



REPUBLIC OF NAMIBIA



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
REGIONAL COUNCIL OF THE //KHARAS
REGION**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

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TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY

I have the honour to submit herewith my report on the accounts of the Regional Council of the //Kharas region for the financial year ended 31 March 2018 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, June 2019

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

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE REGIONAL
COUNCIL OF THE //KHARAS REGION FOR THE FINANCIAL YEAR ENDED
31 MARCH 2018**

1. ADVERSE AUDIT OPINION

I have audited the financial statements of //Kharas Regional Council for the financial year ended 31 March 2018. These financial statements comprise the statement of financial position, detailed statement of income and expenditure, statement of changes in equity, statement of cash flow for the year then ended, and notes to financial statements including a summary of significant accounting policies.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Audit Opinion section of my report the financial statements do not present fairly in all material respects, the financial position of the //Kharas Regional Council as at 31 March 2018, and its financial performance and its cash flows for the year then ended in accordance with Namibian GAAP.

2. BASIS FOR ADVERSE AUDIT OPINION

I conducted my audit in accordance with International Standards for Supreme Audit Institutions. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to my audit of the financial statements in Namibia, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Adverse opinion is expressed due to the following:

- Unrecorded additions in the fixed asset register amounting to N\$ 38 763 509;
- Non-submission of completion certificate of assets amounting to N\$ 30 609 377;
- Incomplete projects were capitalised amounting to N\$ 11 276 706;
- Unexplained difference of N\$ 5 515 138 was observed on the cash flow statement;
- No explanation for credit balance amounting to N\$ 5 358 273 in the age analysis;
- Non-submission of Built Together supporting documents amounting to N\$ 4 389 998;
- Non-disclosure of a bank account amounting to N\$ 2 517 088;
- Difference of N\$ 880 809 between age analysis and financial statements;
- A difference of N\$ 714 590 was observed between VAT disclosed and VAT recalculated;and
- Understatement of Work in progress in the financial statement by N\$ 620 267;

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.

I have nothing to report in this regard.

4. OTHER INFORMATION

My opinion on the financial statements does not cover the other information and I do not express 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 the 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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Generally Accepted Accounting Practice 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 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 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 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 scepticism throughout the audit.

- 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 use 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.

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 my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my 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
(COMPLIANCE)**

The financial statements were submitted by the Accounting Officer to the Auditor-General in compliance with Section 40(1) of the Regional Council Act 1992, except that they were only submitted on 30 October 2018 instead of three months (3 months) after the year-end as required by Section 40(1) of the Regional Council Act 1992.



WINDHOEK, June 2019

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**REGIONAL COUNCIL FOR THE //KHARAS REGION
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH**

	Note	2018	2017
		N\$	N\$
ASSETS			
Non-Current assets		176 154 993	166 007 842
Property, Plant and Equipment	4	84 844 140	53 859 991
Asset under Construction-Capital Projects	5	91 334 058	112 171 056
Sored		(23 205)	(23 205)
Current assets		58 403 536	51 651 133
Cash and cash equivalents	6	10 234 191	5 713 103
Inventories		157 029	154 738
Accounts receivable	7	14 921 603	12 474 664
Value Added Tax		33 090 713	33 308 628
TOTAL ASSETS		234 558 529	217 658 975
EQUITY AND LIABILITIES			
Funds and reserves		224 796 227	215 689 389
Capital Development Fund		341 408 829	308 755 485
Build-Together Fund		4 455 342	4 455 342
Accumulated Funds		(121 067 944)	(97 521 438)
Current liabilities		9 762 302	1 969 586
Accounts payable	8	9 762 302	1 969 586
TOTAL EQUITY AND LIABILITIES		234 558 529	217 658 975

**REGIONAL COUNCIL FOR THE //KHARAS REGION
INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH**

		2018	2017
	Note	N\$	N\$
Income	10	67 166 925	63 326 421
Expenditure	11	90 865 762	83 930 725
Operating deficit for the year		(23 698 837)	(20 604 304)
Interest earned		198 594	258 407
Net deficit for the year		(23 500 243)	(20 345 897)

