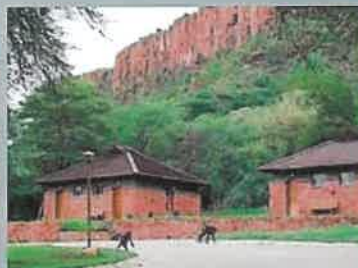




**REPUBLIC OF NAMIBIA**



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE**

# **OTJOZONDJUPA REGIONAL COUNCIL**

**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

## 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 of the Otjozondjupa region for the financial year ended 31 March 2019 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 No. 31 of 1991) to be laid upon the Table of the National Assembly in terms of Section 27(4) of the Act.

**WINDHOEK, November 2024**

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

**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF  
THE REGIONAL COUNCIL OF OTJOZONDJUPA  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

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**1. ADVERSE AUDIT OPINION**

I have audited the financial statements of the Regional Council of Otjozondjupa for the financial year ended 31 March 2019. These financial statements comprise the statement of financial position, statement of comprehensive income, statement of cash flow, statement of changes in equity for the year then ended, a summary of significant accounting policies, and notes to the financial statements.

In my opinion, because of the significance of the matters discussed in the basis for adverse audit opinion paragraph, the financial statements do not present fairly, in all material respects, the financial position of the Regional Council of Otjozondjupa as at 31 March 2019 and its financial performance and its cash flows for the year then ended.

**2. BASIS FOR ADVERSE AUDIT OPINION**

I conducted my audit in accordance with International Standards for Supreme Audit Institutions. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to my audit of the financial statements, 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 my opinion.

An adverse audit opinion is being expressed due to the following reasons:

**2.1. FINANCIAL REPORTING FRAMEWORK**

The Council did not have a financial reporting framework for the financial year ended 31 March 2019.

**2.2. GENERAL EXPENDITURE - NON SUBMISSION**

Expenditure payment vouchers amounting to N\$ 4 860 848 were not provided for audit purposes.

## **2.3. NON-SUBMISSION OF SUPPORTING DOCUMENTS – REVENUE**

### **a) Government subsidy**

Supporting documents, including confirmation letters and proof of payments, for a government subsidy totaling N\$ 2 339 738 were not submitted for audit purposes.

### **b) Income from 5% rates and taxes**

Assessment rates statistics for income from 5% rates and taxes amounting to N\$ 3 426 806 were not submitted for audit purposes.

## **2.4. NON-SUBMISSION FOR CAPITAL PROJECT VOUCHERS – Work In Progress (WIP)**

Payment vouchers for capital projects amounting to N\$ 36 469 616 were not submitted for audit purposes.

## **2.5. VALUE ADDED TAX (VAT) RETURNS**

The Council did not submit its VAT returns on time for the year under review. This is in contravention of Section 24(1) of the Value-Added Tax Act, 2000 (Act No.10 of 2000) which states that VAT returns should be submitted *not later than the twenty-fifth day of the month following the end of the tax period*, whether or not tax is payable in respect of such period. As a result, the Council was penalized with an amount of N\$ 713 500 during the 2019 financial year for not submitting returns on time as required by the Act.

## **2.6. VALUE ADDED TAX RECONCILIATION**

A difference of N\$ 4 169 384 was noted between the VAT receivable as per the financial statements (N\$ 22 349 944) and the VAT returns (N\$ 18 180 560).

## **2.7. INCOME FROM SETTLEMENT AREAS**

Income from settlement areas amounting to N\$ 5 132 812 could not be audited due to the absence of unique reference numbers for transactions, making it challenging to trace each transaction to its corresponding source document.

## **2.8. PROPERTY, PLANT AND EQUIPMENT (PPE)**

A difference of N\$ 17 737 767 was noted in the net carrying amount between the fixed asset register (N\$ 27 132 449) and the financial statements (N\$ 9 394 682).

## **2.9. PHYSICAL VERIFICATION OF PPE**

The auditors were unable to verify assets amounting to N\$ 9 392 747 because the identification numbers on the physical assets did not correspond with the unique codes recorded in the fixed asset register.

