



**REPUBLIC OF NAMIBIA**



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

**FOR THE FINANCIAL YEARS ENDED 31 MARCH 2015 and 2016**

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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 Regional Council of the Omusati region for the financial years ended 31 March 2015 and 2016, 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'.

**WINDHOEK, June 2017**

**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE  
REGIONAL COUNCIL OF OMUSATI REGION  
FOR THE FINANCIAL YEARS ENDED 31 MARCH 2015 AND 2016**

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**1. INTRODUCTION**

This report on the accounts of the Omusati Regional Council for the financial years ended 31 March 2015 and 2016 are presented to the National Assembly in accordance with the provisions set out in the Regional Council Act, 1992 (Act 22 of 1992).

Figures in the report are rounded off to the nearest Namibia dollar. Deficits are indicated in (brackets).

I certify that I have audited the accompanying financial statements of Omusati Regional Council for the financial years ended 31 March 2015 and 2016. These financial statements comprise of the following:

Annexure A: Statement of financial position;  
Annexure B: Statement of profit or loss and other comprehensive income;  
Annexure C: Statement of changes in equity;  
Annexure D: Cash flow statement; and  
Annexure E: Notes to the annual financial statements.

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 the 13<sup>th</sup> September 2016 instead of three months after the year end as required by the Act.

The financial statements, notes to the financial statements and general information provided by the Accounting Officer are attached as Annexure A - E.

**2. MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Section 39 of the Regional Council Act, 1992 (Act 22 of 1992) and relevant legislation, and for such internal control as management determines it necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**3. AUDITOR'S RESPONSIBILITY**

My responsibility is to express an opinion on these financial statements based on the audit. I conducted the audit in accordance with International Standards for Supreme Audit Institutions (ISSAIs). These standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

## **Powers and duties**

Section 25(1) (c) of the State Finance Act, 1991, provides that the Auditor-General should satisfy himself that:

- (a) All reasonable precautions have been taken to ensure that all monies due to the State are collected, and that the laws relating to the collection of such monies have been complied with;
- (b) All reasonable precautions have been taken to safeguard the receipt, custody and issue of and accounting for, the State's assets, such as stores, equipment, securities and movable goods; and
- (c) The expenditure has taken place under proper authority and is supported by adequate vouchers or other proof.

In addition, Section 26(1) (b)(iv) of the State Finance Act, 1991, empowers the Auditor-General to investigate and report on the economy, efficiency and effectiveness of the use of the State's resources.

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 judgment, 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 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for the audit opinion.

## **4. ACKNOWLEDGEMENT**

I would like to express my appreciation for the courtesy extended by the staff of the Omusati Regional Council during the audit.

## **5. KEY AUDIT FINDINGS**

### **5.1 FINANCIAL STATEMENTS AND NOTES**

The audit found unexplained differences between the financial statements and notes amounting to N\$ 1 332 029 for the year (2015) and N\$ 4 893 267 for the year (2016).

## **Recommendation**

The Chief Regional Officer should ensure that all figures in the financial statements are correctly calculated and disclosed.

### **5.2 SUBSISTENCE AND TRAVELLING ALLOWANCE**

An amendment was made to the Public Service Staff Rule on D.III/I on DSA (circular) effective from 19 March 2014. It was discovered that two managers claimed subsistence and travelling allowances amounting to N\$ 92 662 back dating to 2005, despite the amendment being only effective as from March 2014.

## **Recommendation**

The Chief Regional Officer should ensure that the staff rule D.III/I on DSA (circular) are adhered to. Furthermore the amounts must be recovered from the respective two managers.

### **5.3 INVENTORY**

The auditors were not invited for stocktaking. Auditors could not confirm the existence of inventory amounting to N\$ 1 438 024 for the year (2015) and N\$ 1 422 461 for the year (2016).

## **Recommendation**

The Chief Regional Officer should ensure that the external auditors are invited to attend year-end inventory count and also ensure that measures are put in place to account for invoice.

### **5.4 BUDGET CONTROL**

It was discovered during the audit that the Council did not comply with the approved budget by exceeding with it N\$ 1 662 659 for the year (2015).

## **Recommendation**

The Chief Regional Officer should ensure that the approved budget is adhered to and is not succeeded.

