
HEALTH PROFESSIONS
COUNCILS OF NAMIBIA

ANNUAL FINANCIAL STATEMENTS

31 MARCH 2017

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

GENERAL INFORMATION

Country of incorporation and domicile	Namibia
Nature of business and principal activities	Establishing and maintaining accounting systems and practices adequately supported by internal accounting controls. Such controls provide assurance that the Council's assets are safeguarded, that transactions are executed in accordance with management's authorisation and that the financial records are reliable.
Joint council members	Dr SJ Briedenhann (Chairperson) Ms H Burger Mr AM Maswahu Ms K Brockmann Ms RA Adams
Registered office	36 and 37 Schönlein Street Windhoek West Windhoek Namibia
Business address	36 and 37 Schönlein Street Windhoek West Windhoek Namibia
Postal address	Private Bag 13387 Windhoek Namibia
Auditor's	PKF-FCS Auditors Registered Accountants and Auditors Chartered Accountants (Namibia)

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

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JOINT COUNCIL COMMITTEES' RESPONSIBILITIES AND APPROVAL

The Joint Council Committee is required to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Council as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with basis of accounting as set out in Note 1 to the financial statements. The external auditor's is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with basis of accounting as set out in Note 1 to the financial statements, and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Joint Council Committee acknowledge that it is ultimately responsible for the system of internal financial control established by the Council and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the joint committee sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Council and all employees are required to maintain the highest ethical standards in ensuring the Council's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Council is on identifying, assessing, managing and monitoring all known forms of risk across the Council. While operating risk cannot be fully eliminated, the Council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

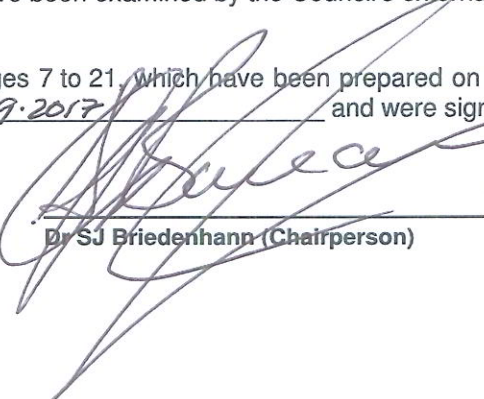
The joint committee is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Joint Council Committee has reviewed the Council's cash flow forecast for the year to 31 March 2018 and, in the light of this review and the current financial position, they are satisfied that the Council has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the Council's annual financial statements. The annual financial statements have been examined by the Council's external auditors and their report is presented on pages 4 to 6.

The annual financial statements set out on pages 7 to 21, which have been prepared on the going concern basis, were approved by the joint committee on 26.9.2017 and were signed on their behalf by:


Mr CV Weyulu (Registrar)


Dr SJ Briedenhann (Chairperson)

INDEPENDENT AUDITOR'S REPORT

To the members of Health Professions Councils of Namibia

Report on the Audit of the Annual Financial Statements

Opinion

We have audited the Annual Financial Statements of Health Professions Councils of Namibia set out on pages 9 to 20, which comprise the Statement of Financial Position as at 31 March 2017, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Annual Financial Statements, including a summary of significant accounting policies.

In our opinion, the Annual Financial Statements present fairly, in all material respects, the financial position of Health Professions Councils of Namibia as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with basis of accounting as set out in Note 1 to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the Council in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Namibia. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Included in trade and other payables are amounts of N\$ 38,973 and N\$ 75,228. The Council did not have adequate internal controls to maintain records of accounts payable for money received control account and other payables. We were unable to obtain sufficient appropriate audit evidence to substantiate the payable disclosed in note 7 to the financial statements. Subsequent deposit processed on the administration system after year could not be verified with regards to individual debtor's allocation. As a consequence, we were unable to determine whether any adjustments were required to the financial statements arising from money received account and other payables with regards to allocation and disclosure.

Government grants and other income represent a significant source of revenue for the Health Professions Councils of Namibia. The Joint Council Committee has determined that it is impracticable to establish internal controls over the collection of government grants and other income prior to the initial entry into its financial records. It was impractical for us to extend our examination beyond the receipts actually recorded. We were therefore unable to confirm whether all government grants and other income were recorded.

INDEPENDENT AUDITOR'S REPORT

Other information

The Councils joint committee is responsible for the other information. The other information comprises the Council's Joint Committee report, which we obtained prior to the date of this report. Other information does not include the Annual Financial Statements and our auditor's report thereon.

