE OMAHEKE REGION
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH

	Development Fund Capital projects	Accumulated fund/Retained earning	Total
	N\$	N\$	N\$
Balance at 1 April 2021	401 118 498	(23 072 155)	378 046 343
<i>Changes in Equity</i>			
Deficit for the year	-	(5 361 752)	(5 361 752)
Prior year adjustment	(101 623 754)	46 444 735	(55 179 019)
Balance at 31 March 2021	299 494 744	18 010 828	317 505 572
Balance at 1 April 2022	299 494 745	18 010 828	317 505 572
<i>Changes in Equity</i>			
Deficit for the year	-	(2 451 583)	(2 451 583)
Prior year adjustment	39 626 782	5 363 962	44 990 744
Balance at 31 March 2022	339 121 526	20 923 207	360 044 733

REGIONAL COUNCIL FOR THE OMAHEKE REGION
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH

	Note	2022 N\$	2021 N\$	2020 N\$
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
		54 965 483	56 439 532	66 217 091
Grants and transfers	2.1.1(b)	45 633 000	45 632 527	45 283 759
Cash received from customers and other income	2.1.2			
	(a)(a)(c)(d)	1 789 086	1 962 414	3 424 579
Interest Received	2.1.2(b)	984 997	1 533 580	2 883 017
Delegated functions	3.1	6 558 400	7 311 012	14 624 585
Payments				
		55 922 739	60 056 586	60 086 168
Cash Paid for Employees	2.8	35 424 358	36 448 208	36 795 605
Delegated Functions	3.2	10 729 260	10 747 017	6 292 783
General Expenditure	2.11	9 653 622	12 744 481	16 881 132
Cash paid for Interest and Bank Charges		115 499	116 879	116 648
Net Cash Provided by Operating Activities		(957 256)	(3 617 054)	6 130 922
CASH FLOW FROM INVESTMENT ACTIVITIES				
Purchase of PPE - WIP	2.3.2*	113 073 138	26 960 662	63 713 863
Purchase of Property, Plant and Equipment's Rural development	2.3.1*	58 500	-	1 506 325
		4 623 136	11 753 284	-
Total Cash Movement		117 754 774	38 713 946	65 220 188
Net Increase/(Decrease) in cash		(427 510)	(14 589 077)	(491 725)
Beginning Cash Balance		55 117 663	69 706 758	70 198 483
Ending Cash Balance		54 690 153	55 117 681	69 706 758

**The amounts disclosed in the cash flow statement does not correspond to the notes.*

**REGIONAL COUNCIL OF THE OMAHEKE REGION
STATEMENTS OF COMPARISONS: BUDGET VS ACTUAL**

VOTE DESCRIPTION	2021/2022	2021/2022 Final	2021/2022	Difference
	Original Budget	Budget*	Actual on Comparative Basis	Budget and Actual Over Budget Period
	N\$	N\$	N\$	N\$
Government subsidy	45 632 527	45 632 527	45 633 000	(473)
Income from Municipal Services	2 620 013	2 620 013	908 735	1 711 278
Finance Income- Bank Interest Received	770 000	770 000	976 190	(206 190)
Bank Balances	254 131	254 131	254 131	-
Tender Income	206 250	206 250	112 550	93 700
Surcharges : Cenored	450 450	450 450	623 784	(173 334)
VAT Refunds	-	-	-	-
Donations	-	-	-	-
TOTAL REVENUE	49 933 371	49 933 371	48 508 390	1 424 981
OPERATING EXPENDITURE				
Remuneration	34 566 816	34 566 816	29 752 514	(4 814 302)
Employers Contribution to the G.I.P.F and M.P.O.B.P.F	4 689 500	4 689 500	3 722 286	(967 214)
Other Condition of Services	480 185	480 185	1 949 558	1 469 373
Substance and Travelling Allowance	581 700	861 700	942 996	81 296
Materials and Supplies	386 000	386 000	380 281	(5 719)
Transport and Related Expenses	710 650	795 650	806 007	10 357
Utilities Expenses	4 637 500	4 637 500	5 140 877	503 377
Maintenance Expenses	600 000	600 000	475 984	(124 016)
Rental Expenses	154 920	164 920	202 420	37 500

**This budget is different to the budget approved by the Ministry of Urban and Rural Development. Refer to finding 2.2*

ANNEXURE E

REGIONAL COUNCIL OF THE OMAHEKE REGION
STATEMENTS OF COMPARISONS: BUDGET VS ACTUAL (Continued)

VOTE DESCRIPTION	2021/2022	2021/2022	2021/2022	Difference
	Original Budget	Budget*	Final	Actual on Comparative Basis
	N\$	N\$	N\$	N\$
OPERATING EXPENDITURE (Continued)				
Other Expenses	2 424 600	2 049 600	2 421 153	371 553
Membership Fees and License Renewal	408 000	408 000	370 936	(37 064)
Furniture & Office equipment	255 000	255 000	-	(255 000)
Operational equipment	38 500	38 500	-	(38 500)
Delegated Functions Expenses	12 706 729	12 706 729	4 819 100	(7 887 629)
TOTAL EXPENSES	62 640 100	62 640 100	50 984 111	(11 655 989)
SUPLUS/(DEFICIT)				
RURAL SERVICE BUDGET				
Budgeted Income	6 433 642	6 433 642	12 706 729	(6 273 087)
Budgeted Expenditures	6 433 642	6 433 642	8 926 662	(2 493 020)
Deficit/surplus	-	-	3 780 067	(3 780 067)
CAPITAL DEVELOPMENT BUDGET				
Budgeted Income	60 110 893	60 110 893	60 110 893	-
Budgeted Expenditures	60 110 893	60 110 893	60 110 893	-
Deficit/surplus	-	-	-	-

**This budget is different to the budget approved by the Ministry of Urban and Rural Development. Refer to finding 2.2*

**REGIONAL COUNCIL OF THE OMAHEKE REGION
STATEMENTS OF COMPARISONS: BUDGET VS ACTUAL (Continued)**

VOTE DESCRIPTION	2020/2021	2020/2021 Final	2020/2021	Difference
	Original Budget N\$	Budget* N\$	Actual on Comparative Basis N\$	Budget and Actual Over Budget Period N\$
Government subsidy	45 632 528	45 632 528	45 632 527	1
Income from Municipal Services	2 811 032	2 811 032	911 546	1 899 486
Finance Income- Bank Interest Received	700 000	700 000	1 533 580	(833 580)
Bank Balances	231 028	231 028	231 028	-
Tender Income	375 000	375 000	470 050	(95 050)
Surcharges : Cenored	71 500	71 500	339 982	(268 482)
VAT Refunds	5 531 000	5 531 000	-	5 531 000
Donations	-	-	21 000	(21 000)
TOTAL REVENUE	55 352 088	55 352 088	49 139 713	6 212 375
OPERATING EXPENDITURE				
Remuneration	34 547 332	34 547 332	31 586 885	(2 960 447)
Employers Contribution to the G.I.P.F and M.P.O.B.P.F	4 688 819	4 688 819	3 840 475	(848 344)
Other Condition of Services	854 714	854 714	909 369	54 655
Substance and Travelling Allowance	581 700	581 700	1 081 705	500 005
Materials and Supplies	350 000	350 000	847 459	497 459
Transport and Related Expenses	1 310 000	1 310 000	1 138 590	(171 410)
Utilities Expenses	8 275 000	8 275 000	6 903 153	(1 371 847)
Maintenance Expenses	1 850 000	1 850 000	233 891	(1 616 109)
Rental Expenses	204 000	204 000	274 747	70 747

**This budget is different to the budget approved by the Ministry of Urban and Rural Development. Refer to finding 2.2*

ANNEXURE E

REGIONAL COUNCIL OF THE OMAHEKE REGION
STATEMENTS OF COMPARISONS: BUDGET VS ACTUAL (Continued)

