



**REPUBLIC OF NAMIBIA**



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE**  
**VILLAGE COUNCIL OF BERSEBA**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012**

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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 Village Council of Berseba for the financial year ended 30 June 2012, 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, August 2013**

**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE  
VILLAGE COUNCIL OF BERSEBA  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012**

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**1. INTRODUCTION**

The accounts of the Village Council of Berseba for the year ended 30 June 2012 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 BDO has been appointed in terms of Section 26 (2) of the State Finance Act, 1991, to audit the accounts of the Village 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 Village 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, **except that the financial statements were only submitted on 15 February 2013 instead of within three months after year-end as required by the Act.** 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 at Annexure A is a true reflection of the original signed by the Accounting Officer.

The financial statements also include:

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 Village Council is responsible for the preparation and fair presentation of the 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 and 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, plans and performs the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control 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 evaluating the overall presentation of the financial statements.

#### 4. AUDIT OBSERVATIONS AND COMMENTS

Paragraphs marked with an asterisk (\*) refers to matters/concerns reported in previous reports.

##### 4.1 Value Added tax (\*)

Not all the Vat returns for the year under review were made available to the auditors to verify the fair presentation of the VAT balance as per the annual financial statements. Furthermore, a material difference of N\$ 222 664 was found between the VAT returns and general ledger.

##### 4.2 Provision for bad debts (\*)

An adjustment amount of N\$ 123 280 was made to the balance per the ledger, no supporting documents or explanation was provided.

No detailed age analysis was printed as part of the year-end report, hence the recalculation of the provision was cumbersome due to the fact that using the general debtors listing does not indicate the aging or the debtor.

No provision was made by the Village Council for bad and doubtful debts.

The auditors own review indicate provisions to be made as follows:

Description	2012	2011
	N\$	N\$
Auditors recalculated provision	<b>1 648 308</b>	<b>1 592 411</b>

Also outstanding debt at 120 days and plus for the respective financial years were as follows:

Description	2012	2011
	%	%
120 days and more	<b>88</b>	<b>88</b>

The magnitude of these provisions, highlight serious concerns on the debt collection control and measurements. As a result of the above the current valuation of accounts receivables are materially misstated in the annual financial statements.

##### 4.3 Housing fund debtors (\*)

The Council's listing/ledger balance of N\$ 365 869 differed materially from the balance per the financial statements balance of N\$ 2 740 253. No reconciliations, no explanation or supporting documentation could be provided. The Council acknowledged that no proper records have been kept, hence, the auditors qualified the existence, accuracy, completeness and valuation of housing fund debtors.

A total withdrawal of N\$ 602 375 from the Build Together Disbursement could not be supported by valid supporting documentation.

#### **4.4 Property, plant and equipment (\*)**

A material difference of N\$ 350 264 was found between the calculated/expected fixed asset register balances based on the prior year register and the capital statement of the annual financial statements. Furthermore, a material difference of N\$ 289 104 was found between the capital assets additions per the capital statement and the additions listing. It could not be ascertained whether, VAT on these additions was claimed correctly. Depreciation was not provided for in the current year. Addition to revenue assets amounting to N\$ 261 658 was not disclosed in the capital statement of the financial statements. As a result of the above, the auditors were unable to express an opinion on the completeness, valuation and accuracy of the property, plant and equipment.

The current year fixed asset register has not been updated, contains casting errors, opening balance does not agree to prior year, assets on register are not reflected in the financial statements, assets are not depreciated and VAT was capitalized.

#### **4.5 Consumer deposits (\*)**

No consumer deposits were disclosed in the Council's financial statements. The Council should ensure that deposits are collected from the consumers and be reviewed and evaluated on an annual basis to ensure the accuracy thereof. This practice poses a further credit risk to the Council in the case of non-collection of the debts.

#### **4.6 Trade and other payables (\*)**

No supporting documentation could be provided for a material accrued expense totaling to N\$ 855 278 (included in this balance is the Namwater creditor balance of N\$ 782 682). The existence and accuracy of trade and other payables were therefore qualified.

