



REPUBLIC OF NAMIBIA



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
NATIONAL ROAD SAFETY COUNCIL
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

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REPUBLIC OF NAMIBIA



TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY

I have the honour to submit herewith my report on the accounts of the National Road Safety Council 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 31 of 1991) to be laid upon the Table of the National Assembly in terms of Section 27(4) of the Act.

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

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

WINDHOEK, March 2020

**REPORT OF THE AUDITOR-GENERAL
ON THE ACCOUNTS OF THE NATIONAL ROAD SAFETY COUNCIL FOR THE
FINANCIAL YEAR ENDED 31 MARCH 2019**

1. UNQUALIFIED AUDIT OPINION

I have audited the financial statements of the National Road Safety Council for the financial year ended 31 March 2019. These financial statements comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes Equity, the Cash Flow Statement and the Notes to the Financial Statements for the year then ended.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Road Safety Council as at 31 March 2019 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

2. BASIS FOR UNQUALIFIED 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.

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 my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

3.1 ASSET REASSESSMENT POLICY

The audit observed that the Council does not have a reassessment policy and does not review the useful life of assets at each financial year-end. This resulted into non-compliance with IAS 16.51 that states that the residual value and the useful life of an asset shall be reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. This is of paramount importance since some assets useful live is to end when taking into consideration their carrying value within the financial statements whilst the Council is continuing to use those assets.

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 International Financial Reporting Standards and legislation, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible of overseeing the entity's financial reporting process.

6. AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs), will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards for Supreme Audit Institutions, I exercise professional skepticism throughout the audit, I also;

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence, obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the 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;
- 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 my audit;
- 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.

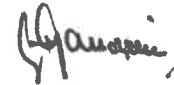
From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The financial statements were submitted to the Office of the Auditor-General by the Accounting Officer in compliance with Section 16 (2) of the National Road Safety Council Act, 1972 (Act No. 9 of 1972), except that they were only submitted on 13th August 2019, instead of three months after year-end as required by the Act.

8. ACKNOWLEDGEMENT

The co-operation and assistance by the management and staff of the National Road Safety Council during the audit is appreciated.



JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL

WINDHOEK, March 2020

**NATIONAL ROAD SAFETY COUNCIL
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
GENERAL INFORMATION**

Country of Incorporation and domicile:	Namibia
Nature of business and principal activities:	The Council is primarily involved in the promotion of road safety by envisage programmes including strategies to improve road safety through education and communication, community participation, traffic enforcement, driver and vehicle quality, legislation and trauma and emergency care.
Council members:	Mr. Eliphas !Owos-Oab Mrs. Lynnette Malipa Mrs. Agatha Mwet Mr. Cedric Limbo Mrs. Amalia Gawa-!nas Mrs. Anna Simaneka Libana Mr. Issakar V.K. Ndjoze
Business physical address:	c/ o Independence Avenue and Harold Pupkewitz Road Windhoek Namibia
Postal address:	P. O. Box 113 Windhoek Namibia
Bankers:	First National Bank of Namibia Limited
Auditors:	Auditor-General Namibia

**NATIONAL ROAD SAFETY COUNCIL
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
COUNCIL MEMBERS' REPORT**

The Council members submit their report for the year ended 31 March 2019.

1. Review of activities

Main business and operations

The Council is engaged in the promotion of road safety by envisage programmes including strategies to improve road safety through education and communication, community participation, traffic enforcement, driver and vehicle quality, legislation and trauma and emergency care and operates principally in Namibia.

The operating results and state of affairs of the Council are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

Net (deficit) / surplus of the Council was N\$ 123 111 and 2018: N\$ 20 101 692.

2. Events after the reporting period

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

3. Secretary

The Council's secretary during the year was Eugene Tendekule.

4. Auditors

Auditor-General will continue as our appointed auditors.

