

ANNUAL REPORT

10 OCTOBER 2010 - 31 MARCH 2012



NIPAM
NAMIBIA INSTITUTE OF PUBLIC
ADMINISTRATION AND MANAGEMENT



MANDATE

To provide administration and management training, instilling a performance culture in the Namibian public sector through capacity development, consulting and research, operational excellence, capacity development evaluation and strategic partnerships. The mandate is derived from the NIPAM Act, 2010 (Act 10 of 2010, Section 5).

MISSION

To transform the public sector of Namibia into an efficient, effective and accountable system through capacity development, consulting and research, operational excellence, capacity development evaluation and strategic partnerships.

VISION

A world class management development institute that catalyses the transformation of the Namibian public sector into a developmental and entrepreneurial system.



CORE VALUES

- Responsiveness: We will be accessible, flexible, accurate and timely in meeting our customers expectations.
- Integrity: We will be professional, transparent and adhere to moral values and ethical principles by exhibiting the quality of an intuitive sense of honesty and truthfulness with regard to the motivation of our actions.
- Equality: We will embrace diversity and endeavour to treat everyone fairly irrespective of race, colour, creed or ability.
- Innovation: We will be creative in responding to issues that impact on our business.



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NIPAM Support Partners	(Inner back cover)

PORTFOLIO MINISTER AND GOVERNING COUNCIL



The portfolio minister of NIPAM is the Prime Minister of The Republic of Namibia, the Right Honourable **Nahas Angula**.

MEMBERS OF THE GOVERNING COUNCIL (GC)



Frans Kapofi
Chairperson
01 / 09 / 2010 - Present



Mabella Cupido
Vice-Chairperson
23 / 11 / 2010 - Present



Samuel Nuuyoma
GC Member
01 / 10 / 2010 - Present



Jeremiah Muadinohamba
GC Member
06 / 10 / 2010 - Present

MEMBERS OF THE GOVERNING COUNCIL (CONTINUED)



Dr. Becky Ndjoze-Ojo
GC Member
01 / 09 / 2010 - Present



Jabulani Ncube (†)
GC Member
10 / 11 / 2010 - 31 / 08 / 2012



Basilius Haingura
GC Member
01 / 10 / 2010 - Present



Barbara van der Westhuizen
GC Member
01 / 10 / 2010 - Present



Jennifer Kauapirura
GC Member
08 / 12 / 2010 - Present



Dr. Roland Msiska
Ex-officio GC Member
08 / 12 / 2010 - 07 / 12 / 2011



Elsie Nghikembua
Ex-officio GC Member
23 / 11 / 2010 - Present



Fanny Gazagne
Co-opted GC Member
25 / 03 / 2010 - 15 / 02 / 2012



Anne Saloranta
Co-opted GC Member
22 / 03 / 2012 - Present



Dr. Brij M. Harbola
NIPAM Co-ordinator
23 / 11 / 2010 - 12 / 2010

TRAINING AND DEVELOPMENT BOARD

Members of the Training and Development Board



Dr. Roland Msiska
Chairperson
08 / 12 / 2010 - 07 / 12 / 2011



Elsie T. Nghikembua
Vice-Chairperson
08 / 08 / 2010 - Present



Dr. Becky Ndjoze-Ojo
08 / 12 / 2010 - Present



Jabulani M. Ncube (†)
08 / 12 / 2011 - 31 / 08 / 2012



Martha Mbombo
15 / 04 / 2011 - 31 / 01 / 2013



Frans E. Gertze
15 / 04 / 2011 - Present



Dr. Charles A. Keyter
03 / 03 / 2011 - Present



Prof. Erwin Schwella
Co-opted Member
11 / 08 / 2011 - Present



Maria Nangolo-Rukoro
19 / 04 / 2011 - Present

NIPAM EXECUTIVE MANAGEMENT COMMITTEE



Dr. Roland Msiska
Executive Director
08 / 12 / 2010 - 07 / 12 / 2011



Elsie T. Nghikembua
Deputy Executive Director
08 / 12 / 2010 - 07 / 12 / 2011
Acting Executive Director
08 / 12 / 2011 - Present



Brian Chaka
Company Secretary
& Legal Advisor
01 / 08 / 2011 - Present



Birgit Hoffmann
Chief Strategic Communications
& Corporate Affairs Officer
01 / 03 / 2012 - Present



Theodore Beukes
Chief Financial Officer
01 / 08 / 2011 - Present

CHAIRPERSON'S REPORT



Frans Kapofi
Chairperson

The unprecedented growth that Namibia has experienced since Independence has introduced new challenges. These challenges include bottlenecks that act against the transformation of the country into a knowledge-based economy. As highlighted by the National Development Plan III, alongside infrastructure, the most significant bottleneck involves the country's skills base. In the public sector this translates into a limited available pool of skilled people for general management positions; the shortage of particular skills in the areas of leadership, management, finance and project management, and the lack of capacity to handle the unique challenges of targeting service delivery for underdeveloped areas and within the regions.

At the Cabinet Retreat of 2008, it was queried whether a separate government training entity would be adequate in tackling these tasks in their existing forms. In order to understand the response needed, Government prioritized the establishment of an existing project, the Namibia Institute of Public Administration and Management (NIPAM), as a key initiative. This initiative, which involved input from various staff members from all levels of government, from development partners and from international expertise from India, France and Finland, finally came to fruition in 2010 when the NIPAM Act was promulgated.

In the introduction to the Vision 2030 policy document, the Father of the Nation and Founding President of Namibia, Dr Sam Nujoma, promised that capacity building would be pursued with vigour to support the realisation of Vision 2030, recognising skills development as a priority. NIPAM, with its specific focus on capacity building of public sector employees is one of the results of this promise.

In response to the challenges highlighted and the milestones to be achieved as outlined in Namibia's Vision 2030, NIPAM was established by an Act of Parliament, NIPAM Act 2010 (Act 10 of 2010) and was officially inaugurated on 25 February 2011 by H.E President Hifikepunye Pohamba. The purpose of NIPAM is to transform the public sector in Namibia through improvement of management, leadership and professional competencies. It also aims to foster a climate of purpose, values and professional traditions among public sector employees.

With a lean but focused staff contingent, the NIPAM Governing Council under my stewardship focused on a number of key challenges in response to the more varied, deeper and larger-scale training needs for senior management and for developing the distinctive ethos required to embrace and solve the challenges identified above.

CHAIRPERSON'S REPORT (CONTINUED)

In addition, there is a second clear need of taking to scale training opportunities at the levels where most of the delivery decisions take place, namely to middle and junior managers. These managers are substantially more numerous than the senior managers and are mainly found in regional and local government. The rapid intake of new cadre requires that these managers are regularly trained to enhance and upgrade their managerial skills to ensure success in the public sector.

Another imminent challenge for NIPAM is its particular contribution towards the advancement of a unified public service. To this end, NIPAM will continue to work closely with the Ministry of Regional and Local Government, Housing and Rural Development, authorities and organised regional and local government institutions to ensure that taking to scale training extends to these decentralized levels of governance.

In the public sector, an employee's professional development process starts after initial tertiary education has been completed and the public servant has successfully started a career. NIPAM complements existing skills by offering ongoing professional development, addressing specific and generic management competencies which are essential for their career path. Combined, these new skills lead to the development of the individual persons' capacity building in public offices, ministries and agencies (OMAs), all of which eventually form the critical mass of skills required to contribute towards achieving Namibia's Vision 2030.

Through a rigorous performance management system, the Governing Council monitors the implementation of the stated objectives, and I am happy to confirm that so far, NIPAM has lived up to our expectations.

I would like to take this opportunity to thank my fellow Governing Council members who have contributed greatly to the steady progress achieved at NIPAM; the members of the Training and Development Board for their ongoing input and advice; the Acting Executive Director, Mrs Elsie Nghikembua, and her management team, who drove the implementation of the annual and strategic plans with vigour and dedication as well as all the staff of NIPAM for their contribution to the collective success of NIPAM.

Together, our goals are attainable. I thank you all.



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FRANS KAOFI

Chairperson of the Governing Council
5 March 2013

EXECUTIVE DIRECTOR'S REPORT



Elsie Nghikembua
Executive Director (Acting)

NIPAM was developed from an initial “idea” into a “project” that was hosted by the Office of the Prime Minister between 2007 and 2010. It was finally officially launched as a fully fledged, independent state-owned enterprise (SOE) in February 2011.

During the initial phase, NIPAM, through the Namibian Government, was very privileged to have benefited from the ongoing relationship with the Indian Government through the joint Indian Technical and Economic Cooperation (ITEC) programme – a bilateral programme run by the Government of India. Through this programme, NIPAM was fortunate enough to secure the services of Dr Brij Mohan Harbola who spent four years as the NIPAM co-ordinator between 2007 and 2010. Dr Harbola made an invaluable contribution to NIPAM. He was recalled to India in 2010 shortly after being sworn in as a member of the NIPAM Governing Council.