Our opinion on the Annual Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Annual Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Annual Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Annual Financial Statements

The Councils joint committee is responsible for the preparation and fair presentation of the Annual Financial Statements in accordance with basis of accounting as set out in Note 1 to the financial statements, and for such internal control as the Council determine is necessary to enable the preparation of Annual Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Annual Financial Statements, the Councils joint committee is responsible for assessing the Council'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 the Councils joint committee either intend to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the Annual Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing 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 Annual Financial Statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual 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 our 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 control.
- 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 Council's joint committee internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councils joint committee.

INDEPENDENT AUDITOR'S REPORT

- Conclude on the appropriateness of the Councils 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 Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Annual Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Financial Statements, including the disclosures, and whether the Annual Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Councils joint committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Restriction of use

The annual financial statements have been prepared in accordance with the basis of accounting as set out in Note 1 to the financial statements for the purpose of complying with the manner required by the Health Professions Councils of Namibia's joint committee annual reporting requirement in respect of the five managed Councils of Namibia (Refer to note 15 - Related parties). The annual financial statements and our auditor's report may not be suitable for another purposes.

PKF-FCS AUDITORS
PKF-FCS Auditors
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Uwe Wolff
Partner

28/9/17

Windhoek

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

COUNCIL'S JOINT COMMITTEE REPORT

The Councils joint committee have pleasure in submitting their report on the annual financial statements of Health Professions Councils of Namibia for the year ended 31 March 2017.

1. Incorporation

The Council was established in Namibia on 1 October 2004 and commenced business on the same day.

2. Nature of business

The Council is engaged in establishing and maintaining accounting systems and practices adequately supported by internal accounting controls. Such controls provide assurance that the council's assets are safeguarded, that transactions are executed in accordance with management's authorisation and that the financial records are reliable. The Council operates principally in Namibia.

There have been no material changes to the nature of the Council's business from the prior year.

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with the basis of accounting described in Note 1 to the financial statements. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the Council are set out in these annual financial statements.

4. Joint committee

The Councils joint committee in office at the date of this report are as follows:

Joint committee
Dr SJ Briedenhann
(Chairperson)
Ms H Burger
Mr AM Maswahu
Ms K Brockmann
Ms RA Adams

There have been no changes to the joint committee for the period under review.

5. Events after the reporting period

The Councils joint committee are not aware of any material event which occurred after the reporting date and up to the date of this report.

6. Going concern

The Councils joint committee believe that the Council has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The Councils joint committee have satisfied themselves that the Council is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Councils joint committee are not aware of any new material changes that may adversely impact the Council. The Councils joint committee are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Council.

7. Litigation statement

The Council becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The Council is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

COUNCIL'S JOINT COMMITTEE REPORT

8. Auditors

PKF-FCS Auditors continued in office as auditors for the Council for 2017.

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

Statement of Financial Position as at 31 March 2017

	Note(s)	2017 N\$	2016 N\$
Assets			
Non-current assets			
Property, plant and equipment	2	1,121,408	847,199
Inter-council loans	3	7,096,862	1,115,679
		8,218,270	1,962,878
Current assets			
Trade and other receivables	4	4,500	385,451
Cash and cash equivalents	5	3,999,476	8,184,503
		4,003,976	8,569,954
Total assets		12,222,246	10,532,832
Equity and liabilities			
Equity			
Reserves	6	283,396	283,396
Retained income		9,855,993	8,657,219
		10,139,389	8,940,615
Liabilities			
Current liabilities			
Trade and other payables	7	2,082,857	1,592,217
Total equity and liabilities		12,222,246	10,532,832

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2017 N\$	2016 N\$
Other income	8	25,543,733	25,180,775
Operating expenses		(24,686,219)	(20,735,705)
Operating profit	9	857,514	4,445,070
Investment revenue	11	341,260	421,560
Profit for the year		1,198,774	4,866,630
Other comprehensive income		-	-
Total comprehensive income for the year		1,198,774	4,866,630

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

STATEMENT OF CHANGES IN EQUITY

	Capital reserves N\$	Retained income N\$	Total equity N\$
Balance at 1 April 2015	283,396	3,790,589	4,073,985
Profit for the year	-	4,866,630	4,866,630
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	4,866,630	4,866,630
Balance at 1 April 2016	283,396	8,657,219	8,940,615
Profit for the year	-	1,198,774	1,198,774
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	1,198,774	1,198,774
Balance at 31 March 2017	283,396	9,855,993	10,139,389
Note(s)	6		

