

**Health Professions Councils Of Namibia
Annual Financial Statements
for the year ended 31 March 2021**

Health Professions Councils Of Namibia
Annual Financial Statements for the year ended 31 March 2021

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 Councils' assets are safeguarded, that transactions are executed in accordance with management's authorisation and that the financial records are reliable.
Joint Presidents' members	Ms. F. Tjituka (Chairperson) Dr. W. L. Benjamin (Vice-Chairperson) Dr. J. G. Hoffmann Mr. C. M. Likando Mrs. B.N. Coetzee
Registered office	36, 37 and 46 Schonlein Street Windhoek West Windhoek Namibia
Business address	36, 37 and 46 Schonlein Street Windhoek West Windhoek Namibia
Postal address	Private Bag 13387 Windhoek Namibia
Bankers	First National Bank of Namibia Ltd
Auditors	Saunderson & Co Registered Accountants and Auditors Chartered Accountants (Namibia)

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Joint Councils' Responsibilities and Approval

The Joint Presidents' Committee is required 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 councils 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 Namibian Generally Accepted Accounting Practice (NAC001) Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the Namibian Generally Accepted Accounting Practice (NAC001) Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Joint Presidents' Committee acknowledge that they are ultimately responsible for the system of internal financial control established by the Councils and place considerable importance on maintaining a strong control environment. To enable the Joint Presidents' Committee 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 Councils and all employees are required to maintain the highest ethical standards in ensuring the Councils' business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Councils is on identifying, assessing, managing and monitoring all known forms of risk across the Councils. While operating risk cannot be fully eliminated, the Councils endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

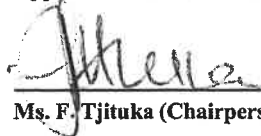
The joint committee is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial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

The joint committee has reviewed the Councils' cash flow forecast for the year to 31 March 2022 and, in the light of this review and the current financial position, they are satisfied that the Councils have or have access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Councils' annual financial statements. The annual financial statements have been examined by the Councils' external auditors and their report is presented on page 6-7.

The annual financial statements set out on page 8-19, which have been prepared on the going concern basis, were approved by the joint committee on 25 September 2021 and were signed on its behalf by:

Approval of annual financial statements



Ms. F. Tjituka (Chairperson)



Mr. C V Weyulu (Registrar)

Health Professions Councils Of Namibia

Annual Financial Statements for the year ended 31 March 2021

Joint Councils' Report

The joint committee has the pleasure in submitting their report on the annual financial statements of Health Professions Councils Of Namibia for the year ended 31 March 2021.

1. Incorporation

The council was incorporated in Namibia on 1 October 2004 and commenced business on the same day.

2. Nature of business

The Councils establish and maintain accounting systems and practices adequately supported by internal accounting controls. Such controls provide assurance that the Councils' assets are safeguarded, that transactions are executed in accordance with management's authorisation and that the financial records are reliable. The Councils operate principally in Namibia.

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

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with Namibian Generally Accepted Accounting Practice (NAC001) : Financial Reporting Standard for Small and Medium-sized Entities. 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 Councils 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	Changes
Ms. F. Tjituka (Chairperson)	
Dr. W. L. Benjamin (Vice-Chairperson)	
Dr. J. G. Hoffmann	
Mr. C. M. Likando	
Mrs. B.N. Coetzee	Appointed 25 September 2020

Subsequent to year-end, Dr Hoffmann resigned from his position as the President of the Social Work & Psychology Council on the 16th of May 2021. He was replaced by Ms R.E Adams the Vice President of the Social Work & Psychology Council.

5. Events after the reporting period

The 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 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 joint committee has satisfied itself 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 joint committee is not aware of any new material changes that may adversely impact the Council. The joint committee is 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.

8. Statement of disclosure to the Council's auditors

With respect to each person who is a joint committee member on the day that this report is approved:

- there is, so far as the person is aware, no relevant audit information of which the Council's auditors are unaware; and

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Joint Councils' Report

- the person has taken all the steps that he or she ought to have taken as a joint council member to be aware of any relevant audit information and to establish that the Council's auditors are aware of that information.

9. Terms of appointment of the auditors

Saunderson & Co were appointed as the Council's auditors in accordance with the Council's internal procurement procedures for a 3 year term commencing year ended March 2020 to year ended March 2022.