This first annual report covers activities from two financial years, namely the 2010 – 2011 and 2011 – 2012 financial years, which ended on 31 March 2012. It is with pride that I, and also on behalf of Dr Roland Msiska, can report that NIPAM developed in leaps and bounds. The “operational highlights” capture the key achievements of the past two years.

The NIPAM Policy Framework 2008 – 2013, published in April 2009, consequently became the first guiding document for the establishment and operation of NIPAM. This policy framework has been developed through an intensive and broad-based consultative process with diverse stakeholders and partners that truly reflects expressed expectations, ambitions, advice and directions.

Among the priorities of NIPAM was a Strategic Plan that was developed and approved by the Governing Council. The NIPAM Strategic Plan 2012 – 2017 provides broad parameters and pathways for transforming the public service from “a post-colonial and post-apartheid public service” to “a developmental and entrepreneurial public service”.

Through a set of inter-connected business centres, NIPAM shall strive in the next five years to achieve excellence in the following five themes:

1. Capacity development
2. Operational excellence
3. Consultancy and research
4. Creating strategic partnerships with local and international institutions with similar focus
5. Capacity evaluation

EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

The Strategic Plan identifies three main entry points for the transformation of the Namibia Public Service. The first entry point is the mandatory training programmes for the Namibia Public sector using experiential and action learning approaches. The second entry point is in response to an identified performance gap in an office, ministry and agency, using organisational development and action research approaches. The third entry point is the "Think Tank" platform which will include policy dialogue and research.

A three-year implementation plan, to be reviewed annually, was compiled and complemented by a budget. This plan links the NIPAM policy framework, its Strategy, Vision and Values to key strategic objectives. Concurrently, a Performance Management System (PMS) was developed for measuring the implementation and achievements of the Annual Plan.

A Capacity Building Framework is a crucial element in achieving alignment between stakeholder expectations and NIPAM outputs. Thereto, appropriate norms and standards shall be set to help translate the Capacity Building Framework into relevant curricula and materials, while a comprehensive monitoring and evaluation system shall ensure the quality of delivery.

Moreover, the strategy of taking to scale entails a different organisational structure and different modes of organisational functioning, targeting NIPAM's key clientele in the public sector, namely central, regional and local government agencies, and state-owned-enterprises. For each instance, NIPAM requires different sets of knowledge, skills and competencies to serve the different sectors efficiently. To this end, a supporting organisational structure was introduced that consists of three main business centres catering for the three major clientele groups of the public sector, managed horizontally and supported by technical and administrative centres.

Our underlying goal is to deliver our services efficiently and effectively thereto, making a tangible impact on competency levels in the public sector of Namibia. It is anticipated that our management and staff will continue to implement the strategic and annual plans with vigour to achieve our mission of facilitating growth and development of expertise. In the initial two years, the foundation has been set to generate methods and tools that will facilitate the creation of life-long learning and a performance culture in the Namibian public sector. Notwithstanding our humble beginnings, I am happy to state that we can look back on two successful years.

I wish to thank the members of the Governing Council for their wise counsel and guidance and members of the Training and Development Board for their contribution to making our programmes meaningful and relevant. I also thank our growing client base for their steady support and constructive feedback. In turn, we at NIPAM shall endeavour to deliver and improve on the service you expect of us. The first two years of NIPAM's existence were challenging for all of us. The results were only due to the dedication, enthusiasm and teamwork of all staff and clientele of NIPAM. I thank everyone for their effort. I believe that together, we will build NIPAM from strength to strength.



ELSIE NGHIKEMBUA (MS)

Executive Director (Acting)

5 March 2013

OPERATIONAL HIGHLIGHTS

- NIPAM is established by an Act of Parliament in 2010 (NIPAM Act 10 of 2010) and was officially launched on 25 February 2011 by HE President Hifikepunye Pohamba.



H. E. President Hifikepunye Pohamba cutting the ribbon during the official opening function

- The NIPAM Strategic Plan (2012 - 2017) was developed and approved by the Governing Council.
- An annual implementation plan, to be reviewed on an ongoing basis, was compiled and complemented by a budget.
- Performance agreements were entered into between the Governing Council and the Right Honourable Prime Minister, as well as between NIPAM executives and the Governing Council.
- A Training and Development Board, which oversees and ensures quality control of all capacity building interventions, as well as accreditation, has been constituted.



The state-of-the art NIPAM building

OPERATIONAL HIGHLIGHTS (CONTINUED)

- Various memoranda of understanding (MoUs) were entered into with highly reputable local and international partners. On this basis, international capacity building programmes were custom-made, grounded in local reality and based on best practice.



NIPAM and CIEDEL sign a Memorandum of Understanding (MoU)

- The following flagship programmes were launched:
 - o Senior Management Development Programme (SMDP)
 - o Middle Management Development Programme (MMDP)
 - o Middle Management Development Programme for Regional/Local Government (MMDP for RLG)
 - o Foundation Programme (FP)
- NIPAM trainers are working in partnership with international experts.
- A number of short courses are on offer, making the initial training bouquet attractive and relevant.
- A strategy for the rolling out of all NIPAM courses has been developed and a training calendar has been published.
- NIPAM has presented courses on leadership, innovation and change management, and strategic thinking. A series of tailor-made courses has been presented on fraud prevention and ethics, corporate governance, and other topics.



Numerous training programmes were presented in NIPAM's modern facilities

- As additional courses were added to the NIPAM training bouquet throughout the year, the initial training calendar was extended and updated, following stringent approvals by the NIPAM Training and Development Board. On offer is a wide and relevant range of courses and programmes in line with the requirements expressed by target audience. In addition, core training programmes are supplemented by a wide range of demand-driven programmes to suit specific needs.



Staff from the regions attended training at NIPAM

- Individual information sessions in the form of presentations to training officers at various ministries, agencies and at parliament, aimed at decision-making personnel, have been initiated and will continue to be offered by NIPAM.
- Academic processes and workflows were documented to serve as bases for future accreditation of the institution and its individual programmes. For quality assurance purposes, this project is ongoing and will lead towards accrediting NIPAM as an institution with relevant local accreditation bodies.



A welcoming reception area

NIPAM CURRICULUM AND TRAINING PHILOSOPHY

In line with global standards, the NIPAM competency-based curriculum focuses on the development of cognitive thinking skills and behavioural skills. While cognitive thinking skills include capabilities such as critical analysis, idea generation and decision-making, behavioural skills relate to attitudes and values, and an appropriate management style.

As a management development institute, NIPAM is tasked with developing the capacity of public servants and equipping them with the competencies that are essential for senior positions. NIPAM complements existing skills by offering in-service professional development and focusing on specific and generic management and leadership requirements for public service in Central, Regional and Local Government as well as in SOEs.



Successful completion of a Business Process Re-engineering (BPR) training programme

Our institute therefore aims to develop a critical mass of public servants who share common values, and whose ethos and perspective make for excellence in Namibia's public service. New entrants to the public service are provided with institutional orientation at their place of work, followed by a Foundation Programme to build basic competencies. For middle-, senior- and executive-level managers, NIPAM offers professional management development programmes.

To ensure that the programmes it offers are professional, NIPAM collaborates with other training institutions, including the Polytechnic of Namibia, the Southern Business School (SBS in South Africa), the International Study Centre for Local Development (CIEDEL, in France), the Harvard Kennedy School of Government (HKS in the USA), PriceWaterhouseCoopers (PwC in Namibia) and the University of Stellenbosch – School of Public Leadership (SPL), Management Sciences for Health (MSH in South Africa), and the Local Economic Development Agency (LEDA).

