

**Health Professions Council Of Namibia  
Annual Financial Statements  
for the year ended 31 March 2020**

**Health Professions Council Of Namibia**  
**Annual Financial Statements for the year ended 31 March 2020**

**General Information**

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<b>Country of incorporation and domicile</b>	Namibia
<b>Nature of business and principal activities</b>	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.
<b>Joint Council members</b>	Ms. F Tjituka (Chairperson) Dr. W L Benjamin (Vice-Chairperson) Ms. B N T Nghishekwa Dr. J G Hoffmann Mr. C M Likando
<b>Registered office</b>	36 and 37 Schonlein Street Windhoek West Windhoek Namibia
<b>Business address</b>	36 and 37 Schonlein Street Windhoek West Windhoek Namibia
<b>Postal address</b>	Private Bag 13387 Windhoek Namibia
<b>Bankers</b>	First National Bank of Namibia Ltd
<b>Auditors</b>	Saunderson & Co Registered Accountants and Auditors Chartered Accountants (Namibia)

**Health Professions Council Of Namibia**  
**Annual Financial Statements for the year ended 31 March 2020**

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**Joint Council Responsibilities and Approval**

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The Joint Council 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 company 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 Council Committee acknowledge that they are 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 Joint Council 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 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 committee has reviewed the Council's cash flow forecast for the year to 31 March 2021 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 auditing 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 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 26 September 2020 and were signed on its behalf by:

**Approval of annual financial statements**

  
\_\_\_\_\_  
Ms. P Tjituka (Chairperson)

  
\_\_\_\_\_  
Mr. C V Weyulu (Registrar)

**Health Professions Council Of Namibia**  
**Annual Financial Statements for the year ended 31 March 2020**

**Council's joint committee Report**

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The joint committee has the pleasure in submitting their report on the annual financial statements of Health Professions Council Of Namibia for the year ended 31 March 2020.

**1. Incorporation**

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

**2. Nature of business**

The Council establishes and maintains 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 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 Council are set out in these annual financial statements.

**4. Council**

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

<b>Council</b>	<b>Changes</b>
Ms. F Tjituka (Chairperson)	
Dr. W L Benjamin (Vice-Chairperson)	
Ms. B N T Nghishekwa	Resigned in November 2019
Dr. J G Hoffmann	
Mr. C M Likando	

**5. Events after the reporting period**

The joint committee is 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 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 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
- 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.

**Health Professions Council Of Namibia**  
**Annual Financial Statements for the year ended 31 March 2020**  
**Council's joint committee Report**

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**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.



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## Independent Auditor's Report

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**To the members of Health Professions Council Of Namibia**

### **Opinion**

We have audited the annual financial statements of Health Professions Council Of Namibia (the company) set out on pages 8 to 18, which comprise the statement of financial position as at 31 March 2020, 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 Council Of Namibia as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with 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 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 Council Of Namibia annual financial statements for the year ended 31 March 2020", which includes the Council's joint committee Report as required by the and the Detailed Income Statement, which we obtained prior to the date of this report. 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 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 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

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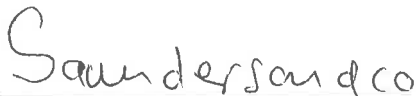
### Auditor's responsibilities for the audit of the Annual Financial Statements

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: Edington Tafirenyika**  
**Partner**

**26 September 2020**  
**Windhoek**



**Health Professions Council Of Namibia**  
**Annual Financial Statements for the year ended 31 March 2020**  
**Statement of Financial Position as at 31 March 2020**

	Note(s)	2020 N\$	2019 N\$
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	995,501	1,245,408
Inter - Council loans	3	7,730,126	7,697,690
		<b>8,725,627</b>	<b>8,943,098</b>
<b>Current Assets</b>			
Trade and other receivables	4	174,031	101,382
Cash and cash equivalents	5	3,471,852	5,794,948
		<b>3,645,883</b>	<b>5,896,330</b>
<b>Total Assets</b>		<b>12,371,510</b>	<b>14,839,428</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Reserves	6	283,396	283,396
Retained income		10,032,309	11,057,392
		<b>10,315,705</b>	<b>11,340,788</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	7	1,993,472	3,498,640
Bank overdraft	5	62,333	-
		<b>2,055,805</b>	<b>3,498,640</b>
<b>Total Equity and Liabilities</b>		<b>12,371,510</b>	<b>14,839,428</b>

**Health Professions Council Of Namibia**  
**Annual Financial Statements for the year ended 31 March 2020**

**Statement of Comprehensive Income**

	<b>Note(s)</b>	<b>2020 N\$</b>	<b>2019 N\$</b>
Other income	8	25,749,866	26,081,030
Operating expenses		(27,131,117)	(26,485,030)
<b>Operating loss</b>	<b>9</b>	<b>(1,381,251)</b>	<b>(404,000)</b>
Investment revenue	11	356,168	296,933
<b>Loss for the year</b>		<b>(1,025,083)</b>	<b>(107,067)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the year</b>		<b>(1,025,083)</b>	<b>(107,067)</b>