Independent Auditor's Report

To the members of Health Professions Council Of Namibia

Opinion

We have audited the annual financial statements of Health Professions Councils Of Namibia (the Council) set out on pages 8 to 18, which comprise the statement of financial position as at 31 March 2021, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the 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 2021, and its financial performance and cash flows for the year then ended in accordance with the Namibian Generally Accepted Accounting Practice (NAC001): Financial Reporting Standard for Small and Medium-sized Entities.

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' International Code of Ethics for Professional Accountants (including International Independence Standards) (Parts 1 and 3) (IESBA Code) and other independence requirements applicable to performing audits of Auditor's Responsibilities for the Audit of the Annual 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.

Other Information

The Council's joint committee is responsible for the other information. The other information comprises the information included in the document titled "Health Professions Councils Of Namibia annual financial statements for the year ended 31 March 2021", which includes the Joint Councils' Report and the supplementary information as set out on page 19, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The 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 and will 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 on the other information obtained prior to the date of this auditor's report, 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 Council's joint committee for the Annual Financial Statements

The Council's joint committee is responsible for the preparation and fair presentation of the annual financial statements in accordance with the the Namibian Generally Accepted Accounting Practice (NAC001): Financial Reporting Standard for Small and Medium-sized Entities, and for such internal control as the Council's joint committee 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's 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 Council's joint committee either intend to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report

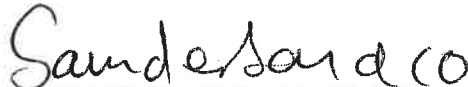
Auditor's Responsibilities for the Audit of the Annual Financial Statements

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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council's joint committee.
- Conclude on the appropriateness of the committee 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 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.



Saunderson & Co
Registered Accountants and Auditors
Chartered Accountants (Namibia)

Per: Edingtonone Tafirenyika
Partner

25 September 2021
Windhoek

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Statement of Financial Position as at 31 March 2021

	Note(s)	2021 N\$	2020 N\$
Assets			
Non-Current Assets			
Property, plant and equipment	2	791,638	995,501
Inter - Council loans	3	-	7,730,126
		791,638	8,725,627
Current Assets			
Trade and other receivables	4	104,473	174,031
Cash and cash equivalents	5	5,092,282	3,471,852
		5,196,755	3,645,883
Total Assets		5,988,393	12,371,510
Equity and Liabilities			
Equity			
Reserves	6	283,396	283,396
Retained income		3,629,884	10,032,309
		3,913,280	10,315,705
Liabilities			
Current Liabilities			
Trade and other payables	7	2,075,113	1,993,472
Bank overdraft	5	-	62,333
		2,075,113	2,055,805
Total Equity and Liabilities		5,988,393	12,371,510

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Statement of Comprehensive Income

	Note(s)	2021 N\$	2020 N\$
Other income	8	26,661,839	25,749,866
Operating expenses		(33,197,283)	(27,131,117)
Operating loss	9	(6,535,444)	(1,381,251)
Investment revenue	11	133,019	356,168
Loss for the year		(6,402,425)	(1,025,083)
Other comprehensive income		-	-
Total comprehensive loss for the year		(6,402,425)	(1,025,083)

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Statement of Changes in Equity

	Other NDR N\$	Retained income N\$	Total equity N\$
Balance at 1 April 2019	283,396	11,057,392	11,340,788
Loss for the year	-	(1,025,083)	(1,025,083)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(1,025,083)	(1,025,083)
Balance at 1 April 2020	283,396	10,032,309	10,315,705
Loss for the year	-	(6,402,425)	(6,402,425)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(6,402,425)	(6,402,425)
Balance at 31 March 2021	283,396	3,629,884	3,913,280
Note(s)	6		

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Statement of Cash Flows

	Note(s)	2021 NS	2020 NS
Cash flows from operating activities			
Cash generated from (used in) operations	14	1,307,774	(2,596,623)
Interest income		133,019	356,168
Net cash from operating activities		1,440,793	(2,240,455)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(117,106)	(112,538)
Movements of inter-council loan		359,076	(32,436)
Net cash from investing activities		241,970	(144,974)
Total cash movement for the year		1,682,763	(2,385,429)
Cash at the beginning of the year		3,409,519	5,794,948
Total cash at end of the year	5	5,092,282	3,409,519

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Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the Namibian Generally Accepted Accounting Practice (NAC001) Financial Reporting Standard for Small and Medium-sized Entities. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in Namibia Dollar.

