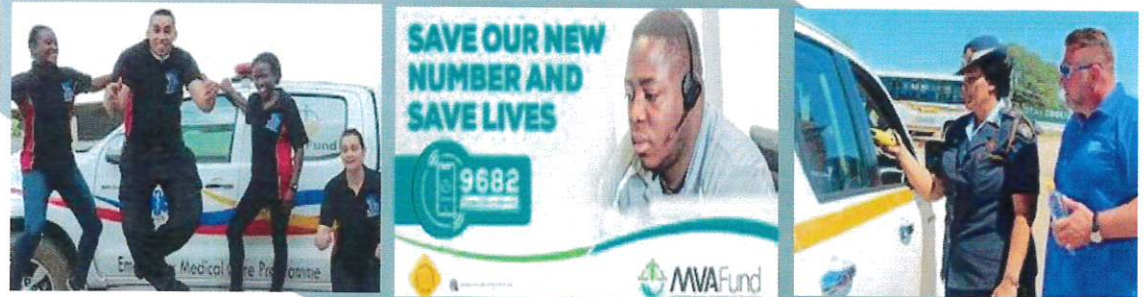




**REPUBLIC OF NAMIBIA**



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

# **MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**

**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

Published by authority

Price (Vat excluded) N\$ 81.00

Report no: 87/2023



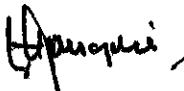
**REPUBLIC OF NAMIBIA**



**TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY**

I have the honour to submit herewith my report on the accounts of the Motor Vehicle Accident Fund for the financial year ended 31 March 2023, in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honourable Minister in terms of Section 8 of the Motor Vehicle Accident Fund Act, 2007 (Act 10 of 2007) to be laid upon the Table of the National Assembly in terms of Section 27(4) of the Act.

**WINDHOEK, September 2023**

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



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE  
MOTOR VEHICLE ACCIDENT FUND  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

---

**1. UNQUALIFIED AUDIT OPINION**

I have audited the financial statements of the Motor Vehicle Accident Fund for the year ended 31 March 2023, these financial statements comprise of the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Motor Vehicle Accident Fund as at 31 March 2023, its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Motor Vehicle Accident Fund Act, 2007 (Act 10 of 2007).

**2. BASIS FOR AUDIT OPINION**

I conducted my 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 my audit report. I am independent of the Entity in accordance with Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to my audit of the financial statements in Namibia. 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.

**3. KEY AUDIT MATTERS**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming the audit opinion thereon, and I do not provide a separate opinion on these matters. No key audit matters were observed during the year under review and as such I have nothing to report in this regard.

**4. OTHER INFORMATION**

The Directors are responsible for the other information. The other information does not include the financial statements and the audit report thereon. My opinion on the financial statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon. In connection with 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 my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact. I have nothing to report in this regard.

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

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards and the requirements of the Motor Vehicle Accident Act Number 10 of 2007, and for such internal control as the Directors determine 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, the Directors are 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 the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for 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 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 International Standards for Supreme Audit Institutions, I exercise professional judgement and maintain professional scepticism throughout the audit. I also;

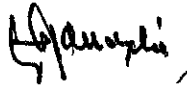
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for the audit opinion. The risk of not detecting 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 company's internal control. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the 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 company'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 company 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 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.

WINDHOEK, September 2023

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

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH**

The Directors present their annual report, which forms part of the audited financial statements of the Fund for the year ended 31 March 2023.

**1. Activities of the Fund**

**Main business and operations**

The Fund is statutorily mandated to design, promote, and implement crash and injury prevention measures. It provides assistance and benefits to all people injured and the dependents of those killed in motor vehicle crashes in accordance with the Motor Vehicle Fund Act, 2007 (Act 10 of 2007) Number 10 of 2007 and operates in Namibia.

**State of affairs and financial results**

The state of affairs and full details of financial results are dealt with in the annual financial statements and can be summarized as follows:

**Summary of income statement**

	Note	2023 N\$	2022 N\$
Fuel levy income		471 565 053	529 153 425
Income from investments		100 112 552	78 540 781
Claim expense	12	(260 497 247)	(306 652 003)
Rental Income and other income		3 620 470	3 001 375
Xupifa Eemwenyo		604 500	150 000
Movement in claims provisions and reserve		(8 482 750)	7 403 249
Operating expenses		(213 298 285)	(190 674 542)

**Analytical review of the Fund's operations and state of affairs**

The fuel levy of 47.7 cents was applied for only 7 months of the current financial year. The Government of the Republic of Namibia, through the Ministry of Finance imposed a 25% reduction on the MVA Fund fuel levy to 35.8 cents for an effective 5 month period covering May 2022 to September 2022.



**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH (continued)**

**Summary of financial position**

	<b>2023</b>	<b>2022</b>
	N\$	N\$
Total assets	1 898 860 877	1 847 200 789
Total liabilities	885 825 421	932 371 020
Accumulated Fund surplus / (deficit)	963 488 826	868 137 229
Ratio of total assets to Fund surplus / (deficit)	1.97:1	2.13:1
Ratio of total assets to Fund surplus / (deficit) %	197%	213%

**Fuel sales in liters**

	<b>Liters</b>	<b>Liters</b>
Diesel	767 253 925	741 915 749
Petrol	333 554 124	367 420 571
	<b>1 100 808 049</b>	<b>1 109 336 320</b>
Increase /(decrease) in litres sold	(8 528 271)	53 917 674

	<b>2023</b>	<b>2022</b>
	N\$	N\$
<b>Cash and investments</b>		
Funds held with asset managers	1 314 122 214	706 174 500
Fixed term investments	277 535 629	841 051 977
Call account investments	12 108 782	7 187 559
Bank balances	27 244 705	28 196 588
Cash on hand	142 733	53 771
	<b>1 631 154 063</b>	<b>1 582 664 395</b>

**2. Going concern – Fuel levy reduction****Cash and investments**

Surplus cash and part of investment returns invested at various financial institutions comprise:

During the financial year ended 31 March 2023, the Government of the Republic of Namibia passed a resolution to effect a 25% temporary reduction on the MVA Fund's fuel levies, from N\$ 0.477 to N\$ 0.358 per liter in an attempt to ease the overall effect of the ever-increasing fuel price on the consumer. The reduction was in effect for 5 months commencing May 2022 to September 2022. This resulted in the Fund recording lower fuel levy revenue for the year ended 31 March 2023.