## **2.10. CASH AND CASH EQUIVALENT**

Cash and cash equivalents amounting to N\$ 23 293 816 disclosed in the financial statements could not be verified. Not all the bank statements were provided for audit.

## **2.11. ANALYSIS OF THE CASH FLOW STATEMENT – PURCHASES OF PPE**

The auditors noted a difference amounting to N\$ 7 918 894 between the PPE account performed (N\$ 36 120 602) and the purchases of PPE balance disclosed in the cash flow statement (N\$ 44 039 496).

## **3. KEY AUDIT MATTERS**

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

## **4. OTHER INFORMATION**

Management is responsible for the other information. The auditor's opinion on the financial statements does not cover the other information and, accordingly, the auditor does not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my 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 the 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 Council'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 Council 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 a report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards for Supreme Audit Institutions, 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 to it 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.

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 my report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

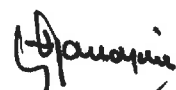
## **7. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

The financial statements were submitted by the Accounting Officer to the Auditor-General in compliance with Section 40(1) of the Regional Council Act, 1992 (Act No. 22 of 1992), except that they were submitted on the 9<sup>th</sup> November 2021 instead of three (3) months after the year-end as required by the Act.

### **7.1. PAY AS YOU EARN (PAYE) RETURNS**

It was noted that certain PAYE returns were not submitted within the required timeframes as stipulated by the Income Tax Act, 1981 ( Act No. 24 of 1981) resulting in non-compliance with applicable laws and regulations.

**WINDHOEK, November 2024**

  
**JUNIAS ETUNA KANDJEKE**  
**AUDITOR-GENERAL**



**REGIONAL COUNCIL OF OTJOZONDJUPA**  
**REPORT OF THE CHIEF REGIONAL OFFICER**

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The Regional Council is required to maintain adequate accounting records and is responsible to the content and integrity of annual financial statements and related information included in this report. It is the Regional Council's responsibility to ensure that annual financial statements fairly present the state of affairs of the Regional Council for the year and the results to its operation and cash flows for the period ended in conformity with Namibia's acceptable accounting practice.

The Regional Council acknowledges that it is ultimately responsible for the systems of internal financial control established and places considerable importance of maintaining a strong control environment to enable the Regional Council to meet these responsibilities. The standards a set for internal control are aimed at reducing the risk of error or loss in a cost effective manner. The standards include proper delegation of responsibilities within a clearly defined framework; effective accounting procedure and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Regional Council and all employees are required to maintain the highest ethical standards in ensuring the Regional Council's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus on risk management of the Regional Council is on identifying assessing managing and monitoring all known forms of risk across the Regional Council. While operating risk cannot be fully eliminated the Regional Council endeavours to minimize it by ensuring that appropriate infrastructure control systems and ethical behaviour are applied and managed within the predetermined procedures and constraints.

The Regional Council opinion is based on the information and explanations by the management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of financial statements. However, any system of internal financial control can provide only reasonable and not absolute assurance against material misstatements or losses.

The annual financial statements set out on pages 10 -23 have been prepared in accordance with the provision of Section 39 and 40 of the Regional Councils Act, 1992 (Act No. 22 of 1992) as amended to reflect the true and fair view of financial affairs of Otjozondjupa Regional Council as at 31 March 2019.

The Financial Statements were approved by the Regional Councillors on 15 October 2021 and signed on their behalf by