The annual financial statements of Health Professions 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 the International Financial Reporting Standard for Small and Medium-sized Entities. The 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

Management are required to make critical judgements in applying accounting policies from time to time. The judgements, apart from those involving estimations, that have the most significant effect on the amounts recognised in the annual financial statements, are outlined as follows:

Key sources of estimation uncertainty

Impairment testing

The council reviews and tests the carrying value of property, plant and equipment 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.

Financial assets measured at cost and amortised cost

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

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the Council holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Council and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

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 subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Council.

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Accounting Policies

1.2 Property, plant and equipment (continued)

The useful lives of items of property, plant and equipment have been assessed 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

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

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 without undue cost or effort 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, without undue cost or effort, are measured at fair value through profit and loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

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.

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Accounting Policies

1.4 Leases (continued)

Finance leases – lessee

Finance leases are recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments.

The lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the effective interest method.

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.

1.5 Inventories

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

1.6 Impairment of assets

The Council assesses at each reporting date whether there is any indication that an asset 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.

1.7 Revenue

Revenue is recognised to the extent that the company 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 company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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

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Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

	2021	2020				
	N\$	N\$				
2. Property, plant and equipment						
	2021	2020				
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	1,533,436	(1,105,390)	428,046	1,508,602	(1,043,766)	464,836
Motor vehicles	570,324	(527,369)	42,955	570,324	(385,765)	184,559
Office equipment	456,896	(371,419)	85,477	456,896	(348,772)	108,124
IT equipment	2,236,919	(2,001,759)	235,160	2,144,647	(1,906,665)	237,982
Total	4,797,575	(4,005,937)	791,638	4,680,469	(3,684,968)	995,501

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	464,836	24,834	(61,624)	428,046
Motor vehicles	184,559	-	(141,604)	42,955
Office equipment	108,124	-	(22,647)	85,477
IT equipment	237,982	92,272	(95,094)	235,160
	995,501	117,106	(320,969)	791,638

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	509,798	24,027	(68,989)	464,836
Motor vehicles	326,164	-	(141,605)	184,559
Office equipment	109,228	22,900	(24,004)	108,124
IT equipment	300,218	65,611	(127,847)	237,982
	1,245,408	112,538	(362,445)	995,501

3. Inter-Council loans

Allied Health Professions Council	-	1,409,251
Medical and Dental Council	-	2,114,087
Pharmacy Council	-	1,402,346
Nursing Council	-	1,402,096
Social Work and Psychology Council	-	1,402,346
	-	7,730,126

These inter-council loans are unsecured, interest free with no fixed terms of repayment. These terms are revised from time to time.

4. Trade and other receivables

Trade receivables	18,137	29,237
Accrued income	86,336	144,543
Sundry receivable	-	251
	104,473	174,031

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Notes to the Annual Financial Statements

	2021 NS	2020 NS
5. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	4,048	3,031
Bank balances	4,977,924	-
Short-term deposits	110,310	3,470,836
Other cash and cash equivalents	-	(2,015)
Bank overdraft	-	(62,333)
	5,092,282	3,409,519
Current assets	5,092,282	3,471,852
Current liabilities	-	(62,333)
	5,092,282	3,409,519
6. Capital reserves		
Arising from acquiring the net assets of former Boards.	283,396	283,396
7. Trade and other payables		
Trade payables	40,340	197,254
Other payables - Sub Councils Speedpoints	220,396	94,678
Accrued leave pay	1,776,259	1,669,256
Money received control account	18,118	39,064
Sundry payables	-	(6,780)
Deposits received	20,000	-
	2,075,113	1,993,472
8. Other income		
Annual contribution from councils	6,518,439	5,631,423
Government grants	20,000,000	20,000,000
Income received CPD	133,090	107,530
Income received auctions	5,660	10,913
Sales tender documents	4,650	-
	26,661,839	25,749,866
9. Operating loss		
Operating loss for the year is stated after accounting for the following:		
Operating lease charges		
Equipment		
▪ Contractual amounts	178,497	255,977
	178,497	255,977

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Notes to the Annual Financial Statements