Further impacting the fuel levy revenue negatively is the declining trend in fuel volumes consumed over time. This trend is likely to be observed over a longer term as the world shifts its focus to lesser use of fossil fuels, and more electric vehicles are used on the national road. The Fund has commenced engagements to ensure that levies are collected from electric vehicles as well.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)**

---

**3. Events after the reporting period**

The Directors are not aware of any matter or circumstance arising since the end of the financial year.

**4. Directors of the Motor Vehicle Accident Fund**

The Directors of the Fund during the year and to the date of this report are as follows:

<b>Name</b>	<b>Nationality</b>
Dr. S. Herman	Namibian
J. Daun	Namibian
M. Nangombe	Namibian
D. Mabengano	Namibian
T. Iindji	Namibian
N. Shejavali	Namibian
E. Kharuchas	Namibian

**5. Executive Management of the Motor Vehicle Accident Fund**

The Executive Management of the Fund at the date of this report are as follows:

<b>Name</b>	<b>Title</b>
R. Martins-Hausiku	Chief Executive Officer
P. Nghifitikeko	Chief Operations Officer
J. Kurz	Chief Legal Advisor
L. Ndjamba	Chief Financial Officer
J. Haikali	Chief Human Capital & Strategy

**6. Auditor**

The Auditor - General will continue in Office in accordance with Section 7(4) of the Motor Vehicle Accident Act Number 10 of 2007.

## ANNEXURE B

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH**

	Note	2023 N\$	2022 N\$
<b>Assets</b>			
<b>Non-Current Assets</b>			
Investment property	3	48 550 000	47 785 000
Property, plant and equipment	4	127 481 974	126 791 756
<b>Current Assets</b>			
Investments	5	1 591 657 843	1 547 226 477
Trade and other receivables	6	91 674 840	89 959 638
Cash and cash equivalents	7	39 496 220	35 437 918
<b>Total Assets</b>		<b>1 898 860 877</b>	<b>1 847 200 789</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Accumulated surplus		963 488 826	868 137 229
Revaluation reserves		49 546 628	46 692 540
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Retirement benefit obligation	8	11 054 000	10 129 000
Claims provisions and reserves	9	832 739 000	882 684 000
<b>Current Liabilities</b>			
Trade and other payables	10	42 032 423	39 558 020
<b>Total Liabilities</b>		<b>885 825 423</b>	<b>932 371 020</b>
<b>Total Equity and Liabilities</b>		<b>1 898 860 877</b>	<b>1 847 200 789</b>

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH**

		<b>2023</b>	<b>2022</b>
	Note	N\$	N\$
Revenue	11	575 902 575	610 845 581
Claims paid	12	(268 979 997)	(299 248 754)
<b>Gross surplus</b>		<b>306 922 578</b>	<b>311 596 827</b>
Other income		1 727 304	1 624 968
Operating expenses		(213 298 285)	(190 674 542)
<b>Surplus for the year</b>		<b>95 351 597</b>	<b>122 547 253</b>

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH**

	Revaluation Reserve	Accumulated surplus / (deficit)	Total equity
	N\$	N\$	N\$
<b>Balance at 01 April 2021</b>	<b>44 075 319</b>	<b>745 589 976</b>	<b>789 665 295</b>
Revaluation surplus	2 617 221	-	2 617 221
Surplus for the year	-	122 547 253	122 547 253
<b>Balance at 01 April 2022</b>	<b>46 692 540</b>	<b>868 137 229</b>	<b>914 829 769</b>
Revaluation surplus	2 854 088	-	2 854 088
Surplus for the year	-	95 351 597	95 351 597
<b>Balance at 31 March 2023</b>	<b>49 546 628</b>	<b>963 488 826</b>	<b>1 013 035 454</b>

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH**

	Note	<b>2023</b>	<b>2022</b>
		N\$	N\$
<b>Cash flows from operating activities</b>			
Cash generated from operations	14	53 252 630	130 571 652
<b>Net cash flow from operating activities</b>		<b>53 252 630</b>	<b>130 571 652</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, and equipment	4	(5 726 754)	(15 323 048)
Sale of property, plant, and equipment		963 791	1 564 666
Movement in investments		(44 431 365)	(109 443 268)
<b>Net cash flow from investing activities</b>		<b>(49 194 329)</b>	<b>(123 201 650)</b>
<b>Total cash movement for the year</b>		<b>4 058 302</b>	<b>7 370 002</b>
Cash at the beginning of the year		35 437 918	28 067 916
<b>Total cash at end of the year</b>	7	<b>39 496 220</b>	<b>35 437 918</b>

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH  
2023**

---

## **Accounting Policies**

### **1. Presentation of Annual Financial Statements**

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the Motor Vehicle Accident Act Number 10 of 2007. The annual financial statements have been prepared on the historical cost basis and incorporate the principal accounting policies set out below. They are presented in Namibia Dollars.

These accounting policies are consistent with the previous period.

#### **1.1 Significant judgements and sources of estimation uncertainty**

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgment's including:

##### **Trade receivables held to maturity investments and loans and receivables**

The Fund assesses its trade receivables held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss the Fund makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables held to maturity investments and loans and receivables is calculated on a portfolio basis based on historical loss ratios adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

##### **Impairment testing**

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

The Fund reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.



**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH  
2023 (continued)**

---

**1.1 Significant judgements and sources of estimation uncertainty (Continued)**

**Provisions**

Provisions were raised and management determined an estimate based on the information available.

**Outstanding claims provision**

The estimation of the ultimate liability arising from claims incurred but not settled at the reporting date is the Fund's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimation of the liability the Fund will ultimately pay for such claims. The provision for outstanding claims is actuarially determined on an annual basis. The measurement of the obligations in respect of this liability requires actuarial estimates and valuations. An actuary is engaged to perform these calculations. Additional disclosure of these estimates of provisions are included in Note 9 - Provisions.

**Post- retirement benefit**

The Fund provides a defined benefit plan to its employees. The measurement of the obligations and or assets in respect of this liability requires actuarial estimates and valuations. An actuary is engaged to perform these calculations. Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 8 - Retirement benefit obligation.

**Allowance for doubtful debts**

On receivables an impairment loss is recognized in surplus or deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the receivable carrying amount and the present value of estimated future cash flow discounted at the effective interest rate computed at initial recognition.

**1.2 Investment property**

Investment property is recognized as an asset when and only when it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise and the cost of the investment property can be measured reliably.

Investment property is initially recognized at cost. Transaction costs are included in the initial measurement.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH  
2023 (continued)**

---

**1.2 Investment property (Continued)**

**Fair value**

Subsequent to initial measurement investment property is measured at fair value.

A gain or loss arising from a change in fair value is included in net profit or loss for the period in which it arises.