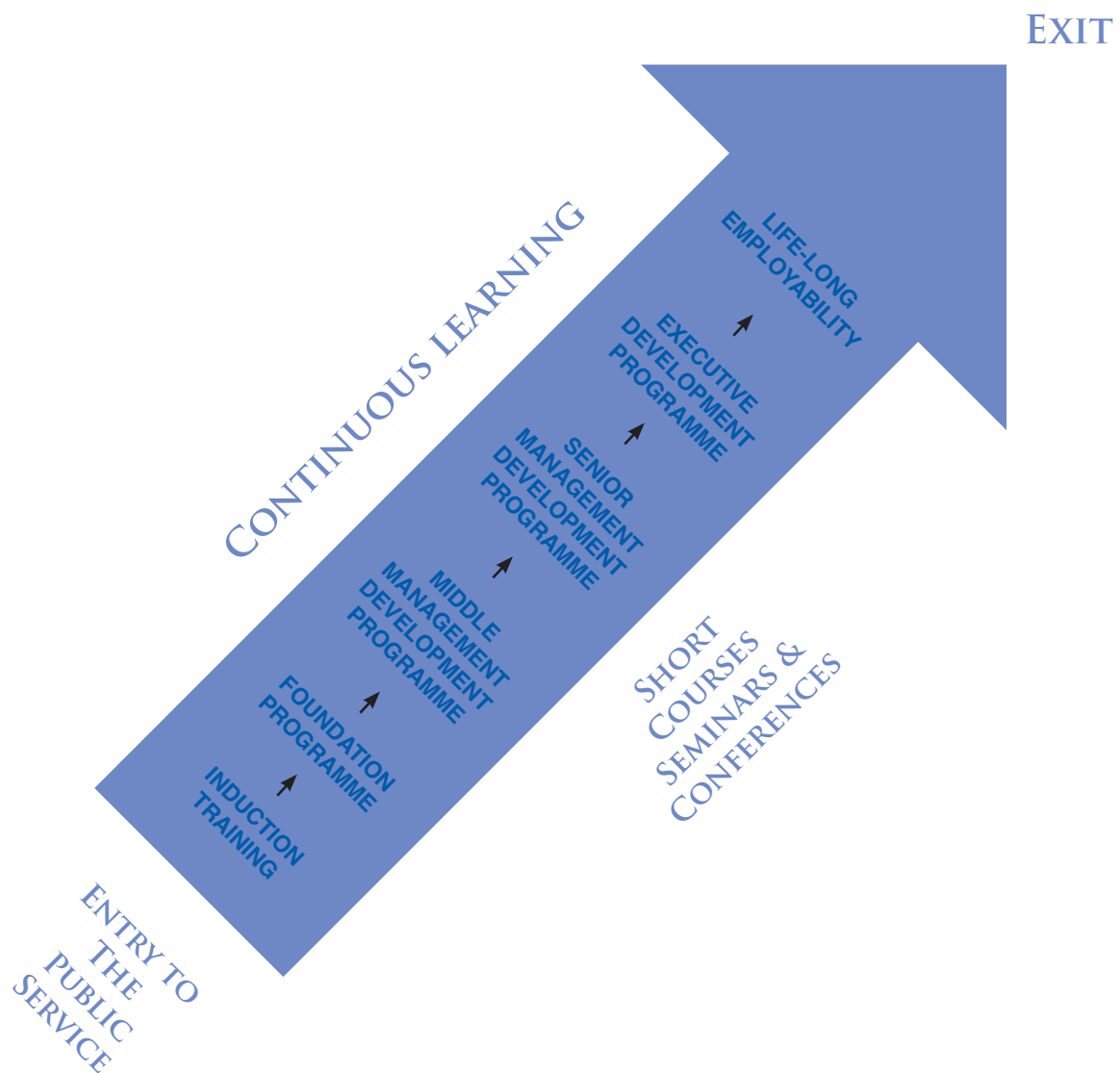
The increasingly comprehensive bouquet of programmes and courses offered at NIPAM, and as captured above, are aimed at ensuring that the identified challenges are met.



A typical training session

We believe that the elements of “experiential, participatory, life-long learning and transformation” should be embedded in our approach to capacity development. We strive to do this within the broader context of achieving the goals of both the National Development Plans and Vision 2030 for Namibia. Moreover, and as mentioned earlier, the NIPAM Training Philosophy is guided by the NIPAM Capacity Building Framework, a structure particularly developed to ensure continuous learning.

CAPACITY BUILDING FRAMEWORK



NIPAM’s Capacity Building Framework, which is articulated in both the NIPAM Policy and the NIPAM Act (Act 10 of 2010), takes into account the adaptive learning environment. All programmes and courses will eventually be linked to the Public Service Performance Management System to ensure that training and capacity building responds to actual performance challenges in the public service.

NIPAM TRAINING PHILOSOPHY (CONTINUED)

Key features of NIPAM's Training Philosophy:

- Practical orientation programmes that are academically sound, with emphasis on building and enhancing job competencies (knowledge, skills and attitude)
- Andragogical, learner-centred approaches and methodologies
- Programme content supported by research, case studies and best practice
- Assessment and feedback
- Training to demonstrate value for money and return on investment
- A credit system leading to certification



NIPAM hosts official delegations to share experience and best practice.



Participants in the NIPAM Foundation Programme making a group presentation.

ACADEMIC BUSINESS CENTRES

In this section, we report on the following business centres and business units relating to academic matters:

- Central Government Business Centre (CGBC)
- Regional/Local Government Business Centre (RLGBC)
- State-owned Enterprises Business Centre (SOEBC)
- Research and Consultancy Business Centre
- The NIPAM Resource Pool

CENTRAL GOVERNMENT BUSINESS CENTRE

NIPAM's Central Government Business Centre (CGBC) assists the central government (offices, ministries and agencies (OMAs)) with capacity building among its staff members. Training is tailored to meet the needs associated with differing responsibilities and functions, from the executive level right through to the operational staff level. This is achieved by offering the NIPAM flagship programmes together with generic administrative training and development courses.

TRAINING CONDUCTED

The following courses were conducted during the period under review:

Name of Course	Total number of participants
Strategic Thinking and Management	67
Analytical Tools for Policy Makers	35
Innovation, Leadership and Change Management	34
Business Process Re-engineering	49
Senior Management Development Programme (SMDP) (Module 1 and 2)	52
Middle Management Development Programme (MMDP) (Module 1 and 2)	70
Strategic Thinking and Management	42
Middle Management Development Programme (MMDP) Training of Trainers	30
Monitoring and Evaluation	34
Secretarial Skills Training	18
Report Writing	38
Minute Taking	20
Customer Care	10
Applied Statistics	6
Project Management	33
Total number of participants	538

The following is a short outline of the flagship programmes:

The Foundation Programme

The Foundation Programme aims to provide a platform for system wide learning to facilitate the development of common values, ethos, culture and practice. The programme also serves as the preparatory programme for the Middle and Senior Management Development Programmes.

The learning outcomes of the programme will be to transfer knowledge and competencies to participants in order to understand and act professionally as public servants. The programme is constituted by 4 modules, namely:

- Excellence in the public service
- Delivering excellence: public policy in action
- Managing excellence: maximising public service resources
- Communicating excellence

Middle Management Development Programme

NIPAM has entered into a partnership agreement with the Southern Business School, South Africa, and the Middle Management Development Programme (MMDP) has been developed by NIPAM in collaboration with this same institute.

The main goal of the MMDP is to contribute to the governance capacity development of professionally competent public service middle managers. The learning outcome of the programme will be the transfer of knowledge and competencies to participants in order to enable them to execute their tasks professionally and competently as public servants. The relevant knowledge, competencies, skills and attitudes will relate to the following learning areas:

- Creating a SMART Government
- Finance and Asset Management
- Managing People
- Continuous Service Improvement
- Transformation and Self Leadership
- Communicating Government Business

Each module is presented over one week followed by an assessment period after each module. The MMDP is completed face to face over a period of six weeks, divided into block times spread over one calendar year.



Participants of the Foundation Programme



Activities during a course on Business Process Re-engineering.

Senior Management Development Programme

An MoU was entered into with the University of Stellenbosch – School of Public Leadership to offer the Senior Management Development Programme to 130 students per year for a period of three years. At the same time, NIPAM trainers will undergo capacity building to enable them to deliver the course in-house when the MoU comes to an end.

The aim of the Senior Development Programme (SMDP) is to provide high level cognitive, emotive, attitudinal and strategic impact on the personal and professional development of senior managers in the public service.

The SMDP comprises five modules which are delivered in week-long sessions over a period of several months. These are:

- Governance in Namibia – Context and Strategic Challenges
- Understanding Good Governance: The Evolution and Impact of Concepts, Ideas, Philosophies and Theories
- Public Finance for Good Governance
- Professional Competencies for Good Governance: Leadership and Organisation Development and
- Management Applications for Good Governance

Executive Management Development Programme

NIPAM entered into an MoU with Harvard Kennedy School of Government (HKS) to allow senior officials/executives in government to attend the executive programme at Harvard. All Namibian officials must meet HKS's executive education admission requirements to the programme of their choice. Candidates applying to an open enrolment programme under this agreement will submit full and complete online application forms and provide all other relevant data required by HKS Executive Education. Namibian officials participating in the Harvard executive development programme will receive a certificate and will be considered Associate Alumni of HKS.

Other significant programmes presented

The Central Government Business Centre organised three distinctly different leadership development short courses for permanent secretaries and senior managers within the public service. The courses focused on the topics such as Leadership, Innovation and Change Management, and Strategic Thinking.



Guest speakers offer a perspective from practice



Participants of the SMDP programme.

REGIONAL/LOCAL GOVERNMENT BUSINESS CENTRE

Elected councillors at the regional and local levels play a very important role in providing the link between councils and citizens. Their leadership is critical in the process of local democratisation and economic development, and the empowerment of local actors. NIPAM's Regional/Local Government Business Centre (RLGBC) offers a range of highly specialised courses and programmes that equip office bearers with new knowledge and skills.