	2021 N\$	2020 N\$
9. Operating loss (continued)		
Depreciation on property, plant and equipment	320,969	362,445
Employee costs	21,155,420	20,253,854
Inter - Council loan (write - off)	7,371,050	-
<p>Write-off of intercouncil loan created prior to August 2017 to account for bond payments for the Council's properties that were being paid from the Joint Council's bank account. The money in the Joint Council bank belongs to the respective councils and hence no physical money will move from the respective five (5) Councils to repay the bond payments made prior to August 2017. The councils have thus made a decision to write-off the loan in both the Joint Health Councils and the respective individual Council's financial records. The respective loans approved for write-off are: (Nursing Council N\$1,333,028; Allied Health Professions Council N\$1,340,433; Medical and Dental Council N\$2,049,991; Pharmacy Council N\$1,333,278; and Social Work and Psychology Council N\$1,314,321).</p>		
10. Employee cost		
Employee costs		
Basic	13,159,914	12,865,923
Medical aid - company contributions	533,809	515,260
Other payroll levies	3,944,603	3,893,686
Other short-term costs	283,273	256,586
Pension Fund Contribution	3,154,495	2,643,385
SSC	79,326	79,014
	21,155,420	20,253,854
11. Investment revenue		
Interest revenue		
Bank	133,019	356,168
12. Taxation		
No provision has been made for tax as the Council is exempt from income tax.		
13. Auditor's remuneration		
Fees	61,916	79,293
14. Cash generated from (used in) operations		
Loss before taxation	(6,402,425)	(1,025,083)
Adjustments for:		
Depreciation and amortisation	320,969	362,445
Interest received - investment	(133,019)	(356,168)
Inter-Council loan (write-off)	7,371,050	-
Changes in working capital:		
Trade and other receivables	69,558	(72,649)
Trade and other payables	81,641	(1,505,168)
	1,307,774	(2,596,623)
15. Commitments		
Authorised capital expenditure		

The Joint Council manages the business of five (5) other 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 16 - related parties).

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Notes to the Annual Financial Statements

	2021	2020
	N\$	N\$
16. Related parties		
Relationships		
Related Councils managed		Allied Health Professions Council of Namibia Medical and Dental Council of Namibia Pharmacy Council of Namibia Social Work and Psychology Council of Namibia Nursing Council of Namibia
Related party balances and transactions		
Related party balances		
Inter-Council Transfers - Owing (to) by related parties		
Medical and Dental Council of Namibia	-	2,114,087
Nursing Council of Namibia	-	1,402,096
Allied Health Professions Council of Namibia	-	1,409,251
Social Work and Psychology	-	1,402,346
Pharmacy Council of Namibia	-	1,402,346
Related party transactions		
Contributions received from		
Medical and Dental Council of Namibia	1,041,892	967,735
Nursing Council of Namibia	3,016,853	2,350,663
Allied Health Professions Council of Namibia	-	1,460,905
Pharmacy Council of Namibia	1,064,999	852,120

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Detailed Income Statement

	Note(s)	2021 N\$	2020 N\$
Other income			
Annual contributions from councils		6,518,439	5,631,423
Government grants		20,000,000	20,000,000
Income : CPD		133,090	107,530
Income: Auction		5,660	10,913
Sales tender documents		4,650	-
		26,661,839	25,749,866
Operating expenses			
Accounting fees		155,808	96,456
Advertising		64,823	44,198
Auditors remuneration	13	61,916	79,293
Bank charges		342,870	411,010
Catering fees		1,950	8,198
Cleaning		382,019	424,239
Computer expenses		33,506	10,068
Consulting fees		383,576	301,000
Depreciation, amortisation and impairments		320,969	362,445
Employee costs		21,155,420	20,253,854
Insurance		122,443	131,175
Inter - Council loan (write-off)	9	7,371,050	-
Lease rentals of photocopy machines		178,497	255,977
Legal expenses		-	175,465
Motor vehicle expenses		48,626	75,670
Municipal expenses		509,499	549,145
NTA - Levies		156,525	184,686
Office supplies		146,549	169,931
Postage		155,387	183,263
Printing and stationery		562,913	574,746
Repairs and maintenance		240,650	135,413
Security		431,762	555,364
Storage and warehousing		12,849	11,586
Study achievement award		2,000	8,000
Subscriptions		147,427	136,615
Telephone and fax		204,489	129,237
Training		-	31,047
Travel and accomodation		3,760	3,036
Verimentation of funds to Councils		-	1,830,000
		33,197,283	27,131,117
Operating loss	9	(6,535,444)	(1,381,251)
Investment income	11	133,019	356,168
Loss for the year		(6,402,425)	(1,025,083)