**1.3 Property plant and equipment**

The cost of an item of property, plant and equipment is recognized as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Fund; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to replace part of or service it. If a replacement cost is recognized in the carrying amount of an item of property plant and equipment the carrying amount of the replaced part is de-recognized.

Property plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

The useful lives of items of property, plant and equipment have been assessed as follows:

<b>Item</b>	<b>Average useful life</b>
Buildings	50 years
Motor vehicles	3 years
Office equipment and furniture	7-10 years
IT equipment	3 years

The residual value useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates the change is accounted for as a change in accounting estimate.

The depreciation charge for each period is recognized in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the de-recognition of an item of property, plant and equipment is included in profit or loss when the item is de-recognized. The gain or loss arising from the de-recognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds if any and the carrying amount of the item.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH  
2023 (continued)**

---

#### **1.4 Financial instruments**

##### **Classification**

The Fund classifies financial assets and financial liabilities into the following categories:

- Held to maturity investment
- Loans and receivables
- Financial liabilities measured at fair value
- Financial liabilities measured at amortized cost

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis except for derivatives and financial assets designated as at fair value through profit or loss which shall not be classified out of the fair value through profit or loss category.

##### **Initial recognition and measurement**

Financial instruments are recognized initially when the Fund becomes a party to the contractual provisions of the instruments.

The Fund classifies financial instruments or their component parts on initial recognition as a financial asset. A financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are measured initially at fair value except for equity investments for which a fair value is not determinable which are measured at cost and are classified as available-for-sale financial assets. For financial instruments which are not at fair value through profit or loss transaction costs are included in the initial measurement of the instrument. Transaction costs on financial instruments at fair value through profit or loss are recognized in profit or loss.

##### **Subsequent measurement**

Financial instruments at fair value through profit or loss are subsequently measured at fair value with gains and losses arising from changes in fair value being included in profit or loss for the period.

Net gains or losses on the financial instruments at fair value through profit or loss includes dividends and interest.

Dividend income is recognised in profit or loss as part of other income when the Fund's right to receive payment is established.

Loans and receivables are subsequently measured at amortised cost using the effective interest method less accumulated impairment losses.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost using the effective interest method.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH  
2023 (continued)**

---

**1.4 Financial instruments (continued)**

**De-recognition**

Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

**Fair value determination**

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities) the Fund establishes fair value by using valuation techniques. These include the use of recent arm's length transactions reference to other instruments that are substantially the same discounted cash flow analysis and option pricing models making maximum use of market inputs and relying as little as possible on entity specific inputs.

**Impairment of financial assets**

At each reporting date the Fund assesses all financial assets other than those at fair value through profit or loss to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the Fund significant financial difficulties of the debtor probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment. Impairment losses are recognised in profit or loss.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in profit or loss except for equity investments classified as available-for-sale.

**Trade and other receivables**

Trade receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**2023 (continued)**

---

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss. Trade and other receivables are classified as loans and receivables.

### **Trade and other payables**

Trade payables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits 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. These are initially and subsequently recorded at fair value.

### **Held to maturity**

These financial assets are initially measured at fair value plus direct transaction costs. At subsequent reporting dates these are measured at amortised cost using the effective interest rate method less any impairment loss recognised to reflect irrecoverable amounts. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired and is measured as the difference between the investment's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Impairment losses are reversed in subsequent periods when an increase in the investment's recoverable amount can be related objectively to an event occurring after the impairment was recognised subject to the restriction that the carrying amount of the investment at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

Financial assets that the Fund has the positive intention and ability to hold to maturity are classified as held to maturity.

## **1.5 Tax**

The Fund is exempt from income taxation in terms of the provision of Section 6 of the Motor Vehicle and Accident Fund Act Number 10 of 2007.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**20232 (continued)**

---

## **1.6 Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

### **1.6 Leases (continued)**

#### **Finance leases – lessee**

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or if lower the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

The lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

#### **Operating leases – lessor**

Operating lease income is recognised as an income on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income. Income for leases is disclosed under revenue in profit or loss.

#### **Operating leases – lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. This liability is not discounted.

## **1.7 Impairment of assets**

The Fund assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists the Fund estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment the Fund also:

- Tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period. If there is any indication that an asset may be impaired the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset the recoverable amount of the cash generating unit to which the asset belongs is determined.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**20232 (continued)**

---

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets of the unit.

- Pro rata on the basis of the carrying amount of each asset in the unit.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. If any such indication exists the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in profit or loss.

### **1.8 Provisions and contingencies**

Provisions are recognised when:

- the Fund has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party the reimbursement shall be recognised when and only when it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating deficits.

If an entity has a contract that is onerous the present obligation under the contract shall be recognised and measured as a provision.



**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**2023 (continued)**

---

A constructive obligation to restructure arises only when an entity:

- Has a detailed formal plan for the restructuring identifying at least:
  - 1) the business or part of a business concerned;
  - 2) the principal locations affected;
  - 3) the location function and approximate number of employees who will be compensated for terminating their services;
  - 4) the expenditures that will be undertaken;
  - 5) when the plan will be implemented; and
  - 6) has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

Contingent assets and contingent liabilities are not recognised.

### **1.9 Short-term employee benefits**

The cost of short-term employee benefits (those payable within 12 months after the service is rendered such as paid vacation leave and sick leave bonuses and non-monetary benefits such as medical care) are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or in the case of non-accumulating absences when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

### **Defined benefit plans**

For defined benefit plans the cost of providing the benefits is determined using the projected unit credit method. Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. Consideration is given to any event that could impact the funds up to the end of the reporting period where the interim valuation is performed at an earlier date.

Past service costs are recognised immediately to the extent that the benefits are already vested and are otherwise amortised on a straight-line basis over the average period until the amended benefits become vested.

To the extent that at the beginning of the financial year any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the projected benefit obligation and the fair value of the plan assets (the corridor) that portion is recognised in profit or loss over the expected average remaining service lives of participating employees. Actuarial gains or losses within the corridor are not recognised.

Actuarial gains and losses are recognised in the year in which they arise in other comprehensive income.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH  
2023 (continued)**

---

Gains or losses on the curtailment or settlement of a defined benefit plan is recognised when the Fund is demonstrably committed to curtailment or settlement.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects the asset is treated in the same way as plan assets. In profit or loss the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs and reduces by the fair value of plan assets.

Any asset is limited to unrecognised actuarial losses and past service costs plus the present value of available refunds and reduction in future contributions to the plan.