No provision for bonus was made.

#### **4.7 Inventories (\*)**

The Council has expensed the stock of materials. The only stock held is that of livestock.

Auditors did not attend the stock count and due to the Council's poor record keeping no alternative procedures could be performed to verify the existence and completeness. Management could not substantiate the value used in valuing stock and as a result the auditors could not verify that stock is valued at the lower of cost and net realizable value (accuracy and valuation of livestock).

#### **4.8 Appropriations (\*)**

Adjustments in the appropriation account could not be explained, verified with supporting journals or relevant approvals, therefore auditors qualified the movement in the appropriation account.

#### **4.9 Lack of supporting documents for expenditure accounts (\*)**

A material difference of N\$ 43 314 was found on the bulk water expenditure account, while on bulk electricity expenditure account, a material difference of N\$ 168 740 was found. No explanations or supporting documentation was provided for both of these differences, hence the auditors were unable to express an opinion on the fair presentation of these accounts.

#### **4.10 Investments (\*)**

A Build Together Fund Investment account to the amount of N\$ 84 678 was confirmed by the bank but not recorded in the Council's records. The auditors could thus not satisfy themselves regarding the completeness of the investments.

#### 4.11 Payroll

A payroll reconciliation difference of N\$ 282 373 was found. The auditors could thus not satisfy themselves regarding the existence, and accuracy of payroll.

#### 5. ACKNOWLEDGEMENT

The assistance and co-operation of the staff of the Village Council of Berseba during the audit is appreciated.

#### 6. FINANCIAL RESULTS

The results of the operations of, and transactions on the Revenue account for the year were as follows:

	Revenue	Expenditure	Surplus/ (deficit)	Balance
	N\$	N\$	N\$	N\$
Accumulated surplus 01/07/2011				1 318 011
General accounts				
Non-profitable services	680 080	1 925 692	(1 245 612)	
Self-supporting services	149 838	152 077	(2 239)	
Trade accounts				
Water	547 318	554 291	(6 973)	
Electricity	556 886	319 607	237 279	
Deficit for the year	1 934 122	2 951 667	(1 017 545 )	(1 017 545)
Adjustments and appropriations (Note 10, of Annexure D)				300 466 (76 739)
Accumulated surplus 30/06/2012				<b>223 727</b>

#### 7. CURRENT BANK ACCOUNT

The favourable bank statement balance on the current bank account amounted to N\$ 5 285 (2011: N\$ 279 169). Outstanding cheques totalled to N\$ 81 001 resulting in a reconciled unfavourable cash-book balance of N\$ 75 716.

#### 8. INVESTMENTS AND INTEREST PROCEEDS

	2012	2011
	N\$	N\$
<b>Invested at:</b>		
Commercial banks	440 766	630 593
	<b>440 766</b>	<b>630 593</b>
<b>Allocation:</b>		
Housing Fund	97 513	299 504
Capital Projects	343 253	121 536
Revenue	-	209 554
	<b>440 766</b>	<b>630 593</b>

The above allocation does not agree to the allocation as per the physical bank accounts. The bank accounts in the name of Build Together total to N\$ 97 513, Capital project N\$ 286 896 and Revenue accounts N\$ 56 357. The Council again did not account for its investment in SORED.

## 9. FUND ACCOUNTS

The position of the funds and accounts at year-end is reflected in note 7 in Annexure D.

## 10. TRADE ACCOUNTS

### 10.1 Operating results

The results for the financial year under review and the previous year were as follows:

	Electricity		Water	
	2012	2011	2012	2011
	N\$	N\$	N\$	N\$
Sales	450 734	308 295	444 028	413 137
Cost of sales	(244 197)	(218 126)	(461 393)	(353 132)
Gross profit/(loss)	206 537	90 169	(17 365)	60 005
Other income/(expenses)	30 742	(487 456)	10 392	(115 171)
<b>Net surplus</b>	<b>237 279</b>	<b>(397 287)</b>	<b>(6 973)</b>	<b>(55 166)</b>
Gross profit/(loss) percentage on cost of sales	84.6%	41%	(3.8%)	16%
Net surplus/(loss) percentage on cost of sale	<b>97.17%</b>	<b>182%</b>	<b>(0.15%)</b>	<b>15%</b>