**NATIONAL ROAD SAFETY COUNCIL
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH**

	Note	2019 N\$	2018 N\$
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	8 589 929	2 446 498
CURRENT ASSETS			
Other financial assets	4	15 498 751	14 323 000
Bank - Arandis Project		707 411	721 247
Trade and other receivables		4 627 753	4 960 947
Cash and cash equivalents		10 432 460	10 081 719
TOTAL ASSETS		39 856 304	32 533 411
EQUITY AND LIABILITIES			
EQUITY			
Retained income		32 010 101	32 123 119
Reserves		6 450 934	-
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		1 393 673	410 292
Bank overdraft		1 596	-
TOTAL EQUITY AND LIABILITIES		39 856 304	32 533 411

ANNEXURE B

NATIONAL ROAD SAFETY COUNCIL
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH

	Note	<u>2019</u>	<u>2018</u>
		N\$	N\$
Revenue	5	36 135 113	40 731 937
Other income	6	2 862	1 089 450
Operating expenses	7	<u>(37 458 193)</u>	<u>(22 926 141)</u>
Surplus/ (deficit) before investment income and finance costs		(1 320 218)	18 895 246
Investment income		<u>1 197 106</u>	<u>1 206 446</u>
(Deficit) / surplus for the year		(123 111)	20 101 692
Total comprehensive surplus/ (deficit)		<u>(123 111)</u>	<u>20 101 692</u>

NATIONAL ROAD SAFETY COUNCIL
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH

	Revaluation reserves	Retained income	Total equity
	N\$	N\$	N\$
Balance at 01 April 2017	-	12 021 427	12 021 427
Changes in equity			
Total comprehensive income for the year	-	20 101 692	20 101 692
Balance at 31 March 2018	-	32 123 119	32 123 119
Balance at 01 April 2018	-	32 123 119	32 123 119
Changes in equity			
Prior year adjustment	-	10 093	10 093
Revaluation of Property, plant and equipment	6 450 934	-	6 450 934
Total comprehensive income for the year	-	(123 111)	(123 111)
Balance as at 31 March 2019	6 450 934	32 010 101	38 461 035

**NATIONAL ROAD SAFETY COUNCIL
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH**

	Note	2019	2018
		N\$	N\$
Cash flows from operating activities			
Cash generated from operations	8	321 820	13 431 565
Investment income		1 197 106	1 206 446
Net cash from operating activities		1 518 926	14 638 011
Cash flows from investing activities			
Purchase of property plant and equipment	3	(7 866)	(4 937)
Additions of financial assets	4	(1 175 751)	(1 183 000)
Net cash from investing activities		(1 183 617)	(1 187 937)
Cash flows financing investing activities			
Movements in Arandis Project		13 836	(721 247)
Net cash from financing activities		13 836	(721 247)
Total cash movement for the year		349 145	12 728 827
Cash at the beginning of the year		10 081 719	(2 647 108)
Total cash at the end of the year		(10 430 864)	10 081 719

**NATIONAL ROAD SAFETY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**

ACCOUNTING POLICIES

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards, and the National Road Safety Council Act, 1972 (Act No. 9 of 1972). 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.

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 judgement are 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 judgements include:

Trade receivables, held to maturity investments and Loans and receivables

The Council 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 surplus or deficit, the Council makes judgements 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.

**NATIONAL ROAD SAFETY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(Continued)**

ACCOUNTING POLICIES

1. Presentation of Annual Financial Statements (continued)

1.1 Significant judgements and sources of estimation uncertainty (continued)

The Council 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.

Provisions

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

1.2 Property, plant and equipment

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

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

Property, plant and equipment are initially and subsequently 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 recognised in the carrying amount of an item of property, plant and equipment the carrying amount of the replaced part is derecognised.

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 are carried at cost less accumulated depreciation and any impairment losses.

**NATIONAL ROAD SAFETY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(Continued)**

ACCOUNTING POLICIES

1.2. Property, plant and equipment (continued)

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

Item	Depreciation rate
Furniture and fittings	15%
Motor vehicles	25%
Computer equipment	25%
Video & photocopier equipment	25%
Exhibition equipment	20%

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 recognised in surplus or deficit unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition 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.

1.3. Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially when the Council becomes a party to the contractual provisions of the instruments.

The Council 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.

For financial instruments which are not at fair value through surplus or deficit transaction costs are included in the initial measurement of the instrument.

**NATIONAL ROAD SAFETY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(Continued)**

ACCOUNTING POLICIES

1.3. Financial instruments (continued)

Subsequent measurement

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

De recognition

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

Impairment of financial assets

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

For amounts due to the Council 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 surplus or deficit.

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.