#### **1.10 Government grants**

Government grants are recognised when there is reasonable assurance that:

- the Fund will comply with the conditions attaching to them; and
- the grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

A government grant that becomes receivable as compensation for expenses or deficits already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Government grants related to assets including non-monetary grants at fair value are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants related to income are presented as a credit in the profit or loss (separately).

Repayment of a grant related to income is applied first against any un-amortised deferred credit set up in respect of the grant. To the extent that the repayment exceeds any such deferred credit or where no deferred credit exists the repayment is recognised immediately as an expense.

Repayment of a grant related to an asset is recorded by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognised to date as an expense in the absence of the grant is recognised immediately as an expense.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**2023 (continued)**

---

### **1.11 Revenue**

#### **Fund levies**

The main income received by the Fund is a levy that is based on fuel sales known as the Motor Vehicle Accident Fund Levy. The Motor Vehicle Accident Fund Levy is a charge levied on fuel throughout the country and the quantum of the Fund Levy per litre is determined by the Ministry of Mines and Energy.

The Fund recognises revenue from the fuel levies when the amount of revenue can be easily measured, and it is probable that future economic benefits will flow to the Fund.

Revenue is measured at the fair value of the consideration received or receivable.

#### **Investment income**

Investment income comprises interest income on funds invested. Interest income for financial assets not classified as at fair value through statement of comprehensive income is recognised on a time- proportion basis using the effective interest rate method.

#### **Rental income**

The Fund receives income from rent on properties leased out to third parties. Rental income is measured at fair value of the consideration received or receivable.

### **1.12 Claims paid**

An insurance contract is defined as a contract under which the insurer accepts significant insurance risk from another party the policyholder by agreeing to compensate the policyholder if a specified uncertain future event insured event adversely affects the policyholder. The Fund does not have any insurance contracts, but it accepts insurance risk as it is mandated by legislation to compensate victims of road accidents for injuries suffered as a result of motor vehicle accidents.

#### **The Fund covers the following claims:**

1. Medical expenses
2. Funeral grants
3. Loss of income
4. Loss of support
5. Injury grant

#### **Claims incurred**

Claims incurred comprise claims related expenses incurred during the year and changes in the provisions for outstanding claims including related external expenses together with any other adjustments to claims from previous years.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH  
2023 (continued)**

---

**1.12 Claims paid (continued)**

**Outstanding claims provision**

Provision is made at year end for the estimated cost of claims incurred but not yet settled at the reporting date. Claims outstanding are determined as accurately as possible on the basis of a number of factors including previous experience in claims patterns claim settlement patterns and trends in claim frequency. Further the outstanding claims provision is calculated taking the following elements into account:

- estimates of additional claims payments that may be required on claims that have already been reported to the fund and are still open;
- estimates of additional claims payments that may be required on claims that have already been reported to the fund and are closed but could be reopened in the future; and
- estimates of external claim-handling expenses such as legal and medical experts assessors and other experts excluding the fund overhead administrative costs.

The estimates of the outstanding claims provision were produced on a going-concern basis and the outstanding claims estimate is reflected in the financial statements at a discounted value based on expected monetary values at the expected time of the payment of those claims. Reserves for the internal or indirect claim-handling expenses are specifically excluded from the estimates for example administrative costs.

**1.13 Borrowing costs**

Borrowing costs that are directly attributable to the acquisition construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted. Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH  
2023 (continued)**

---

#### **1.14 Translation of foreign currencies**

##### **Foreign currency transactions**

A foreign currency transaction is recorded on initial recognition in Namibia Dollars by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Namibia Dollars by applying to the foreign currency amount the exchange rate between the Namibia Dollar and the foreign currency at the date of the cash flow.

#### **1.15 Related parties**

The Fund operates in an economic sector currently dominated by entities directly or indirectly owned by the Namibian Government. These entities are considered related parties. Management comprises those persons responsible for planning directing and controlling the activities of the Fund; as well as those charged with governance of the fund in accordance with legislation in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence or be influenced by management in their dealings with the Fund.

Only transactions with related parties not at arm's length and not in the ordinary course of business are disclosed.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**(continued)**

**2. New Standards and Interpretations**

**2.1 Standards and interpretations not yet effective**

The Fund has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Fund's accounting periods beginning on or after 01 April 2023 or later periods:

<b>Standard/ Interpretation:</b>	<b>Effective date: Years beginning on or after</b>	<b>Expected impact:</b>
<input type="checkbox"/> Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	1 January 2023	Unlikely there will be a material impact
<input type="checkbox"/> Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2	1 January 2023	Unlikely there will be a material impact
<input type="checkbox"/> Definition of accounting estimates: Amendments to IAS 8	1 January 2023	Unlikely there will be a material impact
<input type="checkbox"/> Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	1 January 2023	Unlikely there will be a material impact
<input type="checkbox"/> IFRS 17 Insurance Contracts	1 January 2023	Unlikely there will be a material impact

**3. Investment property**

	<b>2023</b>			<b>2022</b>		
	<b>Cost</b>	<b>Accumulated depreciation</b>	<b>Carrying value</b>	<b>Cost</b>	<b>Accumulated depreciation</b>	<b>Carrying value</b>
	<b>N\$</b>	<b>N\$</b>	<b>N\$</b>	<b>N\$</b>	<b>N\$</b>	<b>N\$</b>
Investment property	48 550 000	-	48 550 000	47 785 000	-	47 785 000

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**2023 (continued)**

**3. Investment property (continued)**

**Reconciliation of investment property – 2023**

	<b>Opening balance</b>	<b>Additions</b>	<b>Transfer in</b>	<b>Fair value adjustments</b>	<b>Total</b>
	N\$	N\$	N\$	N\$	N\$
Investment Property	47 785 000	-	-	765 000	48 550 000

**Reconciliation of investment property – 2022**

	<b>Opening balance</b>	<b>Additions</b>	<b>Transfer in</b>	<b>Fair value adjustments</b>	<b>Total</b>
	N\$	N\$	N\$	N\$	N\$
Investment Property	46 555 000	-	-	1 230 000	47 785 000

**Details of property**

	<b>2023</b>	<b>2022</b>
	N\$	N\$
	<b>7 180 000</b>	<b>7 055 000</b>
-Purchase price: 11 May 2011	4 000 000	4 000 000
- Additions since purchase or valuation	10 000	10 000
- Fair value adjustments	3 170 000	3 045 000

**Erf 6441 measuring 1340 square meters situated in the  
Municipality of Windhoek**

	<b>5 760 000</b>	<b>5 685 000</b>
-Purchase price: 23 September 2008	1 500 000	1 500 000
- Additions since purchase or valuation	643 663	643 663
-Fair value adjustments	3 616 337	3 541 337

