



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
TOWN COUNCIL OF OSHAKATI
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013

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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 Town Council of Oshakati for the financial year ended 30 June 2013, in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honourable Minister of Finance in terms of Section 27(1) of the State Finance Act, 1991, (Act 31 of 1991) to be laid upon the Table of the National Assembly in terms of Section 27(4) of the Act.

WINDHOEK, September 2014

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF
THE TOWN COUNCIL OF OSHAKATI
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2013**

1. INTRODUCTION

The accounts of the Town Council of Oshakati for the year ended 30 June 2013 are being reported on in accordance with the provisions set out in the State Finance Act, 1991 (Act 31 of 1991) and the Local Authorities Act, 1992 (Act 23 of 1992).

The firm MAC & Associates of Windhoek has been appointed in terms of Section 26(2) of the State Finance Act, 1991, to audit the accounts of the Town Council on behalf of the Auditor-General and under his supervision.

Figures in the report are rounded off to the nearest Namibia Dollar. Deficits are indicated in brackets.

2. FINANCIAL STATEMENTS

The Town Council's financial statements were submitted to the Auditor-General by the Accounting Officer in compliance with Section 87(1) of the Local Authorities Act, 1992. The audited financial statements are in agreement with the general ledger and are filed in the Office of the Auditor-General. The abridged balance sheet on Annexure A, is a true reflection of the original. The following annexures are also attached to this report:

| | |
|-------------|-----------------------------------|
| Annexure B: | Abridged income statement |
| Annexure C: | Cash flow statement |
| Annexure D: | Notes to the financial statements |

3. SCOPE OF THE AUDIT

Management's responsibility for the financial statements

The Accounting Officer of the Town Council is responsible for the preparation and fair presentation of these financial statements and for ensuring the regularity of the financial transactions. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

It is the responsibility of the Auditor-General to form an independent opinion, based on the audit, on those statements based on the regularity of the financial transactions included in them and to report his opinion to the National Assembly. The said firm conducted the audit in accordance with International Standards on Auditing. Those standards require that the firm complies with ethical requirements, plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the

reasonableness of accounting estimates made by management, as well as overall presentation of the financial statements.

4. AUDIT OBSERVATIONS AND COMMENTS

4.1 Overstatement of Value Added Tax receivable

The VAT receivable balance reported is overstated by N\$ 2 251 906 due to inclusion of disallowed claims.

4.2 Unsupported adjustment posted to the appropriation account

There were no supporting documents for a material adjustment (stale cheques) posted to the appropriation account amounting to N\$ 7 070 634, and as a result, the auditors were unable to verify the validity of the adjustment.

There were no supporting documents for an adjustment of N\$ 73 398 posted to the opening accumulated surplus.

4.3 Understatement of liabilities

A liability amounting to N\$ 9 808 762 (paid for subsequent to year end) is not reflected in the financial statements resulting in misstatement of the related Capital Development Fund.

4.4 Lack of documents and technical assessment reports for the Dyke development

Dyke development expenditure amounting to N\$ 56 049 679 was debited to the Capital Development Fund and no documents and technical assessment reports were made available to enable assessing the appropriateness of the accounting treatment.

4.5 Motor vehicles

The Council could not provide complete information or motor vehicle verification and related carrying values.

5. ACKNOWLEDGEMENT

The assistance and co-operation given by the staff of the Town Council during the audit is highly appreciated.

6. FINANCIAL RESULTS

The results of the various operations and transactions on the Revenue account for the year are as follows:

| | Revenue | Expenditure | Surplus/ (Deficit) | Balance |
|--|-------------|-------------|-----------------------|-------------------|
| | N\$ | N\$ | N\$ | N\$ |
| Accumulated surplus 01/07/2012 | | | | 30 245 596 |
| Unexplained adjustment | | | | 73 398 |
| General accounts | | | | |
| Rates and general | 72 789 296 | 76 583 516 | (3 794 220) | |
| Non-profitable services | 3 060 234 | 21 772 685 | (18 712 451) | |
| Self-supporting services | 6 491 191 | 5 913 761 | 577 430 | |
| Trade accounts | | | | |
| Water supply | 39 065 024 | 16 456 920 | 22 608 104 | |
| Electricity | 5 731 867 | - | 5 731 867 | |
| | 127 137 612 | 120 726 882 | 6 410 730 | |
| Surplus for the year | | | | 6 410 730 |
| Adjustments and appropriations (Note 10, Annexure D) | | | | 4 249 843 |
| Accumulated surplus 30/06/2013 | | | | 40 979 567 |