VOTE DESCRIPTION	2020/2021	2020/2021	2020/2021	Difference Budget and Actual Over Budget Period
	Original Budget	Final Budget*	Actual on Comparative Basis	
	N\$	N\$	N\$	N\$
OPERATING EXPENDITURE (Continued) NS				
Other Expenses	3 474 876	3 474 876	2 882 360	(592 516)
Membership Fees and License Renewal	500 000	500 000	415 627	(84 373)
Furniture & Office equipment	175 108	175 108		(175 108)
Operational equipment	35 000	35 000		(35 000)
Delegated Functions Expenses	15 966 476	15 966 476	7 311 012	(8 655 464)
TOTAL EXPENSES	72 813 025	72 813 025	57 425 272	(15 387 753)
SUPPLUS/(DEFICIT)		(17 460 937)		
RURAL SERVICE BUDGET				
Budgeted Income	14 799 846	14 799 846	15 966 476	(1 166 631)
Budgeted Expenditures	14 799 846	14 799 846	10 711 651	4 088 195
Deficit/surplus	-	-	5 254 826	(5 254 826)
CAPITAL DEVELOPMENT BUDGET				
Budgeted Income	676 692 590	676 692 590	676 692 590	-
Budgeted Expenditures	676 692 590	676 692 590	676 692 590	-
Deficit/surplus	-	-	-	-

**This budget is different to the budget approved by the Ministry of Urban and Rural Development. Refer to finding 2.2*

**REGIONAL COUNCIL OF THE OMAHEKE REGION
STATEMENTS OF COMPARISONS: BUDGET VS ACTUAL (Continued)**

VOTE DESCRIPTION	2019/2020	2019/2020 Final	2019/2020	Difference
	Original Budget	Budget	Comparative	Budget and
	N\$	N\$	Basis	Actual Over
			N\$	Budget Period
				N\$
Government subsidy	43 632 527	43 632 527	43 632 528	1
Income from Municipal Services	2 450 000	2 450 000	2 241 832	(208 168)
Finance Income- Bank Interest Received	700 000	700 000	2 883 017	2 183 017
Bank Balances	592 060	592 060	592 060	-
Tender Income	375 000	375 000	29 100	(345 900)
Surcharges : Cenored	715 000	715 000	291 856	(423 144)
VAT Refunds	5 531 000	5 531 000	-	(5 531 000)
Donations	-	-	2 000	2 000
TOTAL REVENUE	53 995 587	53 995 587	49 672 393	(4 323 194)
OPERATING EXPENDITURE				
Remuneration	33 905 287	33 905 287	30 158 397	(3 746 890)
Employers Contribution to the G.I.P.F and M.P.O.B.P.F	4 387 053	4 387 053	4 061 331	(325 722)
Other Condition of Services	854 713	854 713	2 575 876	1 721 163
Substance and Travelling Allowance	1 184 206	1 184 206	1 529 284	345 078
Materials and Supplies	300 000	300 000	747 589	447 589
Transport and Related Expenses	1 280 000	1 280 000	1 198 692	(81 308)
Utilities Expenses	5 785 000	5 785 000	7 668 915	1 883 915
Maintenance Expenses	2 200 000	2 200 000	1 039 997	(1 160 003)
Rental Expenses	260 000	260 000	306 677	46 677

ANNEXURE E

REGIONAL COUNCIL OF THE OMAHEKE REGION
STATEMENTS OF COMPARISONS: BUDGET VS ACTUAL (Continued)

VOTE DESCRIPTION	2019/2020	2019/2020	2019/2020	Difference
	Original Budget	Budget	Actual on Comparative Basis	Budget and Actual Over Budget Period
	N\$	N\$	N\$	N\$
OPERATING EXPENDITURE (Continued)				
Other Expenses	3 179 328	3 179 328	3 806 998	627 670
Membership Fees and License Renewal	475 000	475 000	208 567	(266 433)
Furniture & Office equipment	150 000	150 000	-	(150 000)
Operational equipment	35 000	35 000	-	(35 000)
Delegated Functions Expenses				-
TOTAL EXPENSES	53 995 587	53 995 587	53 302 324	(693 263)
SUPPLUS/(DEFICIT)				
RURAL SERVICE BUDGET				
Budgeted Income	20 615 968	20 615 968	20 615 968	-
Budgeted Expenditures	20 615 968	20 615 968	9 044 458	(11 571 510)
Deficit/surplus	-	-	11 571 510	11 571 510
CAPITAL DEVELOPMENT BUDGET				
Budgeted Income	85 995 483	85 995 483	58 176 741	(27 818 742)
Budgeted Expenditures	85 995 483	85 995 483	63 713 863	22 281 620
Deficit/surplus	-	-	-	-

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH

ACCOUNTING POLICIES

1. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The Regional Council is in the second-year (31st March 2021) and third year (31 March 2022) of adopting the IPSAS's except for IPSAS 17, Property, Plant and Equipment. Omaheke Regional Council has assets with zero values in the asset register that are still in use and required reliable model for recognition and measurement. The Council will adopt the reliable model for recognition and measurement in future.

The financial statements are presented in Namibian Dollars, which is the functional and reporting currency of the Regional Council and all values are rounded to the nearest thousand (N\$ 000).

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The financial statements are prepared on accrual basis.

The income and expenditure in relation to Delegated Functions is accounted for during the year under review on a cash accounting basis, in line with the State Finance Act, 1992.

IPSAS 16-investment property

Not applicable during the financial year ending 31 March 2022 and 2022

IPSAS 27-agriculture assets /biological assets

Not applicable during the financial year ending 31 March 2022 and 2022

IPSAS 32 –Service concession arrangements

Not applicable during the financial year ending 31 March 2022 and 2022

The financial statements have been prepared on an accrual and going concern basis and comply with the requirements of International Public Sector Accounting Standards (IPSAS). The Annual Financial Statements are prepared on the assumption that the Regional Council is a going concern and will continue in operation and meet its statutory obligations for the foreseeable future.

Since all liabilities relating to the Delegated Funds remains with the relevant Ministries and all unexpended Delegated Funds are returned to the State Account, it does not materially affect the Regional Council's financial statements.

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 REVENUE RECOGNITION

2.1.1 Revenue from Non-Exchange Transactions-IPSAS 23

(a) Fees, taxes and fines

The Regional Council recognizes revenue from fees, taxes and fines when the event occurs and the transaction met the asset recognition criteria.

The main purpose for the Regional Council to supply urban services to the residents of the settlement areas is not to make profit but to improve the livelihood of the communities.

For the period under review the entity had no transaction falling under this category.

(b) Transfers from other government entities IPSAS 23

	2022	2021	2020
	N\$	N\$	N\$
GOVERNMENT TRANSFERS	45 633 000	45 632 527	108 699 531
Operational Budget	45 633 000	45 632 527	43 632 528
Development Budget	-	-	58 176 741
Rural Development Budget	-	-	6 890 262

(c) 5% Contribution from local authorities

5% CONTRIBUTION FROM LOCAL AUTHORITIES	2022	2021	2020
Gobabis Municipality	-	-	699 691
Witvlei Village Council	19 338	71 113	27 606
Leornardville Village Council	-	24 227	-

The Regional Council received N\$ 95 340 and N\$ 19 339 for 2021 and 2022 respectively as contribution from Local Authorities as per the provision of section 77 (1) of the Local Authorities Act, 1992 (Act No. 23 of 1992).

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2.1 REVENUE RECOGNITION (Continued)

2.1.2 Revenue from Exchange Transactions - IPSAS 09

(a) Rendering of services

	2022	2021	2020
	N\$	N\$	N\$
REVENUE FROM EXCHANGE TRANSACTION:MUNICIPAL SERVICES	908 735	911 546	2 250 441
Directorate General Services	172 374	46 000	588 269
Aminius Settlements	68 135	11 867	7 797
Buite Post Settlement	402 673	249 989	660
Talismanus Settlement	134 302	128 925	163 147
Omitara Settlement	130 652	472 961	285 258
Epukiro Settlement	600	1 804	1 205 278
Corridor 13	-	-	32

The Regional Council recognizes revenue from rendering of various services including settlement services at Omitara, Talismanus, Epukiro, Aminius, Buitepos and Corrido – 13. For the period under review the entity received N\$ 903 631 and N\$ 911 546 for 2021 and 2022 respectively for the rendering of various services including settlement services at Omitara, Talismanus, Epukiro, Aminius, Buitepos and Corrido – 13.

