

SOCIAL WORK AND
PSYCHOLOGY COUNCIL OF
NAMIBIA

ANNUAL FINANCIAL STATEMENTS

31 MARCH 2017

Social Work and Psychology Council 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	To control and exercise authority in respect of all matters as set out in section 5 of the Social Work and Psychology Act, 2004
Council members	Ms RA Adams (President) Dr JG Hoffmann (Vice President) Ms AJ Wentworth Ms EN Mayne Dr EN Shino Ms ES January Ms L Nangolo Adv M Strydom Ms NP Meiring Mr S Geiseb Ms VR Theron Ms VZZ du Preez
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
Auditors	PKF-FCS Auditors Registered Accountants and Auditors Chartered Accountants (Namibia)

Social Work and Psychology Council of Namibia

Annual Financial Statements for the year ended 31 March 2017

INDEX

The reports and statements set out below comprise the annual financial statements presented to the shareholders:

Index	Page
Council responsibilities and approval	3
Independent auditor's report	4 - 6
Council report	7 - 8
Statement of financial position	9
Statement of comprehensive income	10
Statement of changes in equity	11
Statement of cash flows	12
Accounting policies	13 - 16
Notes to the annual financial statements	17 - 21

The following supplementary information does not form part of the annual financial statements and is unaudited:

Statement of financial performance	22
------------------------------------	----

Social Work and Psychology Council of Namibia

Annual Financial Statements for the year ended 31 March 2017

COUNCIL RESPONSIBILITIES AND APPROVAL

The Council is required by the Social Work and Psychology Act, 2004 (Act 7 of 2004), to maintain adequate accounting records and are 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 the basis of accounting as described in note 1 to the annual 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 the basis of accounting as described in note 1 to the annual financial statements and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Council acknowledges 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 Council to meet these responsibilities, the Council 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 Council 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 Council 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, it is 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 22, which have been prepared on the going concern basis, were approved by the Council on 26.9.2017 and were signed on its behalf by:


Mr. CV Weyulu (Registrar)


Ms RA Adams (President)

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Social Work and Psychology Council of Namibia

Report on the Audit of the Annual Financial Statements

Opinion

We have audited the Annual Financial Statements of Social Work and Psychology Council of Namibia set out on pages 9 to 21, 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 Social Work and Psychology Council 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 described in note 1 to the annual financial statements and the requirements of the Social Work and Psychology Act, 2004 (Act 7 of 2004).

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 receivables is an amount of N\$ 7,219. The Council did not have adequate internal controls to maintain records of accounts receivable for money received control account. We were unable to obtain sufficient appropriate audit evidence to substantiate the receivable disclosed in note 5 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 accounts receivable and money received control account with regards to allocation and disclosure.

INDEPENDENT AUDITOR'S REPORT

Other information

The Council is responsible for the other information. The other information comprises the Council report as required by the Social Work and Psychology Act, 2004 (Act 7 of 2004), 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 Council is responsible for the preparation and fair presentation of the Annual Financial Statements in accordance with basis of accounting as described in note 1 to the annual financial statements and the requirements of the Social Work and Psychology Act, 2004 (Act 7 of 2004), 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 Council 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 Council 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.

INDEPENDENT AUDITOR'S REPORT

- 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- Conclude on the appropriateness of the Council'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 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 Council 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 Social Work and Psychology Act, 2004 (Act 7 of 2004). The annual financial statements and our auditor's report may not be suitable for other purposes.

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

28/9/17

Windhoek

Social Work and Psychology Council of Namibia

Annual Financial Statements for the year ended 31 March 2017

COUNCIL REPORT

The Council submit its report for the year ended 31 March 2017.

1. Incorporation

The Council was incorporated in Namibia on 26 July 2007 via the enactment of the Social Work and Psychology Act, 2004 (Act 7 of 2004) as promulgated in the Government Gazette of the Republic of Namibia No. 3246.

2. Nature of business

The Council is engaged to control and exercise authority in respect of all matters as set out in section 5 of the Social Work and Psychology Act, 2004 and operates principally in Namibia.

The operating results and state of affairs of the Council are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with Entity specific basis of accounting and the requirements of the Social Work and Psychology Act, 2004 (Act 7 of 2004). 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 company are set out in these annual financial statements.

4. Council

The Council members in office at the date of this report are as follows:

Council

Ms RA Adams (President)
Dr JG Hoffmann (Vice
President)
Ms AJ Wentworth
Ms EN Mayne
Dr EN Shino
Ms ES January
Ms L Nangolo
Adv M Strydom
Ms NP Meiring
Mr S Geiseb
Ms VR Theron
Ms VZZ du Preez

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

5. Events after the reporting period

The Council is not aware of any material event which occurred after the reporting date and up to the date of this report.