7. CURRENT BANK ACCOUNT

| | 2013 | 2012 |
|-------------------------------|------------------|-------------------|
| | N\$ | N\$ |
| Cash-book balance at 30 June | (10 735 796) | 11 884 573 |
| Outstanding cheques | 18 214 544 | 13 869 005 |
| Outstanding deposits | (128 398) | (125 186) |
| Verified reconciling items | | (1 524 693) |
| Unexplained difference | - | 2 986 719 |
| Balance as per bank statement | 7 350 350 | 27 090 418 |

8. INVESTMENTS AND INTEREST PROCEEDS

The investments as at 30 June 2013 are as follows:

| Institution | Investments | | Interest | |
|--------------------------|--------------------|-------------------|------------------|------------------|
| | 2013 | 2012 | 2013 | 2012 |
| | N\$ | N\$ | N\$ | N\$ |
| Invested at: | | | | |
| Commercial banks | 121 692 710 | 86 194 996 | 5 939 993 | 3 738 440 |
| Shares | 100 | 100 | - | - |
| | 121 692 810 | 86 195 096 | 5 939 993 | 3 738 440 |
| Distribution | | | | |
| Build Together Fund | 7 891 206 | 7 310 277 | 584 309 | 142 998 |
| Capital Development Fund | 37 212 347 | 78 884 819 | 2 647 393 | 3 595 442 |
| Revenue Fund | 76 589 257 | - | 2 708 291 | - |
| | 121 692 810 | 86 195 096 | 5 939 993 | 3 738 440 |

9. FUND ACCOUNTS

The position of internal Funds and Reserves as at year end is shown in note 8 at annexure D.

10. TRADE ACCOUNTS

10.1 Operating results

The results for the financial year under review are as follows:

| | Water | |
|--------------------------------|-------------------|-------------------|
| | 2013 | 2012 |
| | N\$ | N\$ |
| Sales | 38 605 669 | 30 739 434 |
| Cost of sales | (14 416 097) | (14 521 313) |
| Gross profit | 24 189 572 | 16 218 121 |
| Other income/ (expenses) | (2 594 692) | (1 990 395) |
| NET PROFIT | 21 594 880 | 14 227 724 |
| Gross profit on sales | 62.7% | 52.8% |
| Net profit percentage on sales | 55.9% | 46.3% |

10.2 Water distribution:

Water distribution results, in cubic metres (m³), are as follows:

| | Water | |
|----------------------------------|-----------------|----------------|
| | 2013 | 2012 |
| | m ³ | m ³ |
| Units sold for the year | 1 493 956 | * |
| Units purchased during the year | (1 550 411) | * |
| Distribution loss | (56 455) | * |
| Loss as percentage of units sold | (3.8%) | * |

* The Council could not provide the information.

11. SELF-SUPPORTING EXTERNAL SERVICES

The net results of these services are as follows:

| | Income 2013 | Expenses 2013 | Surplus/ (Deficit) 2013 | Surplus/ (Deficit) 2012 |
|--------------------|------------------|------------------|-------------------------------|-------------------------------|
| | N\$ | N\$ | N\$ | N\$ |
| Cleansing Services | 4 122 417 | 3 826 953 | 295 464 | 108 431 |
| Sewerage | 2 368 775 | 2 086 809 | 281 966 | 99 001 |
| | 6 491 192 | 5 913 762 | 577 430 | 207 432 |

12. FRUITLESS, UNAUTHORISED OR AVOIDABLE EXPENDITURE

The audit did not reveal any fruitless, unauthorized or avoidable expenditure that were incurred during the year under review.

13. SUSPENSE ACCOUNTS

| | 2013 | 2012 |
|------------------------------|--------------|--------------|
| | N\$ | N\$ |
| Government contributions (*) | (40 092 732) | (31 788 174) |
| Dyke Development | - | 50 904 658 |

* These grants are for specific projects hence these accounts will only be cleared once the expenditures are incurred.
These accounts are properly maintained, controlled and reconciled on a regular basis.