REGIONAL COUNCIL FOR THE //KHARAS REGION
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH

	Opening Balance As at 01/04/2017	Additions	Closing Balance As at 31/03/2018
Net Surplus(Deficit)	(97 521 438)	(23 500 242)	(121 021 680)
Development Fund Capital Projects	308 755 485	32 653 344	341 408 829
BTP Revolving Funds	4 455 342	-	4 455 342
Total	215 689 389	9 153 102	224 842 491

**REGIONAL COUNCIL FOR THE //KHARAS REGION
CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH**

	Note	2018	2017
		N\$	N\$
Operating Activities		(4 642 771)	844 080
Cash Receipts from Customers & Other		9 223 297	7 584 167
Delegated Function – Funds Received		6 094 351	2 770 801
Government Transfer – MURD		51 849 277	51 154 017
Cash Payments to Employees		(44 331 155)	(35 305 624)
//Kharas Development Trust Income		-	70 600
//Kharas Development Trust Expense		(25 597)	(113 978)
Cash Payments to Suppliers & Other Payments		(21 527 956)	(21 083 357)
Delegated Functions Payments		(5 924 988)	(4 232 546)
Interest Received from Investment and Bank		198 594	258 407
Cash flows from Operating Activities		(4 444 177)	1 102 487
Investing Activities			
Purchase of Plant and Equipment – Work in Progress		(23 688 079)	(12 395 331)
Financing Activities			
Development Capital Projects		32 653 344	17 112 558
Net increase/decrease in Cash Equivalents		4 521 088	(5 819 714)
Cash and Cash Equivalent at the beginning of the year		5 713 103	11 532 817
Cash and Cash Equivalent at the end of the year	6	10 234 191	5 713 103

**REGIONAL COUNCIL OF THE //KHARAS REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
2018**

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with the Namibian statements of Generally Accepted Accounting Practice.

The annual financial statements are prepared under the historic cost convention. The following accounting policies are consistent, in all material respects, with those of the previous year. The annual financial statements are prepared in line with the accrual concept. It should be noted, however, that income and expenditures in relation to delegated functions is accounted for during the year on a cash accounting concept in line with the State Finance Act, 1991 (Act 31 of 1991), however since all liability in relation to delegated functions remains with the line Ministry, this does not materially affect the Regional Council financial statements.

1.1 PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment are initially recorded at cost. Cost includes all costs directly attributed to bringing the assets to working condition for their intended use.

The residual value and the useful life of each asset are reviewed at each year-end.

Land and infrastructure assets are not depreciated. It is assumed that land will appreciate in value over time and that infrastructure assets (water, sewerage and electricity works) will maintain their value due to the necessity of regular maintenance.

Buildings that are still under construction are classed as work-in-progress and are not depreciated until the work is fully completed.

Where the carrying amount of an asset is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit. On disposal of revalued assets, amounts in revaluation and other reserves relating to that asset are transferred to retained earnings.

**REGIONAL COUNCIL OF THE //KHARAS REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
2018 (continued)**

Depreciation is calculated on a straight –line method to write off the cost of each asset, or the revalued amount, to their residual values over their estimated useful lives as follows:

Buildings	50 Years
Machinery & Equipment	5 Years
Vehicles	5 Years
Office furniture & equipment	3 Years
Computer equipment	3 Years
Other fixed assets	5 Years

1.2 TRADE RECEIVABLES

Trade receivables are carried at anticipated realizable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year-end. Bad debts are written-off during the year in which they are identified.

1.3 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investment that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. These are initially and subsequently recorded at fair value.

2. REVENUE

Revenue consist of the following

2.1 GOVERNMENT TRANSFERS: MINISTRY OF URBAN AND RURAL DEVELOPMENT(MURD)

||Kharas Regional Council receives administrative subsidy from the Ministry of Urban and Rural Development. The subsidy is for the day-to-day operations of the Regional Council.