## 6. BASIS FOR QUALIFIED OPINION

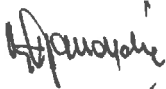
- Non-compliance to Public Service Staff Rule on DSA (circular);
- Unexplained differences in the financial statements and notes amounting to N\$ 1 332 029 for (2015) and N\$ 4 893 267 for (2016);
- Unconfirmed existence of inventory amounting to N\$ 1 438 024 for the year (2015) and N\$ 1 422 461 for the year (2016); and
- Exceeding approved budget for the financial year 2015 with N\$ 1 662 659.

## 7. QUALIFIED AUDIT OPINION

The accounts of the Omusati Regional Council for the years ended 31 March 2015 and 2016 have been audited in terms of Section 38 of the Regional Council Act, 1992 (Act 22 of 1992 and section 25 (1) (b) of the State Finance Act, 1991 (Act 31 of 1991).

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Audit Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Omusati Regional Council as at 31 March 2015 and 2016, and their financial performance and cash flows for the years then ended.

WINDHOEK, June 2017

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



**REGIONAL COUNCIL OF THE OMUSATI REGION**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH**

	Note	2016 N\$	2015 N\$	2014 N\$
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Property Plant and Equipment	2	110 191 435	68 594 327	66 950 590
Work in Progress	3	8 304 174	28 848 447	4 326 869
<b>CURRENT ASSETS</b>				
Inventories	4	1 422 461	1 438 024	751 677
Trade and other receivables	5	2 954 083	3 018 823	2 566 210
Cash and cash equivalents	6	21 862 148	29 511 463	20 290 698
<b>Total assets</b>		<b>144 734 300</b>	<b>131 411 084</b>	<b>94 886 044</b>
<b>EQUITY AND LIABILITIES</b>				
<b>SHARE CAPITAL AND RESERVES</b>				
Accumulated Fund	7	127 461 402	120 723 038	86 117 855
<b>Current liabilities</b>		<b>17 272 898</b>	<b>*10 688 046</b>	<b>8 768 188</b>
Trade and other payables	8	17 272 898	10 688 046	8 768 188
<b>Total equity and liabilities</b>		<b>144 734 300</b>	<b>131 411 084</b>	<b>94 886 043</b>

**\*Figures do not agree to the respective notes. Refer also to finding 5.1.**

## ANNEXURE B

**REGIONAL COUNCIL OF THE OMUSATI REGION**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	<b>Note</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
		N\$	N\$	N\$
Revenue	9	80 834 694	100 175 906	56 108 210
Expenditure	10	74 096 330	65 570 723	49 665 554
<b>Surplus/(Deficit) for the year</b>		<b>6 738 364</b>	<b>34 605 183</b>	<b>6 442 656</b>

**REGIONAL COUNCIL OF THE OMUSATI REGION**  
**STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH**

	<b>Accumulated Funds</b>	<b>Total</b>
	N\$	N\$
<b>Balance at 01 April 2014</b>	86 117 855	86 117 855
Surplus / (Deficit) for the year ending 31 March 2015	34 605 183	34 605 183
<b>Balance at 31 March 2015</b>	<b>120 723 038</b>	<b>120 723 038</b>
<b>Balance at 01 April 2015</b>	120 723 038	120 723 038
Surplus / (Deficit) for the year ending 31 March 2016	6 738 364	6 732 025
<b>Balance at 31 March 2016</b>	<b>127 461 402</b>	<b>127 455 063</b>

## ANNEXURE D

**REGIONAL COUNCIL OF THE OMUSATI REGION**  
**CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 MARCH**

	2016	2015	2014
	N\$	N\$	N\$
<b>Cash generated from operation</b>	<b>16 049 630</b>	<b>36 035 563</b>	<b>15 010 885</b>
Cash receipt from customers and government	80 199 729	97 531 042	55 557 278
Cash paid to suppliers	(20 743 606)	(24 912 644)	(9 443 435)
Cash paid to and on behalf of employees	(43 406 493)	(36 582 835)	(30 102 58)
<b>Net Cash from operating activities</b>	<b>16 626 138</b>	<b>38 117 650</b>	<b>15 915 298</b>
Interest received	699 705	1 922 966	1 015 427
Finance cost	(123 197)	(106 282)	(111 014)
Dividends	-	265 403	-
<b>Cash flow from investing activities</b>	<b>(24 275 453)</b>	<b>(28 896 905)</b>	<b>(4 571 624)</b>
Fixed assets additions	(24 526 878)	(28 900 786)	(4 571 624)
Proceeds from fixed assets disposal	251 425	3 881	-
Total cash movement for the year	(7 649 315)	9 220 765	11 343 674
Cash at the beginning of the year	29 511 463	20 290 698	8 947 023
<b>Total cash at the end of the year</b>	<b>21 857 703</b>	<b>29 511 463</b>	<b>20 290 697</b>

**REGIONAL COUNCIL OF THE OMUSATI REGION**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH**

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**1. ACCOUNTING POLICIES**

The annual financial statements are prepared on the historical cost basis and incorporate the following principal accounting policies which have been consistently in all material respects.