(b) Interest income

	984 997	1 533 580	2 883 017
INTEREST RECEIVED			
Interest Received/ORC Agri Rural Water Supply	61 357	247 120	-
Interest Received/ORC DEC	28 115	27 146	61 838
Interest Received/Interest Rec Trust Fund Call	29 287	30 328	53 702
Interest Received/Interest/ORC DEC Call	942	-	-
Interest Received/Buid Together Call	166 709	172 115	303 391
Interest Received/ORC 5%	-	-	74
Interest Received/ORC BTP	16 244	17 770	39 839
Interest Received/0040565 Aminius Settlement	-	-	1 001
Interest Received/ORC Rural Dev	14 163	26 826	3 126
Interest Received/Governor's Social Club	1 436	9 674	20 908

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2.1 REVENUE RECOGNITION (Continued)

2.1.2 Revenue from Exchange Transactions - IPSAS 09 (Continued)

(b) Interest income (continued)

	2022	2021	2020
	N\$	N\$	N\$
Interest Received/ORC Capital Call	3 350	1 027	3 396
Interest Received/ORC Trust Account	14 253	15 275	32 407
Interest Received/Interest Received	11 192	7	6 005
Interest Received/Interst Rec STD BT Prem Cal	24 499	25 367	50 824
Interest Received/Interst Rec Regional Disaster	2 907	2 960	12 311
Interest Received/Interest Received BTP Call	64 371	68 910	149 995
Interest Received/Interest Rec/Cap Pro	170 577	168 164	272 396
Interest Received/Interest Rec Cap Pro	156 727	313 980	933 305
Interest Received/Min of Agriculture	26 885	18 410	53 515
Interest Received/Interest Received VAT	17	18	160 922
Interest Received/Interest Rec- Rural Dev Call	147 412	288 276	640 139
Interest Received/Ministry of Land reform	5 063	3 798	185
Interest Received/Min of Info & Comm Tech	1 004	7 145	1 785
Interest Received/Min of Health & Social Ser	226	287	61
Interest Received/ORC Settlement Receipts	1 536	780	2 325
Interest Received/Interest Rec-Min Of Gender	35 276	86 616	25 823
1500/778 (Interest Received/Interest received)	420	444	145
1500/782 (Interest Received/Interest Received)	459	482	53 172
1500/879 (Interest Received/Omitara)	76	27	0
1500/301 (Interest Received/Interest Recieved)	495	624	426

Omaheke Regional Council recognizes interest income as earned from the commercial banks.

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2.1 REVENUE RECOGNITION (Continued)

2.1.2 Revenue from Exchange Transactions - IPSAS 09 (Continued)

(c) Royalties and Dividends

Omaheke Regional Council has shares in the Regional Council Electricity Company, which hold shares in CENORED. As per the service, CENORED pays surcharges/royalties to the Regional Council at the rate approved by Electricity Control Board (ECB) from time to time. For the period under review the entity received an amount of N\$ 339 982 and N\$ 623 784 for 2021 and 2022 financial years respectively.

	2022	2021	2020
	N\$	N\$	N\$
Royalties	623 784	339 982	291 856
(d) Donations	-	21 000	2 000
Donations	-	21 000	2 000

2.1.3 Other revenue IPSAS 23

Other revenue IPSAS 23	237 230	594 546	152 984
2.5% Commission Received	124 680	124 495	123 884
Tender Documents	112 550	470 050	29 100

VALUE ADDED TAXES (VAT) – IPSAS 28

Expenses and assets are recognized net of the amount of sales tax, except:

When VAT charged on a purchase of assets or services and services is not recoverable from the Receiver of Revenue, such amount is realized as part of the cost of acquisition of the asset or as part of the expense.

The net amount of VAT recoverable from or payable to the Receiver of Revenue is included in the Statement of Financial Position as part of receivables or payables. For the periods under review the recognized VAT Receivable amounts to N\$ 40 702 294 and N\$ 47 591 430.

**REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)**

**2.2 EXPLANATION OF MATERIAL DIFFERENCES BETWEEN THE BUDGET AND
ACTUAL AMOUNT IPSAS 24**

The budget is approved on a cash basis by economic nature classification. The approved budget covers the fiscal period from 1st April 2020 to 31st March 2021, and 1st April 2021 to 31st March 2022, and includes the followings:

- a) The Regional Council operational budget;
- b) The Regional Council development budget, and
- c) The Regional Council Rural Services budget.

The Regional Council's financial statements are prepared on the accrual basis, using a classification based on the nature of expenses in the statement of financial performance. The Council's budget is prepared on a cash basis; therefore, the financial statements differ from the budget due to the difference basis of accounting used.

The amounts in the financial statements were recast from the accrual basis to the cash basis, and reclassified to be on the same basis as the final approved budget. In addition, adjustments to amounts in the financial statements for basis differences associated with the continuing appropriation were made to express the actual amounts on a comparable basis to the final approved budget.

Reconciliation between the actual amounts on a comparable basis as presented in the Statement of Comparison of Budget and Actual Amounts and the actual amounts in the Statement of Cash Flows for the year ended 31 March 2021 and 31 March 2022.

The financial statements and budget documents are prepared for the same period. There is no entity difference because both the budget and the financial statements are prepared for the regional council only. However, there is a basis difference, the council's budget is prepared on a cash basis and the council's financial statements are prepared on the accrual basis.

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2.3 FIXED ASSETS AND DEPRECIATION - IPSAS 17

Fixed assets are stated at cost or at valuation where assets have been acquired by grant or donation, less depreciation written off over the expected useful lives as determined by the Regional Council from time to time.

Fixed Assets acquired with loan fund are not depreciated until the loan is repaid, unless the expected lifetime of the asset is less than the repayment period of the loan in which case depreciation is calculated on the shortfall. A Fixed assets acquired with government grant is depreciated in full during the year the asset is put in use.

The estimated useful economic lives for each asset category are as follows:

Depreciation method: Straight line	
Asset Type	# of Useful life in Years
Buildings	50
Capital Infrastructures	50
Property Plant and Equipment	5
Motor vehicles	5
Office Furniture and Equipment	5
Computer equipment	3
Intangible Assets – Software	3
Land	Does not depreciate

Gains and losses on disposal of property, plant and equipment are determined by taking into account the asset carrying amount and the accumulated depreciation over the years and the same fall part of the annual operating surplus/(deficit).

Proceeds from the disposal of assets are transferred to the State Account, except in the instance where approval is granted for the Council to keep such proceeds.

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH (Continued)

2.3.1 PROPERTIES, PLANT AND EQUIPMENT

	Building	Motor Vehicles	Furniture & Fittings	Office Equipment	Computer Equipment	Software	Plant Equipment	Totals
	N\$	N\$	N\$	N\$	N\$	N\$	N\$	N\$
Cost at 30 April 2019								
amount-01/04/19	9 631 500	7 230 322	1 155 538	851 615	891 930	304 296	160 870	20 226 071
Additions	-	812 567	36 976	51 770	605 012	-	-	1 506 325
Closing at 31/03/ 2020	9 631 500	8 042 889	1 192 514	903 385	1 496 942	304 296	160 870	21 732 396
Accumulated Depreciation as at 31 March 2021	(2 612 050)	(7 219 090)	(1 190 252)	(877 149)	(990 620)	(304 296)	(96 522)	(8 065 879)
Closing carrying as at 31/03/2021	7 019 450	823 799	2 262	26 236	506 322	-	64 348	13 666 518
Cost at 31 April 2020								
amount-01/04/20	7 019 450	823 799	2 262	26 236	506 322	66 370	64 348	8 508 787
Additions								
Closing at 31/03/ 2020	7 019 450	823 799	2 262	26 236	506 322	66 370	64 348	8 508 787
Depreciation as at 31 March 2021	(192 600)	(360 284)	-	(4 537)	(73 398)	-	(32 174)	(662 993)
Closing carrying as at 31/03/2021	6 826 850	463 516	2 262	21 699	432 924	66 370	32 174	7 845 794

**REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH (Continued)**

2.3.1 PROPERTIES, PLANT AND EQUIPMENT

	Building	Motor Vehicles	Furniture & Fittings	Office Equipment	Computer Equipment	Software	Plant Equipment	Totals
	N\$	N\$	N\$	N\$	N\$	N\$	N\$	N\$
Cost at 31 April 2021								
amount-01/04/2021	6 826 850	463 516	2 262	21 699	432 924	66 370	32 174	7 845 794
Additions			97 843					97 843
Closing at 31/03/2021	6 826 850	463 516	102 367	21 699	432 924	66 370	32 174	7 945 900
Depreciation as at 31 March 2022	(192 600)	(274 968)	(2 262)	-	(51 591)	-	(32 174)	(553 595)
Closing carrying as at 31/03/2022	6 634 250	188 548	100 105	21 699	462 787	66 370	-	7 473 759

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2.3.2 OTHER NON FINANCIAL ASSETS

	2022	2021
	N\$	N\$
WORK IN PROGRESS: DEVELOPMENT CAPITAL PROJECTS	233 215 352	202 281 062
(Work In Progress - Capital Projects/Construction of Regional Gov Office Park/Directorate Planning & Development Servi)	160 759 923	149 885 735
(Work In Progress - Capital Projects/Construction of Borehole & Installation /Directorate Planning & Development Servi/Okorukambe Constituency/Summerdown)	95 884	-
(Work In Progress - Capital Projects/Construction of Borehole&Installation/Directorate Planning & Development Servi/Kalahari Constituency/Tsjaka)	231 944	-
(Work In Progress - Capital Projects/Upgrading of dumpsite /Directorate Planning & Development Servi/Otjombinde Constituency/Tallismanus Settlement)	307 200	-
(Work In Progress - Capital Projects/Maintenance of Gravel Roads/Directorate Planning & Development Servi/Okorukambe Constituency/Omitara Settlement)	369 579	-
(Work In Progress - Capital Projects/Supply of Casings for Drilling Program/Directorate Planning & Development Servi)	454 615	-
(Work In Progress - Capital Projects/Welding Equipment's and Tools /Directorate Planning & Development Servi)	207 701	-
(Work In Progress - Capital Projects/Vehicle for Eiseb Solar Electrification /Directorate Planning & Development Servi/Otjombinde Constituency/Eiseb Block)	257 957	-
(Work In Progress - Capital Projects/Construction of Welded Mesh Fence /Directorate Planning & Development Servi/Aminius Constituency/Aminius Settlement)	309 119	-
(Work In Progress - Capital Projects/Construction of Aminus Cons/Directorate Planning & Development Servi/Aminius Constituency)	4 437 477	4 343 598
(Work In Progress - Capital Projects/Water Reticulation and Sewerage System/Directorate Planning & Development Servi/Otjombinde Constituency/Tallismanus Settlement)	304 333	-
(Work In Progress - Capital Projects/Construction of services at Eiseb 10 /Directorate Planning & Development Servi/Otjombinde Constituency)	3 353 256	1 856 149
(Work In Progress - Capital Projects/Construction of Services - Buitepos)	12 937 075	12 650 942

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2.3.2 OTHER NON FINANCIAL ASSETS (Continued)

	2022	2021
	N\$	N\$
WORK IN PROGRESS: DEVELOPMENT CAPITAL PROJECTS (Continued)		
(Work In Progress - Capital Projects/Construction of Services - Tallismanus)	7 476 524	6 945 584
(Work In Progress - Capital Projects/Const of Omitara Water & Sewerage Network)	673 361	-
(Work In Progress - Capital Projects/Epukiro Construction of Services)	15 106 019	14 913 901
(Work In Progress - Capital Projects/Witvlei Construction of Sewerage project)	2 124 707	-
(Work In Progress - Capital Projects/Epukiro Phase 2 Construction of Services/Directorate Planning & Development Servi/Epukiro Constituency/Epukiro Settlement)	917 373	-
(Work In Progress - Capital Projects/Witvlei Phase 4 Construction of Services/Directorate Planning & Development Servi/Okorukambe Constituency/Witvlei Phase 4 Construction of Services)	1 451 977	936 959
(Work In Progress - Capital Projects/Suveying of Aminuis /Directorate Planning & Development Servi/Aminius Constituency)	662 280	662 280
(Work In Progress - Capital Projects/Construction of 320 Ablution Facilities /Directorate Planning & Development Servi/Okorukambe Constituency/Omitara Settlement)	82	-
(Work In Progress - Capital Projects/Sewer gravitational line at Corridor 13/Directorate Planning & Development Servi/Aminius Constituency/Corridor 13)	914 018	-
(Work In Progress - Capital Projects/Borehole & Installation at Eiseb 10 /Directorate Planning & Development Servi/Otjombinde Constituency/Tallismanus Settlement)	450 500	-
(Work In Progress - Capital Projects/Construction of Borehole & Installation/Directorate Planning & Development Servi/Kalahari Constituency/Drimiopsis)	1 671 791	1 105 401
(Work In Progress - Capital Projects/Refurbishment, sewer pump & Water tank/Directorate Planning & Development Servi/Aminius Constituency/Aminius Settlement)	186 953	-
(Work In Progress - Capital Projects/Construction of service and fence at Ben/Directorate Planning & Development Servi)	1 753 663	1 709 821

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2.3.2 OTHER NON FINANCIAL ASSETS (Continued)

	2022	2021
	N\$	N\$
WORK IN PROGRESS: DEVELOPMENT CAPITAL PROJECTS (Continued)		
(Work In Progress - Capital Projects/Construction of Aminuis Settlement Office/Directorate Planning & Development Servi/Aminius Constituency/Aminius Settlement)	12 911 727	6 632 027
(Work In Progress - Capital Projects/Construction of tankstand-Summerdown /Directorate Planning & Development Servi/Okorukambe Constituency)	672 280	638 666
(Work In Progress - Capital Projects/Construction of Ovambanderu T/A/Directorate Planning & Development Servi/Epukiro Constituency)	796 937	-
(Work In Progress - Capital Projects/Construction of services /Directorate Planning & Development Servi/Okorukambe Constituency/Omitara Settlement)	341 336	-
(Work In Progress - Capital Projects/construction of water pipeline/Directorate Planning & Development Servi/Aminius Constituency/Aminius Settlement)	1 077 760	-

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2.4 INTANGIBLE ASSETS IPSAS 31 – SOFTWARE

During the year under review the Council has started to recognize the group of asset known as the intangible asset. These are asset that are not physical in nature, such as a patent, software, brand, trademark, or copyright.

Description	2022	2021	2020
	N\$	N\$	N\$
Opening Balance	-	-	304 292
Additions	66 370	66 370	-
Disposals	-	-	-
Depreciation	-	-	304 292
Closing Balance	66 370	66 370	-
Sum of Revaluation Surpluses	-	-	-
Sum of Revaluation Deficit	-	-	-
Gross Carrying Amount	66 370	66 370	304 292
Accumulated Depreciation	-	-	(304 292)
Net Carrying Amount	66 370	66 370	-

2.5 INVENTORIES – IPSAS 12

The Council keeps inventory items in stock for internal consumption only; therefore, inventories are measured at cost at acquisition. In the case where inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is recognized at fair value at the date of acquisition.

The cost of inventories comprises all cost of purchases, cost of conversion and other cost incurred in process of installation. Inventory for 31st March 2021 amounts to N\$ 320 175. In this case the records in place is not sufficient enough for fair presentation of inventory as at 31st March 2022, thus inventory could be overstated or understated N\$ 351 750.00.