2.2 RATES LEVY FROM LOCAL AUTHORITIES

The Regional Council as per the Local Authorities Act of 2000, section 76A levies an amount equal to 5% of the rates levied on all rateable property situated in local authority areas. These 5% levies are than on a monthly basis paid over to the Regional Council.

**REGIONAL COUNCIL OF THE //KHARAS REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
2018 (continued)**

2.3 INCOME FROM SETTLEMENT AREAS

The Regional Council is providing municipal services to settlement areas. Services such as the selling of electricity, water, refuse removal, rates and taxes and fishing licences amongst others.

3. DELEGATED FUNCTIONS

The Regional Council is currently performing the following functions delegated by central government line ministries, as indicated, in accordance with Decentralization Enabling Act of 2000. Under delegation, the Regional Council acts as an agent on behalf of the relevant line ministry. The relevant ministry however retains overall responsibility to approve the related budget. This budget allocation is transferred to the Regional Council via cash transfers.

REGIONAL COUNCIL FOR THE //KHARAS REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(continued)

3. DELEGATED FUNCTIONS

	2018	2017
	N\$	N\$
DELEGATED FUNCTIONS INCOME	6 094 352	2 770 800
Ministry of Gender Equality	2 399 179	1 440 083
Office of the Prime Minister	805 977	-
Ministry of Lands	156 429	1 919
MURD-Rural Development Projects	2 482 768	1 308 798
MICT	249 999	20 000
DELEGATED FUNCTIONS EXPENDITURES	5 924 988	4 232 545
Ministry of Gender Equality	1 381 650	1 949 117
Office of the Prime Minister	950 124	33 012
Road Fund Administration	2 128	-
Ministry of Education	-	2 670
Rural Development Projects	3 364 231	2 226 999
Ministry of Lands	149 399	15 625
MICT	77 456	5 122
SURPLUS/DEFICIT FOR THE YEAR	169 364	(1 461 745)

**REGIONAL COUNCIL FOR THE //KHARAS REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH (continued)**

4. FIXED ASSETS

2018	Land and	Motor Vehicles	Office furniture,	Total
	Buildings	Motor Vehicles	equipment &Computers	
	N\$	N\$	N\$	N\$
Cost as at 1 April 2017	18 478 107	6 972 234	125 344 017	4 890
Additions	-	75 446	49 952 593	12 174
Cost as at 31 March 2018	18 478 107	7 047 680	175 296 610	17 064
Less: Depreciation				
Balance as at 1 April 2017	2 192 087	5 675 494	89 066 784	4 890
Charge for the year	245 712	457 867	18 352 486	-
Accumulated Depreciation	2 437 799	6 133 361	107 419 270	4 890
Net book value as at 31 March 2018	16 040 308	914 319	67 877 340	12 174
				84 844 141

**REGIONAL COUNCIL FOR THE //KHARAS REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH (continued)**

2017	Land and	Motor Vehicles	Office furniture,	Total
	Buildings	Computers	equipment & Other fixed assets	
	N\$	N\$	N\$	N\$
Cost as at 1 April 2016	18 478 107	6 466 745	124 742 926	149 692 668
Additions	-	505 489	601 091	1 106 580
Cost as at 31 March 2017	18 478 107	6 972 234	125 344 017	150 799 248
Less: Depreciation				
Balance as at 1 April 2016	1 946 375	5 134 424	66 658 345	73 744 034
Charge for the year	245 712	541 070	22 408 439	23 195 221
Accumulated Depreciation	2 192 087	5 675 494	89 066 784	96 939 255
Net book value as at 31 March 2017	16 286 020	1 296 740	36 277 233	53 859 993

REGIONAL COUNCIL FOR THE //KHARAS REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(continued)