.....  
**Agatha Mweti**  
**Chief Regional Officer**

.....  
**Date**

## ANNEXURE A

**REGIONAL COUNCIL OF OTJOZONDJUPA**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH**

	Note	2019 N\$	2018 N\$
<b>EMPLOYMENT OF CAPITAL</b>			
<b>Fixed assets</b>	2	<b>9 392 747</b>	<b>11 553 198</b>
Buildings		7 709 872	7 919 591
Machinery & equipment		1 181 099	2 469 737
Motor vehicle		461 963	1 027 162
Furniture & fittings		12 503	50 019
Office equipment		2 285	11 097
Computer equipment		25 026	75 592
<b>Fixed assets - Work in Progress</b>		<b>116 094 344</b>	<b>79 926 249</b>
Capital projects	3	116 094 344	79 926 249
<b>Investments &amp; shares in other companies</b>	4	<b>14 482 488</b>	<b>14 542 090</b>
Cenored		14 482 488	14 542 090
<b>TOTAL NET FIXED ASSETS</b>		<b>139 969 579</b>	<b>106 021 537</b>
<b>Current assets</b>		<b>95 369 108</b>	<b>91 622 578</b>
Cash and cash equivalent	5	23 293 816	32 491 672
Debtors control	6	49 292 937	42 033 560
Stock on hand		428 764	260 678
Value Added Tax		22 353 591	16 547 846
Rental		-	288 823
<b>Current liabilities</b>	7	<b>16 765 770</b>	<b>16 734 199</b>
Creditors control		5 831 654	6 434 480
Salaries and wages		10 934 116	10 299 718
<b>Working capital</b>		<b>78 603 338</b>	<b>74 888 380</b>
		<b>218 572 917</b>	<b>180 909 917</b>

## ANNEXURE A

**REGIONAL COUNCIL OF OTJOZONDJUPA**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH (continued)**

	Note	2019 N\$	2018 N\$
<b>Capital employed</b>			
Accumulated fund		<b>193 159 540</b>	<b>158 991 572</b>
Capital projects development fund		182 412 857	148 244 889
Build together revolving fund		10 746 683	10 746 683
<b>Retained income</b>		<b>25 413 377</b>	<b>21 918 345</b>
Surplus/ (Deficit) for the year		4 614 739	9 098 642
Adjustment		(1 119 707)	-
Retained surplus from previous financial years		21 918 345	12 819 703
		<b>218 572 917</b>	<b>180 909 917</b>

**ANNEXURE B**

**REGIONAL COUNCIL OF OTJOZONDJUPA**  
**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH**

	<b>2019</b>	<b>2018</b>
	<b>N\$</b>	<b>N\$</b>
<b>Income</b>	<b>67 519 813</b>	<b>73 633 577</b>
Government subsidy	54 105 635	58 791 968
Income from settlement areas	5 124 638	4 805 052
5% Rates and taxes - local authority	3 426 806	2 209 293
Property rental hiring and related charges	6 600	35 280
Other income - Head Office	289 116	125 980
San empowerment	14 000	-
Interest received	1 256 187	1 113 939
Dividends surcharges & royalties	515 832	450 746
Ministry: OPM income	715 819	2 380 870
Social Security	-	143 750
Road Fund Administration	259 201	759 610
Rural development income	1 805 979	2 817 090
<b>Expenditure</b>	<b>62 905 074</b>	<b>64 534 935</b>
Remuneration	32 762 998	34 087 956
Employer contribution	4 081 507	4 253 099
Other conditions of service	1 246 779	849 778
Provision for leave	680 533	(698 472)
Subsistence and traveling allowance	1 369 105	1 426 616
Material and supplies	314 793	726 297
Transport: Fleet services and other	2 085 750	1 498 599
Utilities	9 821 840	8 593 851

## ANNEXURE B

**REGIONAL COUNCIL OF OTJOZONDJUPA**  
**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH**  
**(continued)**

	<b>2019</b>	<b>2018</b>
	<b>N\$</b>	<b>N\$</b>
<b>Expenditure (continued)</b>		
Maintenance expenses	548 908	670 010
Property rental and related charges	2 322 740	2 056 763
Other services and expenses	2 479 152	2 418 996
Domestic organizations	58 234	57 647
Subsidies grants and other	168 088	151 430
Current transfers to individuals and	24 000	74 967
Depreciation	2 172 560	2 327 730
Furniture office equipment	-	14 782
Share impairment	59 602	
Delegated functions expenditure	1 380 377	2 259 229
Road Fund Administration	237 897	-
Rural development expenses	1 037 628	3 734 703
Build together expenses	40 501	19 021
San empowerment	12 083	11 933
<b>Net surplus/ (deficit) for the year</b>	<b>4 614 739</b>	<b>9 098 642</b>