The following courses were conducted during the period under review:

Name of Course	Total number of participants
National Seminar for Regional Governors: New Ways of Thinking	26
Middle Management Development Programme (MMDP-RLG)	14
Local Economic Development	27
Facilitator Development	12
Directorate of International Trade(DIT) Planning Workshop	34
Achieving Democratic Governance	27
Analytical Tools for Policy Makers	35
Finance for Councillors	15
Achieving Democratic Governance	27
Training of Trainers	9
Total number of participants	226

The following is a short outline of the flagship programmes:

Middle Management Development Programme for Regional / Local Government

An MoU was signed between NIPAM and the International Study Centre for Local Development (CIEDEL) in France to develop and present the Middle Management Development Programme for Regional/Local Government (MMDP-RLG). A training needs analysis was conducted amongst Regional and Local Government, and a three-year capacity building programme for trainers developed. The programme commenced successfully.



Participants of the MMDP-RLG programme.

The attainment of the development goals and Vision 2030 will require a public sector that is characterised by a continuous learning mode, leading to developmental and entrepreneurial orientations, thereto producing public servants who are efficient, effective, entrepreneurial and accountable to the Namibian people. A new set of knowledge, skills and attitudes, and a change in organisational culture is required if progress is to be made in this regard.

The MMDP-RLG has therefore been designed to build capacity and competencies for middle managers in regional and local governments, to allow them to play an effective role in the transformation and implementation of such strategies.

The main goal of the MMDP-RLG is to contribute to the process of decentralisation, the improvement of regional and local service delivery, and the strengthening of regional and local economies, by developing the capacities of middle managers in regional and local authorities.

The programme consists of six modules:

1. Achieving Democratic Decentralisation
2. Managing Financial Resources
3. Leading and Managing People
4. Improving Performance
5. Development Dynamics
6. Communication

Each module is presented over one week followed by an assessment period after each module. The MMDP-RLG is completed face to face over a period of six weeks, divided into block times spread over one calendar year.

Local Economic Development Training (LED)

This course is aimed at regional and local government officials, councillors, and representatives from business, community leaders, as well as representatives from civil society organisations involved in the promotion of local economic development. The course aims to provide participants with grounding in LED concepts and practical implementation skills.

The objectives of this training are to:

- Discuss various concepts of local economic development
- Identify a range of tools available to implement local economic development
- Identify and explain some programme options for implementing local economic development
- Identify and explain some project options for implementing local economic development



Participants of the LED programme

STATE-OWNED ENTERPRISES BUSINESS CENTRE

The State-owned Enterprises Business Centre (SOEBC) was conceptualised to provide systematised professional transformational training, and to be a dedicated training centre for all SOEs and corporate entities in Namibia.

In collaboration with PricewaterhouseCoopers (PwC), NIPAM presented two courses specifically developed to meet the needs of State-owned Enterprises (SOEs): Good Corporate Governance as well as Fraud Prevention and Ethics. The target groups for the courses include board members and management of SOEs and other public and private sector institutions, as well as company secretaries.

The following courses were conducted during the period under review:

Name of Course	Total number of participants
Principle of Good Corporate Governance	17
Fraud Prevention and Ethics	14
Total number of participants	31

The training offering on governance and fraud prevention helps the leadership of SOEs to be more effective in managing their responsibilities, thus making the SOEs more competitive, efficient and transparent.

The aims of current and future training programmes that the centre will be delivering are to:

- foster excellence in the administration of SOEs
- enhance the oversight role of the State-owned Enterprises Governing Council and Secretariat
- develop a new generation of holistic corporate managers with the capacity to manage SOEs in a dynamic and complex environment
- assist SOEs to respond to change (political, technological, social, cultural, racial, economic) in Namibia
- assist SOEs to implement their mandate efficiently, effectively, sustainably and equitably in the journey towards the achievement of Vision 2030

The centre also offers courses in Business Process Re-engineering.



Typical training situations at NIPAM.



Participants pay attention during a training session

CONSULTANCY AND RESEARCH BUSINESS CENTRE

The Consultancy and Research Business Centre (CRBC) co-ordinates consultancy and research activities within NIPAM. CRBC's major role is to continuously assess, establish and update an observatory of capacity development and research needs in the public sector. CRBC plays a critical role in generating, identifying and disseminating knowledge in public sector management and developing or adapting methods and tools for public sector improvement in the areas of:

- Policy analysis
- Good governance
- Resource management
- Transformational leadership
- Capacity gap evaluation
- Quality assurance in service delivery
- Organisational development
- Integrated results-based planning
- Monitoring and evaluation
- In-house training and advisory services

During the year under review, NIPAM carried out the following consultancies:

- Chairing wage negotiations at Namibia Airports Company between the Namibia Public Workers Union and the Namibia Airports Company to achieve a final outcome
- Chairing of a disciplinary hearing held by Otjizondou Mining Company (Pty) Ltd to its finality

NIPAM's research focuses both on national and international content applicable to the Government, civic organisations and the private sector. Facilitating policy dialogue, this business centre is currently developing the envisaged "Think Tank" platform. In this regard, one of their major roles is to continually assess, establish and update an observatory of capacity building and research needs in the public sector.

We expect this centre to become fully operational with the filling of key positions subsequent to the financial year-end and expect to report on further performance outputs in the following annual report.

THE NIPAM RESOURCE POOL

To keep staff numbers and associated costs at a minimum yet ensure scholarly excellence, the academic business centres at NIPAM subcontract pre-qualified and approved experts in various fields, who present specific study units, forming part of the official NIPAM resource pool. A system of ongoing quality control has been established.

Trainers were duly initiated into the NIPAM system and engaged to co-facilitate the middle management development programmes and the short courses.

A fair and transparent fee structure for the NIPAM resource pool, benchmarked against industry standards, has been developed and approved by the NIPAM Governing Council.

SUPPORTING BUSINESS CENTRES

This section deals with business centres providing technical support as well as administrative support.

TECHNICAL SUPPORT

E-Governance and Learning Resource Business Centre

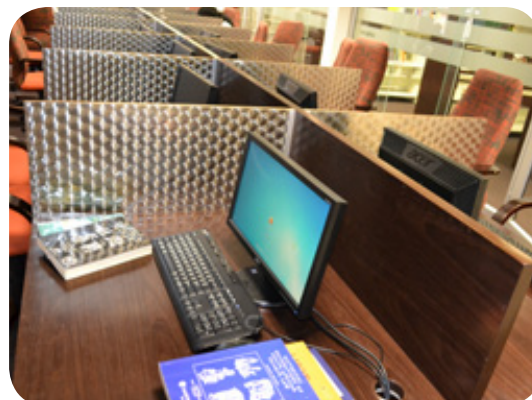
The E-Governance and Learning Resource Business Centre was established to provide e-learning opportunities and alternative modes of course delivery. It is envisaged that all courses will be hosted on an e-learning platform to run as fully accredited courses, reaching a yet wider potential group of learners.

A fully functional Learning Resource Centre (LRC) has been established, and currently this state-of-the-art library hosts an assortment of over 3370 volumes, including various collections. The Learning Resource Centre uses LIBWIN as a library management system to manage its resources efficiently. The library services are promoted to participants attending NIPAM courses/programmes and the number of registered users is increasing steadily.

As an additional service to users, the library offers extended opening hours during training periods for those attending training at NIPAM. While most participants utilise the library facilities during course time, it is encouraging to observe that the number of formally registered users who borrow books for extended periods have increased from 20, during the post launch period, to 242 at the end of the financial year.



NIPAM boasts modern facilities



NIPAM has two computer labs with 20 computers each, available for teaching and e-learning purposes.

Information technology

Much progress has been made on the information technology side. This is an imperative service to ensure modern connectivity and business continuity expected from an organisation such as NIPAM. A large percentage of available funds was invested into NIPAM for securing state-of-the-art modern technology, positioning the institute as a competitive player in the professional management service training arena.

The following outputs can be noted in this regard: a Data Line Connection Link (DPSITM & NIPAM Campus) between NIPAM and the OPM is active. The router and firewall were configured and are in force. Telephone and data lines have been installed, linked to a budget control system offered by a service provider. Excellent security systems, which include an access card system, a fire detection and alarm system linked to an emergency radio service, and CCTV have been successfully installed and are fully operational. Furthermore, NIPAM has two registered domain names, as well as developed a comprehensive website.

In support of its academic efforts, NIPAM has two academic computer labs in the library that were installed, configured, maintained and supported by the ICT staff. Each lab is equipped with 20 computers. Additional software is installed as per the requirements of course work that is to be supported. One of the computer labs is equipped with a DVD/VCR combination player, a data projector, and screen, amplifiers, speakers and microphones. The computer labs are intended to be used primarily by NIPAM students, either when attending formal courses or when using the library.

In its training rooms, NIPAM offers state-of-the-art smart training room technology. All the training rooms have been supplied with a computer, a DVD/VCR combination player, a data projector and screen, amplifiers, speakers and microphones. Training rooms are furthermore equipped with podiums mounted with Creston touch-panel control systems that allow selection of projection sources, and control of audio volume, window coverings and lighting.