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

STATEMENT OF CASH FLOWS

	Notes	2017 N\$	2016 N\$
Cash flows from operating activities			
Cash generated from operations	13	1,992,795	4,885,362
Interest income		341,260	421,560
Net cash from operating activities		2,334,055	5,306,922
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(619,902)	(474,658)
Proceeds on sale of property, plant and equipment	2	82,003	28,000
Net cash from investing activities		(537,899)	(446,658)
Cash flows from financing activities			
Movement of inter-council loans		(5,981,183)	(687,499)
Net cash from financing activities		(5,981,183)	(687,499)
Total cash movement for the year		(4,185,027)	4,172,765
Cash and cash equivalents at the beginning of the year		8,184,503	4,011,738
Total cash and cash equivalents at end of the year	5	3,999,476	8,184,503

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

ACCOUNTING POLICIES

1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with basis of accounting as set out in Note 1 to the financial statements. The annual financial statements have been prepared on the historical cost basis. They are presented in Namibia Dollar.

The annual financial statements of the Health Professions Councils of Namibia have been prepared on the basis of accounting as stated in note 1 to the financial statements. The basis of accounting and the presentation and disclosures contained in the financial statements are not intended to and do not comply with all the requirements of International Financial Reporting Standard for Small and Medium-sized Entities. The annual financial statements have been prepared on the historical cost basis.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that management have made in the process of applying the company accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1.2 Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, or for rental to others or for administrative purposes; and are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	10 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	6 years
IT equipment	Straight line	4 years

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

ACCOUNTING POLICIES

1.2 Property, plant and equipment (continued)

All borrowing costs are expensed.

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, are measured at fair value through profit and loss.

1.4 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases - lessor

Operating lease income is recognised as an income on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

ACCOUNTING POLICIES

1.4 Leases (continued)

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.5 Impairment of assets

The Council assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.6 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

Termination benefits

Termination benefits are recognised as an expense with its resulting liability when the entity is demonstrably committed either:

- to terminate the employment of an employee or group of employees before the normal retirement date; or
- to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The termination benefits are measured at the best estimate of the expenditure that would be required to settle the obligation at the reporting date.

1.8 Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

ACCOUNTING POLICIES

1.8 Provisions and contingencies (continued)

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

Contingent assets and contingent liabilities are not recognised.

1.9 Government grants

Government grant is recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis relative to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is deferred to deferred income account and is released to the statement of comprehensive income over the expected useful life of the relevant asset by equal annual installments.

1.10 Revenue

Revenue is recognised to the extent that the Council has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the Council. Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured at the fair value of the consideration received and represents the amounts received for contributions from councils, governments grants and other income.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.11 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.12 Interest expense

Interest expenses for borrowings are recognised within 'finance costs' in the statement of comprehensive income using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Council estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and point paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

1.13 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less. Bank overdrafts are included in current liabilities.

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2017 N\$	2016 N\$
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2. Property, plant and equipment

	2017			2016		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	1,145,044	(790,143)	354,901	981,428	(680,977)	300,451
Motor vehicles	432,624	(71,112)	361,512	366,409	(201,910)	164,499
Office equipment	318,032	(272,358)	45,674	318,032	(251,734)	66,298
Computer equipment	1,702,974	(1,343,653)	359,321	1,518,169	(1,202,218)	315,951
Total	3,598,674	(2,477,266)	1,121,408	3,184,038	(2,336,839)	847,199

Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	300,451	163,617	-	(109,167)	354,901
Motor vehicles	164,499	271,480	(3)	(74,464)	361,512
Office equipment	66,298	-	-	(20,624)	45,674
Computer equipment	315,951	184,805	-	(141,435)	359,321
	847,199	619,902	(3)	(345,690)	1,121,408

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	353,857	42,909	(96,315)	300,451
Computer equipment	13,288	161,143	(9,932)	164,499
Office equipment	56,051	33,395	(23,148)	66,298
IT equipment	187,038	237,211	(108,298)	315,951
	610,234	474,658	(237,693)	847,199

3. Inter-council loans

Allied Health Professions Council of Namibia	1,293,885	107,092
Medical and Dental Council of Namibia	1,921,322	687,311
Nursing Council of Namibia	1,293,885	107,092
Pharmacy Council of Namibia	1,293,885	107,092
Social Work and Psychology Council of Namibia	1,293,885	107,092
	7,096,862	1,115,679

These inter-council transfer accounts are interest free, unsecured and do not have any fixed repayment terms. These terms are reviewed from time to time.