**1.1 Property plant and equipment**

Land and buildings are recorded at cost and are considered to be investment properties. Accordingly, land and buildings are depreciated at a very low rate. This is because all of the buildings are used for administration purposes only.

Motor vehicles furniture and fittings office equipment and building equipment are stated at cost and depreciated on the straight line method at the following rates per annum:

Motor vehicles	5 years	20%
Plants & machinery	5 years	20%
Computer equipment	3 years	33.33%
Furniture	5 years	20%
Office equipment	3 years	33.33%
Land & building	50 years	2%

ANNEXURE E (continued)

REGIONAL COUNCIL OF THE OMUSATI REGION  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

	Land and buildings	Motor Vehicle	Furniture fixture & Fittings	Property plant & equipment	Office Equipment	Computer Equipment	Total
	N\$	N\$	N\$	N\$	N\$	N\$	N\$
<b>2 Property plant and equipment</b>							
<b>2016</b>							
<b>Net Book Value 31.03.2016</b>	<b>103 463 652</b>	<b>2 842 452</b>	<b>853 536</b>	<b>1 959 379</b>	<b>385 027</b>	<b>687 324</b>	<b>110 191 435</b>
Cost	117 569 848	8 424 452	3 780 436	6 991 618	1 301 309	2 243 560	140 311 223
Less: Acc. Depreciation	14 106 196	5 581 935	2 926 899	5 032 239	916 282	1 556 237	30 119 788
Additions	44 004 557	-	470 888	-	74 526	286 499	44 836 470
Disposals	-	-	309 558	-	13 763	41 470	364 791
<b>Opening Net Balance 01.04.15</b>	<b>61 393 090</b>	<b>3 476 579</b>	<b>628 935</b>	<b>2 015 048</b>	<b>411 056</b>	<b>669 618</b>	<b>68 594 327</b>
Cost	73 565 291	8 424 452	3 619 105	6 991 618	1 240 547	1 998 532	95 839 545
Less: Acc. Depreciation	12 172 201	4 947 873	2 990 170	4 976 570	829 491	1 328 914	27 245 218
<b>2015</b>							
<b>Net Book Value 31.03.2015</b>	<b>61 393 090</b>	<b>3 476 579</b>	<b>628 937</b>	<b>2 015 048</b>	<b>411 056</b>	<b>669 618</b>	<b>68 594 327</b>
Cost	73 565 291	8 424 452	3 619 105	6 991 618	1 240 547	1 998 532	95 839 545
Less: Acc. Depreciation	12 172 201	4 947 873	2 990 169	4 976 570	829 491	1 328 914	27 245 218
Additions	-	3 448 008	172 230	15 265	191 508	551 829	4 378 840
<b>Opening Net Balance 01.04.14</b>	<b>62 813 066</b>	<b>1 025 506</b>	<b>353 525</b>	<b>2 134 934</b>	<b>311 240</b>	<b>312 319</b>	<b>66 950 590</b>
Cost	73 565 291	4 976 444	3 446 875	6 976 353	1 049 039	1 446 703	91 460 705
Less: Acc. Depreciation	10 752 225	3 950 938	3 093 350	4 841 419	737 799	1 134 384	24 510 115

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

	2016	2015	2014
	N\$	N\$	N\$
<b>3 WORK IN PROGRESS</b>	<b>8 304 174</b>	<b>28 848 447</b>	<b>4 326 869</b>
Construction of services Tsandi	-	590 794	-
Construction of service Ogongo	-	1 583 755	1 583 755
Construction of services Okalongo	7 044 375	4 584 867	-
Extension of Finance building	589 060	-	-
Water Reticulation Onesi	670 739	-	-
Oxidation pond-Ogongo	-	3 549 779	381 298
Oxidation pond-Onesi	-	3 856 262	849 862
Oxidation pond-Okalongo	-	5 035 884	473 783
Oxidation pond - Tsandi	-	8 663 843	-
Pump Station Ogongo Proper	-	983 263	983 263
Services design- Tsandi	-	-	54 908
<b>4 INVENTORIES</b>	<b>1 422 461</b>	<b>1 438 024</b>	<b>751 677</b>
Consumables & stationeries	1 422 461	1 438 024	751 677
<b>5 TRADE AND OTHER RECEIVABLES</b>	<b>2 954 083</b>	<b>3 018 823</b>	<b>2 566 210</b>
Account Receivable RF	665 978	1 537 040	1 207 439
Less: Provision for Bad Debt	(56 196)	(56 196)	(56 196)
Account Receivable Development	1 712 820	1 041 114	593 630
MRLGHRD - TA Vehicles	39 507	40 467	30 584
S&T Line Ministry	283 472	176 982	171 482
OPM Account	225 376	218 876	185 336
Public Participation survey	22 351	32 061	32 746
Traditional Authority	42 640	28 479	-
Sundry debtors - development	-	-	350 000
Road Fund Administration	18 135	-	51 189