	2018	2017
	N\$	N\$
5. FIXED ASSETS-WORK IN PROGRESS	91 334 058	112 171 056
New //Kharas Regional Council Offices	-	87 450
Servicing of Erven in Tses Phase 4	-	1 755 333
Surveying of Erven 20 Ariam & 20 Noordoewer	-	70 288
Surveying of Erven 24 Grunau & 2 Ariamsvlei	-	62 135
Topographical surv 3 sites Tses	-	116 288
Topographical & Detail Survey Warmbad	-	554 526
Surveying of 915 Ervens Berseba	-	812 294
Topographical and detail survey Aus	-	264 461
Berseba Town Planning	-	596 939
Sewer Retic Ariamsvlei	9 977 411	9 922 008
Planning of add 329 Ervens –Aushenkehr	-	367 074
Topog Survey P0648 @ Ariamsvlei	-	69 872
Aus Town Planning Ext 1&2	-	543 717
Survey of As built Manholes @ Tses	-	59 969
Surveying of 542 Ervens @ Koes	-	469 481
Pegging of 302 Erven Aushenkehr Ext 2	-	290 093
Pegging of 302 Erven Aushenkehr Ext 1	-	301 824
Warmbad Town Planning Ext 1&2	-	49 481
Aus Services	-	185 016
Warmbad Town Planning Ext 1&2	-	494 318
Topographic & detail survey –Aus	-	155 017
Beacon Reloc & Repl surv Warmbad	-	161 669
Beacon Relocation 240 Erven Aus	-	66 908
Ariamsvlei Services phase 2	5 263 782	5 230 818
KRC Office Park	41 341 975	27 469 741
Survey of Noordoewer Town Lands	-	1 567 662
Aus treatment Fascility	-	179 922
Ariamsvlei Sewer phase 3	-	547 153
Noordoewer Extention – Survey	-	931 391
Tses Sevices Water, Sewer & Elect	-	925 747
Connections of Sewer ret serv Berseba	-	4 008 011
Water retic and storage fascility – Ariams	-	3 948 588
Surveying of 429 Erven at Araits	-	718 743
Prov of Civil Eng in Noordoewer phase 1	-	7 133 364
New Sewer & Water Retic system Bethanie	-	7 259 235
Berseba Services	-	1 714 985
Karasburg West Constituency	5 460 814	5 581 089

REGIONAL COUNCIL FOR THE //KHARAS REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(continued)

	2018	2017
	N\$	N\$
5.FIXED ASSETS-WORK IN PROGRESS(continued)		
Noordoewer Trickle Sewer Plant	7 867 868	8 130 953
Noordoewer Constituency Office	620 267	620 267
Bethanie Services – sewer manhole	-	382 511
Aussenkher –Erection of 2 pilot houses	-	259 295
Construction of Services Berseba P5	4 007 159	3 269 150
Construction of Water & Sewer Tses P5	-	3 182 930
Construction of Serv – Koes	-	3 125 737
Surveying of 268 Erven – Aus	-	376 714
Construction of services phase 5	-	1 616 163
Prov of Serv. Tses R.T.B 13/7/2009	-	1 489 402
New Ablution Fascilities – Koes	2 878 655	1 382 767
Reticulation & Services Tses	-	554 210
Reticulation & Services Bethanie	1 317 253	593 272
New Ablution Fascilities Aus	3 095 119	2 186 225
Ariamsvlei Road	-	328 850
New Ablution facilities	1 340 690	-
New Ablution facilities	1 621 950	-
New Ablution facilities	1 567 528	-
New Ablution facilities	1 185 167	-
New Ablution facilities	1 422 856	-
New Ablution facilities	2 365 564	-

REGIONAL COUNCIL FOR THE //KHARAS REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(continued)