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**(continued)**

---

**3. Investment property (continued)**

**Erf 6326 Service Centre Ongwediva (transferred from property, plant and equipment)**

	<b>2023</b>	<b>2022</b>
	N\$	N\$
	<b>17 280 000</b>	<b>17 075 000</b>
- Purchase price: 16 November 2007	228 858	228 858
-Additions since purchase or valuation	16 169 085	16 169 085
-Fair value adjustment	882 057	677 057

**ERF 2542 measuring 2 887 square meters situated in the Municipality of Rundu**

-	<b>18 330 000</b>	<b>17 970 000</b>
Transfer in from PPE	13 717 705	13 717 705
-Additions since purchase or valuation	616 849	616 849
- Fair value adjustment	3 995 446	3 635 446

---



**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH (continued)**

**4. Property, plant and equipment**

	2023		2022			
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
	N\$	N\$	N\$	N\$	N\$	N\$
Land and buildings	124 700 009	(17 954 931)	106 745 078	121 335 718	(16 145 873)	105 189 845
Motor vehicles	23 989 092	(14 910 758)	9 078 334	24 611 980	(13 409 422)	11 202 558
Office equipment and furniture	18 100 687	(14 405 575)	3 695 112	16 285 168	(14 050 011)	2 235 157
IT equipment	47 330 386	(43 882 797)	3 447 589	45 984 875	(42 312 542)	3 672 333
Work in progress-Buildings	4 515 861	-	4 515 861	4 491 863	-	4 491 863
<b>Total</b>	<b>218 636 035</b>	<b>(91 154 061)</b>	<b>127 481 974</b>	<b>212 709 604</b>	<b>(85 917 848)</b>	<b>126 791 756</b>

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH (continued)**

4. Property, plant and equipment (continued)	Opening balance	Additions	Transfers In (Out)/Disposal	Revaluation	Depreciation	Total
Reconciliation of property plant and equipment 2023						
Land and buildings	105 189 845	510 203	-	2 854 088	(1 809 058)	106 745 078
Motor vehicles	11 202 558	1 243 977	-	-	(3 368 201)	9 078 334
Office equipment and furniture	2 235 157	2 223 957	(1 487)	-	(762 515)	3 695 112
IT equipment	3 672 333	1 724 619	-	-	(1 949 363)	3 447 589
Work in progress- Buildings	4 491 863	23 998	-	-	-	4 515 861
	<b>126 791 756</b>	<b>5 726 754</b>	<b>(1 487)</b>	<b>2 854 088</b>	<b>(7 889 137)</b>	<b>127 481 974</b>
<b>2022</b>	<b>Opening balance</b>	<b>Additions</b>	<b>Transfers In (Out)/Disposal</b>	<b>Revaluation</b>	<b>Depreciation</b>	<b>Total</b>
	N\$	N\$	N\$	N\$	N\$	N\$
Land and buildings	97 404 000	-	6 839 352	2 617 221	(1 670 728)	105 189 845
Motor vehicles	8 830 114	6 522 576	(1 167 646)	-	(2 982 486)	11 202 558
Office equipment and furniture	2 510 121	414 157	-	-	(689 121)	2 235 157
IT equipment	4 279 243	2 461 822	(2 052)	-	(3 066 680)	3 672 333
Work in progress- Buildings	5 406 722	5 924 493	(6 839 352)	-	-	4 491 863
	<b>118 430 200</b>	<b>15 323 048</b>	<b>(1 169 698)</b>	<b>2 617 221</b>	<b>(8 409 015)</b>	<b>126 791 756</b>

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH (continued)**

**4. Property, plant and equipment (continued)**

	2023	2022
	N\$	N\$
<b>ERF 6325 measuring 4 084 square meters situated in the Municipality of Ongwediva</b>	<b>22 680 000</b>	<b>22 395 000</b>
- Purchase price: 16 November 2007	142 818	142 818
- Additions since purchase or valuation	22 537 182	22 252 182
<b>ERF 8730 measuring 6 747 square meters situated in the Municipality of Windhoek</b>	<b>53 540 000</b>	<b>53 270 000</b>
- Purchase price: 30 November 2010	2 882 487	2 882 487
- Additions since purchase or valuation	50 657 513	50 387 513
<b>ERF 1771 (Portion of 1760) measuring 1 193 square meters situated in the Municipality of Otjiwarongo</b>	<b>5 720 000</b>	<b>5 490 000</b>
- Purchase price: 05 February 2013	1 000 000	1 000 000
- Additions since purchase or valuation	4 720 000	4 490 000
<b>ERF 1370 (Portion of ERF 1368) 1 514 measuring square meters situated in the Municipality of Keetmanshoop</b>	<b>5 370 000</b>	<b>5 260 000</b>
- Purchase price: 1 December 2005	400 000	400 000
- Additions since purchase or valuation	4 970 000	4 860 000
<b>ERF 879 measuring 1 250 square meters situated in the Municipality of Walvis Bay</b>	<b>12 480 000</b>	<b>12 195 000</b>
- Purchase price: 16 March 2012	4 200 000	4 200 000
- Additions since purchase or valuation	8 280 000	7 995 000
<b>ERF 78 measuring 1 980 square meters situated in the Municipality of Katima Mulilo</b>	<b>600 000</b>	<b>594 000</b>
- Purchase price: 20 November 2021	334 495	334 495
- Additions since purchase or valuation	265 505	259 505
<b>ERF 1257 measuring 1 000 square meters situated in the Municipality of Otavi</b>	<b>6 100 000</b>	<b>5 990 000</b>
- Purchase price: 25 November 2014	300 000	300 000
- Additions since purchase or valuation	5 800 000	5 690 000
<b>ERF 325 measuring 6 101 square meters situated in Divundu</b>	<b>259 292</b>	<b>-</b>
- Purchase price: 28 July 2022	259 292	-
	<b>106 745 078</b>	<b>105 189 845</b>

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**(continued)**

	2023	2022
	N\$	N\$
<b>5. Investments</b>		
<b>At fair value through profit or loss</b>		
Funds held with Asset Managers	1 314 122 214	706 174 500
Funds held with professional managers are fair valued by professional managers at year end.		
<b>Held to maturity</b>		
Fixed term investments	277 535 629	841 051 977
Fixed term deposits are held with financial institutions.		
<b>Total other financial assets</b>	<b>1 591 657 843</b>	<b>1 547 226 477</b>
<b>Current assets</b>	<b>1 541 657 843</b>	<b>1 547 226 477</b>
At fair value through profit or loss	1 314 122 214	706 174 500
Held to maturity	227 535 629	841 051 977

**Fair value information**

Funds held with professional managers are fairly valued by asset managers as at year-end.