## ANNEXURE E

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

	<b>2016</b>	<b>2015</b>	<b>2014</b>
	N\$	N\$	N\$
<b>6 CASH AND CASH EQUIVALENTS</b>	<b>21 862 148</b>	<b>29 511 463</b>	<b>20 290 698</b>
Call Account	175 979	260 579	1 138 736
Current Account	881 127	1 027 992	884 953
Nampost Call Account	408 107	861 448	779 695
Capital - Current Account	966 562	4 511 197	209 920
Capital - Call Account	17 536 775	595 468	17 277 395
Trust Fund Call	1 893 598	22 254 779	-
<b>7 ACCUMULATED FUNDS</b>	<b>127 455 063</b>	<b>120 723 038</b>	<b>86 117 855</b>
Recurrent Fund	9 472 264	10 454 142	6 821 080
Development Fund	111 250 774	75 303 275	72 854 119
Surplus / (Deficit) for the Year	6 732 025	34 965 621	6 442 656
<b>8 TRADE AND OTHER PAYABLES</b>	<b>17 272 898</b>	<b>9 717 048</b>	<b>8 768 188</b>
Account Payable RF	8 811 591	2 548 518	1 076 239
Account payable RF - DSA & Other creditors	-	690 981	-
Account Payable Development	5 647 182	3 020 614	4 243 971
Disaster Rescue Management Training	81 829	-	-
Accrued Expenses	-	141 768	216 161
Retention	-	235 498	235 498
Staff Savings	206 190	209 820	126 470
Rural Development Centre	2 528 000	2 528 000	2 528 000
Okalongo Settlement Dumpsite	-	229 818	229 819
Resurveying Okalongo settlement	-	112 031	112 031



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

	2016	2015	2014
	N\$	N\$	N\$
<b>9 REVENUE</b>	<b>80 834 694</b>	<b>100 175 906</b>	<b>56 108 210</b>
GOVERNMENT SUBSIDY	71 149 633	86 470 850	46 847 128
Commission Insurance	32 881	25 889	26 967
Income Photocopy & other sales	88 539	75 650	86 529
Income from Water	1 807 288	1 724 043	1 264 668
Income from Sewerage	131 614	139 765	232 760
Income from Refuse	186 175	279 971	307 752
PTO/Ervens Recurrent	734 173	652 613	250 615
Rates income Recurrent	9 195	-	-
Discount Received	15 771	2 744	19 465
Interest Received-Recurrent	189 252	371 546	367 347
Other Income	1 774	27 878	10 881
Rental Income-RF	-	16 985	-
Refund	192 973	346 532	206 559
Rates from Local Authorities - Development	458 226	290 893	108 021
Interest Received Development Fund	510 453	1 551 420	648 080
VAT Refund: Development	2 614 365	5 707 126	2 245 888
VAT Refund - Recurrent	-	(359 846)	269 807
PTO Development	-	-	318 738
Royalties Development	609 633	468 192	870 944
Tender Fees Development & recurrent	560 277	544 055	604 332
Rental Income - Development	990 469	1 570 059	1 414 777
Other Income - Development	1 021	850	6 955
Dividends - Development	550 982	265 403	-
Assets Disposal	-	3 881	-