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2.6 PROVISIONS – IPSAS 19

Provisions are recognized when the Regional Council has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

	N\$	N\$	N\$
DESCRIPTION	Doubtful Debts	Leave Days	Bonuses
Balance as at 1st April 2020	1 079 021	9 007 700	1 794 848
Provision utilized during the year	-	(1 207 928)	(843 818)
Addition to provisions	737 657	-	-
Balance as at 31st March 2021	1 816 678	7 799 772	951 030
DESCRIPTION	Doubtful Debts	Leave Days	Bonuses
Balance as at 1st April 2021	1 816 678	7 799 772	951 030
Provision utilized during the year	-	(39 714)	-
Addition to provisions	24 089	-	28 795
Balance as at 31st March 2022	1 840 767	7 760 058	979 825

2.7 DEPRECIATION AND AMORTIZATION EXPENSES

	2022	2021	2020
	N\$	N\$	N\$
Depreciation and amortization expenses	551 333	662 993	890 214
Depreciation/ Operational Equipment, Machinery & Plant	32 174	32 174	32 174
Depreciation/ Buildings	192 600	192 600	192 600
Depreciation/ Vehicles	274 968	360 284	424 846
Depreciation/ Furniture and Office Equipment	-	-	13 273
Depreciation/ Office Equipment	-	4 537	14 386
Depreciation/ Computer Equipment	51 591	73 398	111 502
Depreciation/ software	-	-	101 432

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2.8 PERSONNEL COST IPSAS 39

This section is applied for dealing with all the employee benefits, except share-based transactions. The entity has recognized the undiscounted amount of all short term employee benefit expected to be paid in exchange for the service rendered.

	2022	2021	2020
	N\$	N\$	N\$
Chairperson	755 485	768 672	761 389
Basic salary	465 767	457 989	461 968
Housing allowance	127 304	135 152	127 304
Transport Allowance		13 117	
Water and Electricity Allowance	44 280	44 280	44 280
GIPF & MOPF Employer Contribution	116 442	116 442	126 145
Remuneration/Social Security Employer Contribution	972	972	972
Remuneration/Telephone Allowance	720	720	720
Members of Management Committee	1 196 293	1 253 529	1 280 610
Basic salary	618 047	762 425	689 067
Housing allowance	178 848	119 232	178 848
Transport Allowance	157 400	118 050	157 400
Water and Electricity Allowance	80 640	53 760	80 640
GIPF & MOPF Employer Contribution	157 974	197 158	171 391
Remuneration/Social Security Employer Contribution	1 944	1 944	1 944
Remuneration/Telephone Allowance	1 440	960	1 320
Ordinary Councillors	526 370	175 571	472 231
Basic salary	252 987	84 444	255 223
Housing allowance	89 424	29 808	89 424
Transport allowance	78 700	26 233	78 700
Water and Electricity Allowance	40 320	13 440	40 320
GIPF & MOPF Employer Contribution	63 247	21 082	6 872
Remuneration/Social Security Employer Contribution	972	324	972
Telephone Allowance	720	240	720

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2.8 PERSONNEL COST IPSAS 39 (Continued)

	2022	2021	2020
	N\$	N\$	N\$
Remuneration for Staff Members	32 946 211	34 207 336	34 283 375
Basic salary	20 800 907	22 573 338	22 611 315
Bonuses	1 775 907	1 881 354	1 895 134
Housing allowance	2 644 045	2 793 821	2 637 275
Car /Transport Allowance	1 562 561	1 652 585	1 644 844
Employer Contribution to SSC	88 880	96 841	99 153
Employer Contribution to Pension	3 384 624	3 505 793	3 592 237
Overtime	626 072	491 657	841 628
Acting Allowance	140 976	164 167	19 116
Leave Gratuity	1 194 659	317 631	154 725
Bush Allowance	691 520	773 250	787 948
Remuneration/Transport Privileges	36 060	-	-
TOTAL	35 424 358	36 448 208	36 795 605

2.9 TRADE AND OTHER RECEIVABLES

Trade receivables are carried at anticipated realizable value. All outstanding amounts at year end which are older than 120 days are provided as provision for doubtful debts. Bad debts are written off during the year in which they are identified.

	2022	2021	2020
	N\$	N\$	N\$
2.9 (a) Other Current Assets	68 907 310	59 762 256	48 846 047
Build Together Program/BTP Materials	288 656	288 656	288 656
Bank Accounts/Cash Control Account /Mun. services	100	-	-
Sundry Creditors/General Expenses	539 993	111 684	-
Sundry Payables/Aminius Constituency VAT Projects /Aminius Constituency	448 155	276 546	276 546
Sundry Payables/Community Projects (savings) Okorukambe Constituency	679 466	648 825	176 806
Sundry Payables/Community Projects(savings)Aminius Constituency	1 267 282	1 024 999	556 052

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2.9 TRADE AND OTHER RECEIVABLES (Continued)

	2022	2021	2020
	N\$	N\$	N\$
Sundry Payables/Community			
Projects(savings)Aminius Constituency	59 970	29 390	-
Sundry Payables/Community			
Projects(savings) Epukiro Constituency	1 150 844	1 143 088	762 508
Sundry Payables/Community			
Projects(savings) Gobabis Constituency	897 308	851 042	174 647
Sundry Payables/Community			
Projects(savings) Kalahari Constituency	1 259 352	946 989	191 933
Sundry Payables/Community			
Projects(savings) Otjinene Constituency	836 562	535 559	173 145
Sundry Payables/Community			
Projects(savings) Otjombinde Constituency	1 555 084	1 480 688	300 224
Sundry Payables/Community			
Projects(savings) Otjombinde Constituency	130 346	-	-
Sundry Payables/Social and Economic			
Funding Projects/PLANNING	50 870	-	-
Sundry Payables/Epukiro Constituency VAT			
Projects /Rural Services Division	753 727	424 363	417 401
Sundry Payables/Rural Sanitation-			
Aminius/Rural Services Division/Aminius	5 083	-	-
Sundry Payables/Kalahari Constituency			
VAT Projects/Rural Services Division	590 116	492 403	473 440
Sundry Payables/Gobabis Constituency			
VAT Projects /Rural Services Division	717 706	717 706	710 496
Sundry Payables/Okorukambe Constituency			
VAT Projects /Rural Services Division	938 521	934 608	901 107
Sundry Payables/Otjinene Constituency			
VAT Projects /Rural Services Division	750 384	692 023	682 922
Sundry Payables/Otjombinde Constituency			
VAT Projects /Rural Services Division	544 341	544 341	512 650
Sundry Payables/BTP Prgm Transfer			
Gobabis Municipality	7 462 141	7 462 141	7 462 141
Sundry Payables/Electrification of Build			
Together Houses	374 567	374 567	374 567
Payroll Liabilities Salaries Control	14 609	14 609	-

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

	2022	2021	2020
	N\$	N\$	N\$
2.9 TRADE AND OTHER RECEIVABLES			
(Continued)			
Payroll Liabilities / Insurance Policies	498	533	-
Payroll Liabilities / Employees Loans	184	13 344	3
Payroll Liabilities / Garnishee Maintenance	-	2 600	2 600
Payroll Liabilities / ORC Build Together	-	1 059	1 059
VAT Control / VAT Control Account	47 591 430	40 702 294	33 206 422
Suspense Account/Suspense Account	-	48 181	26 190
Suspense Account/Take On Balance AP Module	15	15	15
S&T Advance-Staff Debtors/S&T Advance- Staff Debtors/Administration	-	-	8 909
S&T Advance-Staff Debtors/S&T Advance- Staff Debtors/Administration/Kalahari Constituency	-	-	7 293
S&T Advance-Staff Debtors/S&T Advance- Staff Debtors/Administration/Okorukambe Constituency	-	-	2 366
S&T Advance-Staff Debtors/S&T Advance- Staff Debtors/Chairman	-	-	2 647
S&T Advance-Staff Debtors/S&T Advance- Staff Debtors/Councillors/Otjombinde Constituency	-	-	9 128
S&T Advance-Staff Debtors/S&T Advance- Staff Debtors/Councillors/Okorukambe Constituency	-	-	2 752
S&T Advance-Staff Debtors/S&T Advance- Staff Debtors/Finance/Aminius Constituency	-	-	590
S&T Advance-Staff Debtors/S&T Advance- Staff Debtors/Human Resources	-	-	5 921
S&T Advance-Staff Debtors/S&T Advance- Staff Debtors/Directorate Planning & Development Servi	-	-	5 152
Sundry Payables/Build Together Material Supplier	-	-	27 316