14. IRREGULARITIES AND LOSSES

14.1 The audit did not reveal any irregularities.

14.2 No losses were reported.

15. CAPITAL PROJECTS

Capital expenditure for the 2013 financial year amounted to N\$ 63 904 333 (2012: N\$ 14 679 918) and comprises the following:

| | Financed by: Revenue Account 2013 | Financed by: Revenue Account 2012 |
|---------------------------------|---|---|
| | N\$ | N\$ |
| Town Clerk | 531 429 | 13 568 |
| Town Secretary | 412 491 | 179 273 |
| Town Treasurer | 14 540 | 91 770 |
| Town Engineer | - | 1 550 |
| Health Inspector | 2 364 859 | 1 300 |
| Town Planning | 29 850 106 | 803 877 |
| Civic Building & Housing | 39 268 | 277 307 |
| Parks & Sport Grounds | - | 8 467 844 |
| Streets, Sidewalks & Stormwater | 15 624 179 | 4 118 883 |
| Local Economic Development | 13 782 319 | - |
| Fire Brigade | 1 222 125 | 189 561 |
| Cleansing Services | 63 017 | - |
| Sewerage | - | 534 985 |
| | 63 904 333 | 14 679 918 |

16. STUDY LOANS/BURSARIES

No bursaries or loans were granted during the year.

17. CONTRIBUTIONS, GRANTS AND FINANCIAL AID

No contributions, grants and financial aid were made during the year under review.

18. COMPENSATION PAYMENTS

Compensation payments amounting to N\$ 14 236 265 (2012: N\$ 1 539 679) for mahangu fields and land were paid in the current year by the Council.

19. VISITS TO FOREIGN COUNTRIES

There were no visits to foreign countries during the financial year.

20. CLAIMS AGAINST THE LOCAL AUTHORITY

No claims for losses were received during the year.

21. GIFTS AND DONATIONS BY THE LOCAL AUTHORITY

An amount of N\$ 17 874 (2012: N\$ Nil) was paid as donations during the year under review.

22. TRANSFER OF PROPERTY TO/FROM THE GOVERNMENT

No property was transferred to/or from the Government.

23. TRADE AND OTHER RECEIVABLES/PAYABLES

23.1 Trade and other receivables at 30 June 2013 comprised the following:

| | 2013 | 2012 |
|-------------------------|-------------------|-------------------|
| | N\$ | N\$ |
| Consumer debtors | 23 004 510 | 17 049 134 |
| Provision for bad debts | (16 722 234) | (12 148 099) |
| | 6 282 276 | 4 901 035 |
| Value added taxation | 5 311 723 | 4 980 648 |
| Built Together Advances | 2 687 358 | - |
| Other debtors | 4 138 638 | 703 710 |
| | 18 419 995 | 10 585 393 |

The average collection period of trade receivables is 145 days (2012: 131 days). The Council should attend to the arrears as a matter of urgency.

23.2 Trade and other payables at 30 June 2013 comprised the following:

| | 2013 | 2012 |
|-------------------------------------|-------------------|-------------------|
| | N\$ | N\$ |
| Trade creditors and other accruals | 1 449 183 | 2 084 889 |
| Provision for leave pay | 2 329 657 | 1 908 096 |
| Consumer deposits | 2 155 728 | 2 042 068 |
| Sundry payables | - | 63 024 |
| Provision for Regional Council levy | - | 397 009 |
| Suspense accounts | 40 092 732 | 31 725 150 |
| | 46 027 300 | 38 220 236 |

24. ASSESSMENT RATES

| | 2013 | 2012 |
|---|-----------|-----------|
| | N\$ | N\$ |
| The proceeds from assessment rates | 9 112 486 | 7 979 607 |
| Business | | |
| Tariffs per N\$1 valuation per annum – Site valuation | 0.0223 | 0.0223 |
| Tariffs per N\$1 valuation per annum – Improvements | 0.0093 | 0.0093 |
| Residential | | |
| Tariffs per N\$1 valuation per annum – Site valuation | 0.0221 | 0.0221 |
| Tariffs per N\$1 valuation per annum – Improvements | 0.0091 | 0.0091 |

25. LOANS

25.1 External loan

| | 2013 | 2012 |
|-------------------------------------|-----------|-----------|
| | N\$ | N\$ |
| Oshakati Premier Electric (Pty) Ltd | 7 000 000 | 5 771 242 |

25.2 Internal loans

No internal loans were advanced or received during the year under review.