The fair value of the financial assets was determined as follows:

- The fair value of listed or quoted investments are based on quoted market price.
- The fair values are determined annually at statement of financial position date.

**Fair value hierarchy of financial assets at fair value through profit or loss**

Level 1 represents those assets which are measured using unadjusted quoted prices for identical assets.

**6. Trade and other receivables**

	91 674 840	89 959 638
Fuel levies receivable	90 438 601	88 201 080
Deposits	41 068	50 702
Other receivables	1 195 171	1 707 856

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**(continued)**

**6. Trade and other receivables (continued)**

**Trade and other receivables past due but not impaired**

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 31 March 2023, N\$91 674 840 (2022: N\$89 959 638) were past due but not impaired.

	<b>2023</b>	<b>2022</b>
	N\$	N\$
<b>The ageing of amounts past due but not impaired is as follows:</b>		
Less than 1 year past due	91 674 840	89 959 638
	<b>91 674 840</b>	<b>89 959 638</b>

**7. Cash and cash equivalents**

Cash and cash equivalents consist of:

Cash on hand	142 733	53 771
Bank balance	27 244 704	28 196 588
Short-term deposits	12 108 782	7 187 559
	<b>39 496 219</b>	<b>35 437 918</b>

**8. Retirement benefit obligation (Severance Pay benefits)**

**Defined benefit plan**

The defined benefit plan consists of the Severance pay benefit which is governed by Section 35 (1) of the Namibia Labour Act of 2007 which came into effect 01 November 2008. In terms of the Act the Severance benefits are payable to an employee for one (1) week's wage for each completed year of service if the employee is dismissed; dies while employed; or resigns or retire on reaching the age of 65 years. The retirement benefit obligation has been determined through Actuarial valuation.

**Carrying value**

	<b>2023</b>	<b>2022</b>
	N\$	N\$
	<b>(11 054 000)</b>	<b>(10 129 000)</b>
Present value of the defined benefit obligation wholly unfunded	(10 129 000)	(9 208 000)
Net actuarial gains or losses not recognised	(925 000)	(921 000)
Opening balance	<b>(11 054 000)</b>	<b>(10 129 000)</b>
	(10 129 000)	(9 208 000)
Company contributions (bank)	730 000	-
Net expense recognised in profit or loss	(1 655 000)	(921 000)
	<b>(925 000)</b>	<b>(921 000)</b>
Current service cost	(847 000)	(831 000)
Interest cost	(1 210 000)	(1 265 000)
Benefits Paid	730 000	-
Amortisation	402 000	1 175 000

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**2023 (continued)**

**8. Retirement benefit obligation (Severance Pay benefits) (continued)**

Assumptions used on last valuation on 31 March 2023.

Total annual salaries (N\$)	88 358 000	77 664 501
Average service (in years)	41.1	41.2
Salary weighted average age (in years)	10.9	10.8
Discount rates used	12.20%	11.40%
Inflation rate	6.70%	6.60%
Expected increase in salaries	8.70%	8.60%

The liability has been calculated using the projected Unit Credit Method which accrues uniformly whilst the member is in service. The normal retirement age for all employees is 60 years.

**9. Claims provisions and reserves**

**Reconciliation of claims provisions and reserves – 2023**

	<b>Opening balance</b>	<b>(Decrease) in claims provisions and reserves</b>	<b>Total</b>
	N\$	N\$	N\$
Provisions	882 684 000	(49 945 000)	832 739 000

**Reconciliation of claims provisions and reserves – 2022**

	<b>Opening balance</b>	<b>Increase in claims provisions and reserves</b>	<b>Total</b>
	N\$	N\$	N\$
Provisions	883 156 000	(472 000)	882 684 000

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH  
(continued)**

**9. Claims provisions and reserves (continued)**

**Provisions include:**

Provisions for Outstanding claims including Notified Outstanding Claims Reserve (NOCR) and Claims Incurred But Not Reported Reserve (IBNR).

	2023	2022
	N\$	N\$
	<b>832 739 000</b>	<b>882 684 000</b>
Claims incurred but not reported - Funeral and Injury grants	21 904 000	41 716 000
Claims incurred but not reported - Loss of Income and Loss of Support	15 994 000	16 702 000
Claims incurred but not reported - Medical Undertakings	50 952 000	65 906 000
Claims undertakings - Loss of Income	61 871 000	58 801 000
Claims undertakings - Loss of Support	416 570 000	426 092 000
Claims undertakings - Medical Undertakings	67 827 000	87 733 000
Belgian doctors' claims	115 608 000	99 517 000
Claims handling expenses	22 522 000	23 894 000
Data & Systems reserves	20 829 000	21 305 000
Contingency reserves	38 662 000	41 018 000

**Claims incurred but not reported – Funeral and Injury Grant**

Development patterns as summarised in the actuarial valuation. The report derived from the monthly claims run-off was used to evaluate claims incurred but not yet reported.

The projected claim numbers were multiplied by the average claim amounts of N\$ 7 000 and N\$ 15 751 (N\$15 769:2022), (N\$16 928:2021) and (N\$16 914:2020) for funeral and injury grants respectively to get incurred but not reported liability.

**Claims incurred but not reported – Loss of Income Loss of Support and Medical Undertakings**

For undertakings we also used development patterns derived from the claims data provided. The development factors were used to project claims undertaking amounts in respect of accidents prior to 31 March 2023 yet to be reported in subsequent years. The projections were based on total claims undertakings recorded to date.

**Medical Undertakings**

The actuaries set the liability equal to 100% of the sum of the outstanding balances (subject to a minimum of zero) irrespective of the year the undertaking was made. They, however, reviewed all the historical dormant undertakings together with the management of the Fund and in cases where there is no further future payments expected the records have been expunged from the system and no liability held.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH  
2023 (continued)**

---

**9. Claims provisions and reserves (continued)**

**Belgian Doctors**

The schedule of all future remaining payments was set out in court papers drafted in November and December 2009. The actuaries have set the liability at the present value of these future payments with allowance for mortality interest and expected future N\$/Euro exchange rate movement.

Two cases have been fully settled by the Fund as at 31 March 2023. Calculations were only made in respect of claim which is the only outstanding claim.

**Claims in Litigation**

The liability in respect of claims in litigation has been fully extinguished as all cases have been settled.

**Claims handling expenses**

The actuaries have allowed for claim handling expenses at 3% of outstanding liabilities including IBNR.