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

	2022	2021	2020
	N\$	N\$	N\$
2.9 TRADE AND OTHER RECEIVABLES (Continued)			
Sundry Payables/Weeding Group 2015/2016 Cropping season/Directorate Planning & Development Servi/Epukiro Constituency/Epukiro Settlement	-	-	36 473
Sundry Payables/Repair 111 defected BTP houses /Directorate Planning & Development Servi/Otjinene Constituency	-	-	132 500
Sundry Payables/Diesel Water Engines/Councillors/Kalahari Constituency	-	-	7 525
Settlement Debtors/Tallismanus Receipts	-	-	6 758
Settlement Debtors/Epukiro Receipt	-	-	235 206
Settlement Debtors/Kalahari Receipt	-	-	2 024
Bank Accounts/Cash Control-Municipal Services/Directorate General Services /Kalahari Constituency/Kalahari /Buiepos Settlement	-	-	6 889
Sundry Payables/Build Together Insurance Premium Control/Directorate Planning & Development Servi	-	-	675 070
2.9 (b) Trade Receivables	18 099 732	17 939 257	18 024 028
Receivable Control Account	18 099 732	17 939 257	18 024 028
2.10 (a) NON-CURRENT LIABILITIES	7 760 058	7 799 772	9 007 700
Payroll Liabilities /Employee Benefit- Leave Day	7 760 058	7 799 772	9 007 700
2.10 (b) Accrued Bonus	979 825	951 030	1 794 848
Payroll Liabilities /Accrued Bonus	979 825	951 030	1 794 848

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

	2022	2021	2020
	N\$	N\$	N\$
2.11 OTHER EXPENSES			
2.11 (a) Other expenses	9 273 341	11 171 800	13 980 158
Transport	771 748	1 138 590	1 198 692
Utilities	5 031 101	6 790 053	7 552 355
Maintenance Expenses	475 984	233 891	1 039 997
Property Rentals & Related Charges	202 420	274 747	306 677
Other Services & Expenses	2 421 153	2 318 892	3 672 408
Membership Fees & Subscr : Domestic RACOC	156 032	273 688	91 355
CDC Meeting	86 275	108 476	114 462
	128 630	33 464	4 212
2.11 (b) Materials and Supplies	380 281	1 572 681	747 225
Materials & Supplies/Protective Clothing	-	11 260	20 553
Materials & Supplies/Cleaning Materials	184 346	235 456	9 308
Materials & Supplies/Tools for Water and Electricity	-	-	31 673
Materials & Supplies/General Office Supplies	182 674	1 294 154	678 521
Materials & Supplies/Materials for Plumber , Handyman & Elect	-	1 050	7 171
Materials & Supplies/Photocopying Supplies	13 261	-	-
Materials & Supplies/Meters (Water & Electricity	-	30 762	-

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2.12 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise cash on hand and cash at the bank, deposits on call and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

	2022	2021	2020
	N\$	N\$	N\$
CASH AND CASH EQUIVALENTS	54 690 153	55 117 681	69 706 758
Nampost Epukiro	179 423	47 556	21 372
Bank Accounts/ORC DEC	1 811 389	779 549	231 339
Bank Accounts/ORC DEC Call	-	-	-
Bank Accounts/ORC (5%)	-	-	1 002 855
Bank Accounts/ORC BTP	804 112	799 805	802 926
ORC BT Revolving Fund	1 216 457	1 178 645	1 030 056
ORC Rural Dev	338 790	546 559	633 406
ORC Capital Project	6 805	6 805	10 939 259
ORC Capital Call	2 316 171	1 699 203	347 144
Governor's Social Club	885 741	1 036 903	841 658
ORC Trust Account	788 250	775 656	761 751
ORC Trust Account Call	1 128 061	1 098 773	1 068 445
ORC Build Together Call	5 788 154	5 621 445	5 449 330
Epukiro Settlement Nampost	2 143	2 143	2 143
Decentralisation Call Account	126 255	236	229
STD BTP PREMIUM CALL	1 080 090	1 056 167	1 033 793
ORC Regional Disaster Fund	91 271	83 170	176 935
Nampost Tallismanus Settlement	8 113	8 113	8 113
Nampost Omitara Settlement	32 622	32 622	32 622
Nampost Epukiro Settlement	86 278	86 878	87 478
STD BTP Premium Call	2 937 592	2 873 362	2 804 908
Capital Project Call	5 450 108	5 274 044	11 358 619
Capital Project Chk	20 208 314	17 951 278	8 220 821
Min of Agriculture	1 580 629	1 465 974	672 690
ORC VAT Call	604	568	568
ORC Rural Development Call	4 890 667	6 243 254	12 954 978
ORC Ministry of Land Reform	121 907	76 898	28 675
Min of Info & Comm Tech	9 519	2 476	402 057
Min of Health & Social Ser	10 079	12 041	13 745

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

2.12 CASH AND CASH EQUIVALENTS

	2022	2021	2020
	N\$	N\$	N\$
ORC Settlement Receipts	113 783	39 337	100 843
Nampost	6 215	6 215	6 215
Bank Accounts/Nampost	101 234	19 596	32 377
Bank Accounts/Nampost ORC	24 611	24 611	24 611
Bank Accounts/Nampost Epukiro	5 754	5 754	6 354
Min of Gender Equality	47 616	2 086 558	5 615 529
Nampost Tallismanus Settle	116 247	14 718	36 329
ORC Agri Rural Water Supply	2 338 009	4 156 406	2 955 344
Bank Accounts/Nampost Omitara	37 140	4 343	1 243

3. DELEGATED FUNCTIONS

Under Delegation, The Omaheke Regional Council act as an agent on behalf of the relevant Ministry, however, retains overall responsibility for performance for a particular line ministry, while the latter retains full control and overall responsibility to approve the related function, and retains overalls responsibility to approve the related budget, thus, Once the Ministry approves the budget it is then transferred to the Regional Council for execution as per the Decentralization Enabling Act 2000 (Act No. 33 of 2000).

Under delegation, the Regional Council only acts as an agent for a particular line Ministry, while the latter retains the full control and overall responsibility to approve the related budget.

3.1 DELEGATED FUNCTION INCOME IPSAS 1

	2022	2021	2020
	N\$	N\$	N\$
Delegated Function Income	6 558 400	7 311 012	14 624 585
Ministry of Gender	2 940 000	2 712 000	7 738 000
Ministry of Agriculture& Water and Forest	1 447 000	1 350 000	3 892 340
(OPM) Office of the Prime Minister	282 043	680 404	2 320 494
Ministry of Info and Communication	79 125	149 517	308 750
Ministry of Land Reform	391 300	446 498	317 000
Ministry of Agri Rural Water supply	1 418 932	1 972 593	47 993

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

3.2 DELEGATED FUNCTION EXPENDITURE

	2022	2021	2020
	N\$	N\$	N\$
Delegated Function Expenditure	10 729 260	10 747 017	6 292 783
Ministry of Gender	3 805 036	6 072 915	3 201 008
(OPM) Office of the Prime Minister	276 014	966 521	1 253 778
Ministry of Agriculture & Water and Forest	1 248 197	519 116	1 179 202
Ministry of Land Reform	1 957 047	420 867	354 960
Ministry of Information & Communication	176 116	341 502	185 800
Min of Agriculture Water & Sanitation	3 266 850	2 426 097	118 035

3.3 DELEGATED FUNCTION DEFICIT/SUPLUS

Delegated Function Deficit/Surplus	(3 993 443)	(3 400 639)	8 331 793
Ministry of Gender	(687 619)	(3 325 549)	4 536 991
(OPM) Office of the Prime Minister	1 170 986	383 479	1 066 716
Ministry of Agriculture & Water and Forest	(966 154)	161 288	2 643 096
Ministry of Land Reform	(1 877 922)	(271 350)	(37 960)
Ministry of Information & Communication	215 184	104 996	122 950
Min of Agriculture Water & Sanitation	(1 847 918)	(453 504)	-