25.3 Housing loans

| | 2013 | 2012 |
|------------------------------|-----------|-----------|
| | N\$ | N\$ |
| Build Together Fund advances | 2 687 358 | 2 965 205 |

26. SALE OF ERVEN

During the current financial year, cash proceeds to the value of N\$ 2 258 669 (2012: N\$ 1 405 382) were received for erven sold and allocated to the Capital Development Fund.

27. PROPERTY SOLD ON AN INSTALMENT BASIS

No erven were sold on an instalment basis for the year under review.

28. TARIFF ADJUSTMENTS

Tariff adjustments were applied in accordance with the relevant Official Government Notices.

29. APPROVALS

Approvals for all over expenditure were obtained.

30. STOCK AND EQUIPMENT

30.1 Motor vehicles

The Council could not provide complete information on motor vehicles inventory and the related carrying values.

30.2 Inventory

Inventory comprising of stationery and consumables amounted to N\$ 450 079 (2012: N\$ 441 963).

31. SPECIAL INVESTIGATIONS

No special investigations were carried out during the year.

32. GENERAL

32.1 Internal controls

The accounting and internal controls applied by the Council are satisfactory, except where indicated in this report. Proper segregation of duties is feasible but hindered by the small number of staff employed.

33. FORMAL AND INFORMAL QUERIES

33.1 Formal queries are embodied in this report.

33.2 Informal queries addressed to the Chief Executive Officer consist of:

- Understatement of bulk water purchases
- Employees leave days exceeding 60 days
- Slow debt collection
- VAT reconciliation
- Consumer deposits

34. QUALIFIED AUDIT OPINION

The accounts of the Town Council of Oshakati for the financial year ended 30 June 2013, summarized in Annexure A to D, were audited by me in terms of the provisions of Section 85 of the Local Authorities Act, 1992, read with Section 25 (1) (b) of the State Finance Act, 1991.

The audit opinion has been qualified due to the following reasons.

- Overstatement of VAT receivable by N\$ 2 251 906;
- Unsupported material adjustment posted to the appropriation account;
- Understatement of liabilities by N\$ 9 808 762; and
- Lack of documents and technical assessment reports supporting accounting treatment of the Dyke Development as well as motor vehicles.

Except for the effects of any adjustments which might be necessary as referred to in the preceding paragraph, in my opinion, the financial statements fairly present the financial position of the Town Council as at 30 June 2013, and the results of its operations and cash flows for the year then ended and in the manner required by the Local Authorities Act, 1992, and the State Finance Act, 1991.

WINDHOEK, September 2014

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

BALANCE SHEET AS AT 30 JUNE 2013

| | Notes | 2013 N\$ | 2012 N\$ |
|-------------------------------------|-------|--------------------|--------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 2 | 287 976 680 | 198 604 976 |
| Investments | 3 | 159 283 870 | 106 638 638 |
| Long term loan receivable | 4 | 121 692 810 | 86 195 096 |
| | | 7 000 000 | 5 771 242 |
| Current assets | | | |
| Trade and other receivables | 5 | 18 870 074 | 76 781 922 |
| Inventories | 6 | 18 419 995 | 64 455 256 |
| Cash and cash equivalents | 7 | 450 079 | 441 963 |
| | | - | 11 884 703 |
| TOTAL ASSETS | | 306 846 754 | 275 386 898 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Financing of capital | 8.1 | 250 084 158 | 237 166 662 |
| Accumulated funds | 8.2 | 159 283 870 | 106 638 638 |
| Funds | 8.3 | 40 979 567 | 30 245 596 |
| | | 49 820 721 | 100 282 428 |
| Current liabilities | | | |
| Trade and other payables | 9 | 56 762 596 | 38 220 236 |
| Bank overdraft | 7 | 46 027 300 | 38 220 236 |
| | | 10 735 296 | - |
| TOTAL EQUITY AND LIABILITIES | | 306 846 754 | 275 386 898 |