NIPAM also offers modern video conferencing equipment. Our training rooms are equipped with two cameras for viewing facilitators and students, and with microphones. This system is used by NIPAM to provide students in multiple remote locations with an a-synchronous learning experience similar to being in the same room as at NIPAM, and also for the purpose of meetings with remote business partners wherever they are located in the world.



The NIPAM building hosts a variety of training venues



A state-of-the art library

Corporate communication and quality assurance

During the year under review, the foundation for the development of the NIPAM corporate identity and marketing communication strategies was laid down. This included, among others, development of corporate material such as brochures, pamphlets, promotional materials, a website, participation at shows and events, various public relations activities such as hosting numerous study groups at NIPAM, and representing NIPAM on various stakeholder platforms, as well as the laying of the basis for quality assurance at the institution.



NIPAM participates at regional trade fairs

SUPPORTING BUSINESS CENTRES (CONTINUED)

Networking and partnerships

Various MoUs were entered into with highly reputable international partners. NIPAM trainers are working hand in hand with international experts over a three-year period, fine tuning and presenting the courses, and it is expected that they will take over the programmes after this initial capacity building period.

Of particular importance has been the achievement of the following:

- A collaborative partnership agreement under the auspices of the Embassy of Finland has been signed.
- An MoU was signed between NIPAM and CIEDEL, France.
- An MoU was signed with the School of Public Leadership, University of Stellenbosch.
- An MoU was signed with the Southern Business School.
- An MoU was entered into with the renowned Harvard Kennedy School of Government in the United States.
- An MoU was signed between NIPAM and Management Sciences for Health, South Africa.

Corporate citizenship

NIPAM is fully committed to operating within the realm of the laws governing it. In the process of policy development and implementation of these in all areas, NIPAM takes special care to apply principles of good governance throughout its operations. This is done with respect to the triple bottom-line, and is in consideration of sustainability for financial, social and environmental issues in our business operations.

ADMINISTRATIVE SUPPORT

Human resources

NIPAM moved into the state-of-the-art NIPAM Campus in Olympia on 1 September 2010. A total of 19 staff members, previously employed under the department of NIPAM in the Office of the Prime Minister, were permanently employed by NIPAM at the time of the official launch. A thorough competency-based recruitment process followed, and by the end of the financial year 2011–2012, NIPAM employed a total of 32 full-time staff members (out of a total envisaged complement of 66). In line with its policy, recruitment is competitive and ongoing.

NIPAM embarked on a process to ensure that relevant and applicable human resource and industrial relations policies and procedures are developed, made available and implemented. Additionally, all staff members signed performance agreements.

To date, we are happy to report that staff turnover is far below market average.

NIPAM is registered as an employer with the Employment Equity Commission, and reports will be submitted on an annual basis. NIPAM is also registered as an employer with the Social Security Commission.



The NIPAM team

NIPAM estate management

The current NIPAM building constitutes phase 1 and was completed in June 2010. It is expected that the second phase of the building project will commence during the following year, adding additional lecturing facilities, office/admin rooms, a state-of-the-art auditorium, and hotel accommodation for participants.

Phase I houses the key training venues, and offices for the executive management team, academic and administrative staff. In addition to the offices, Phase I also boasts a state-of-the-art cafeteria and fully equipped kitchen, a data centre, two computer labs each with 20 computers all connected to the internet.

The NIPAM restaurant facility has been hired out on tender to an independent catering professional who manages the restaurant on NIPAM's behalf.

In terms of providing conferencing facilities, two boardrooms equipped with audio-visual systems and facilities to record meetings are provided, one of which is also equipped with video conferencing services.



The NIPAM cafeteria

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE

The Namibia Institute of Public Administration and Management is a state-owned Management Development Institute (MDI) established by the Namibia Institute of Public Administration and Management Act (Act No. 10 of 2010).

The Institute's principles on corporate governance are founded upon a rich legacy of fair, ethical, open, accountable and transparent governance practices, many of which are prescribed by the NIPAM Act and the SOE Governance Act (Act No. 2 of 2006) as amended, and on charters and internationally accepted best practices relating to principles of good governance.

In terms of the establishing legislation, the governance structure of the Institute is comprised of the Portfolio Minister, the Prime Minister, who appoints the Governing Council. The Governing Council appoints the Training and Development Board.

Governance Agreement

The State-owned Enterprise Governance Act (Act No. 2 of 2006) as amended, requires the Portfolio Minister to enter into a Governance Agreement with the Governing Council of NIPAM. The Prime Minister, who is the Portfolio Minister responsible for NIPAM, entered into a three-year Governance Agreement with the Governing Council on 8 December 2010. This agreement defines the roles, responsibilities and obligations of the Portfolio Minister and the Governing Council and provides that NIPAM's progress towards achieving its objectives and strategies be evaluated utilising key performance indicators as set out in the agreement.

Each member of the Governing Council has also signed a performance agreement with the Portfolio Minister. This agreement specifies the principle of common goals, expectations, commitments and understanding with respect to NIPAM's performance in terms of the Governance Agreement for the period of the agreement. Both the Governance Agreement and individual performance agreements are open for inspection by the public at NIPAM's campus during business hours.

King Code of Governance 2009

The Performance Agreement between the Portfolio Minister and members of the Governing Council states that the Governing Council shall abide inter alia to the duties described in the King Report 2009 (King III).

Governing Council

The governance and general control of NIPAM and of all its affairs and functions, and the management of its property, are vested in the Governing Council. The Council has a unitary structure of eight non-executive directors and one executive director. The Chairperson of the Council is a non-executive director. The Executive Director of NIPAM is the head of training and accounting officer, and is a member of the Council *ex officio*. The remaining directors are appointed by the Portfolio Minister for a term of three years. The contract of the Executive Director is for a five-year period and is subject to renewal based on performance at the sole discretion of the Council.

In line with King III recommendations, the Governing Council approved the Governing Council Charter. The Charter sets out the Council's roles and responsibilities, as well as the requirements in terms of composition and meeting procedures.

The key roles and responsibilities of the Council are to:

- give strategic direction
- act as the focal point for, and custodian of, corporate governance
- provide effective leadership on an ethical foundation
- be responsible for the governance of risk

- responsible for the governance of information and technology
- monitor executive performance
- ensure that NIPAM discharges its responsibilities to the Portfolio Minister

In order to carry out its duties and responsibilities efficiently, the Council meets four times in a financial year, at least once every quarter. Directors receive information on the above issues and prepare themselves for meetings. The agenda of each meeting of the Council and its committees provides attendees with the opportunity to disclose their interest in any matters they wish to have discussed. Where such interest is disclosed, such a member or attendee is excused from the deliberations and decisions on the matter.

The Chairperson

The Chairperson of the Council is the Secretary to Cabinet, *ex officio*. The Chairperson provides leadership and guidance to the Governing Council and encourages proper deliberation of all matters on the agenda. The Governing Council Charter requires that the Council must be assessed at least once every year, either internally or externally, or as the Portfolio Minister may deem fit. The effectiveness of the performance of the Council was internally assessed once, and a report was submitted to the Portfolio Minister.

Council committees

In order to enhance its effectiveness, the Council has established Council Committees in key areas of the Council's duties and responsibilities. Committees advise and make recommendations to Council, which is ultimately responsible for making decisions. The Chairperson of each committee is tasked with reporting to Council on the activities of each committee. Committees comprise at least three non-executive directors; the Deputy Chairperson of the Council and Executive Directors are *ex officio* members. In order to focus the key areas of all committees, Council approved a Charter for each committee. Each committee must hold at least two meetings in a year.

• Governance and Remuneration Committee

The Governance and Remuneration Committee is responsible for making recommendations to the Governing Council regarding the determination of remuneration and governance matters.

The Committee is comprised of independent non-executive directors; the founding members for the period October 2010 to 31 March 2012 were Mrs M. Cupido (Chairperson), Mr J. Muadinohamba and Mr J. Ncube (late). The Executive Director and the Chief Financial Officer as head of Human Capital Development, attend meetings of the Committee by invitation and are excused from a meeting when compensation is discussed.

• Audit and Risk Management Committee

The Audit and Risk Management Committee is responsible for independently reviewing, on behalf of the Council, NIPAM's framework of financial control, thereby overseeing internal and external audit and risk management.

The Committee is comprised of independent non-executive directors; the founding members of the Committee for the period of October 2010 to 31 March 2012 were Mr J. Muadinohamba (chairperson), Dr B.R.K. Ndjoze-Ojo, Hon. S. Nuuyoma and Mrs M. Cupido. Both the internal and external auditors have unrestricted access to the Committee, which ensures that their independence is in no way impaired. The Executive Director and Chief Financial Officer attend meetings of the Committee.