**REGIONAL COUNCIL OF OTJOZONDJUPA**  
**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH**

	<b>2019</b>	<b>2018</b>
	<b>N\$</b>	<b>N\$</b>
<b>Operating activities</b>		
Net cash inflows/outflows from operating activities	<b>35 031 280</b>	<b>(312 486)</b>
	<b>34 178 590</b>	<b>(1 138 619)</b>
Cash receipts from customers & other cash receipts	2 447 139	2 481 140
Other income-head office	1 092 660	125 890
Social Security	-	143 750
Road Fund Administration	-	759 610
Rural development income	-	2 817 090
Delegated function - funds received	-	2 380 870
Government transfer-MURD	91 003 281	58 791 775
Cash payments to employees	(37 841 095)	(28 192 642)
Cash payments to suppliers and other payments	(22 523 396)	(34 452 170)
Rural development expenditure	-	(3 734 703)
Delegated functions payments	-	(2 259 229)
	<b>852 690</b>	<b>826 134</b>
Interest received from investments and bank	852 690	826 134
<b>Investing activities</b>		
Net cash flow/outflow from investing activities	<b>(44 039 496)</b>	<b>(29 611 504)</b>
Purchase of plant and equipment-work in progress	(44 039 496)	(29 611 504)

## ANNEXURE C

## REGIONAL COUNCIL OF OTJOZONDJUPA

## STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31 MARCH (continued)

	2019	2018
	N\$	N\$
<b>Financing activities</b>		
Net cash inflow/outflows from financing activities	-	32 509 042
Development capital projects	-	32 509 042
Net increase/decrease in cash and cash equivalents	(9 008 216)	2 585 052
Cash and cash equivalents at the beginning of the year	32 305 532	29 906 620
<b>Cash and cash equivalents at the end of the period</b>	<b>23 297 316</b>	<b>32 491 672</b>

**REGIONAL COUNCIL OF OTJOZONDJUPA  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH**

	Opening Balance as at 01/04/18	Adjustments	Additions	Closing Balance as at 31 March 2019
	N\$	N\$	N\$	N\$
<b>Accumulated Fund and Reserves: 2019</b>	<b>180 909 917</b>	<b>(1 119 707)</b>	<b>38 782 707</b>	<b>218 572 917</b>
Net Surplus/(deficit)	21 918 345	(1 119 707)	4 614 739	25 413 377
Development Fund Capital Project	148 244 889	-	34 167 968	182 412 857
Build Together Revolving Fund	10 746 683	-	-	10 746 683

	Opening Balance as at 01/04/17	Adjustments	Additions	Closing Balance as at 31 March 2018
	N\$	N\$	N\$	N\$
<b>Accumulated Fund and Reserves: 2018</b>	<b>139 302 233</b>	<b>-</b>	<b>41 607 684</b>	<b>180 909 917</b>
Net Surplus/(deficit)	12 819 703	-	9 098 642	21 918 345
Development Fund Capital Project	115 735 847	-	32 509 042	148 244 889
Build Together Revolving Fund	10 746 683	-	-	10 746 683



**REGIONAL COUNCIL OF OTJOZONDJUPA****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

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**1. Accounting convention**

The following are the accounting policies of the Regional Council which are consistent in all material respects with those applied in the previous year, except as otherwise indicated. The financial statements have been prepared on the historical cost basis.

The Regional Council processes its transactions on an accrual basis.

**Currency**

The financial statements are expressed in Namibia Dollars.

**Property, plant, and equipment**

Property, plant, and equipment (owned or leased) are stated at historical cost less depreciation.

Depreciation is calculated on a straight-line method to write off the cost of each asset over its estimated useful life as follows:

Buildings	50 years
Vehicles	5 years
Computer equipment	3 years
Office equipment	3 years
Furniture and equipment	5 years
Machinery and equipment	5 years
Land	no depreciation

**Revenue**

Revenue is recognized in the financial statement at the date the funds are delivered or services are rendered.

**Going concern**

As the Council continues to monitor and evaluate its operation, the Council still believes it can provide adequate and effective service to the community and region and contribute to the Namibian economy during and beyond its current operation.