## ANNEXURE E

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

	<b>2016</b>	<b>2015</b>	<b>2014</b>
	N\$	N\$	N\$
<b>10 EXPENDITURE</b>	<b>74 096 330</b>	<b>65 570 723</b>	<b>49 665 554</b>
<b>Administrative Expenses</b>	<b>43 406 493</b>	<b>36 582 835</b>	<b>30 102 958</b>
Salary and wages	37 183 342	32 800 215	25 933 807
Employer contributions to Pension	4 381 885	2 962 047	3 193 595
Contract Employee	481 755	-	246 455
Employer contributions to Social Security	136 146	357 337	196 912
Leave Gratuity	715 584	463 237	413 880
Housing Subsidy	-	-	118 309
<b>Other Expenses</b>	<b>30 566 640</b>	<b>28 881 606</b>	<b>19 451 582</b>
Transport Privileges	-	-	10 784
Casual labour	780 013	144 071	32 366
Allowance for students on attachment	25 198	5 532	17 769
Employee wellness	28 746	14 970	-
Travel & Subsistence allowance - Domestic	2 170 335	2 334 440	1 460 487
KM & Other means of transport	550 446	449 363	325 854
Cleaning materials	108 783	22 474	63 594
Gardening Tools	34 784	42 639	30 413
Computer Supplies and Accessories	212 304	25 973	40 453
General office supply	405 658	184 059	28 470
Clothing Allowance-Overseas trips	-	11 680	8 580
Protective clothing	114 814	22 040	42 994
Photocopy paper supplies	211 897	40 843	73 404
Repairs spare parts & servicing - vehicles	481 262	691 971	646 076
Tyres	305 877	211 568	145 351
Vehicle licence fees	64 370	104 965	53 798
Accessories and Batteries	12 353	189 926	26 937
Fuel and lubricants	2 076 822	2 037 644	1 216 861
Motor Vehicle tools	-	14 494	-
Car hire (private garage)	46 850	68 655	75 863
Electricity	1 912 384	1 470 572	1 134 135
Internet Email & Subscription costs	5 142	134	7 460
Other licences	127 495	2 200	45 854

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

	2016	2015	2014
	N\$	N\$	N\$
<b>10 EXPENDITURE</b> continue			
P/Bag Postage & Courier Charge	115 993	78 945	85 731
Properties rental & courier	-	2 362	-
Rates and Taxes	460 425	257 321	226 394
Water	2 209 482	1 282 490	999 103
Sewerage	149 082	124 066	153 413
Telephone cellphone & fax charges	626 557	1 463 801	1 330 189
Building Renovation	876 656	436 322	-
Maintenance - Buildings	662 186	771 385	11 684
Maintenance - Office Equipment	11 961	52 100	55 197
Maintenance - Fencing	26 797	21 728	-
Maintenance - Computer Equipment	16 603	12 605	5 198
Maintenance - Other properties	34 230	55 276	130 946
Maintenance - Water pipes & meters	18 490	1 783	-
Maintenance - Furniture and Fittings	53 402	55 394	34 376
Maintenance - Sewer pump machine	235 478	(107 212)	118 804
Property rental - Office machines	311 282	158 726	225 582
Property rental-Constituencies & other offices	336 302	113 202	510 865
Advertising - other media	120 565	126 272	101 369
Claims against the Council	19 088	63	-
Disaster Account Expenses	977	154 700	138 235
Entertainment - Official	118 306	87 913	120 324
Entertainment - REMU RDCC CDC	84 070	38 056	54 028
HIV/AIDS Coordination	172 739	234 560	272 374
Insurance	993 532	980 269	653 767
Legal expenses	32 200	-	9 918
Printing and Distribution	176 458	67 495	112 648
Promotional materials	148 700	52 712	307 500
Refuse removal	401 924	217 807	6 613
Regional profile & Website	25 385	3 925	59 212
Security	172 179	21 972	12 250

## ANNEXURE E

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

	2016	2015	2014
	N\$	N\$	N\$
<b>10 EXPENDITURE</b> continue			
Tender board sitting allowance	6 750	7 500	448 037
Professional services	429 738	781 698	817 457
Training - courses and Workshops	1 065 159	1 049 033	81 681
Entertainment - Councilors	95 668	136 432	88 205
Entertainment - Constituencies	157 170	179 958	-
Disaster Risk management	36 866	7 467	-
Membership fees	30 000	65 600	47 000
Grants/Donations	29 455	13 041	4 000
Depreciation - Computer Equipment	252 668	194 530	65 385
Depreciation - Furniture Fixture & Fittings	139 015	(103 116)	136 822
Depreciation - Land and Building	1 933 995	1 419 977	1 447 789
Depreciation - Office Equipment	93 842	91 974	69 530
Depreciation - Plant and Machinerics	55 669	135 151	529 236
Depreciation - Vehicles	634 062	996 935	387 549
Tax refund	-	-	124 894
Building Renovation	1 736 545	15 166	82 858
Uplifting of manholes-Onesi	-	170 901	254 757
Construction of Electricity Tsandi Proper	137 764	-	2 240 388
Electrification of Growth points	-	869 067	758 024
Replacement of sewer pumps in Tsandi Settlement	-	388 945	155 516
Planning of Onesi Extension 1 & New Reception	-	334 500	174 115
Loss on asset disposal	113 366	-	58 425
Planning of Tsandi	3 360	1 405 077	-
Sewer treatment Onesi	-	506 696	-
Storm water control	-	255 327	-
Sewer treatment Okalongo	-	736 989	-
Water reticulation Onesi	-	75 473	-
Homestead compensations	4 309 112	4 261 037	-
Gravel road Tsandi	1 019 856	29 997	-
Sewer connection okahao	-	-	6 552
Fencing of ongongo dumpsite	-	-	250 142