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

4. ADJUSTMENT TO RETAINED EARNINGS

4.1 Retained Earnings

DATE	REFERENCE	DESCRIPTION	DEBIT	CREDIT
01/04/2020	Expensing Bank Statement	Expensing Work in progress 2017/2018	3 096 422	
01/04/2020	Journal	Reconciling of 2019/2020 Journal Transfer reconciling	18 756	
01/04/2020	BSN	2019/2020		541
01/04/2020	BS/Ledge accounts	Journal Transfer- Reconciling 2019/2020	984 640	
01/04/2020	BSN	Journal transfer- reconciliation of 201/2020		6 105
01/04/2020	JT-8400/874	Journal Transfer on the reconciliation of account 8400/874 - Gender		3 000
01/04/2020	Opening	Journal Transfer of 7300/791ADM	8 909	
01/04/2020	JT01/04/2020	Journal Transfer of 7300/791/ADMI/A1		14 169
01/04/2020	JT01/04/2021	Journal Transfer of 7300/791/ADMIN/E1		5 511
01/04/2020	JT01/04/2020	Journal Transfer of 7300/791/ADMI/G1		546
01/04/2020	JT01/04/2020	Journal Transfer of 7300/791/ADMIN/O1		4 818

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

4 ADJUSTMENT TO RETAINED EARNINGS (Continued)

4.1 Retained Earnings (Continued)

DATE	REFERENCE	DESCRIPTION	DEBIT	CREDIT
01/04/2020	JT01/04/2020	Journal Transfer of 7300/791/ADMIN/O2		7 905
01/04/2020	JT01/04/2021	Journal Transfer of 7300/791/ADMI/03	2 366	
01/04/2020	JT01/04/2022	Journal Transfer of 7300/791/CHA	2 647	
01/04/2020	JT01/04/2023	Journal Transfer of 7300/791/COU/O1		8 399
01/04/2020	JT01/04/2024	Journal Transfer of 7300/791/COU/O2	9 128	
01/04/2020	JT01/04/2025	Journal Transfer of 7300/791/COU/O3	2 752	
01/04/2020	JT01/04/2026	Journal Transfer of 7300/791/FINA/A1	590	
01/04/2020	JT01/04/2027	Journal Transfer of 7300/791/FINA/E1		957
01/04/2020	JT01/04/2028	Journal Transfer of 7300/791/FIN/O2		1 187
01/04/2020	JT01/04/2029	Journal Transfer of 7300/791/HRS	5 921	
01/04/2020	JT01/04/2030	Journal Transfer of 7300/791/PLA	5 152	
01/04/2020	01/04/20	Correction of tender income from cash control to tender income		119 132
01/04/2020	01/04/20	Ommitted cents		-
01/04/2020	01/04/2020	Correction of a 8400/744		227 279
01/04/2020	Expensing	Expensing Work in progress 2017/2018		3 096 422
01/04/2020	JB01/04/2020	Data correction on WIP(6700)	197 922	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	149 960	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	9 264 629	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	1 412 564	

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

4 ADJUSTMENT TO RETAINED EARNINGS (Continued)

4.1 Retained Earnings (Continued)

DATE	REFERENCE	DESCRIPTION	DEBIT	CREDIT
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	955 538	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	5 491 107	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	26 568 881	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	2 953 375	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	364 599	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	1 368 754	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	4 133 925	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	418 025	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	9 233 612	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	536 522	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	1 185 311	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	1 113 037	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)		149 960
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)		9 264 629
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)		1 412 564
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)		955 538
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)		5 491 107
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)		26 568 881

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

4 ADJUSTMENT TO RETAINED EARNINGS (Continued)

4.1 Retained Earnings (Continued)

DATE	REFERENCE	DESCRIPTION	DEBIT	CREDIT
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)		2 953 375
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)		364 599
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)		1 368 754
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)		4 133 925
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)		418 025
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)		9 233 612
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)		536 522
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)		1 185 311
01/04/2020	J-6700/698	Construction of dry Toilets prior years	588 098	
01/04/2020	J-6700/699	Construction of dry Toilets prior years	612 394	
01/04/2020	J-6700/701	Construction of dry Toilets prior years	654 053	
01/04/2020	J-6700/702	Construction of dry Toilets prior years	671 635	
01/04/2020	J-6700/703	Construction of dry Toilets prior years	812 646	
01/04/2020	J-6700/704	Construction of dry Toilets prior years	395 715	
01/04/2020	J-6700/955	Construction of dry Toilets prior years	992 073	
01/04/2020	BSN	Data correction		3 467 581
01/04/2020	JT01/04/2021	Journal Transfer of 7300/791/ADMI/K1	7 293	
01/04/2020	Expensing	Correction of Expensing work in progress 2017/2018		3 096 422

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

4 ADJUSTMENT TO RETAINED EARNINGS (Continued)

4.1 Retained Earnings (Continued)

DATE	REFERENCE	DESCRIPTION	DEBIT	CREDIT
01/04/2020	Expensing	Correction of Expensing work in progress 6700/1400 for 2017/2018		4 495 353
01/04/2020	Expensing	Correction of Expensing work in progress 6700/670 for 2017/2018		1 182 018
01/04/2020	Expensing	Correction of Expensing work in progress 6700/682 for 2017/2018		3 991 393
01/04/2020	Expensing	Correction of Expensing work in progress 6700/684 for 2017/2018		2 905 556
01/04/2020	Expensing	Correction of Expensing work in progress 6700/690 for 2017/2018		13 215 516
01/04/2020	Expensing	Correction of Expensing work in progress 6700/691 for 2017/2018		480 894
01/04/2020	Expensing	Correction of Expensing work in progress 6700/694 for 2017/2018		7 788 326
01/04/2020	Expensing	Correction of Expensing work in progress 6700/695 for 2017/2018		90 629
01/04/2020	Expensing	Correction of Expensing work in progress 6700/695 for 2017/2018		633 200
01/04/2020	Expensing	Correction of Expensing work in progress 6700/705 for 2018/2019		937 519
01/04/2020	Expensing	Correction of Expensing work in progress 6700/941 for 2017/2018		97 153

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

4 ADJUSTMENT TO RETAINED EARNINGS (Continued)

4.1 Retained Earnings (Continued)

DATE	REFERENCE	DESCRIPTION	DEBIT	CREDIT
01/04/2020	Expensing	Correction of Expensing work in progress 6700/941 for 2017/2018		91 300
01/04/2020	Expensing	Correction of Expensing work in progress 6700/945 for 2017/2018		522 931
01/04/2020	Expensing	Correction of Expensing work in progress 6700/956 for 2018/2019		536 522
01/04/2020	Expensing	correction of Expensing work in progress 6700/1000 for 2018/2019		2 460 466
01/04/2020	Expensing	Correction of Expensing work in progress 6700/672 for 2017/2018		904 422
01/04/2020	RCP004951	Correction of 2017/2018 data MUJ007	400	
01/04/2020	RCP004951	Correction of 2017/2018 data MUJ007	600	
01/04/2020	20190718326655	Correction of 2017/2018 data KAT105	4 758	
01/04/2020	RCP005309	Correction of 2017/2018 data MOU001	2 000	
01/04/2020	BSNO196	Correction of 2017/2018 data		1 000
01/04/2020	j-6700/698	Reversal: Construction of toilets prior years		588 098
01/04/2020	j-6700/699	Reversal: Construction of toilets prior years		612 394
01/04/2020	j-6700/701	Reversal: Construction of toilets prior years		654 053
01/04/2020	j-6700/702	Reversal: Construction of toilets prior years		671 635
01/04/2020	j-6700/703	Reversal: Construction of toilets prior years		812 646