### 10.2 Water and electricity distribution results

	Electricity		Water	
	2012	2011	2012	2011
	Kw	Kw	m <sup>3</sup>	m <sup>3</sup>
Units sold	310 513	156 223	37 294	31 552
Units bought	(413 600)	(389 568)	(54 084)	(49 023)
<b>Net deficit</b>	<b>(103 087)</b>	<b>(233 345)</b>	<b>(16 790)</b>	<b>(17 471)</b>
Percentage	(25%)	(60%)	(31%)	(36%)

Council continues to operate on losses and it is advisable for Council to investigate and improve on these distribution losses.

## 11. SELF-SUPPORTING SERVICES

Services	Revenue 2012	Expenditure 2012	Surplus/ (Deficit) 2012	Surplus/ (Deficit) 2011
	N\$	N\$	N\$	N\$
Cleansing services and sewerage	149 838	152 077	(2 239)	(34 134)
<b>Total</b>	<b>149 838</b>	<b>152 077</b>	<b>(2 239)</b>	<b>(34 134)</b>

The above table shows that the self-supporting services indicate an overall net loss for the year under review. Corrective measures should be implemented to run those services on a profitable basis.

## 12. FRUITLESS, UNAUTHORIZED OR AVOIDABLE EXPENDITURE

No such expenditure was identified during the year under review.

### 13. SUSPENSE ACCOUNTS

No suspense accounts were disclosed in the annual financial statements for the year under review.

### 14. IRREGULARITIES AND LOSSES

No irregularities and losses were identified during the year under review.

### 15. CAPITAL PROJECTS

Nature of projects/ Acquisitions	Financed by	Total Expenditure 2012	Total expenditure 2011
	General Capital		
	N\$	N\$	N\$
Electricity network	-	-	407 254
General administration	500 000	500 000	66 900
Water	1 714 325	1 714 325	6 518
	<b>2 214 325</b>	<b>2 214 325</b>	<b>480 672</b>

Capital acquisitions amounting to N\$ 261 658 were not appropriately disclosed as a capital expenditure. A difference of N\$ 289 104 was found between the above additions per the capital statement and the additions as per the listing (invoices). Also refer to paragraph 4.4.

### 16. BURSARIES

No bursaries were granted during the year under review.

### 17. CONTRIBUTIONS, GRANTS AND FINANCIAL AID.

Contributions from Government (including RFA contribution of N\$ 246 000) for 2012: N\$ 787 786 (2011: N\$ 1 836 938) were disclosed in the income and expenditure statements.

### 18. COMPENSATION PAYMENTS

No compensation payments were made by the Village Council during the years under review.

### 19. VISITS TO FOREIGN COUNTRIES

There were no visits to foreign countries during the year.

### 20. CLAIMS AGAINST THE LOCAL AUTHORITY

There were no claims against the Council.

### 21. GIFTS/DONATIONS BY THE LOCAL AUTHORITY

There were no gifts or donations by or to the Local Authority.

### 22. TRANSFER OF PROPERTY

No properties were sold or transferred by the Village Council for the years under review.



## **23. TRADE AND OTHER RECEIVABLES/ PAYABLES**

### **23.1 Trade and other receivables at 30 June were:**

	<b>2012</b>	<b>2011</b>
	N\$	N\$
Services, rates and taxes	1 619 018	1 589 242
Housing Fund receivables	2 740 254	2 378 043
<b>Total</b>	<b>4 359 272</b>	<b>3 976 285</b>

No provision for doubtful debts was made by the Village Council to account for doubtful debts. As per the debtors age analysis 88% for 2012 (2011: 88%) of total debts are outstanding for more than 120 days. The recoverability of these debtors is doubtful, therefore the auditors are of the opinion that the Council should account for the provision for bad debts in the financial statements. Refer to audit concerns in paragraph 4.2.

