



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

REGIONAL COUNCIL OF THE OTJOZONDJUPA REGION

FOR THE FINANCIAL YEARS ENDED 31 MARCH 2011 AND 2012 AND 2013

Published by authority

Price (Vat excluded) N\$ 27.20

Report no: 2016/103

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 Otjozondjupa region for the financial year ended 31 March 2011, 2012 and 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.

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

WINDHOEK, September 2016

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**REPORT OF THE AUDITOR-GENERAL ON THE
ACCOUNTS OF THE OTJOZONDJUPA REGIONAL COUNCIL
FOR THE FINANCIAL YEARS ENDED 31 MARCH 2011, 2012 AND 2013**

1. Report on the Financial Statements

1.1 INTRODUCTION

The accounts of the Otjozondjupa Regional Council for the financial years ended 31 March 2011, 2012 and 2013 are being reported on in accordance with provisions set out in the Regional Council Act 1992 (Act 22 of 1992).

Figures in the report are rounded to the nearest Namibia dollar and deficits are indicated in (brackets).

I certify that I have audited the accompanying financial statements of the Otjozondjupa Regional Council for the financial years ended 31 March 2011, 2012 and 2013. These financial statements comprise the following:

Annexure A: Balance Sheet
Annexure B: Income Statement;
Annexure C: Cash Flow Statement
Annexure D: Notes to financial statement;

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 31 March 2015 instead of three months (3 months) after the year end as required by the Act.

The financial statements notes to the financial statements provided by the Accounting Officer are attached as Annexure A to D.

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 12 & 13 of the State Finance Act 31 of 1991 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 insufficient and inappropriate to provide a basis for the audit opinion.

4. ACKNOWLEDGEMENT

The courtesy and assistance extended to the Auditor-General's staff by the Chief Regional Officer and his staff during the audit is appreciated.

5. KEY AUDIT FINDINGS

5.1 SETTLEMENT INCOME

The Council did not provide the auditors with approved tariffs to substantiate that correct rates were charged for services rendered to customers for the (2011) financial year. Incorrect tariffs were used for basic charges on water sales for the 2012 and 2013 financial years. In addition, the Council did not provide the lease agreements for customers who were given permission to occupy land at Constituencies and Settlement areas.

5.2 FUND INCOME

No supporting documents amounting to N\$ 170 000 were provided for bank statements for the Rural Development Account for the year (2012).

5.3 CREDITORS

The Namwater account was understated with an amount of N\$ 681 762 for the year (2011).

5.4 FIXED ASSETS

Accumulated depreciation was understated by N\$ 12 344 182 and assets were overstated by N\$ 3 656 959 for the year (2011). No supporting documents on assets purchased amounting to N\$ 28 324 for the year (2013) and N\$ 422 778 for the year (2011) were provided for audit purpose.

5.5 INVESTMENTS

Interest income on investments amounting to N\$ 1 284 090 was not accounted for in the year (2011) resulting in income being understated.

Furthermore a difference of N\$ 537 238 was noted between the investment balance on the financial statement and the confirmation from the investee.

5.6 ACCOUNT RECEIVABLES

No Provision for doubtful debt was raised in the financial years under review. Debtors amounting to N\$ 13 853 925 for the year (2011) were not reflected on the Customer Age Analysis provided for audit purpose. Customer Age Analysis was therefore understated by N\$ 864 136 for the year (2012) and N\$ 964 305 for the year (2013).

5.7 VAT

Sales were overstated by N\$ 527 271 for the year (2012) and N\$ 366 174 for the year (2013) due to incorrect accounting for VAT.

5.8 WORK – IN – PROGRESS

The Council paid N\$ 50 700 to a sub-contractor for the Tsumkwe Cultural Village project. This amount was already paid by the main contractor through the first completion certificate. This resulted in a double payment made.

Work-in-Progress account was overstated by N\$ 144 556 as a result of invoices recorded at VAT inclusive amounts in the general ledger.

5.9 EXPENDITURE

Supporting documents amounting to N\$ 635 483 for the year (2011), N\$ 230 510 for the year (2012) and N\$ 1 751 209 for the year (2013) were not submitted for audit purpose.

5.10 PAYROLL

No supporting documents amounting to N\$ 200 008 on gratuities paid were provided for audit purpose.