	2018	2017
	N\$	N\$
6. CASH AND CASH EQUIVALENTS	10 234 191	5 713 103
FNB Main account	4 252 514	869 381
FNB Call Account	432 831	115 866
Standard fleet management	37 651	39 332
Standard Aus Account	243 561	173 369
FNB Warmbad	50 052	56 100
FNB Ariamsvlei	85 284	35 703
FNB Grunau	22 385	81 182
Bank Windhoek Kosis	50 090	108 593
Nedbank Electricity Sales	158 421	158 856
Bank Windhoek Noordoewer	172 215	189 741
Bank Windhoek Independence Current Account	1 716	1 667
Nedbank Build Together Housing Account	8 551	9 471
Nedbank BTP Call Account	210 311	200 355
Nedbank BTP Receipt Account	180 404	167 776
FNB Traditional Authority Account	15 838	15 289
FNB Karas Development Trust Account	67 374	19 683
Nedbank Early Childhood Development	1 136 889	129 446
FNB Capital Project Account	113 400	222 885
Bank Windhoek 5% Rates and Taxes	128 338	201 207
CFW Programme	400	-
FNB Karas Rural Development Projects	2 271 710	3 213 359
Bank Windhoek Call Capital Projects	37 596	37 596
FNB Call Contingency Account	120 964	75 998
Bank Windhoek-KRC Investors Conference	63 719	63 683
Nedbank Kutenhouse Social Housing	8 580	9 258
Bank Windhoek-KRC Lands and Resettlement	1 834	474
Bank Windhoek-MICT	189 647	14 306
Interbank Transfer	-	(496 525)
Cash Control - Aus	-	1 983
Cash Control - Kosis	-	(124)
Cash Control - Grunau	-	(1 117)
Cash Control - Noordoewer	-	(3 709)
Cash Control - Warmbad	-	1 449

REGIONAL COUNCIL FOR THE //KHARAS REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(continued)

	2018	2017
	N\$	N\$
6. CASH AND CASH EQUIVALENTS (continues)		
Cash Control - Ariamsvlei	-	570
Standard Bank Fleet	165 385	-
FNB Drought Relief	6 531	-
7. DEBTORS CONTROL		
	14 921 603	12 474 664
Subsistence & Travel	335 586	266 017
Water & Electricity	5 587 836	4 521 512
Built Together	4 372 458	4 389 998
Local Authority	3 750 548	2 374 055
Sundry Debtors	875 175	923 082
8. CREDITORS CONTROL		
	9 762 302	1 969 586
Creditor Control	1 483 357	1 024 070
Sundry Supplies	-	850
Unknown Deposits Home Affairs	762 153	762 153
Employee Ded-Dept Debts	36 310	182 513
Leave Provision	7 480 482	-

REGIONAL COUNCIL FOR THE //KHARAS REGION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(continued)

	2018	2017
	N\$	N\$
10. INCOME	67 166 925	63 326 421
Government transfers - MRLGHRD	51 849 277	51 154 017
Rates Levy from Local Authorities	1 995 484	1 746 836
Rates,Charges and Fees	6 498 048	6 508 601
Other Income	729 765	1 075 566
Delegated Functions	6 094 351	2 770 801
Development Trust Income	-	70 600
11. EXPENDITURE	90 865 762	83 930 725
Remuneration	31 481 274	30 271 008
Employers Contribution	3 865 700	3 553 354
Other Conditions of Services	8 984 181	1 481 262
Travel & Subsistence Expenses	2 051 453	2 792 975
Materials & Supplies	315 647	491 624
Transport	2 506 721	2 481 317
Utilities	11 795 319	10 152 300
Maintenance Expenses	460 472	639 223
Property rentals	111 430	160 707
Other Services and Expenses	3 378 087	2 874 384
Membership Fess & Subscription	87 749	636 512
Subsidies,Grants and Other	124 282	129 600
Current Transfers to individuals	327 317	318 914
Depreciation	19 056 066	23 195 220
Delegated functions	5 924 988	4 232 546
Rates levy 5% Expenses	369 479	405 801
Development Trust expenses	25 597	113 978
NETT OPERATING SURPLUS/ (DEFICIT) FOR THE YEAR	(23 698 837)	(20 604 304)
Interest and Dividend Received	198 594	258 407
SURPLUS/ (DEFICIT) FOR THE YEAR	(23 500 243)	(20 345 897)