### **23.2 Trade and other payables at 30 June were:**

	<b>2012</b>	<b>2011</b>
	N\$	N\$
Trade payables	983 666	752 500
VAT payable	240 020	72 784
Provisions	101 366	101 366
<b>Totals</b>	<b>1 325 052</b>	<b>926 650</b>

## **24. ASSESSMENT RATES**

No assessment rates have been charged by the Village Council for the year under review.

## **25. LOANS**

### **25.1 External loans**

No external loans were entered into during the year under review.

### **25.2 Internal loans**

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

### **25.3 Housing loans**

The amount advanced in favour of housing loans under the Build Together programme are reflected at N\$ 2 740 254 (2011: 2 378 043) in the annual financial statements.

## **26. SALE OF ERVEN**

There was no sale of erven register at the Village Council for the financial year under review.

## **27. LOCAL AUTHORITY PROPERTY SOLD ON AN INSTALMENT BASIS**

No property was sold on instalment basis for the year under review.

## **28. TARIFF ADJUSTMENTS**

Tariffs adjustments were done in accordance with the Official Government gazette.

## 29. APPROVALS

### 29.1 Excess on approved budget

No overspending.

### 29.2 Revenue written off

No revenue was written off.

## 30. INVENTORY AND EQUIPMENT

### 30.1 Motor vehicles and values thereof:

	Sedan		LDV's, 4x4's and Combi's		Heavy vehicles	
	Number	Value	Number	Value	Number	Value
Balance - 01/07/11	1	N\$ 77 098	1	N\$ 84 573	2	N\$ 317 366
Sub-total	1	77 098	1	84 573	2	317 366
Additions			1	1 160 345		
Depreciation	-	(19 274)	-	(21 143)	-	(79 342)
Balance - 30/06/12	<b>1</b>	<b>57 824</b>	<b>2</b>	<b>1 223 775</b>	<b>2</b>	<b>238 024</b>

The above motor vehicles and values are as per the current year fixed asset register and do not agree to the prior year register and report.

The statistics, based on logbooks, regarding all vehicles are as follows:

- 63 869 km travelled during the year under review;
- 9 035.81 litres of petrol consumed during the year under review;
- N\$ 82 262 of petrol expenses during the year under review, however this differs from the amount of N\$ 105 104 as disclosed per financial statements.

### 30.2 Inventory

An amount of N\$ 169 390 (2011: N\$ 174 397) for livestock were disclosed in the financial statements.

## 31. GENERAL

There is an insufficient system of internal control at the Village Council for the years under review. Proper segregation of duties is not possible due to the small number of staff employed. While increased management involvement does reduce risks, it causes the risk that management and Council override existing controls, a potentially dangerous practice, which Council should vigilantly guard against.

## 32. SPECIAL INVESTIGATIONS

No special investigations were under taken during the current year.

## 33. FORMAL AND INFORMAL QUERIES

33.1 Formal queries are embodied in this report.

**33.2** The following matters were brought to the attention of the Chief Executive Officer by way of a report to management:

- Appropriation adjustments not be supported by valid supporting documentations;
- Lack of supporting documents for trade payables;
- Value added taxation reconciliation differences;
- Differences between the fixed asset register and financials;
- Investment balance difference;
- Long overdue debts and Provision for doubtful debts is materially misstated;
- Lack of stock control;
- Lack of supporting documentation for income and expenditure accounts ;
- Lack of internal controls;
- No consumer deposit account;
- Lack of supporting documents for housing fund debtors; and
- Council minutes were not properly kept.

#### **34. DISCLAIMED AUDIT OPINION**

The accounts of the Village Council of Berseba for the financial year ended 30 June 2012, summarized in Annexures A to D, were audited by me in terms of Section 85 of the Local Authorities Act, 1992, read with Section 25 (1) (b) of the State Finance Act, 1991.