5.11 CASH AND BANK

Bank statements amounting to N\$ 583 717 for the year (2013) and N\$ 15 452 for the year 2012 could not be provided for audit purpose.

5.12 GENERAL OBSERVATION

Trade debtors and Build Together Project debtor have over the past years significantly increased due to less or no payments by customers. These raise a concern on the Council ability to sustain services.


6. BASIS FOR DISCLAIMED AUDIT OPINION

- Trade creditors were understated with N\$ 681 762;
- Assets overstated by N\$ 3 656 959;
- Accumulated depreciation understated by N\$ 12 344 182;
- Supporting documents amounting to N\$ 422 778 for assets purchased not provided;
- Interest income on investments amounting to N\$ 1 284 090 was not accounted for;
- Investment is understated by N\$ 537 238 ;
- No provision for doubtful debts raised for period under review;
- Trade debtors amounting to N\$ 13 853 925 were not on the Customer Age Analysis;
- Payment vouchers amounting to N\$ 635 483 were not submitted for audit purposes;
- Incorrect tariffs used for basic charges on water sales;
- Debtors understated by N\$ 864 136 for the year (2012) and N\$ 964 305 for the year (2013);
- Bank statements amounting to N\$ 583 717 for the year (2013) were not be provided;
- Documents amounting to N\$ 15 452 for the year 2012 could not be provided for audit purpose

7. DISCLAIMED AUDIT OPINION:

The accounts of the Otjozondjupa Regional Council for the financial years ended 31 March 2011, 2012 and 2013 have been audited in terms of Section 40(1) of the Regional Council Act, 1992 (Act 22 of 1992).

Because of the significance of the matters described in the Basis for Disclaimer of Audit Opinion paragraph I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly I do not express an opinion on the financial statements.



WINDHOEK, September 2016

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**REGIONAL COUNCIL FOR THE OTJOZONDJUPA REGION
BALANCE SHEET AS AT 31 MARCH**

		2013	2012	2011	2010
	Note	N\$	N\$	N\$	N\$
ASSETS					
Non-Current Assets					
Property Plant & Equipment	3	30 857 285	30 122 075	36 861 776	36 413 946
Investment	5	9 966 339	10 301 946	26 561 493	26 755 335
Work in progress	6	20 215 741	19 671 618	10 300 283	9 658 611
		675 205	148 511	-	-
Current Assets					
Accounts Receivable	7	50 921 576	43 707 866	25 843 976	25 005 863
VAT	7	17 633 352	13 543 937	18 349 508	18 314 487
Inventory		1 410 845	623 116		
Cash on hand and Bank	8	89 742	84 377	-	-
		31 787 637	29 456 435	7 494 468	6 691 376
Total Assets		81 778 860	73 829 940	62 705 752	61 419 809
EQUITY AND LIABILITIES					
Accumulated funds					
Total Equity	9	5 149 329	3 195 713	47 782 245	51 094 022
		5 149 329	3 195 713	47 782 245	51 094 022
Non-Current liabilities					
Loans		60 829 520	54 241 180	-	-
Build Together Revolving Fund		-	113 139	-	-
Capital Projects		10 746 683	5 270 683	-	-
Retention fee		50 082 837	48 455 063	-	-
		-	402 295	-	-
Current Liabilities					
Account payables	10	15 801 011	16 393 048	14 923 507	10 325 787
		15 801 011	16 393 048	14 923 507	10 325 787
Total Equity and Liabilities		81 779 860	73 829 940	62 705 752	61 419 809

REGIONAL COUNCIL FOR THE OTJOZONDJUPA REGION
INCOME STATEMENT FOR YEARS ENDED 31 MARCH

	Notes	2013 N\$	2012 N\$	2011 N\$	2010 N\$
INCOME	13	36 212 766	32 790 686	26 589 520	26 440 301
EXPENDITURE	14	35 300 529	30 263 963	30 033 527	26 687 842
Net operating surplus/(loss)		912 237	2 526 724	(3 444 007)	(247 541)
Bank interest received		1 041 380	434 485	125 870	197 817
Accumulated income/(deficit)		1 953 617	2 961 208	-3 318 137	(49 724)
Accumulated funds at the beginning of the year		3 195 713	47 782 245	51 094 022	51 483 437
adjustments		-	(47 547 741)	6 360	(339 691)
at the end of the year		<u>5 149 329</u>	<u>3 195 713</u>	<u>47 782 245</u>	<u>51 094 022</u>