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

4 ADJUSTMENT TO RETAINED EARNINGS (Continued)

4.1 Retained Earnings (Continued)

DATE	REFERENCE	DESCRIPTION	DEBIT	CREDIT
01/04/2020	j-6700/704	Reversal: Construction of toilets prior years		395 715
01/04/2020	j-6700/70	Reversal: Construction of toilets prior years		992 073
01/04/2020	JL01/04/2020	reversal of correction of data		318 173
01/04/2020	JL8050/853	correction of data		15 327
01/04/2020	JL7400/995	correction 8050/853		
01/04/2020	JL8050/852	correction of data build together program		39 000
01/04/2020	JL8050/854	data correction:settlement debtors-epukiro	235 206	
01/04/2020	JL8050/854	data correction:settlement debtors-kalahari	2 024	
01/04/2020	JL7400/995	reversal of wrong postingg-btp program	39 000	
01/04/2020	JL00	correction of prio year data	6 889	
08/04/2020	01/04/2020	contamination reversal	-	
08/07/2020	BSNO	nampost		2 000
16/07/2020	BSNO	nampost epukiro - nam001		10 950
16/09/2020	BS 223	fnb ob trf capital		2 966
19/01/2021	BSN0	reversal omaheke rc		6 685
31/03/2021	BSN	Fleet payment		87 785
31/03/2021	PJ00	ACCRUED BONUS ADJUSTMENT		843 818
31/03/2021	PJ00	Adjustment of Accrued leave days		1 207 928
31/03/2021	PJ00	Adjustment of Accrued leave days	737 657	
09/04/2021	BSNO	TRANSFARE		14 999
06/11/2021	38973541	Journal Transfer		1 222
28/02/2022	7200/696	CORRECTION OF FLEET ACCRUED	463 848	
31/03/2022	PJ00	BONUSADJUSTMENT ADJUSTMENT OF		38 262
31/03/2022	PJ00	ACCRUED LEAVE DAYS	11 061 768	

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

4 ADJUSTMENT TO RETAINED EARNINGS (Continued)

4.1 Retained Earnings (Continued)

DATE	REFERENCE	DESCRIPTION	DEBIT	CREDIT
31/03/2022	PJ00	ADJUSTMENT OF ACCRUED LEAVE DAYS	783 291.97	
31/03/2022	PJ00	Adjustment of Accrued Bonus	28 795.00	
31/03/2022	PJ00	Adjustment of Accrued leave days		39 713.86
31/03/2022	PJ00	Adjustment of Accrued leave days	24 088.97	
31/03/2022	pj001	correction overstatement of leave days		11 061 768.14
31/03/2022	pj001	correction overstatement of leave days		783 291.97
31/03/2022	pj001	correction understatement of bonus provision	38 262.00	

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

4 ADJUSTMENT TO RETAINED EARNINGS (Continued)

4.2 Equity: Development Fund

DATE	REFERENCE	DESCRIPTION	DEBIT	CREDIT
01/04/2020	Correction	Data contamination error- 31/03/2018		10 932 454
01/04/2020	Correction	Data contamination- 31/03/2018	10 932 454	
01/04/2020	Correction	Data contamination- 31/03/2018	10 932 454	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	149 960	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	9 264 629	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	1 412 564	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	955 538	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	5 491 107	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	26 568 881	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	2 953 375	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	364 599	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	1 368 754	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	4 133 925	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	418 025	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	9 233 612	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	536 522	
01/04/2020	JB01/04/2020	Data rectification on 6700 (WIP)	1 185 311	
01/04/2020	J- 6700/689	Expensing of Witvlei construction of services prior years	13 631 241	

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

4 ADJUSTMENT TO RETAINED EARNINGS (Continued)

4.2 Equity: Development Fund (Continued)

DATE	REFERENCE	DESCRIPTION	DEBIT	CREDIT
01/04/2020	Expensing	Correction of Expensing work in progress 2017/2018	3 096 422	
01/04/2020	Expensing	Correction of Expensing work in progress 6700/1400 for 2017/2018	4 495 353	
01/04/2020	Expensing	Correction of Expensing work in progress 6700/670 for 2017/2018	1 182 018	
01/04/2020	Expensing	Correction of Expensing work in progress 6700/684 for 2017/2018	2 905 556	
01/04/2020	Expensing	Correction of Expensing work in progress 6700/690 for 2017/2018	13 215 516	
01/04/2020	Expensing	Correction of Expensing work in progress 6700/691 for 2017/2018	480 894	
01/04/2020	Expensing	Correction of Expensing work in progress 6700/694 for 2017/2018	7 788 326	
01/04/2020	Expensing	Correction of Expensing work in progress 6700/695 for 2018/2019	90 629	
01/04/2020	Expensing	Correction of Expensing work in progress 6700/695 for 2017/2018	633 200	
01/04/2020	Expensing	Correction of Expensing work in progress 6700/705 for 2018/2019	937 519	
01/04/2020	Expensing	Correction of Expensing work in progress 6700/941 for 2017/2018	97 153	

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

4 ADJUSTMENT TO RETAINED EARNINGS (Continued)

4.2 Equity: Development Fund (Continued)

DATE	REFERENCE	DESCRIPTION	DEBIT	CREDIT
01/04/2020	Expensing	Correction of Expensing work in progress 6700/941 for 2017/2018	91 300	
01/04/2020	Expensing	Correction of Expensing work in progress 6700/945 for 2017/2018	522 931	
01/04/2020	Expensing	Correction of Expensing work in progress 6700/956 for 2018/2019	536 522	
01/04/2020	Expensing	Correction of Expensing work in progress 6700/1000 for 2018/2019	2 460 466	
01/04/2020	Expensing	Correction of Expensing work in progress 6700/672 for 2017/2018	904 422	
01/04/2020	j-6700/698	Correction: Construction of toilets prior years	588 098	
01/04/2020	j-6700/699	Correction: Construction of toilets prior years	612 394	
01/04/2020	j-6700/701	Correction: Construction of toilets prior years	654 053	
01/04/2020	j-6700/702	Correction: Construction of toilets prior years	671 635	
01/04/2020	j-6700/703	Correction: Construction of toilets prior years	812 646	
01/04/2020	j-6700/704	Correction: Construction of toilets prior years	395 715	
01/04/2020	j-6700/70	Correction: Construction of toilets prior years	992 073	
01/04/2020	Expensing	Correction: Expensing of work in progress 6700/682	3 991 393	
19/06/2020	GRV11002	Fencing and remedial repair works at Kao	104 259	

**REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)**

4 ADJUSTMENT TO RETAINED EARNINGS (Continued)

4.2 Equity: Development Fund (Continued)

DATE	REFERENCE	DESCRIPTION	DEBIT	CREDIT
22/06/2020	GRV11003	Payment for fence and remedial repair work	28 594	
22/06/2020	GRV11004	Payment for fence and remedial repair work	25 998	
07/08/2020	GRV11275	Expensing of Witvlei construction of services	618 090	
07/08/2020	GRV11274	Payment for fencing repair and remedial	214 755	
28/08/2020	GRV11312	Payment for fencing remedial work at Kao/	12 961	
28/08/2020	GRV11313	Payment for fencing remedial work at Kao/	38 058	
08/12/2020	GRV12031	Expensing of Witvlei construction of services	106 559	
26/01/2021	GRV12354	Payment for fencing and remedial work	16 790	
09/02/2021	GRV12461	Expensing of Witvlei construction of services	636 188	
09/02/2021	GRV12463	Payment for fencing and remedial work	21 312	

REGIONAL COUNCIL OF THE OMAHEKE REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(Continued)

4 ADJUSTMENT TO RETAINED EARNINGS (Continued)

4.3 Equity; Build Together

DATE	REFERENCE	DESCRIPTION	DEBIT	CREDIT
01/04/2020	JL01/04/2020	Correction of data		318 173
01/04/2020	Expensing	Correction of Expensing work in progress 6700/682 for 2017/2018	3 991 393	
01/04/2020	Expensing	Reversal: Expensing of work in progress 6700/682		3 991 393
01/04/2020	JL01/04/2020	Reversal of correction of data	318 173	
01/04/2020	JL9200/2000/PLA	Correction:build together	675 070	
01/04/2020	JL9200/880/PLA	Correction:build together	27 316	
01/04/2020	JL9200/888/PLA	Correction:build together	150 000	
01/04/2020	JL7400/995	Correction-BTP program		39 000