CORPORATE GOVERNANCE REPORT (CONTINUED)

• Investment Committee

This Committee is established in terms of the Investment Policy. The committee makes recommendations on the investment of funds that are not required for immediate use. The Committee is comprised of independent non-executive directors; the founding members of the Committee for the period October 2010 to 31 March 2012 were Ms J. Kauapirura (Chairperson), Ms B. Van der Westhuizen, Mr B. Haingura and Ms M. Cupido. The Executive Director and the Chief Financial Officer attend meetings of the committee.

• Council Tender Committee

This Committee was created by Council to adjudicate and make recommendations to the Council regarding the awarding of tenders if the value of the tender is two (2) million Namibian dollars and above. The committee is further tasked with approving tender specifications relating to tenders of the aforesaid monetary value. Given the nature of NIPAM's business, the Committee meets when there are tenders to be adjudicated.

The Committee is comprised of independent non-executive directors; the founding members of the Committee for the period October 2010 to 31 March 2012 were Ms M. Cupido (Chairperson), Hon. S. Nuuyoma, Mr B. Haingura and Ms B. Van der Westhuizen. The Executive Director and the Chief Financial Officer, as head of procurement, attend meetings of the Committee.

Schedule and attendance of meetings

During the reporting period, meetings were held as follows:

Founding Directors	Governing Council	Governance & Remuneration Committee	Audit & Risk Management Committee	Investment Committee	Council Tender Committee
Meetings held	6	4	0	1	0
Attendance					
F. Kapofi	6 (Chairperson)				
M. Cupido	6	4 (Chairperson)		1	
J. Muadinohamba	4	4			
S. Nuuyoma	6				
B. Haingura	6			1	
R. B. K. Ndjoze-Ojo	6				
J. Kauapirura	6			1 (Chairperson)	
J. Ncube	5	4			
B. Van der Westhuizen	5			1	
B. Harbola	3				
R. Msiska (<i>ex officio</i>)	5	1		1	
E. Nghikembua (<i>ex officio</i>)	6	3			

Secretary to the Council

All directors have access to the advice and services of the Secretary to the Council, who guides the Council in respect of its duties, responsibilities, ethics, good governance and statutory responsibilities. All directors are entitled to seek independent professional advice about the affairs of NIPAM, and to do so at NIPAM's expense.

The Training and Development Board

This is a statutory organ of NIPAM appointed by the Council for a period of three (3) years. It is comprised of eight members, and the Executive Director is the Chairperson, *ex officio*.

The Board is responsible for the organisation and superintendence of capacity building interventions, training programmes, courses, training sessions, instructions, curricula, assessment, awards of qualifications, accreditation, research and consultancy activities of NIPAM.

The key statutory powers of the Board are to:

- develop the strategic plan and annual business plan of NIPAM
- coordinate with the Ministry of Education and National Planning Commission with regard to national capacity building needs
- develop the curricula, training design and implementation strategy of training programmes, courses, workshops and capacity building interventions
- determine the norms and standards for the award of qualifications and accreditation for approval from the Namibia Qualifications Authority or other accreditation bodies
- exercise quality control on the capacity building interventions to ensure value for money
- make recommendations to the Council in connection with the annual budget of NIPAM and on matters referred to it by the Council, or which the Training and Development Board considers necessary or in the interests of NIPAM
- submit to the Council such reports in connection with the functions of NIPAM or the Training and Development Board as the Council may require
- perform such other functions as may be required to develop NIPAM as a centre of excellence in public service sector capacity building

The Board is managed by a Charter and holds at least three meetings annually, of which at least one meeting is held in each half of NIPAM's financial year. During the reporting period, the following meetings were held:

Founding Board Members	Meetings Held	Attendance
	3	
R. Msiska (<i>ex officio</i>)		2 (Chairperson)
E. Nghikembua (<i>ex officio</i>)		3 (Chairperson)
R. B. K. Ndjoze-Ojo		3
F. Gertze		2
J. Ncube		3
M. Mbombo		1
M. Rukoro-Nangolo		2
Prof. E. Schwella (co-opted)		1
T. Beukes (<i>ex officio</i>)		2
Dr. C. Keyter (co-opted)		2

Instruments of delegation of powers

The Council, in writing and subject to conditions or restrictions imposed by it, delegates power or assigns any function conferred or imposed on it by the Act to committees of the Council and the Executive Director, except the power to make rules or to appoint management staff or discharge any staff member. The Council is not divested or relieved of the power or function delegated or assigned and can at any time:

- withdraw or amend any such delegation or assignment; or
- without prejudice of any right, set aside or vary any decision made in the exercise of such power.

The delegation of authority by the Council to Council Committees and the Executive Director is encompassed in a formal delegation of powers, which sets out those matters specifically reserved for the collective decision of the Council.

Executive management

The founding Executive Director of NIPAM is Dr. Roland Msiska. The Executive Director is appointed by the Council in consultation with the Prime Minister. The Executive Director has the line responsibility for all aspects of the execution of strategy, training and management of NIPAM for which he or she is accountable to the Council. The Executive Director is assisted by members of senior management in executing executive management responsibilities.

The Council is required by the NIPAM Act, 2010, read together with the State-owned Enterprises Governance Act, 2006, and the Governance Agreement, to enter into a performance agreement with the Executive Director and each senior manager regarding performance delivery based on the key performance indicators agreed upon in the Governance Agreement. The Council entered into performance agreements with the founding Executive Director and Deputy Executive Director on 8 December 2010.

Internal control systems

NIPAM maintains a system of internal control over financial reporting and the safeguarding of assets against unauthorised acquisition, use or disposition, which is designed to provide reasonable assurance to the Council regarding the preparation of reliable, published financial statements. The system includes a documented organisation structure and division of responsibility, established policies and procedures.

Corrective actions are taken to address control deficiencies and other opportunities for improving the system as they are identified. The Council, through the Audit and Risk Management Committee, provides oversight of the financial reporting process.

NIPAM maintains its internal control system on a continuous basis to ensure effective internal control over financial reporting. NIPAM believes that for the period ending 31 March 2012, its system of internal control over financial reporting and over safeguarding of assets against unauthorised acquisition, use or disposition was adequate.

Namibia Institute of Public Administration and Management
Annual Financial Statements
for the year ended 31 March 2012

Index

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

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General Information

Country of incorporation and domicile	Namibia
Nature of business and principal activities	Established as a public institute for training, operational research, capacity evaluation and consultancy.
Governing Council	F. Kapofi (Chairperson) M. F. Cupido (Vice Chairperson) B. R. K. Ndjoze-Ojo J. Muadinohamba B. van der Westhuizen B. Haingura S. Nuuyoma J. Kauapirura J. Ncube, deceased 31 August 2012 A. Saloranta, appointed 26 March 2012 R. Msiska (Ex-officio), resigned 07 December 2011 E. Nghikembua (Ex-officio) F. Gazagne, resigned 15 February 2012
Registered office	14-30 Paul Nash Street Olympia Windhoek Namibia
Postal address	P. Bag 13218 Windhoek Namibia
Bankers	First National Bank of Namibia Limited
Auditors	Grand Namibia Registered Accountants and Auditors Chartered Accountants (Namibia)
Secretary	B. N. Chaka

Governing Council's Responsibilities and Approval

The Governing Council is required in terms of the Namibia Institute of Public Administration and Management Act 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 Institute 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 International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

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

The Governing 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 Governing Council have reviewed the Institute's cash flow forecast for the year to 31 March 2013 and, in the light of this review and the current financial position, they are satisfied that the Institute 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 Institute's annual financial statements. The annual financial statements have been examined by the Institute's external auditors and their report is presented on page 39

The annual financial statements set out on pages 40 - 60, which have been prepared on the going concern basis, were approved by the Governing Council on 15 February 2013 and were signed on its behalf by:



F. Kapofi (Chairperson)



J. Muadinohamba

Report of the Independent Auditors

To the Governing Council members of Namibia Institute of Public Administration and Management

We have audited the annual financial statements of Namibia Institute of Public Administration and Management, which comprise the statement of financial position as at 31 March 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the Governing Council's report, as set out on pages 40 - 60.

Directors' Responsibility for the Annual Financial Statements

The Institute's Governing Council are responsible for the preparation and fair presentation of these annual financial statements in accordance with International Financial Reporting Standards, and requirements of the Namibia Institute of Public Administration and Management Act, and for such internal control as the Governing Council determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

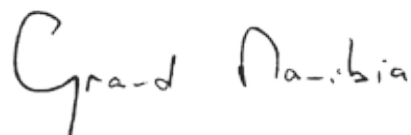
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Namibia Institute of Public Administration and Management as at 31 March 2012, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, and the requirements of the Namibia Institute of Public Administration and Management Act.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the fact that the legal process for the transfer of Property, plant and equipment, with a net book value of N\$ 79 154 647 (2011: N\$ 81 136 320), from the Government into the name of Namibia Institute of Public Administration and Management has not yet been finalised by the date of this report.