Social Work and Psychology Council of Namibia

Annual Financial Statements for the year ended 31 March 2017

COUNCIL REPORT

6. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the Council to continue as a going concern is dependent on a number of factors. The most significant of these is that the Council continue to procure funding for the ongoing operations for the Council through collection of membership fees and other related revenue streams.

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.

8. Auditors

PKF-FCS Auditors will continue in office in accordance with the Social Work and Psychology Act, 2004 (Act 7 of 2004).

9. Change in accounting basis

The executive committee of the council took a decision to change from a cash basis to an accrual basis of accounting at the beginning of the financial year ended 31 March 2017. This change affected the revenue as the annual maintaining fees for the year end 31 March 2017 was recognised when it was collected at 31 March 2016. In the 31 March 2017 financial yearend annual maintaining fees have been invoiced and collected for the 31 March 2018 financial year and have been accounted for using the accrual basis by recognising it as fees received in advance in the statement of financial position as at 31 March 2017.

Social Work and Psychology Council 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	1,752,155	953,604
Current assets			
Inventories	4	24,544	9,204
Trade and other receivables	5	64,919	-
Cash and cash equivalents	6	497,050	587,062
		586,513	596,266
Total assets		2,338,668	1,549,870
Equity and liabilities			
Equity			
Capital reserves	7	3,284	3,284
Retained income		306,259	795,459
		309,543	798,743
Liabilities			
Non-current liabilities			
Loans from Councils	3	1,293,885	107,092
Finance lease liabilities	8	323,213	600,240
		1,617,098	707,332
Current liabilities			
Trade and other payables	9	387,025	-
Finance lease liabilities	8	25,002	43,795
		412,027	43,795
Total liabilities		2,029,125	751,127
Total equity and liabilities		2,338,668	1,549,870

Social Work and Psychology Council of Namibia

Annual Financial Statements for the year ended 31 March 2017

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2017 N\$	2016 N\$
Revenue	10	39,250	22,000
Cost of sales	11	(5,673)	(6,239)
Gross profit		33,577	15,761
Fees earned	12	163,610	555,621
Operating expenses		(614,589)	(526,196)
Operating (loss) profit	13	(417,402)	45,186
Investment revenue	15	20,623	16,701
Finance costs	16	(92,421)	(13,497)
(Loss) profit for the year		(489,200)	48,390
Other comprehensive income		-	-
Total comprehensive (loss) income for the year		(489,200)	48,390

Social Work and Psychology Council 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	3,284	747,069	750,353
Profit for the year	-	48,390	48,390
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	48,390	48,390
Balance at 1 April 2016	3,284	795,459	798,743
Loss for the year	-	(489,200)	(489,200)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(489,200)	(489,200)
Balance at 31 March 2017	3,284	306,259	309,543

Note

7

Social Work and Psychology Council 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 receipts from customers		137,941	577,621
Cash paid to suppliers and employees		(248,577)	(532,457)
Cash (used in) generated from operations	18	(110,636)	45,164
Interest income		20,623	16,701
Finance costs		(92,421)	(13,497)
Net cash from operating activities		(182,434)	48,368
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(798,551)	(737,630)
Cash flows from financing activities			
Movement of inter-council loan		1,186,793	107,092
Finance lease payments		(295,820)	644,035
Net cash from financing activities		890,973	751,127
Total cash movement for the year		(90,012)	61,865
Cash and cash equivalents at the beginning of the year		587,062	525,197
Total cash and cash equivalents at end of the year	6	497,050	587,062

Social Work and Psychology Council 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 the accounting policies as set out below. The annual financial statements have been prepared on the historical cost basis. They are presented in Namibia Dollars.

The annual financial statements of the Social Work and Psychology Council 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 Councils' 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.

Financial assets measured at cost and amortised cost

The Council assesses its financial assets measured at cost and amortised cost for impairment at each reporting date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the Council makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Impairment testing

The Council reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

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, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Costs 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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Social Work and Psychology Council of Namibia

Annual Financial Statements for the year ended 31 March 2017

ACCOUNTING POLICIES

1.2 Property, plant and equipment (continued)

Immovable property owned by the Council is classified as owner-occupied property and shown at cost less impairment and is not depreciated.

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

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.

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present 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 in the period.

All borrowing costs are expensed.

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price. This includes transaction costs, except for financial instruments which are measured at fair value through profit or loss.

Financial instruments at amortised cost

Financial instruments may be designated to be measured at amortised cost less any impairment using the effective interest method. These include trade and other receivables, loans and trade and other payables. At the end of each reporting period date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised.