Where financial assets are impaired through use of an allowance account the amount of the loss is recognised in surplus or deficit within operating expenses. When such assets are written off the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

**NATIONAL ROAD SAFETY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(Continued)**

ACCOUNTING POLICIES

1.3 Financial instruments (continued)

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 surplus or deficit 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 carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in surplus or deficit 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 surplus or deficit.

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.

**NATIONAL ROAD SAFETY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(Continued)**

ACCOUNTING POLICIES

1.3 Financial instruments (continued)

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 surplus or deficit 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 Council has the positive intention and ability to hold to maturity are classified as held to maturity.

1.4 Impairment of assets

The Council 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 Council estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment the Council 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 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 surplus or deficit. Any impairment loss of a revalued asset is treated as a revaluation decrease.

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

NATIONAL ROAD SAFETY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(Continued)

ACCOUNTING POLICIES

1.4 Impairment of assets (continued)

The increased carrying amount of an asset other than goodwill 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 other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.5 Provisions and contingencies

Provisions are recognised when:

- the Council 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.

NATIONAL ROAD SAFETY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(Continued)

1.5 Provisions and contingencies (continued)

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring identifying at least:
 - the business or part of a business concerned;
 - the principal locations affected;
 - the location function and approximate number of employees who will be compensated for terminating their services;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- 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.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

1.6 Revenue

Interest is recognised in surplus or deficit using the effective interest rate method. Royalties are recognised on the accrual basis in accordance with the substance of the relevant agreements. Levy income is recognised on the accrual basis when the Council's right to receive payment has been established. Donation income is recognised on cash basis when cash / asset has been received.

2. NEW STANDARDS AND INTERPRETATION

2.1 Standards and interpretations not yet effective

At the date of authorisation of these annual financial statements the Standards and Interpretations which were issued but not yet effective, could not have a material impact on the financial statements of the Council in the current and future years.

NATIONAL ROAD SAFETY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(Continued)

3. PROPERTY, PLANT AND EQUIPMENT

	2019			2018		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
	N\$	N\$	N\$	N\$	N\$	N\$
Land	8 450 000	-	8 450 000	1 999 066	-	1 999 066
Furniture and fixtures	821 651	(807 958)	13 693	813 785	(750 994)	62 791
Motor vehicles	1 214 638	(1 214 632)	6	1 214 638	(1 214 632)	6
Computer equipment	1 703 399	(1 580 473)	122 926	1 703 399	(1 348 135)	355 264
Exhibition equipment	1 126 782	(1 126 778)	4	1 126 782	(1 101 533)	25 249
Video and photocopier	80 740	(77 441)	3 299	80 740	(76 618)	4 122
Total	13 397 210	(4 807 282)	8 589 929	6 938 410	(4 491 913)	2 446 498

Reconciliation of property plant and equipment – 2019

	Opening balance	Revaluation/ Additions	Depreciation	Total
	N\$	N\$	N\$	N\$
Land	1 999 066	6 450 934	-	8 450 000
Furniture and fixtures	62 790	7 866	(56 964)	13 693
Motor vehicles	6	-	-	6
Computer equipment	355 264	-	(232 337)	122 927
Exhibition equipment	25 249	-	(25 245)	4
Video and photocopier	4 122	-	(823)	3 299
	2 446 498	6 458 800	(315 369)	8 589 929

Revaluation

The effective date of the Land revaluation was 29 November 2018. Revaluation was performed by independent valuer, Two Squares Investment CC.

NATIONAL ROAD SAFETY COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

(Continued)

Reconciliation of property, plant and equipment (Continued) – 2018

	Opening balance	Additions	Depreciation	Total
	N\$	N\$	N\$	N\$
Land	1 999 066	-	-	1 999 066
Furniture and fixtures	95 790	-	(33 000)	62 790
Motor vehicles	34 897	-	(34 891)	6
Computer equipment	625 727	-	(270 463)	355 264
Exhibition equipment	178 945	-	(153 696)	25 249
Video and photocopier	2 308	4 937	(3 122)	4 122
	2 936 733	4 937	(495 172)	2 446 498

4. OTHER FINANCIAL ASSETS

	2019	2018
	N\$	N\$
Held to maturity		
Other financial assets	15 498 751	14 323 000
Investment TDI – First National Bank (FNB)	15 358 751	14 183 000
Treasury bills	140 000	140 000