In my opinion, because of the significance of the matters highlighted underneath, I am unable to express an opinion due to the following reasons:

- Adjustments to appropriation account could not be substantiated;
- Lack of supporting documents for trade payables amounting to N\$ 855 278;
- Vat difference of N\$ 222 664 between reconciliation of returns and general ledger. The Receiver of Revenue statement reflects a balance of N 236 361;
- Fixed assets as per the financial statements differs materially by N\$ 350 263 from the fixed asset register. Capital assets as per the listing and capital assets additions as per the financial statements differ materially by N\$ 289 104, while revenue assets additions of N\$ 261 658 was not capitalized;
- An unrecorded Build Together Fund investment account balance of N\$ 84 678;
- Debtors are long overdue, no provision was made in the current year, the auditors estimated the provision for doubtful debts to be materially misstated by N\$ 1 648 308;
- Lack of stock control (i.e stock of materials is expensed and livestock is not regularly reconciled to the books of account);
- Lack of supporting documents for expenditure;
- Payroll difference of N\$ 282 373 was not supported by valid supporting documentations;
- There were no sufficient systems of internal control nor proper accounting records at the Village Council;
- No consumer deposit balance reflected in the annual financial statements; and
- Housing debtors listing of N\$ 365 869 differs materially from the financial statements' balance of N\$ 2 740 253.

## VILLAGE COUNCIL OF BERSEBA

## BALANCE SHEET AS AT 30 JUNE

	Notes	2012	2011
		N\$	N\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	4 442 450	2 417 953
Investments	3	4 001 684	1 787 360
		440 766	630 593
<b>Current assets</b>			
Inventory	5	4 529 883	4 413 151
Accounts receivable	6	169 390	174 397
Cash and bank balances	8	4 359 272	3 976 285
		1 221	262 469
<b>TOTAL ASSETS</b>		<b>8 972 333</b>	<b>6 831 104</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Funds & accounts	7	7 571 565	5 904 454
Capital outlay	7.1	2 917 169	3 995 558
	7.2	4 654 396	1 908 896
<b>Current liabilities</b>			
Bank overdraft	8	1 400 768	926 650
Accounts payable	9	75 716	-
		1 325 052	926 650
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8 972 333</b>	<b>6 831 104</b>

## INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE

	<u>Note</u>	<u>2012</u>	<u>2011</u>
		N\$	N\$
INCOME		1 902 538	2 800 720
EXPENDITURE		<u>(2 951 667)</u>	<u>(3 210 035)</u>
OPERATING LOSS FOR THE YEAR		(1 049 129)	(409 315)
INVESTMENT INTEREST EARNED FOR FUND ACCOUNTS		<u>31 584</u>	<u>41 042</u>
NET PROFIT FOR THE YEAR		(1 017 545)	(368 273)
Add : Appropriation and adjustments	10	<u>(76 739)</u>	<u>(159 781)</u>
RETAINED INCOME/(LOSS) FOR THE YEAR		(1 094 284)	(528 054)
30 June 2011 and 2010		<u>1 318 011</u>	<u>1 846 065</u>
30 June 2012		<u><b>223 727</b></u>	<u><b>1 318 011</b></u>

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE

	Note	2012 N\$	2011 N\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash receipts from customers		1 902 538	2 800 720
Cash paid to suppliers		(3 007 983)	(3 061 139)
Cash (Utilised)/generated by operations	10	(1 105 445)	(260 419)
Investment income		31 584	41 042
Movement in Fund accounts			
- Fund accounts - increase		15 895	(271 303)
- Capital outlay - increase		2 745 500	480 673
Cash generated by operating activities		1 687 534	(10 007)
<b>CASH GENERATED BY INVESTING ACTIVITIES</b>			
		(2 024 497)	(110 026)
Net capital expenditure		(2 214 324)	(480 673)
Decrease in investments		189 827	370 647
<b>CASH UTILIZED BY FINANCING ACTIVITIES</b>			
Increase/(Decrease) in long term liabilities		-	-
Net decrease in cash and cash equivalents'		(336 964)	(120 033)
Cash and cash equivalents at the beginning of the year		262 469	382 502
Cash and cash equivalents' at the end of the year	8	<b>(74 495)</b>	<b>262 469</b>

**VILLAGE COUNCIL OF BERSEBA****NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE**

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**1. ACCOUNTING POLICIES****1.1 Basis of presentation**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment, marketable securities and investment properties where appropriate.