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. This includes equity instruments held in unlisted investments.

Financial instruments at fair value

All other financial instruments 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. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases – lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Social Work and Psychology Council of Namibia

Annual Financial Statements for the year ended 31 March 2017

ACCOUNTING POLICIES

1.5 Impairment of assets

The Council assesses at each reporting period date whether there is any indication that an asset may be impaired. If any such indication exists, the Council estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are carried at the lowest levels for which they are separately identifiable cash flows (cash-generating units).

1.6 Inventories

Inventories are measured at the lower of cost and selling price less costs to complete and sell, on the first-in, first-out (FIFO) basis.

1.7 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.

1.8 Provisions and contingencies

Provisions are recognised when:

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

Contingent assets and contingent liabilities are not recognised.

Provisions are not recognised for future operating losses.

Provisions for legal claims are recognised when the Council has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

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.

1.9 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts received for contributions from Council members and other income.

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

Social Work and Psychology Council of Namibia

Annual Financial Statements for the year ended 31 March 2017

ACCOUNTING POLICIES

1.10 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.

1.11 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.

Social Work and Psychology Council of Namibia

Annual Financial Statements for the year ended 31 March 2017

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2017 N\$	2016 N\$
--	-------------	-------------

2. Property, plant and equipment

	2017			2016		
	Cost	Accumulated depreciation and impairments	Carrying value	Cost	Accumulated depreciation and impairments	Carrying value
Buildings	1,752,155	-	1,752,155	953,604	-	953,604

Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Total
Buildings	953,604	798,551	1,752,155

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Total
Buildings	215,974	737,630	953,604

Pledged as security

Carrying value of assets pledged as security:

Land and buildings	1,752,155	953,604
--------------------	-----------	---------

Properties are mortgaged as security for a loan reflected in the accounts of Medical and Dental Council of Namibia and as set out in note 8 to the annual financial statements.

Details of properties

ERF 4173

1/5 th share of Erf No. 4173, Windhoek, measuring 1,068 square metres, with office building.

- Cost	215,974	215,974
--------	---------	---------

ERF 4168

1/5th share of Erf No. 4168, Windhoek, measuring 1,256 square metres, with office building.

- Cost	737,630	737,630
--------	---------	---------

ERF 4171

1/5 th share of Erf No. 4171, Windhoek, measuring 1,070 square metres, with office building.

- Cost	798,551	-
--------	---------	---

Erf No 4173 was revalued by an independent valuer, Paulus Gert van Wyk on 25 April 2017, to the value of N\$ 7,200,000. The value was based on open market value for existing use. 1/5 th valuation applicable to Council amounts to N\$ 1,440,000 (2016: N\$ 1,310,800).

Social Work and Psychology Council of Namibia

Annual Financial Statements for the year ended 31 March 2017

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2017 N\$	2016 N\$
2. Property, plant and equipment (continued)		
Erf No 4168 was revalued by an independent valuer, Paulus Gert van Wyk on 25 April 2017, to the value of N\$ 6,500,000. The value was based on open market value for existing use. 1/5 th valuation applicable to Council amounts to N\$ 1,300,000 (2016: NIL).		
Erf No 4171 was aquired during the year at a cost price (including all incidental costs) of N\$3,992,755 which was equally divided into the five councils. The deed of transfer (T2843/2012) was signed on the 5th of August 2015. 1/5 th cost price applicable to Council amounts to N\$ 798,551 (2016: NIL).		
3. Inter-Council transfers to (from)		
Loan - Health Professions Council	(1,293,885)	(107,092)
The inter-council transfer is unsecured, interest free with no fixed terms of repayment. These terms are reviewed from time to time.		
4. Inventories		
Books and consumable stock	24,544	9,204
5. Trade and other receivables		
Trade receivables	57,700	-
Money received control account	7,219	-
	64,919	-
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	123,608	138,882
Short-term deposits	373,442	448,180
	497,050	587,062
7. Capital reserve		
Arising from acquiring the net assets of former Boards as contemplated is section 4 of the Social Work and Psychology Act, 2004 (Act 7 of 2004)	3,284	3,284
8. Finance lease liabilities		
Minimum lease payments due		
- within one year	60,141	106,263
- in second to fifth year inclusive	240,566	531,759
- later than five years	243,988	347,703
	544,695	985,725
less: future finance charges	(196,480)	(341,690)
Present value of minimum lease payments	348,215	644,035