Grand Namibia
Registered Accountants and Auditors
Chartered Accountants (Namibia)

Per: R. Beukes
15 February 2013

Governing Council's Report

The Governing Council submit their report for the year ended 31 March 2012.

1. Incorporation

The Institute started operations on 01 October 2010.

2. Review of activities

Main business and operations

The Institute was established as a public institution to provide training, operational research, capacity evaluation and consultancy and operate principally in Namibia. The Operating results and state of affairs of the Institution are fully set in the attached financial statements and do not in our opinion require any further comment.

3. Events after the reporting period

The Governing Council are not aware of any matter or circumstance arising since the end of the financial year.

4. Directors

The Governing Council of the Institute during the year and to the date of this report are as follows:

Name	Changes
F. Kapofi (Chairperson)	
M. F. Cupido (Vice Chairperson)	
B. R. K. Ndjoze-Ojo	
J. Muadinohamba	
B. van der Westhuizen	
B. Haingura	
S. Nuuyoma	
J. Kauapirura	
J. Ncube	Deceased 31 August 2012
A. Saloranta	Appointed 26 March 2012
R. Msiska (Ex-officio)	Resigned 07 December 2011
E. Nghikembua (Ex-officio)	
F. Gazagne	Resigned 15 February 2012

5. Secretary

The secretary of the Institute is Brian Nduku Chaka of:

Business address	Paul Nash Street Olympia Windhoek Namibia
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6. Auditors

Grand Namibia Registered Accountants and Auditors.

Statement of Financial Position

	Notes	2012 N\$	2011 N\$
Assets			
Non-Current Assets			
Property, plant and equipment	2	85 926 166	81 141 781
Intangible assets	3	188 572	7 177
		86 114 738	81 148 958
Current Assets			
Trade and other receivables	4	1 721 070	6 380 035
Cash and cash equivalents	5	55 627 305	15 319 984
		57 348 375	21 700 019
Total Assets		143 463 113	102 848 977
Equity and Liabilities			
Equity			
Retained income		32 880 948	20 232 866
Liabilities			
Non-Current Liabilities			
Deferred income	6	99 957 647	81 136 320
Current Liabilities			
Trade and other payables	7	9 983 144	711 519
Special Project Funds	8	641 374	768 272
		10 624 518	1 479 791
Total Liabilities		110 582 165	82 616 111
Total Equity and Liabilities		143 463 113	102 848 977

Statement of Comprehensive Income

	Notes	2012 12 months N\$	2011 6 months N\$
Revenue			
Cafeteria		244 200	18 400
Hire of facilities		459 140	87 575
Interest received		439 645	115 514
Training fees	9	4 864 691	96 310
		6 007 676	317 799
Cost of services			
Conferencing fees	10	(875 217)	(84 311)
Depreciation, amortisation and impairment	11	(2 078 408)	(973 823)
Employee costs	12	(10 116 815)	(2 850 000)
Governing Council fees	13	(858 637)	(159 712)
Supplies and services	14	(5 407 374)	(1 949 099)
Training costs	15	(3 437 816)	(655 997)
Total cost of services		(22 774 267)	(6 672 942)
Net cost of services		(16 766 591)	(6 355 143)
Income from Government			
Deferred income released		1 981 673	973 080
Government grants	16	27 433 000	25 614 929
		29 414 673	26 588 009
Surplus for the year		12 648 082	20 232 866

Statement of Changes in Equity

	Retained income N\$	Total equity N\$
Balance at 01 April 2010	-	-
Changes in equity		
Surplus for the period	20 232 866	20 232 866
Total changes	20 232 866	20 232 866
Balance at 01 April 2011	20 232 866	20 232 866
Changes in equity		
Surplus for the year	12 648 082	12 648 082
Total changes	12 648 082	12 648 082
Balance at 31 March 2012	32 880 948	32 880 948

Statement of Cash Flows

	Notes	2012 12 months N\$	2011 6 months N\$
Cash flows from Government			
Office of the Prime Minister		33 655 000	19 392 929
Utilised as follows:			
CASHFLOWS FROM OPERATING ACTIVITIES			
Receipts			
Interest received		439 645	115 541
Cafeteria		244 200	18 400
Hire of facilities		459 140	25 850
Training fees		3 301 656	-
Payments			
Supply and services		(2 298 620)	(1 758 978)
Employee costs		(10 047 014)	(2 328 629)
Governing Council and Training Board Fees		(858 637)	(159 712)
Training costs		(3 437 816)	(655 997)
Conferencing services		(875 217)	(84 311)
Net cash from operating activities	17	20 582 337	14 565 093
CASHFLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1 624 607)	(13 381)
Purchase of other intangible assets	3	(201 728)	-
Net cash from investing activities		(951 118)	(13 381)
CASHFLOWS FROM FINANCING ACTIVITIES			
Movement in funds received from the Embassy of Finland		(126 898)	768 272
Funds received from Government for Phase 2 construction		20 803 000	-
Net cash from financing activities		20 676 102	768 272
Total cash movement for the year		40 307 321	15 319 984
Cash at the beginning of the year		15 319 984	-
Total cash at end of the year	5	55 627 305	15 319 984

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards, and the Namibia Institute of Public Administration and Management Act. The annual financial statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in Namibia Dollars.

1.1 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Institute; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

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.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

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

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

Item	Average useful life
Buildings	50 years
Furniture and fixtures	10 years
Office equipment	5 years
Computer equipment	5 years
Cafeteria equipment	5 years
Audio visual equipment	5 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The depreciation charge for each period is recognised in the statement of comprehensive income unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in the statement of comprehensive income when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.2 Financial instruments

Classification

The Institute classifies financial assets and financial liabilities into the following categories:

- Loans and receivables
- Financial liabilities measured at amortised cost

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through the statement of comprehensive income, which shall not be classified out of the fair value through profit or loss category.

Initial recognition and measurement

Financial instruments are recognised initially when the Institute becomes a party to the contractual provisions of the instruments.

The Institute classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through the statement of comprehensive income, transaction costs are included in the initial measurement of the instrument.

Subsequent measurement

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Institute has transferred substantially all risks and rewards of ownership.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in the statement of comprehensive income when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the statement of comprehensive income.

Trade and other receivables are classified as loans and receivables.

1.2 Financial instruments (continued)

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.3 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

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

1.4 Impairment of assets

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

Irrespective of whether there is any indication of impairment, the Institute also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.

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.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in the statement of comprehensive income. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in the statement of comprehensive income. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

Accounting Policies

1.5 Employee benefits

Short-term employee benefits

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

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.6 Provisions and contingencies

Provisions are recognised when:

- the Institute has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the business or part of a business concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for terminating their services;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised.

1.7 Government grants

Government grants are recognised when there is reasonable assurance that:

- the Institute will comply with the conditions attaching to them; and
- the grants will be received.

1.7 Government grants (continued)

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants related to income are presented as a credit in the statement of comprehensive income.

Repayment of a grant related to income is applied first against any un-amortised deferred credit set up in respect of the grant. To the extent that the repayment exceeds any such deferred credit, or where no deferred credit exists, the repayment is recognised immediately as an expense.

Repayment of a grant related to an asset is recorded by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognised to date as an expense in the absence of the grant is recognised immediately as an expense.

1.8 Revenue

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the Institute has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Institute retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Institute; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Institute;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in the statement of comprehensive income, using the effective interest rate method.

1.9 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.

Accounting Policies

1.9 Borrowing costs (continued)

- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Notes to the Annual Financial Statements

	2012 N\$	2011 N\$
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2. Property, plant and equipment

	2012			2011		
	Cost / Valuation N\$	Accumulated depreciation N\$	Carrying value N\$	Cost / Valuation N\$	Accumulated depreciation N\$	Carrying value N\$
Land	12 572 000	-	12 572 000	12 572 000	-	12 572 000
Buildings	65 403 179	(1 961 074)	63 442 105	65 353 473	(653 509)	64 699 964
Furniture and fixtures	1 792 093	(257 658)	1 534 435	1 633 701	(81 686)	1 552 015
Office equipment	108 129	(24 917)	83 212	73 039	(7 022)	66 017
IT equipment	1 253 568	(355 550)	898 018	1 234 657	(106 046)	1 128 611
Cafeteria equipment	1 318 474	(383 188)	935 286	1 247 436	(124 744)	1 122 692
Audio visual equipment	277 150	(48 713)	228 437	500	(18)	482
Capital Work In Progress	6 232 673	-	6 232 673	-	-	-
Total	88 957 266	(3 031 100)	85 926 166	82 114 806	(973 025)	81 141 781

Reconciliation of property, plant and equipment - 2012

	Opening balance N\$	Additions N\$	Depreciation N\$	Total N\$
Land	12 572 000	-	-	12 572 000
Buildings	64 699 964	49 706	(1 307 565)	63 442 105
Furniture and fixtures	1 552 015	158 392	(175 972)	1 534 435
Office equipment	66 017	35 090	(17 895)	83 212
IT equipment	1 128 611	18 911	(249 504)	898 018
Cafeterial equipment	1 122 692	71 038	(258 444)	935 286
Audio visual equipment	482	276 650	(48 695)	228 437
Capital Work In Progress	-	6 232 673	-	6 232 673
	81 141 781	6 842 460	(2 058 075)	85 926 166

Land and buildings comprise of ERF 14-30 Paul Nash Street Olympia measuring 46 564 square metres. Capital work in progress comprises costs incurred under Phase 2 of the construction of the buildings. Land was valued by a sworn valuer Pierewit Willders Valuations on 12 December 2012.