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

**11 DELEGATED FUNCTIONS**

The Regional Council is currently performing the following functions delegated by line Ministries, as indicated, in accordance with the Decentralization Enabling Act, 2000 (Act No 33 of 2000).

Under delegation, the Regional Council acts as an Agent on behalf of the Ministry of Regional and Local Government, Housing and Rural Development. Their budget allocation is transferred to the Regional and Council via cash transfers.

Build Together Programme of the Ministry of Regional and Local Government, Housing and Rural Development.

	<b>2016</b>	<b>2015</b>	<b>2014</b>
	N\$	N\$	N\$
<b>12 Cash and cash equivalents - Build Together</b>	<b>2 210 937</b>	<b>1 084 580</b>	<b>1 974 302</b>
Current Account	15 624	7 522	20 974
Call Account	1 118 490	122 813	1 090 514
32 Days Account	1 076 823	954 245	862 815
<b>13 Revenue - Build Together</b>	<b>128 340</b>	<b>129 266</b>	<b>117 928</b>
Interests Received - Debtor account	34 236	40 321	41 557
Interests Received - Bank account	84 243	78 311	65 609
Insurance	9 861	10 634	10 762
<b>14 14. Expenses - Build Together</b>	<b>3 086</b>	<b>3 348</b>	<b>2 870</b>
Finance costs	1 236	1586	1 191
Insurance	1 850	1762	1 678
<b>15 Receivables - Rural Development</b>	<b>268 210</b>	<b>268 210</b>	<b>-</b>
Account Receivable	8970	8970	-
Micro Finance	36 883	36 883	-
Cash Food for Work	222 358	222 358	-
<b>16 Rural Development</b>	<b>1 838 497</b>	<b>15 083 523</b>	<b>9 332 846</b>
Current Account:	1 417 228	2 723 133	346 487
Call Account:	421 268	12 360 390	8 986 359

## ANNEXURE E

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

	<b>2016</b>	<b>2015</b>	<b>2014</b>
	N\$	N\$	N\$
<b>17 Trade and other payables Rural Development</b>	<b>5 050 643</b>	<b>14 257 543</b>	<b>10 972 914</b>
Account payable	8 208	511 660	102 951
Micro Finance	-	-	559 042
Cash Food for Work	-	-	413 812
Rural Development Centre	2 660 869	9 918 489	2 929 000
One Region One Initiative (OROI)	1 500 254	2 440 103	1 645 349
Food Security Action Plan	-	86 068	218 467
World Food Day	746	20 525	20 525
World Habitant Day	10 000	-	-
Rural Sanitation	-	26 384	3 845 370
Sundry Creditors	-	-	350 000
Road Fund	-	-	51 189
Rural Employment Scheme	870 567	1 254 315	837 210
<b>18 Revenue - Rural Development</b>	<b>338 476</b>	<b>588 043</b>	<b>180 049</b>
Interests Received	338 476	588 043	118 299
Refunds	-	-	61 750
<b>19 Expenses - Rural Development</b>	<b>3 794</b>	<b>15 324</b>	<b>20 194</b>
Interest paid	-	877	-
Bank Charges	3 794	14 447	20 194
<b>20 Cash and cash equivalents - Disaster Fund</b>	<b>26 969</b>	-	-
Current Account	26 969	-	-
<b>21 Revenue - Disaster Fund</b>	<b>1 395 485</b>	-	-
Interests Received - Debtor account	526	-	-
GRN Subsidy	1 394 959	-	-
<b>22 Expenses - Disaster Fund</b>	<b>1 368 516</b>	-	-
Finance costs	765	-	-
OPM Disaster Account	1 367 751	-	-