REGIONAL COUNCIL FOR THE OTJOZONDJUPA REGION
CASHFLOW STATEMENT FOR THE YEARS ENDED 31 MARCH

	Note	2013	2012	2011	2010
		N\$	N\$	N\$	N\$
Cash receipt from customers		36 212 766	32 790 686	26 589 520	26 440 301
Cash paid to suppliers		43 106 275	94 206 053	26 267 560	25 336 990
Cash utilized by operations	15	(6 893 509)	(61 415 367)	321 960	1 103 311
Interest earned		1 041 380	434 485	125 870	197 817
Net cash flow from Operating activities		(5 852 129)	(60 980 883)	447 830	1 301 128
Cash flow from investing activities		(1 395 605)	(10 247 438)	(1 402 183)	(209 784)
(Increase)/ Decrease in investments		(544 123)	(9 371 335)	(641 672)	(700 004)
(Increase)/ Decrease in capital assets		(851 482)	(876 103)	(760 511)	490 220
Cash flow from financing activities		7 102 774	11 300 000	-	-
BTP Revolving Fund		5 476 000	-	-	-
Capital Development fund		1 626 774	11 300 000	-	-
Net (increase)/decrease in cash and cash equivalents		(144 960)	(59 928 321)	(954 353)	1 091 344
Adjustment		2 476 162	81 890 288	1 757 447	-
CASH & CASH EQUIVALENTS					
Beginning of the year		29 456 435	7 494 468	6 691 374	5 600 030
End of the year		<u>31 787 637</u>	<u>29 456 435</u>	<u>7 494 468</u>	<u>6 691 376</u>

REGIONAL COUNCIL FOR THE OTJOZONDJUPA REGION
NOTES TO THE FINANCIAL STATEMENTS AS AT YEARS ENDED 31 MARCH 2011, 2012
AND 2013

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 1992 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 fixed assets are stated at historical costs less accumulated depreciation. Depreciation is calculated using straight line method to write-off the value of each asset to its residual value of its estimated useful life:

Land buildings motor vehicle furniture and fittings office furniture and equipment are stated at cost and depreciated on the straight line method at the following rates per annum:

Land	Infinite
Buildings	50 years
Computer Equipment	3 years
Office equipment	3 years
Motor vehicles	5 years
Furniture and Fittings	5 years
Furniture for Political office bearers	3 years
Machinery and Equipment	5 years

2. Grants and donations

The Regional Council is currently performing the following functions (under certain conditions) delegated by central governmental line ministries as indicated in accordance with Decentralisation Enabling Act of 2000.

Under delegation the Regional Council acts as an agent on behalf of the relevant line ministries. The relevant lines Ministries however retain overall responsibilities to approve the related budget. Their budget allocation is transferred to the Regional Council via cash transfers.

**REGIONAL COUNCIL FOR THE OTJOZONDJUPA REGION
NOTES TO THE FINANCIAL STATEMENTS AS AT YEARS ENDED 31 MARCH**

3. PROPERTY PLANT AND EQUIPMENT

2013	Land and Building	Computer equipment	Office equipment	Motor vehicles	Office Furniture	Plant and Machinery	Other Assets	Total
	N\$	N\$	N\$	N\$	N\$	N\$	N\$	N\$
Net Book Value	8 832 062	272 302	80 784	478 647	257 599	41 527	3 420	9 966 341
Cost as at 31/03/2013	10 353 555	647 500	130 470	1 858 286	618 628	19 115 536	5 977	32 723 975
Accumulated Depreciation	1 521 493	375 198	49 686	1 379 639	361 029	19 074 009	2 557	22 761 054
Additions during the Year:		74 157	44 500		196 421	9 711		
Depreciation for the year	207 071	157 859	45 217	175 257	63 234	10 700	1 056	659 338
Net Book Value	9 039 133	356 004	81 501	653 904	124 412	42 516	4 476	10 301 946
Cost as at 01/04/2012	10 353 555	573 343	85 970	1 858 286	422 207	19 105 825	5 977	32 399 186
Accumulated Depreciation	1 314 422	217 339	4 469	1 204 382	297 795	19 063 309	1 501	22 101 716