5. REVENUE

	2019	2018
GRN Subsidies	6 100 629	10 192 273
Levy income	30 034 484	30 539 664

6. OTHER INCOME

	2019	2018
Royalties received	1 062	1 617
Sundry income	1 800	86 850
Arandis project income		1 000 983

NATIONAL ROAD SAFETY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(Continued)

	2019	2018
	N\$	N\$
7. OPERATING EXPENSES		
The following items are included within operating expenses:		
	37 458 193	22 926 141
Advertising	126 466	82 610
Arandis project expenses	7 636 000	3 279 721
Auditors and Accountants remuneration	394 200	156 399
Bank charges	300 433	124 146
Cleaning	99 734	106 691
Computer expenses	324 907	247 525
Conference expenses	26 205	298 146
Consulting and professional fees	33 800	359 342
Council fees	110 878	110 878
Courier and postage	3 289	55 821
Depreciation, amortisation and impairments	315 369	495 173
Development and implementation of road safety integration	21 650 653	14 352 738
Donations	226 826	165 000
Electricity and water	319 160	284 876
Employee costs	84 743	660 495
Entertainment	8 988	16 187
Interest paid	7 136	485 629
Insurance	85 312	4 418
Lease rentals on operating lease	-	31 112
Motor vehicle expenses	67 259	43 751
Printing and stationery	73 501	139 245
Rent Paid	3 393	-
Repairs and maintenance	16 887	15 019
Security	136 715	-
Telephone and fax	806 913	146 535
Traffic Law Enforcement	4 046 866	878 989
Travel and accommodation	552 561	385 696

ANNEXURE E

NATIONAL ROAD SAFETY COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
 (Continued)

	2019	2018
	N\$	N\$
8. CASH GENERATED FROM OPERATIONS	321 820	13 431 565
(Deficit)/ surplus before taxation	(123 111)	20 101 692
Adjustments for non-cash items:		
Depreciation and amortisation	315 369	495 173
Investment income	(1 197 106)	(1 206 446)
Prior year adjustment	10 093	-
Changes in working capital:		
Movement in trade and other receivables	333 194	(109 773)
Movement in trade and other payables	983 381	(5 849 081)
9. RELATED PARTIES		
Relationships		
Members of key management		Eugene Tendekule
10. PRIOR YEAR ADJUSTMENT		
Prior year adjustment - Creditors		10 093

**NATIONAL ROAD SAFETY COUNCIL
DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
31 MARCH**

	Note	2019	2018
		N\$	N\$
Revenue	5	36 135 113	40 731 937
GRN Subsidies		6 100 629	10 192 273
Levy income		30 034 484	30 539 664
Other income		1 199 969	2 295 896
Royalties received		1 062	1 617
Arandis project income		-	1 000 983
Sundry income		1 800	86 850
Interest received		1 197 106	1 206 446
Operating expenses		(37 458 193)	(22 926 141)
Advertising		126 466	82 610
Arandis project expenses		7 636 000	3 279 721
Auditors and Accountants remuneration		394 200	156 399
Bank charges		300 433	124 146
Cleaning		99 734	106 691
Computer expenses		324 907	247 525
Conference expenses		26 205	298 146
Consulting and professional fees		33 800	359 342
Council fees		110 878	110 878
Courier and postage		3 289	55 821
Depreciation, amortisation and impairments		315 369	495 173
Development and implementation of road safety integration		21 650 653	14 352 738
Donations		226 826	165 000
Electricity and water		319 160	284 876
Employee costs		84 743	660 495
Entertainment		8 988	16 187
Interest paid		7 136	485 629
Insurance		85 312	4 418
Lease rentals on operating lease		-	31 112
Motor vehicle expenses		67 259	43 751
Printing and stationery		73 501	139 245
Rent Paid		3 393	-
Repairs and maintenance		16 887	15 019
Security		136 715	-

**NATIONAL ROAD SAFETY COUNCIL
 DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
 31 MARCH (Continued)**

	2019	2018
	N\$	N\$
Telephone and fax	806 913	146 535
Traffic Law Enforcement	4 046 866	878 989
Travel and accommodation	552 561	385 696
(Deficit) / surplus for the year	(123 111)	20 101 692