**Data and Systems Reserves**

The actuaries have introduced a temporary reserve of 5% of outstanding liabilities in respect of Data and Systems concerns. This reserve is held to act as a cushion against potential adverse findings of the data and system Investigation that we recommended the Fund carries out. The reserves are expected to be released over time once data and systems concerns raised have been rectified.

**Contingency reserves**

The contingency reserve is set as 5% of the liability for the IBNR and Claims undertakings.

**The key financial and demographic assumptions used are:**

- Average historic rate	8%	(2022: 8%)
- Valuation discount rate	7.5%	(2022: 7.5%)
- Annual future inflation	6.5%	(2022: 6.5%)
- Expected future exchange rate (Euro vs N\$)	N\$ 19.47	(2022: N\$ 16.17)



**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**(continued)**

	<b>2023</b>	<b>2022</b>
	N\$	N\$
<b>10. Trade and other payables</b>		
	<b>42 032 421</b>	<b>39 558 020</b>
Trade payables	2 966 177	3 132 220
Value Added Tax	15 692	20 996
Other payables	10 573 945	9 787 652
Accrued leave pay	4 820 516	4 358 464
Accrued bonus	23 140 804	21 798 555
Other accrued expenses	515 287	460 133
<b>11. Revenue</b>		
	<b>575 902 575</b>	<b>610 845 581</b>
Fuel levy income	471 565 053	529 153 425
Rental Income	2 199 115	1 852 569
Investment income	100 112 552	78 540 781
Xupifa Eemwenyo	604 500	150 000
Miscellaneous other revenue	1 421 355	1 148 806
<b>12. Claims</b>		
	<b>268 979 997</b>	<b>299 248 754</b>
Claims paid	260 497 247	306 652 003
Movement in actuarial liability	8 482 750	(7 403 249)
<b>13. Surplus before finance costs</b>		
Surplus before finance costs for the year is stated after accounting for the following:		
<b>Operating lease charges</b>		
Premises		
Contractual amounts	860 645	1 098 140
Surplus/(deficit) on sale of property plant and equipment	962 304	394 968
Depreciation on property plant and equipment	7 889 139	8 409 015

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**(continued)**

**14. Cash generated from operations**

	<b>2023</b>	<b>2022</b>
	N\$	N\$
	<b>53 252 630</b>	<b>130 571 652</b>
Surplus for the year	95 351 597	122 547 253
<b>Adjustments for:</b>		
Depreciation	7 889 139	8 409 015
Loss (gains) on sale of property plant and equipment	(962 304)	(394 968)
Fair value adjustments	(765 000)	(1 230 000)
Net movements in retirement benefit liabilities	925 000	921 000
Movements in provisions	(49 945 000)	(472 000)
<b>Changes in working capital:</b>		
Trade and other receivables	(1 715 203)	(615 494)
Trade and other payables	2 474 401	1 406 848

**15. Employee cost**

**Indirect employee costs**

	<b>156 108 495</b>	<b>145 245 552</b>
Employee costs	149 138 274	140 501 403
Leave pay provision charge	755 286	161 880
Employee wellness	2 036 606	1 090 450
Staff development and training	2 523 671	2 570 819
Post-employment benefits - Pension - Defined benefit plan	1 654 659	921 000

**16. Related Parties**

The Fund is created by statute with the Minister of Finance being the Executive Authority representing the Government of Namibia. The related parties of the Fund mainly consist of departments, state owned enterprises, other public entities in Government and key management personnel of the Fund the Directors its Executive Authority and their close family members.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**(continued)**

**17. Directors' fees**

**Non-executive**

	<b>Directors' fees</b>	<b>Total</b>
	N\$	N\$
<b>2023</b>		
Directors' fees	1 335 095	1 335 095
<b>2022</b>		
Directors' fees	1 255 675	1 255 675

**18. Taxation**

The Motor Vehicle Accident Fund is exempt from income taxation in terms of Section 6 of the Motor Vehicle Accident Fund Act 10 of 2007.

**19. Risk management**

**Financial risk management**

The Fund is exposed to a range of financial risks through its financial assets and financial liabilities. The most important components of this financial risk are credit risk, liquidity risk and market risk (which comprises of interest rate risk, currency risk and other price risks). The risk that the Fund primarily faces due to the nature of its assets and liabilities are liquidity risk, interest rate risk, currency risk and insurance risk.

The Fund's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Fund's financial performance. The Fund focuses on a well-diversified investment portfolio (composed of various financial instruments as informed by the Asset-Liability Model) to mitigate certain risk exposures.

Risk management is carried out by a central treasury department under policies approved by the Board. Fund treasury identifies, evaluates and hedges financial risks in close co-operation with the Fund's operating units. The Board provides written principles for overall risk management as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**(continued)**

**19. Risk management (continued)**

**Liquidity risk**

The Fund has exposure to liquidity risk which is the risk that the Fund will encounter difficulty in meeting its obligations associated with financial liabilities.

Ultimate responsibility for liquidity risk management rests within the Board of Directors which has built an appropriate liquidity risk management framework for the management of the Fund's short, medium and long term funding and liquidity management requirements.

The Fund manages liquidity risk by preparing cash flow projections on a monthly basis to ensure adequate funding is available to meet its obligations. Furthermore, the Fund invests surplus Funds on appropriate financial instruments.

The table below analyses the Fund's financial asset and liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

**At 31 March 2023**

	<b>Trade and other receivables</b>	<b>Held at fair value through profit or loss</b>	<b>Held to maturity</b>	<b>Financial liabilities at amortized cost</b>
	N\$	N\$	N\$	N\$
Investments	-	1 314 122 214	277 535 629	-
Trade and other receivables	91 674 840	-	-	-
Cash and cash equivalents	39 496 220	-	-	-
Trade and other payables	-	-	-	(42 032 421)
Provisions	-	(832 739 000)	-	-
Retirement benefit obligation	-	-	-	(11 054 000)

**At 31 March 2022**

	<b>Trade and other receivables</b>	<b>Held at fair value through profit or loss</b>	<b>Held to maturity</b>	<b>Financial liabilities at amortised cost</b>
	N\$	N\$	N\$	N\$
Investments	-	706 174 500	841 051 977	-
Trade and other receivables	89 959 638	-	-	-
Cash and cash equivalents	35 437 918	-	-	-
Trade and other payables	-	-	-	(39 558 020)
Provisions	-	(882 684 000)	-	-
Retirement benefit obligation	-	-	-	(10 129 000)
Investments	-	-	-	-

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**  
**(continued)**

**19. Risk management (continued)**

**Market risk**

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Fund's income or the value of its holdings in financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing return on risk.