**Health Professions Council Of Namibia**  
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**Statement of Changes in Equity**

	Other NDR	Retained income	Total equity
	N\$	N\$	N\$
<b>Balance at 1 April 2018</b>	<b>283,396</b>	<b>11,164,459</b>	<b>11,447,855</b>
Loss for the year	-	(107,067)	(107,067)
Other comprehensive income	-	-	-
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>(107,067)</b>	<b>(107,067)</b>
<b>Balance at 1 April 2019</b>	<b>283,396</b>	<b>11,057,392</b>	<b>11,340,788</b>
Loss for the year	-	(1,025,083)	(1,025,083)
Other comprehensive income	-	-	-
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>(1,025,083)</b>	<b>(1,025,083)</b>
<b>Balance at 31 March 2020</b>	<b>283,396</b>	<b>10,032,309</b>	<b>10,315,705</b>
Note(s)	6		

**Health Professions Council Of Namibia**  
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**Statement of Cash Flows**

	<u>Note(s)</u>	<b>2020</b> <b>N\$</b>	<b>2019</b> <b>N\$</b>
<b>Cash flows from operating activities</b>			
Cash (used in) generated from operations	14	(2,596,623)	1,241,880
Interest income		356,168	296,933
<b>Net cash from operating activities</b>		<b>(2,240,455)</b>	<b>1,538,813</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(112,538)	(690,651)
Movements of inter-council loan		(32,436)	(59,089)
<b>Net cash from investing activities</b>		<b>(144,974)</b>	<b>(749,740)</b>
<b>Total cash movement for the year</b>		<b>(2,385,429)</b>	<b>789,073</b>
Cash at the beginning of the year		5,794,948	5,005,875
<b>Total cash at end of the year</b>	5	<b>3,409,519</b>	<b>5,794,948</b>

**Health Professions Council Of Namibia**  
**Annual Financial Statements for the year ended 31 March 2020**

**Accounting Policies**

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**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.

**Health Professions Council Of Namibia**  
**Annual Financial Statements for the year ended 31 March 2020**

**Accounting Policies**

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**1.2 Property, plant and equipment (continued)**

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

<b>Item</b>	<b>Depreciation method</b>	<b>Average useful life</b>
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.

**Health Professions Council Of Namibia**  
**Annual Financial Statements for the year ended 31 March 2020**

**Accounting Policies**

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**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.

**Health Professions Council Of Namibia**  
Annual Financial Statements for the year ended 31 March 2020

Notes to the Annual Financial Statements

	2020	2019				
	N\$	N\$				
<b>2. Property, plant and equipment</b>						
	2020	2019				
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	1,508,602	(1,043,766)	464,836	1,484,575	(974,777)	509,798
Motor vehicles	570,324	(385,765)	184,559	570,324	(244,160)	326,164
Office equipment	456,896	(348,772)	108,124	433,996	(324,768)	109,228
IT equipment	2,144,647	(1,906,665)	237,982	2,079,036	(1,778,818)	300,218
<b>Total</b>	<b>4,680,469</b>	<b>(3,684,968)</b>	<b>995,501</b>	<b>4,567,931</b>	<b>(3,322,523)</b>	<b>1,245,408</b>

**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
	<b>1,245,408</b>	<b>112,538</b>	<b>(362,445)</b>	<b>995,501</b>

**Reconciliation of property, plant and equipment - 2019**

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	262,923	339,532	(92,657)	509,798
Motor vehicles	274,988	137,700	(86,524)	326,164
Office equipment	56,435	82,182	(29,389)	109,228
IT equipment	401,796	131,237	(232,815)	300,218
	<b>996,142</b>	<b>690,651</b>	<b>(441,385)</b>	<b>1,245,408</b>

**3. Inter-Council loans**

Allied Health Professions Council	1,409,251	1,410,650
Medical and Dental Council	2,114,087	2,097,078
Pharmacy Council	1,402,346	1,396,654
Nursing Council	1,402,096	1,396,654
Social Work and Psychology Council	1,402,346	1,396,654
	<b>7,730,126</b>	<b>7,697,690</b>

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

**4. Trade and other receivables**

Trade receivables	29,237	74,720
Employee costs in advance	-	11,262
Accrued income	144,543	14,400
Sundry receivable	251	1,000
	<b>174,031</b>	<b>101,382</b>

**5. Cash and cash equivalents**

Cash and cash equivalents consist of:



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**Notes to the Annual Financial Statements**