## REGIONAL COUNCIL OF OTJOZONDJUPA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)

## 2. Property, Plant and Equipment: 2019

	Building	Motor Vehicles	*OE, FF, ME & CE	Other fixed assets	Total
	N\$	N\$	N\$	N\$	N\$
Opening cost at 01/04/2018	10 485 927	4 754 179	28 315 505	5 977	43 561 588
Adjustments	-	-	-	-	-
Additions	-	-	14 043	-	14 043
<b>Closing cost: 31/03/2019</b>	<b>10 485 927</b>	<b>4 754 179</b>	<b>28 329 548</b>	<b>5 977</b>	<b>43 575 631</b>
Balance as at 01/04/2018	2 566 336	3 727 017	25 710 993	5 977	32 010 324
Adjustments	-	-	-	-	-
Depreciation charge for the year	209 719	565 199	1 397 643	-	2 172 560
Accumulated Depreciation: 31/03/2019	<b>(2 776 055)</b>	<b>(4 292 216)</b>	<b>(27 108 636)</b>	<b>(5 977)</b>	<b>(34 182 884)</b>
<b>Net Book Value:31/03/2019</b>	<b>7 709 872</b>	<b>461 963</b>	<b>1 220 912</b>	<b>-</b>	<b>9 392 747</b>

**REGIONAL COUNCIL OF OTJOZONDJUPA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)**

**2. Property, Plant and Equipment: 2018**

	<b>Building</b>	<b>Motor Vehicles</b>	<b>*OE, FF, ME &amp; CE</b>	<b>Other fixed assets</b>	<b>Total</b>
	N\$	N\$	N\$	N\$	N\$
Opening cost at 01/04/2017	10 485 927	4 754 179	28 308 652	5 977	43 554 735
Adjustments	-	-	-	-	-
Additions	-	-	6 852	-	6 852
<b>Closing cost: 31/03/2018</b>	<b>10 485 927</b>	<b>4 754 179</b>	<b>28 315 504</b>	<b>5 977</b>	<b>43 561 587</b>
Balance as at 01/04/2017	2 356 618	3 147 839	24 170 226	5 977	29 680 659
Adjustments	-	-	-	-	-
Depreciation charge for the year 2018	209 719	579 179	1 538 833	-	2 327 730
Accumulated Depreciation 31/03/2018	(2 566 336)	(3 727 017)	(25 709 059)	(5 977)	(32 008 389)
<b>Net Book Value: 31/03/2018</b>	<b>7 919 591</b>	<b>1 027 162</b>	<b>2 606 445</b>	<b>-</b>	<b>11 553 198</b>

**REGIONAL COUNCIL OF OTJOZONDJUPA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (continued)**

**2. Property, Plant and Equipment (continued)**

	Office Equipment	Furniture & Fittings	Machinery & Equipment	Computer Equipment	Total
	N\$	N\$	N\$	N\$	N\$
Opening cost at 1/04/2018	236 516	872 163	25 583 795	1 623 031	28 315 505
Adjustments	-	-	-	-	-
Additions	-	-	-	14 043	14 043
<b>Closing cost 31/03/2019</b>	<b>236 516</b>	<b>872 163</b>	<b>25 583 795</b>	<b>1 637 074</b>	<b>28 329 548</b>
Balance as at 01/04/2018	230 553	822 144	23 113 812	1 544 484	25 710 993
Adjustments	-	-	-	-	-
Depreciation charge for the year	3 679	37 516	1 288 884	67 563	1 397 643
<b>Accumulated Depreciation 31/03/2019</b>	<b>(234 232)</b>	<b>(859 660)</b>	<b>(24 402 697)</b>	<b>(1 612 047)</b>	<b>(27 108 636)</b>
<b>Net Book Value: 31/03/2019</b>	<b>2 284</b>	<b>12 503</b>	<b>1 181 099</b>	<b>25 026</b>	<b>1 220 912</b>