Social Work and Psychology Council of Namibia

Annual Financial Statements for the year ended 31 March 2017

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2017 N\$	2016 N\$
8. Finance lease liabilities (continued)		
Present value of minimum lease payments due		
- within one year	25,002	43,795
- in second to fifth year inclusive	126,228	294,657
- later than five years	196,985	305,583
	348,215	644,035
 Non-current liabilities	 323,213	 600,240
Current liabilities	25,002	43,795
	348,215	644,035
It is the Council's policy to lease certain property under finance leases.		
Interest rates are linked to prime at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.		
The Council's obligations under finance leases are secured by the lessor's charge over the leased assets. Refer note 2.		
The loan is redeemable in monthly installments of N\$ 25,059 (2016: N\$ 44,313).		
9. Trade and other payables		
Amounts received in advance - member fees 2017/2018	387,025	-
Amounts received in advance - member fees 2017/2018 are amounts collected for the annual maintaining fees for 31 March 2018 financial yearend. The amount is shown as income received in advance due to a change in accounting basis - see council members' report note 9.		
10. Revenue		
Sale of goods - books and consumable stock	39,250	22,000
11. Cost of sales		
Sale of goods		
Cost of goods sold - books and consumable stock	5,673	6,239
12. Other income		
Fees earned	154,460	550,368
Donations - STG Books	-	5,253
Fines	5,000	-
Inspection of intern facility	4,150	-
	163,610	555,621

Social Work and Psychology Council of Namibia

Annual Financial Statements for the year ended 31 March 2017

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2017 N\$	2016 N\$
13. Operating (loss) profit		
Operating (loss) profit for the year is stated after accounting for the following:		
The Council was not required to pay any annual contribution fees for the year under review (2016: N\$ NIL).		
14. Auditor's remuneration		
Fees	21,160	18,975
15. Investment revenue		
Interest revenue		
Bank	20,623	16,701
16. Finance costs		
Bank	92,421	13,497
17. Taxation		
No provision for taxation has been made as the Council is exempt from income tax.		
18. Cash (used in) generated from operations		
(Loss) profit before taxation	(489,200)	48,390
Adjustments for:		
Interest received - investment	(20,623)	(16,701)
Finance costs	92,421	13,497
Changes in working capital:		
Inventories	(15,340)	986
Trade and other receivables	(64,919)	-
Trade and other payables	387,025	(1,008)
	(110,636)	45,164
19. Contingencies		
The Council is managed by a joint management entity, which also manages the business of four (4) other Councils. The ultimate financial responsibility for the financial affairs of the management entity lies with these five (5) Councils.		
20. Related parties		
Relationships		
Related councils	Pharmacy Council of Namibia	
	Medical and Dental Council of Namibia	
	Allied Health Professions Council of Namibia	
	Nursing Council of Namibia	
	Health Professions Council of Namibia	
Managing Council		

Social Work and Psychology Council of Namibia

Annual Financial Statements for the year ended 31 March 2017

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2017 N\$	2016 N\$
20. Related parties (continued)		
Related party balances and transactions		
Related party balances		
The Social Work and Psychology Council of Namibia is managed by the Health Professions Council of Namibia. In return for these management services performed the Social Work and Psychology Council of Namibia pays annual contributions to Health Professions Council of Namibia for administrative purposes.		
Inter-Council Transfers - Owing (to) by related parties		
Health Professions Councils of Namibia	(1,293,885)	(107,092)
Related party transactions		
Contributions paid		
Health Professions Council of Namibia	-	-
Bond contribution paid		
Medical and Dental Council of Namibia	45,000	100,000

Social Work and Psychology Council of Namibia

Annual Financial Statements for the year ended 31 March 2017

STATEMENT OF FINANCIAL PERFORMANCE

	Note(s)	2017 N\$	2016 N\$
Revenue			
Sale of goods		39,250	22,000
Cost of sales			
Opening stock		(9,204)	(10,190)
Purchases		(21,013)	(5,253)
Closing stock		24,544	9,204
	11	(5,673)	(6,239)
Gross profit		33,577	15,761
Other income			
Donations - STG Books		-	5,253
Fees earned		154,460	550,368
Interest received	15	20,623	16,701
Fines received		5,000	-
Inspection of intern facility		4,150	-
		184,233	572,322
Operating expenses			
Appeal fees		196,838	223,639
Auditors' remuneration	14	21,160	18,975
Bank charges		15,874	13,566
Bond contribution		45,000	100,000
Catering fees		15,280	16,048
Consulting and professional fees		-	8,480
Council meeting fees		72,750	58,322
Examination fees		26,140	31,450
Inspection fees		2,500	-
Legal expenses		160,624	26,397
Printing and stationery		-	19,960
Travel - local		58,423	9,359
		614,589	526,196
Operating (loss) profit	13	(396,779)	61,887
Finance costs	16	(92,421)	(13,497)
(Loss) profit for the year		(489,200)	48,390