**REGIONAL COUNCIL FOR THE OTJOZONDJUPA REGION
NOTES TO THE FINANCIAL STATEMENTS AS AT YEARS ENDED 31 MARCH**

2012

	Assets under Construction		Computer equipment	Office equipment	Motor vehicles	Office Furniture	Plant and Machinery	Other Assets	Total
	N\$	N\$	N\$	N\$	N\$	N\$	N\$	N\$	N\$
Net Book Value	9 039 133	0	356 004	81 501	653 904	124 412	42 516	4 476	10 301 946
Cost as at 31/03/2012	10 353 555	0	573 343	85 970	1 858 286	422 207	19 105 825	5 977	32 405 163
Accumulated Depreciation	1 314 422	0	217 339	4 469	1 204 382	297 795	19 063 309	1 501	22 103 217
Movement during the Year:									
Additions	10 353 555	0	321 738	97 507	291 575	304 778	46 152	5 278	11 420 583
Adjustment cost depreciation for the year	0	(29 817 185)	(480 838)	(2 799 401)	(353 540)	0	19 059 673	699	0
Adjustment depreciation	206 963	0	71 442	21 666	211 084	53 864	524 731	845	1 090 595
	1 107 459	(4 075 660)	(560 635)	(2 521 396)	(433 102)	143 042	18 538 578	656	12 198 942
Net Book Value	0	25 741 525	25 911	283 665	493 851	16 540	0	0	26 561 492
Cost as at 01/04/2011	0	29 817 185	732 443	2 787 864	1 920 251	117 429	0	0	35 375 172
Accumulated depreciation	0	4 075 660	706 532	2 504 199	1 426 400	100 889	0	0	8 813 680

**REGIONAL COUNCIL FOR THE OTJOZONDJUPA REGION
NOTES TO THE FINANCIAL STATEMENTS AS AT YEARS ENDED 31 MARCH**

	Assets under construction		Computer equipment	Office furniture equipment	Motor vehicles	Furniture Political office bearers	Total
	N\$	N\$	N\$	N\$	N\$	N\$	N\$
2011							
Net Book Value	25 741 525	25 911	283 665	493 851	16 540	26 561 492	
Cost as at 31/03/2011	29 817 185	732 443	2 787 864	1 920 251	117 429	35 375 172	
Accumulated depreciation	4 075 660	706 532	2 504 199	1 426 400	100 889	8 813 680	
2010							
Net Book Value	26 337 869	15 991	288 984	79 411	33 080	26 755 335	
Cost as at 31/04/2010	29 817 185	713 723	2 630 795	1 335 529	117 429	34 614 661	
Accumulated depreciation	3 479 316	697 732	2 341 811	1 256 118	84 349	7 859 326	
2010							
Net Book Value	26 337 869	15 991	288 984	79 411	33 080	26 755 335	
Cost as at 31/03/2010	29 817 185	713 723	2 630 795	1 335 529	117 429	34 614 661	
Accumulated depreciation	3 479 316	697 732	2 341 811	1 256 118	84 349	7 859 326	
2010							
Net Book Value	407 122	23 985	12 213	0	49 619	492 939	
Cost as at 31/03/2010	596 344	73 233	214 509	196 398	39 143	1 119 627	
Accumulated depreciation							
Additions during the Year							
depreciation for the year							

Net Book Value
Cost as at 01/04/2009
Accumulated depreciation

26 527 091	65 239	491 280	275 809	22 604	27 382 023
29 410 063	689 738	2 618 582	1 335 529	67 810	34 121 722
2 882 972	624 499	2 127 302	1 059 720	45 206	6 739 699