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2013

| | Note | 2013 | 2012 |
|---|-------------|--------------------------|--------------------------|
| | | N\$ | N\$ |
| INCOME | | 122 113 519 | 54 364 769 |
| EXPENDITURE | | <u>(120 726 882)</u> | <u>(58 963 175)</u> |
| OPERATING SURPLUS/(DEFICIT) FOR THE YEAR | | 1 386 637 | (4 598 406) |
| Interest earned | | 5 024 093 | 3 738 440 |
| NET SURPLUS/(DEFICIT) FOR THE YEAR | | <u>6 410 730</u> | <u>(859 966)</u> |
| Add : Appropriation and adjustments | 10 | <u>4 249 843</u> | <u>(2 340 095)</u> |
| RETAINED SURPLUS/(DEFICIT) FOR THE YEAR | | 10 660 573 | (3 200 061) |
| 30 June 2012 | | 30 245 596 | 33 445 657 |
| Unexplained adjustment | | <u>73 398</u> | <u>-</u> |
| 30 June 2013 | | <u>40 979 567</u> | <u>30 245 596</u> |

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2013

| | Note | 2013 N\$ | 2012 N\$ |
|--|------|----------------------|---------------------|
| Cash flows from operating activities | | | |
| Cash receipts from customers | | 122 113 519 | 54 364 769 |
| Cash paid to suppliers | | (51 310 330) | (52 749 834) |
| Cash generated from operations | 11 | 70 803 189 | 1 614 935 |
| Investment income | | 5 024 093 | 3 738 440 |
| Net cash flows from operating activities | | 75 827 282 | 5 353 375 |
| Cash flows from investing activities | | | |
| Increase in property, plant and equipment | | (63 904 333) | (14 679 916) |
| Dyke development cost | | - | (50 346 142) |
| Increase in investments | | (35 497 714) | (24 453 476) |
| Increase in loan receivable | | (1 228 758) | - |
| Net cash flows from investing activities | | (100 630 805) | (89 479 534) |
| Cash flows from financing activities | | | |
| Increase in funds | | 2 183 524 | 92 847 449 |
| Net cash flows from financing activities | | 2 183 524 | 92 847 449 |
| Net (decrease)/increase in cash and cash equivalents | | (22 619 999) | 8 721 290 |
| Cash and cash equivalents at the beginning of the year | | 11 884 703 | 3 163 413 |
| Cash and cash equivalents at the end of the year | | (10 735 296) | 11 884 703 |

TOWN COUNCIL OF OSHAKATI

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

1. ACCOUNTING POLICIES

The annual financial statements were prepared in accordance with the historical cost basis and incorporate the following principal accounting policies which are consistent with those of the prior years.

1.1 Property, plant and equipment

Fixed assets are stated at cost or at valuation where assets have been acquired by grant or donation, less depreciation written off over the expected useful lives as determined by the Council from time to time. Fixed assets acquired with loan funds are not depreciated until the loan is repaid, unless the expected lifetime of the asset is less than the repayment period of the loan, in which case depreciation is calculated on the shortfall.

1.2 Inventories

Inventories are measured at lower of cost and net realizable value. The cost of inventories comprises all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

| | <u>2013</u> | <u>2012</u> |
|---|--------------------|--------------------|
| | N\$ | N\$ |
| 2. PROPERTY, PLANT AND EQUIPMENT | | |
| Consists of: | | |
| Infrastructure, land and buildings, motor vehicles, office equipment, furniture and fittings and computer equipment | 159 283 870 | 106 638 638 |
| Financed by: | | |
| General capital | 2 001 197 | 2 312 499 |
| Revenue account | 157 282 673 | 104 326 139 |
| | 159 283 870 | 106 638 638 |
| 3. INVESTMENTS | | |
| Fixed deposits and money on call | 121 692 710 | 86 194 996 |
| Shares – Oshakati Premier Electric (Pty) Ltd | 100 | 100 |
| | 121 692 810 | 86 195 096 |
| <u>Allocated as follows:</u> | | |
| Build Together Fund | 7 891 206 | 7 310 277 |
| Capital Development Fund | 37 212 347 | 78 884 819 |
| Revenue Fund | 76 589 257 | - |
| | 121 692 810 | 86 195 096 |