\* NB: Abbreviations on Property, Plant and Equipment

OE: Office Equipment

FF: Furniture and Fittings

ME: Machinery and Equipment

CE: Computer Equipment

**REGIONAL COUNCIL OF OTJOZONDJUPA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**(continued)**

	<b>2019</b>	<b>2018</b>
	<b>N\$</b>	<b>N\$</b>
<b>3. Fixed Assets Work in Progress – Capital projects</b>	<b>116 094 344</b>	<b>79 926 249</b>
Tsumkwe Cultural Village	-	(292 593)
Construction of Half built BTP houses	5 947 933	5 766 919
Extension of Regional Council offices	34 312 052	27 308 069
Okatjoruu water reticulation 2013-21	837 814	837 814
Kalkfield water system-2013-21	6 153 071	1 642 134
Gam Civil Engineering 353stands	1 888 639	1 888 639
Kalkfield Town	617 207	617 207
Okamatapati prepaid water system	199 744	199 744
Tsumkwe road maintenance	-	843 212
Okatjoruu oxidation ponds	2 340 865	1 976 216
Design of oxidation pond - Coblenz	454 215	454 215
Design and construction-Okondjatu	2 235 579	2 235 579
Construction of services-Okandjira	2 662 987	2 662 987
Extension of Otjozondjupa Regional Council phase 2	58 175 304	33 786 107
Oxidation pond/pump station Okamatapati	268 933	-
<b>4. Investments &amp; Shares in other companies</b>	<b>14 482 488</b>	<b>14 542 090</b>
Cenored shares	2 792	2 792
Cenored share premium	14 479 696	14 539 298

**REGIONAL COUNCIL OF OTJOZONDJUPA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**(continued)**

	<b>2019</b>	<b>2018</b>
	<b>N\$</b>	<b>N\$</b>
<b>5. Cash and cash equivalent</b>	<b>23 293 816</b>	<b>32 491 672</b>
GRN subsidy account	1 468 100	962 653
Capital account	960 229	5 533 074
Social housing account	5 012	4 782
Revolving housing account	1 304	1 250
Main Current account	873 052	633 845
Settlement area revenue account	1 740 125	3 921 591
Build Together receipt account	119 788	280 749
ECD account	80 739	562 422
Transport account	382 500	248 152
Traditional Authority account	243 778	424 587
San Empowerment account	14 237	12 321
Regional aids account	58 047	57 220
Nampost account	33 428	3 303 643
Drought relief	593	2 660
Otjozondjupa Regional Council trust fund	6 808 033	10 766 622
Otjozondjupa Social Security	168 314	160 169
Rural development	6 599 082	5 429 793
Nampost investment	3 700 000	-
Cash/receipt control account-Kalkfeld	-	15 437
Cash/receipt control account-Tsumkwe	10 599	63 315
Cash/receipt control account-Okandjira	-	640
Cash/receipt control account-Okondjatu	15 374	12 627
Cash/receipt control account-Coblenz	10 475	166 327
Cash/receipt control account-Okatjoruu	1 005	(50 019)
Cash/receipt control account-Okamatapati	-	(22 185)

**REGIONAL COUNCIL OF OTJOZONDJUPA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**(continued)**

	<b>2019</b>	<b>2018</b>
	<b>N\$</b>	<b>N\$</b>
<b>6. Debtors control</b>	<b>49 292 937</b>	<b>42 033 560</b>
Water, electricity & PTO	21 756 059	18 235 626
Sundry debtors/Min of works	770 573	770 573
Build together customers	8 895 439	8 538 940
S & T customers	640 666	396 616
Local authority	17 230 200	14 091 805
<b>7. Current liabilities</b>	<b>16 765 770</b>	<b>16 734 199</b>
Suppliers control account	5 516 475	6 399 626
Sundry creditors-receipts for BTP customers MRLGH	315 179	34 854
Provision for leave	10 952 606	10 272 073
Net salaries	(5 098)	(5 111)
PAYE	(41 393)	(41 130)
Social Security	565	565
G.I.P.F/MOP	(38 268)	848
Insurance employee deduction	(1 741)	(2 273)
Garnishee & maintenance	1 750	1 750
SWAPO	-	1 300
NAPWU	65	65
PSUN	426	426
Loans	52 570	24 828
Deport debts(water penalties on PAYE)	12 634	12 717
Medical aid	-	33 660