**1.2 Property, plant and equipment and depreciation**

All plant and equipment are initially recorded at cost. Cost includes all costs directly attributable to bringing the assets to working condition for their intended use. All other plant and equipment are stated at historical cost or valuation where applicable.

No depreciation is provided on property, plant and equipment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount.

**1.3 Cash and cash equivalents**

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks and investments in money marked instruments, net of bank overdrafts. In the balance sheet, bank overdrafts are included in current liabilities.

**1.4 Internal Funds**

The following Funds were created by the Village Council:

**1.4.1 Fixed Property Fund**

Proceeds from the sale of land that has been developed by the Village Council accumulate in this Fund. Costs incurred on the development of land are charged to this Fund.

**1.4.2 Housing Fund**

The purpose of this Fund is to provide for housing loans. Income to this Fund is transferred from the general income account, external loans from Government and interest on investments and loans.

**1.4.3 Capital Reserve Fund**

This Fund was created to make provision for unforeseen expenditures as approved by the Council.

## VILLAGE COUNCIL OF BERSEBA

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

	<b>2012</b>	<b>2011</b>
	N\$	N\$
<b>2. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Consists of :</b>		
Property, plant and equipment	4 001 684	1 787 360
	<b>4 001 684</b>	<b>1 787 360</b>
<b>3. INVESTMENTS</b>		
Commercial banks	440 766	630 593
<u>Allocated to:</u>		
Build Together Fund	97 512	299 504
Capital Projects	343 253	121 536
Revenue	-	209 554
	<b>440 766</b>	<b>630 593</b>
<b>4. LOANS DEBTORS</b>		
<b>HOUSING FUNDS</b>		
- Housing loan debtors	2 740 254	2 378 043
	<b>2 740 254</b>	<b>2 378 043</b>
<b>5. INVENTORY</b>		
<b>Inventories consist of :</b>		
Livestock	169 390	174 397
	<b>169 390</b>	<b>174 397</b>
<b>6. ACCOUNTS RECEIVABLE</b>		
Services, rates and taxes	1 619 018	1 598 242
Build together fund receivables	2 740 254	2 378 043
	<b>4 359 272</b>	<b>3 976 285</b>
<b>7. FUNDS AND ACCOUNTS</b>		
<b>7.1 EXTERNAL FUNDS</b>		
Housing Fund	2 693 442	2 677 547
Revenue account kept in compliance with section 86(1) of the Local Authorities Act, 1992.	223 727	1 318 011
	<b>2 917 169</b>	<b>3 995 558</b>



## VILLAGE COUNCIL OF BERSEBA

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

	<u>2012</u>	<u>2011</u>
	N\$	N\$
<b>7.2. CAPITAL OUTLAY</b>		
Revenue account	1 723 993	1 723 993
General capital	2 930 403	184 903
	<u>4 654 396</u>	
	<b><u>4 654 396</u></b>	<b><u>1 908 896</u></b>
<b>8. CASH AND CASH EQUIVALENTS</b>		
	(74 495)	262 469
Bank	(75 716)	262 469
Petty cash	1 221	-
	<u>(74 495)</u>	<u>262 469</u>
	<b><u>(74 495)</u></b>	<b><u>262 469</u></b>
<b>9. ACCOUNTS PAYABLE</b>		
Trade payables	983 666	752 500
Provisions	101 366	101 366
VAT	240 020	72 784
	<u>1 325 052</u>	<u>926 650</u>
	<b><u>1 325 052</u></b>	<b><u>926 650</u></b>
<b>10. ADJUSTMENTS AND APPROPRIATIONS</b>		
Unknown adjustments	(76 739)	(159 781)
	<u>(76 739)</u>	<u>(159 781)</u>
	<b><u>(76 739)</u></b>	<b><u>(159 781)</u></b>