4. Trade and other receivables

Deposit paid on Erf 4171	-	385,451
Motor Bike receivable	4,500	-
	4,500	385,451

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2017 N\$	2016 N\$
5. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	2,541	2,541
Bank balances	477,084	201,973
Short-term deposits	3,519,851	7,979,989
	3,999,476	8,184,503
6. Capital reserve		
Arising from acquiring the net assets of former Boards	283,396	283,396
7. Trade and other payables		
Trade payables	296,700	130,657
Accrued leave pay	1,671,956	1,461,560
Money received control account	38,973	-
Other payables	75,228	-
	2,082,857	1,592,217
8. Other income		
Profit and loss on sale of property, plant and equipment	82,000	28,000
Administration and management fees received	5,400,000	4,900,000
Rental income	80,001	-
Income received auctions	7,566	3,970
Income received CPD	99,930	93,490
Other income	(125,764)	155,315
Government grants	20,000,000	20,000,000
	25,543,733	25,180,775
9. Operating profit		
Operating profit for the year is stated after accounting for the following:		
Operating lease charges		
Lease rentals on operating lease		
• Straight-line amounts	131,369	68,448
Property, plant and equipment	82,000	28,000
Depreciation on property, plant and equipment	345,690	237,693
Employee costs	19,668,522	16,300,072
10. Auditor's remuneration		
Fees	46,460	41,567

Health Professions Councils of Namibia

Annual Financial Statements for the year ended 31 March 2017

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2017 N\$	2016 N\$
11. Investment revenue		
Interest revenue		
Bank	341,260	421,560
12. Taxation		
No provision for taxation has been made as the Council is exempt from income tax.		
13. Cash generated from operations		
Profit before taxation	1,198,774	4,866,630
Adjustments for:		
Depreciation and amortisation	345,690	237,693
Loss on sale of property, plant and equipment	(82,000)	(28,000)
Interest received	(341,260)	(421,560)
Changes in working capital:		
Trade and other receivables	380,951	(385,451)
Trade and other payables	490,640	616,050
	1,992,795	4,885,362
14. Commitments		
The Joint Council manages the businesses of five (5) Councils which were all enacted by an Act of Parliament. The ultimate financial responsibility for the financial affairs of the management entity lies with these five (5) Councils (refer to note 15 - related parties)		
15. Related parties		
Relationships		
Related Councils managed	Allied Health Professions Council of Namibia Medical and Dental Council of Namibia Nursing Council of Namibia Pharmacy Council of Namibia Social Work and Psychology Council of Namibia	

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2017 N\$	2016 N\$
15. Related parties (continued)		
Related party balances and transactions		
Related party balances		
Inter-councils loans		
Medical and Dental Council of Namibia	1,921,322	687,311
Social Work and Psychology	1,293,885	107,092
Pharmacy Council of Namibia	1,293,885	107,092
Allied Health and Professions Council of Namibia	1,293,885	107,092
Nursing Council of Namibia	1,293,885	107,092
Related party transactions		
Contributions received from		
Allied Health Professions Council of Namibia	1,200,000	1,200,000
Medical and Dental Council of Namibia	950,000	950,000
Nursing Council of Namibia	2,500,000	2,000,000
Pharmacy Council of Namibia	750,000	750,000

Health Professions Councils of Namibia

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STATEMENT OF FINANCIAL PERFORMANCE

	Note(s)	2017 N\$	2016 N\$
Other income			
Administration and management fees received		5,400,000	4,900,000
Rental income		80,001	-
Income: Auction		7,566	3,970
Income: CPD		99,930	93,490
Other income		(125,764)	155,315
Interest received	11	341,260	421,560
Gains on disposal of assets		82,000	28,000
Government grant		20,000,000	20,000,000
		25,884,993	25,602,335
Operating expenses			
Accounting fees		82,828	119,520
Advertising		50,665	71,253
Auditors' remuneration	10	46,460	41,567
Bank charges		146,114	140,154
Catering fees		18,532	6,912
Cleaning services		400,229	374,495
Computer expenses		91,401	6,900
Consulting fees		350,454	126,816
Depreciation, amortisation and impairments		345,690	237,693
Employee costs		19,668,522	16,300,072
Insurance		84,353	56,963
Lease rentals on operating lease		131,369	68,008
Legal expenses		-	131,267
Meeting fees		17,100	34,000
Motor bike expenses		3,769	19,600
Motor vehicle expenses		36,269	58,433
NTA- Levies		176,359	141,541
Office supplies		199,520	138,280
Postage		118,647	84,405
Printing and stationery		886,869	808,057
Repairs and maintenance		583,570	474,914
Storage and warehousing		2,537	3,696
Staff welfare		2,500	-
Security		448,670	359,519
Study achievement award		-	2,000
Subscriptions		12,106	13,690
Telephone and fax		386,034	264,198
Training		6,580	89,249
Travel - local		58,953	103,129
Water and electricity		330,119	459,374
		24,686,219	20,735,705
Profit for the year		1,198,774	4,866,630