The Fund's activities expose it primarily to the financial risks of changes in interest rates and foreign exchange rates.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in the market interest rates. The Fund has interest-bearing assets at market interest rates.

**Cash flow interest rate risk**

**At 31 March 2023**

<b>Financial instrument</b>	<b>Current interest rate</b>	<b>Due in less than a year</b>	<b>Due in one to five years</b>	<b>Due after five years</b>
	<b>%</b>	<b>N\$</b>	<b>N\$</b>	<b>N\$</b>
Investments	-	-	1 591 657 843	-
Trade and other receivables	-	91 674 840	-	-
Cash and cash equivalent	-	39 496 220	-	-
Retirement benefit obligation	-	-	-	(11 054 000)
Provisions	-	-	-	(832 739 000)
Trade and other payables	-	(42 032 421)	-	-

**At 31 March 2022**

<b>Financial instrument</b>	<b>Current interest rate</b>	<b>Due in less than a year</b>	<b>Due in one to five years</b>	<b>Due after five years</b>
	<b>%</b>	<b>N\$</b>	<b>N\$</b>	<b>N\$</b>
Investments	-	-	1 547 226 477	-
Trade and other receivables	-	89 959 638	-	-
Cash and cash equivalent	-	35 437 918	-	-
Retirement benefit obligation	-	-	-	10 129 000
Provisions	-	-	-	882 684 000
Trade and other payables	-	39 558 746	-	-

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**  
**(continued)**

---

**19. Risk management (continued)**

**Credit risk**

The Fund has exposure to credit risk which is the risk that the counterparty will be unable to pay amounts in full when due. Key areas where the Fund is exposed to credit risk are:

- Amounts due with regards to motor vehicle finance scheme loans
- Amounts due from fuel levy debtor (income receivable)
- Amounts due from lease property debtors

Management manages the credit risk as follows:

The debtors of the Fund's motor vehicle scheme are at management level. The vehicles are not registered under the Fund and are comprehensively insured by the respective owners. Monthly installments are deducted directly from payroll.

The provision of the Petroleum Act does not allow the Fund to collect fuel levies directly from different fuel companies but instead from the Ministry of Mines and Energy. Monies collected by the Ministry on behalf of the Fund are only remitted to the Fund 45 days after the respective month of fuel consumption.

The leased properties' debtors honor their monthly rental obligation on presentation of an invoice. The Fund engages debtors when payment becomes due.

**Foreign exchange risk**

Foreign currency risk is defined as the risk that the fair value of future cash flows will fluctuate to unpredictable gains or losses due to changes in the foreign currency. The Fund is exposed to foreign currency risk arising from the Belgium doctor's claims which are denominated in Euro currency. The responsibility for the foreign exchange risk management rests within the board of Directors which has built an appropriate risk management framework.

The Fund reviews its foreign currency exposure including commitments on an ongoing basis.

**Insurance risk**

The Fund accepts significant insurance risk from another party i.e., the claimant by agreeing to compensate the claimant if a specified uncertain future event (the insured event) adversely affects the claimant. These are classified as insurance contracts.

The Fund accepts insurance risk as it is mandated by the legislature to compensate victims of road accidents for injuries suffered as a result of motor vehicle accidents. Insurance risk is significant if and only if an insured event could cause the Fund to pay significant additional benefits once a contract is classified as an insurance contract until all rights and obligations are extinguished or expire.

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH  
2023 (continued)**

---

**19. Risk management (continued)**

**Claims incurred**

Claims incurred comprise related expenses incurred during the year and changes in the provisions for outstanding claims including provisions for claims incurred but not reported and related external expenses together with any other adjustments to claims from previous year.

**20. Going Concern**

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

## ANNEXURE G

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA  
DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED  
31 MARCH**

	Note	2023 N\$	2022 N\$
<b>Revenue</b>		<b>575 902 575</b>	<b>610 845 581</b>
Fuel levy revenue		471 565 053	529 153 425
Rental Income		2 199 115	1 852 569
Miscellaneous other revenue		1 421 355	1 148 806
Xupifa Eemwenyo		604 500	150 000
Income from investments		100 112 552	78 540 781
<b>Cost of sales</b>			
Claims paid		(268 979 997)	(299 248 754)
<b>Gross surplus</b>		<b>306 922 578</b>	<b>311 596 827</b>
<b>Other income</b>			
		<b>1 727 304</b>	<b>1 624 968</b>
Fair value gains		765 000	1 230 000
Gains on disposal of assets		962 304	394 968
<b>Expenses</b>			
<b>Surplus for the year</b>		<b>(213 298 285)</b>	<b>(190 674 542)</b>
		<b>95 351 597</b>	<b>122 547 253</b>



**ANNEXURE G**

**THE MOTOR VEHICLE ACCIDENT FUND OF NAMIBIA**  
**DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED**  
**31 MARCH**

	Note	2023 N\$	2022 N\$
<b>Other operating expenses</b>		<b>213 298 285</b>	<b>190 674 542</b>
Advertising		1 195 287	1 505 825
Auditor's remuneration		1 899 656	1 007 215
Awareness creation		782 917	452 306
Bank charges		338 277	309 056
Branding		920 700	924 185
Cleaning		2 168 613	2 165 971
Computer expenses		50 850	281 421
Consulting and professional fees		5 921 268	4 346 746
Corporate communications		263 585	224 616
Corporate gifts		408 232	8 763
Corporate social investment		5 030 897	4 827 707
Courier & postage		392 757	406 017
Depreciation		7 889 139	8 409 015
Employee costs	15	156 108 495	145 245 552
Entertainment		99 085	35 154
Health and safety		54 788	130 589
Insurance		806 787	714 303
Leasing charges		2 056 578	1 964 841
Legal Fees		1 108 643	240 897
License Fees		5 993 130	3 609 946
Magazine books & periodicals		136 882	90 920
Motor vehicle expenses		3 893 225	2 456 783
Municipal expenses		2 791 539	2 740 684
Newsletters		378 805	18 164
Novel Coronavirus (COVID-19) Costs		183 746	580 572
Organization Development		183 540	170 323
Printing and stationery		292 818	225 115
Promotional Items		1 100	300
Property management expenses		2 409 857	1 531 410
Relocation cost		3 150	14 400
Rentals		860 645	1 098 140
Repairs and maintenance		247 492	23 754
Security		2 703 905	2 550 833
Special projects		856 143	203 084
Subscriptions		359 538	266 880
Telephone and fax		674 792	615 843
Travel and accommodation		3 831 422	1 277 212