REGIONAL COUNCIL FOR THE OTJOZONDJUPA REGION
NOTES TO THE FINANCIAL STATEMENTS AS AT YEARS ENDED 31 MARCH

4. DELEGATED FUNDS

	2013	2012	2011	2010
	N\$	N\$	N\$	N\$
Monies Received	1 950 940	1 389 093	756 000	126 056
Ministry of Gender Equality	73 749	73 749	7 019	-
Office of the Prime Minister (EMU)	53 890	113 571	-	-
Ministry of Agriculture	10 000	123 815	-	-
Ministry of Urban and Rural Development	1 813 301	1 077 958	748 981	126 056
Monies Paid out	(711 903)	(669 659)	(800 499)	(119 190)
Ministry of Gender Equality	(203 451)	(92 934)	-	-
Office of the Prime Minister (EMU)	(55 129)	(111 900)	-	-
Ministry of Urban and Rural Development	(453 323)	(464 825)	(800 499)	(119 190)
Net delegated funds	1 239 037	719 434	(44 499)	6 866
5. INVESTMENT	20 215 741	19 671 618	10 300 282	9 658 611
Metropolitan policy number 8007	2 837 684	2 646 456	2 752 149	2 568 815
Metropolitan policy number 80376	2 835 967	2 483 072	3 045 962	3 045 962
Metropolitan policy number 82138	-	-	4 502 171	4 043 834
Shares in Cenored	14 539 298	14 539 298	-	-
Share Premium in Cenored	2 792	2 792	-	-
6. WORK IN PROGRESS	675 205	148 511	-	-
New Traditional Authority Kambazembi	468 718	342 601	-	-
Tsumkwe Cultural Village Offices	68 053	(194 090)	-	-
Build Together Project	138 434	-	-	-
7. ACCOUNT RECEIVABLES	19 044 196	14 167 053	18 349 510	18 314 487
VAT Control Account	1 410 845	623 116	-	-
Build Together debtors	4 760 686	4 617 863	3 368 866	3 336 305
Trade debtors	12 843 653	8 916 273	14 825 335	14 846 173
Sundry receivables	29 012	9 801	155 309	132 009

REGIONAL COUNCIL FOR THE OTJOZONDJUPA REGION
NOTES TO THE FINANCIAL STATEMENTS AS AT YEARS ENDED 31 MARCH

	2013	2012	2011	2010
	N\$	N\$	N\$	N\$
8. CASH AND BANK	31 787 637	29 456 435	7 494 468	6 691 376
GRN Subsidy Account	4 971 478	6 623 155	2 011 735	360 306
Capital Account	15 062 712	7 559 031	2 863 650	3 149 424
Social Housing Account	3 501 379	1 145 260	1 111 152	1 358 940
Revolving Housing Account	3 802 606	8 294	754	12 681
Main Current Account	1 215 153	11 741 333	510 703	666 381
Settlement Area Revenue Account	(385 530)	406 115	202 564	501 253
Build Together Receipt Account	24 243	96 119	34 034	16 189
ECD Account	267 850	163 421	184 701	159 353
Food/Cash for Work Program Account	2 488 241	1 101 337	-	-
Transport Account	78 366	292 840	275 204	77 155
Traditional Authority Account	14 845	15 892	23 842	25 406
San Empowerment Account	67 132	56 740	71 708	89 188
Regional Aids Account	68 927	168 880	73 902	68 432
Micro - Finance Account	-	-	130 519	206 667
NamPost Account	499 945	14 721	-	-
Drought Relief Account	139	731	-	-
Cash/Receipt Control Account-Kalkfeld	6 451	8 184	-	-
Cash/Receipt Control Account-Tsumkwe	28 203	13 220	-	-
Cash/Receipt Control Account-Okandjira	1 318	2 186	-	-
Cash/Receipt Control Account-Okondjatu	400	-	-	-
Cash/Receipt Control Account-Coblenz	72 316	36 440	-	-
Cash/Receipt Control Account-Okatjoruu	-875	-321	-	-
Cash/Receipt Control Account-Okamatapati	2 340	2 859	-	-
9. ACCUMULATED FUNDS	5 149 329	3 195 713	47 782 245	51 094 022
At the beginning of the year	3 195 713	47 782 245	51 094 022	51 483 437
Net surplus/ (deficit) for the year	1 953 617	2 961 208	(3 318 137)	(49 724)
Adjustment	-	(47 547 741)	6 360	(339 691)