	2020 N\$	2019 N\$
<b>5. Cash and cash equivalents (continued)</b>		
Cash on hand	3,031	2,559
Bank balances	-	1,375,322
Short-term deposits	3,470,836	4,417,067
Other cash and cash equivalents	(2,015)	-
Bank overdraft	(62,333)	-
	<b>3,409,519</b>	<b>5,794,948</b>
Current assets	3,471,852	5,794,948
Current liabilities	(62,333)	-
	<b>3,409,519</b>	<b>5,794,948</b>
<b>6. Capital reserves</b>		
Arising from acquiring the net assets of former Boards.	283,396	283,396
<b>7. Trade and other payables</b>		
Trade payables	197,254	234,592
Other payables - Sub Councils Speedpoints	94,678	1,477,986
Accrued leave pay	1,669,256	1,754,889
Money received control account	39,064	37,953
Sundry payables	(6,780)	(6,780)
	<b>1,993,472</b>	<b>3,498,640</b>
<b>8. Other income</b>		
Annual contribution from councils	5,631,423	5,470,653
Asset donations and cashier surplus	-	485,272
Government grants	20,000,000	20,000,000
Income received CPD	107,530	122,000
Income received auctions	10,913	3,105
	<b>25,749,866</b>	<b>26,081,030</b>
<b>9. Operating loss</b>		
Operating loss for the year is stated after accounting for the following:		
<b>Operating lease charges</b>		
Equipment		
• Contractual amounts	255,977	202,792
Depreciation on property, plant and equipment	362,445	441,385
Employee costs	20,253,854	20,578,518

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**Notes to the Annual Financial Statements**

	<b>2020</b>	<b>2019</b>
	<b>N\$</b>	<b>N\$</b>
<b>10. Employee cost</b>		
<b>Employee costs</b>		
Basic	12,865,923	13,022,669
Medical aid - company contributions	515,260	415,001
WCA	79,014	81,611
Other payroll levies	3,893,686	3,886,802
Other short-term costs	256,586	304,277
Pension Fund Contribution	2,643,385	2,868,158
	<b>20,253,854</b>	<b>20,578,518</b>
<b>11. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	356,168	296,933
<b>12. Taxation</b>		
No provision has been made for tax as the Council is exempt from income tax.		
<b>13. Auditor's remuneration</b>		
Fees	79,293	64,256
<b>14. Cash (used in) generated from operations</b>		
Loss before taxation	(1,025,083)	(107,067)
<b>Adjustments for:</b>		
Depreciation and amortisation	362,445	441,385
Interest received - investment	(356,168)	(296,933)
<b>Changes in working capital:</b>		
Trade and other receivables	(72,649)	(81,032)
Trade and other payables	(1,505,168)	1,285,527
	<b>(2,596,623)</b>	<b>1,241,880</b>
<b>15. Commitments</b>		
<b>Authorised capital expenditure</b>		
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).		

**Health Professions Council Of Namibia**  
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**Notes to the Annual Financial Statements**

	<b>2020</b>	<b>2019</b>
	<b>N\$</b>	<b>N\$</b>
<b>16. Related parties</b>		
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
<b>Related party balances and transactions</b>		
<b>Related party balances</b>		
<b>Inter-Council Transfers - Owing (to) by related parties</b>		
Medical and Dental Council of Namibia	2,114,087	2,097,078
Nursing Council of Namibia	1,402,096	1,396,654
Allied Health Professions Council of Namibia	1,409,251	1,410,650
Social Work and Psychology	1,402,346	1,396,654
Pharmacy Council of Namibia	1,402,346	1,396,654
<b>Related party transactions</b>		
<b>Contributions received from</b>		
Medical and Dental Council of Namibia	967,735	1,697,077
Nursing Council of Namibia	2,350,663	2,115,096
Allied Health Professions Council of Namibia	1,460,905	1,425,306
Pharmacy Council of Namibia	852,120	683,174

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**Detailed Income Statement**

	Note(s)	2020 N\$	2019 N\$
<b>Other income</b>			
Annual contributions from councils		5,631,423	5,470,653
Income : CPD		107,530	122,000
Government grants		20,000,000	20,000,000
Other income: Asset donation and sundry income		-	485,272
Income: Auction		10,913	3,105
		<b>25,749,866</b>	<b>26,081,030</b>
<b>Operating expenses</b>			
Accounting fees		96,456	129,852
Advertising		44,198	53,421
Auditors remuneration	13	79,293	64,256
Bank charges		411,010	296,694
Catering fees		8,198	25,503
Cleaning		424,239	413,045
Computer expenses		10,068	-
Conference fees		-	31,360
Consulting fees		301,000	282,582
Depreciation, amortisation and impairments		362,445	441,385
Employee costs		20,253,854	20,578,518
Insurance		131,175	167,365
Lease rentals of photocopy machines		255,977	202,792
Legal expenses		175,465	57,500
Meeting expenses		-	1,500
Motor vehicle expenses		75,670	38,944
Municipal expenses		549,145	488,365
NTA - Levies		184,686	186,566
Office supplies		169,931	162,747
Postage		183,263	89,400
Printing and stationery		574,746	493,834
Repairs and maintenance		135,413	176,564
Security		555,364	569,058
Study achievement award		8,000	10,000
Storage and warehousing		11,586	10,998
Subscriptions		136,615	138,333
Telephone and fax		129,237	273,240
Training		31,047	11,000
Travel and accommodation		3,036	40,208
Verimentation of funds to Councils		1,830,000	1,050,000
		<b>27,131,117</b>	<b>26,485,030</b>
<b>Operating loss</b>	9	<b>(1,381,251)</b>	<b>(404,000)</b>
Investment income		356,168	296,933
<b>Loss for the year</b>		<b>(1,025,083)</b>	<b>(107,067)</b>