TOWN COUNCIL OF OSHAKATI

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (continued)

| | 2013 | 2012 |
|--|---------------------|--------------------|
| | N\$ | N\$ |
| 4. LONG-TERM LOANS RECEIVABLE | | |
| Oshakati Premier Electric (Pty) Ltd | 7 000 000 | 5 771 242 |
| The loan is unsecured, bears interest at 22.5% per annum. Interest is due and payable quarterly. The loan has no fixed terms of repayment. The Town Council had no intention to call upon the repayment of the loan within the next 12 months. | | |
| | 7 000 000 | 5 771 242 |
| 5. TRADE AND OTHER RECEIVABLES | | |
| Consumers | 23 004 510 | 17 049 133 |
| Provision for doubtful debts | (16 722 234) | (12 148 099) |
| | 6 282 276 | 4 901 034 |
| <i>Other receivables</i> | | |
| Suspense accounts: Dyke development | - | 50 346 142 |
| Suspense accounts: Accrued interest | - | 558 516 |
| Oshakati Premier Electric | 1 789 716 | - |
| Value Added Taxation | 5 311 723 | 4 980 649 |
| Road Fund Administrator | 2 276 896 | 655 556 |
| Sundry debtors | 72 026 | 48 154 |
| Build Together Advances | 2 687 358 | 2 965 205 |
| | 12 137 719 | 59 554 222 |
| | 18 419 995 | 64 455 256 |
| 6. INVENTORIES | | |
| Consumable stores | 450 079 | 441 963 |
| | 450 079 | 441 963 |
| 7. CASH AND CASH EQUIVALENTS | | |
| Petty Cash | 500 | 130 |
| Current bank account | (10 735 796) | 11 884 573 |
| | (10 735 296) | 11 884 703 |
| 8. FUNDS AND ACCOUNTS | | |
| 8.1 Financing of capital | | |
| General Capital Contributions | 2 001 197 | 2 312 499 |
| Revenue Contributions | 157 282 673 | 104 326 139 |
| | 159 283 870 | 106 638 638 |
| 8.2 Accumulated Funds | 40 979 567 | 30 245 596 |

TOWN COUNCIL OF OSHAKATI

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (continued)

| | 2013 | 2012 |
|--|--------------------|--------------------|
| | N\$ | N\$ |
| 8.3 Funds | | |
| Capital Development Fund | 37 212 347 | 88 355 714 |
| Build Together Fund | 12 608 374 | 11 926 714 |
| | 49 820 721 | 100 282 428 |
| | 250 084 158 | 237 166 662 |
| 9. TRADE AND OTHER PAYABLES | | |
| Trade creditors | 1 449 183 | 2 084 888 |
| Provision for leave pay | 2 329 657 | 1 908 096 |
| Consumer deposits | 2 155 728 | 2 042 068 |
| Regional Council Levy | - | 397 010 |
| Suspense Accounts: Government contributions | 40 092 732 | 31 725 150 |
| Suspense Accounts: Other | - | 63 024 |
| | 46 027 300 | 38 220 236 |
| 10. ADJUSTMENTS AND APPROPRIATIONS | | |
| Corrections of previous year | (1 458 537) | (1 716 826) |
| Adjustment: provision for bad debts | (3 533 810) | (740 450) |
| Adjustment: provision for personnel benefits | (421 561) | (800 060) |
| Bad debts recovered | 115 126 | - |
| Income adjustments | 2 477 991 | 917 182 |
| Stale cheques | 7 070 634 | - |
| Unclaimed deposits | - | 59 |
| | 4 249 843 | (2 340 095) |
| 11. CASH (UTILISED IN)/GENERATED BY OPERATIONS | | |
| Net operating surplus/(deficit) | 6 410 730 | (859 966) |
| Adjustments (appropriations) | 4 249 843 | (2 340 095) |
| Unexplained adjustment (appropriations) | 73 398 | - |
| Depreciation | 11 259 102 | 8 144 869 |
| Investment income | (5 024 093) | (3 738 440) |
| 11.1 Operating income before changes in working capital | 16 968 980 | 1 206 368 |
| Changes in working capital | | |
| Increase in trade and other payables | 7 807 064 | 2 332 863 |
| (Increase)/decrease in inventories | (8 116) | 241 972 |
| Decrease/(Increase) in trade and other receivables | 46 035 261 | (2 166 268) |
| | 53 834 209 | 408 567 |
| | 70 803 189 | 1 614 935 |