REGIONAL COUNCIL FOR THE OTJOZONDJUPA REGION
NOTES TO THE FINANCIAL STATEMENTS AS AT YEARS ENDED 31 MARCH

	2013	2012	2011	2010
	N\$	N\$	N\$	N\$
10. ACCOUNT PAYABLES	5 801 011	16 393 048	14 923 507	10 325 787
Suppliers Control Account	5 799 446	16 152 233	14 885 082	10 287 362
Other Accruals	1 565	240 814	38 425	38 425
11. INCOME FROM SETTLEMENTS	3 895 643	3 515 128	2 519 217	5 980 053
Income from water	2 858 760	2 521 431	2 265 228	4 748 886
Income from electricity	790 442	730 464	37 921	362 605
Income from telephones copies P.T.O rent Guest House Insurance refund	246 441	263 234	216 068	868 562
12. MOVEMENT IN WORKING CAPITAL	(4 681 451)	6 275 111	4 562 699	1 690 543
Decrease/ (Increase) receivable	(4 089 415)	4 805 571	(35 021)	(3 042 495)
Increase/ (Decrease) payables	(592 037)	1 469 541	4 597 720	4 733 038
13. INCOME	36 212 766	32 790 686	26 589 520	26 440 301
Government Transfer: MRLGH&RD	27 250 568	25 200 000	22 357 032	19 033 500
Delegated funds	383 406	321 135	92 772	126 056
5% Assessment rates	1 862 973	1 568 343	489 169	614 058
Income from settlement areas	3 895 643	3 515 128	2 331 408	5 980 053
Sundry income	146 578	541 913	405 650	81 065
Interest Received	533 206	428 270	-	-
Dividends Surcharges & Royalties	301 650	99 238	37 722	16 817
Rural Development Income	1 803 301	1 067 958	756 000	201 240
Rental income - Council properties	35 440	48 700	58 966	1 500
Office Building Sold	-	-	-	322 700
Build Together Receipts	-	-	60 801	63 312

REGIONAL COUNCIL FOR THE OTJOZONDJUPA REGION
NOTES TO THE FINANCIAL STATEMENTS AS AT YEARS ENDED 31 MARCH

	2013	2012	2011	2010
	N\$	N\$	N\$	N\$
14. EXPENDITURE	35 300 529	30 263 963	30 033 527	26 687 842
Personnel expenditure	16 916 997	14 967 094	12 803 898	11 467 616
Subsistence & travelling allowance	1 936 004	1 395 917	1 391 289	1 019 276
Materials & supplies	511 596	497 813	305 717	207 491
Transport expenditure	3 314 399	2 035 654	2 635 353	2 818 698
Depreciation	660 395	1 090 597	954 354	1 119 627
Utilities	5 438 539	4 731 300	7 443 077	6 395 123
Maintenance expenditure	1 522 178	1 225 305	926 487	785 660
Other services & expenditure	3 066 804	2 935 075	1 153 736	1 082 065
Property rental & related charges	844 604	433 267	163 291	-
Membership fees & subscriptions	80 252	76 654	74 151	519 300
Subsidies & other current transfers	282 796	62 005	239 412	273 100
Delegated functions	274 580	214 835	199 020	119 097
Regional Aids activities	-	103 135	-	-
5% Assessment rate expenses	6 000	9 792	487 466	99 305
Rural Development Expenses	309 864	358 623	867 427	-
San empowerment expenses	8 060	13 845	16 754	12 238
Social housing expenses	-	10 000	350 639	720 980
Traditional Authority expenses	-	6 849	1 464	-
Build together expenses	-	-	19 992	48 173
Micro - finance	127 459	96 203	-	93
NET SURPLUS/(DIFICIT) FOR THE YEAR	912 237	2 526 723	(3 444 007)	(247 541)
Interest and dividends received	1 041 380	434 485	125 870	197 817
NET SURPLUS/(DIFICIT) FOR THE YEAR	1 953 617	2 961 208	(3 318 137)	(49 724)
15. CASH UTILISED BY OPERATIONS	(6 893 509)	(61 415 367)	321 960	1 103 311
Surplus / (Deficit) for the year	1 953 617	2 961 208	(3 318 137)	(49 724)
Accumulated funds adjustments	-	(47 547 741)	6 360	(339 691)
Interest earned	(1 041 380)	(434 485)	(125 870)	(197 817)
Decrease/ (Increase) in account receivable	(7 213 710)	(17 863 890)	(838 113)	(3 042 495)
Increase/ (Decrease) in account payables	(592 037)	1 469 541	4 597 720	4 733 038