3. Intangible assets

	2012			2011		
	Cost / Valuation N\$	Accumulated amortisation N\$	Carrying value N\$	Cost / Valuation N\$	Accumulated amortisation N\$	Carrying value N\$
Computer software	209 703	(21 131)	188 572	7 975	(798)	7 177

Reconciliation of intangible assets - 2012

	Opening balance N\$	Additions N\$	Amortisation N\$	Total N\$
Computer software	7 177	201 728	(20 333)	188 572

Notes to the Annual Financial Statements

	2012 N\$	2011 N\$
4. Trade and other receivables		
Trade receivables	1 721 070	158 035
Government grant	-	6 222 000
	1 721 070	6 380 035

None of the trade and other receivables are past due nor impaired.

5. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	55 627 305	15 319 984
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6. Deferred income

Land	12 572 000	12 572 000
Building	65 403 179	65 350 801
Furniture and Fittings	1 792 093	1 626 624
Computer Equipment	1 253 568	1 234 657
Cafeteria Equipment	1 318 474	1 247 436
Office Equipment	108 129	69 907
Computer Software	209 703	7 975
Total Assets Donated	82 657 145	82 109 400
Deferred income released to the statement of comprehensive income	(1 981 673)	(973 080)
	79 154 647	81 136 320
Phase 2 construction	20 803 000	-
	99 957 647	81 136 320

Deferred Income consists of the assets donated to NIPAM by the Government and funds to finance the phase 2 of the construction of the building.

7. Trade and other payables

Trade payables	8 907 992	126 687
Other payables	257 840	63 461
Leave pay provision	451 569	521 371
Other salary accruals	365 743	-
	9 983 144	711 519

8. Special Project Funds

Embassy of Finland-Middle Management Development Programme	641 374	768 272
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The Institute received funding to finance the Middle Management Development Programme from the Embassy of Finland. This amount is kept in a separate bank account with Nedbank.

Notes to the Annual Financial Statements

	2012 N\$	2011 N\$
9. Training income		
Generic courses	1 121 927	96 310
Foundation courses	1 243 639	-
Middle Management Development Programme (MMDP)	1 497 000	-
Senior Management Development Programme (SMDP)	1 002 125	-
	4 864 691	96 310
10. Conferencing services		
Central Government Business Centre	147 473	21 691
Regional and Local Government Business Centre	17 933	4 750
Finance and Human Resources	127 159	18 615
Executive Director	582 652	39 255
	875 217	84 311
11. Depreciation, amortisation and impairment		
Buildings	1 307 565	653 509
Furniture and fittings	175 972	81 686
Office equipment	17 895	7 022
IT Equipment	249 504	106 046
Cafeteria equipment	258 444	124 744
Audio visual equipment	48 695	18
Computer software	20 333	798
	2 078 408	973 823
12. Employee costs		
Remuneration: Administration	5 593 509	588 663
Remuneration: Central Government Business Centre	1 199 107	777 322
Remuneration: Regional and Local Government Business Centre	407 659	280 314
Remuneration: E-Governance and Learning Resource Business Centre	852 969	524 738
Remuneration: Strategic Communication Business Centre	97 485	-
Remuneration: Executive Director	710 226	157 592
Leave expense	300 475	521 371
Allowances	106 811	-
Bonus	4 346	-
Overtime	106 805	-
Employer contribution: GIPF	564 933	-
Medical Aid	159 848	-
Social Security	12 642	-
	10 116 815	2 850 000

Notes to the Annual Financial Statements

	2012 N\$	2011 N\$
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13. Governing Council's emoluments

Non-executive

2012

	Governing Council's fees N\$	Other Committees fees N\$	Training and Development Board fees N\$	Incidental costs N\$	Total N\$
B. R. K. Ndjoze-Ojo	75 894	-	7 005	-	82 899
J. Muadinohamba	60 715	28 022	-	-	88 737
B. van der Westhuizen	60 715	7 006	-	-	67 721
B. Haingura	60 715	-	-	-	60 715
J. Kauapirura	60 715	9 609	-	-	70 324
M. F. Cupido (Vice Chairperson)	60 715	45 439	-	-	106 154
J. Ncube	60 715	28 022	7 005	-	95 742
Training and other board expenses	-	-	-	286 345	286 345
	440 184	118 098	14 010	286 345	858 637

2011

	Governing Council's fees N\$	Incidental costs N\$	Total N\$
B. R. K. Ndjoze-Ojo	30 358	-	30 358
B. van der Westhuizen	15 179	-	15 179
B. Haingura	15 179	-	15 179
J. Kauapirura	30 358	-	30 358
M. F. Cupido (Vice Chairperson)	30 358	-	30 358
J. Ncube	30 358	-	30 358
Refreshments	-	7 922	7 922
	151 790	7 922	159 712

Notes to the Annual Financial Statements

	2012 N\$	2011 N\$
14. Supplies and services		
Advertisement	240 922	517 678
Bank charges	25 685	2 518
Cleaning materials	320 992	79 350
Computer expenses	105 945	175 583
Consulting fees	454 481	37 040
Courier and postage	1 233	604
Flowers and gifts	5 610	4 813
Library tools and others	128 973	20 815
Membership and subscription fees	16 937	586
Printing and stationery	209 048	76 133
Rental expenses	583 629	73 872
Repairs and maintainance	1 031 475	278 283
Security costs	18 612	10 938
Staff training	286 562	27 293
Staff welfare	21 331	17 641
Telecommunication costs	289 063	109 157
Transport costs	3 509	40 464
Travel and accommodation	329 752	302 519
Utilities	600 718	173 812
Subsistence and travelling allowances	432 520	-
Motor vehicle expenses	298 745	-
Insurance	1 632	-
	5 407 374	1 949 099
15. Training costs		
Books and periodicals	52 038	572 427
E-Learning	295 310	-
Generic courses	474 380	82 400
Middle Management Development Programme	558 941	-
Resource pool	482 500	-
Senior Management Development Programme	1 497 000	-
Training materials	32 007	-
Work visas and permits	45 640	1 170
	3 437 816	655 997
16. Government grants		
Government subsidy	27 433 000	22 568 500
Expenses paid by the Office of the Prime Minister on behalf of NIPAM	-	3 046 429
	27 433 000	25 614 929

Notes to the Annual Financial Statements

	2012 N\$	2011 N\$
17. Cash generated from operations		
Surplus for the period	12 648 082	20 232 866
Adjustments for:		
Depreciation and amortisation	2 078 409	973 823
Deferred income released to the statement of comprehensive income	(1 981 673)	(973 080)
Changes in working capital:		
Trade and other receivables	4 658 965	(6 380 035)
Trade and other payables	3 178 554	711 520
	20 582 337	14 565 094

18. Risk management

Capital risk management

The Institute's objectives when managing capital are to safeguard the Institute's ability to continue as a going concern in order to provide benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

There are no externally imposed capital requirements.

Financial risk management

The Institute's activities expose it to a variety of financial risks: market risk (including cash flow interest rate risk and price risk), credit risk and liquidity risk.

Liquidity risk

The Institute's risk to liquidity is a result of the funds available to cover future commitments. The Institute manages liquidity risk through an ongoing review of future commitments and credit facilities.

At 31 March 2012	Less than 1 year
	N\$
Trade and other payables	9 983 144
Special purpose funds	641 374
At 31 March 2011	Less than 1 year
	N\$
Trade and other payables	711 520
Special purpose funds	768 272

Notes to the Annual Financial Statements

	2012 N\$	2011 N\$
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18. Risk management (continued)

Interest rate risk

As the Institute has no significant interest-bearing assets, the Institute's income and operating cash flows are substantially independent of changes in market interest rates.

Cash flow interest rate risk

Financial instrument - 2012	Current interest rate	Due in less than a year N\$
Trade and other receivables - normal credit terms	- %	1 719 484
Cash in current banking institutions	- %	55 168 219
Trade and other payables - normal credit terms	- %	9 983 144
Special purpose funds	- %	641 374

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The Institute only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

19. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

2012

	Loans and receivables N\$	Total N\$
Trade and other receivables	1 719 484	1 719 484
Cash and cash equivalents	55 168 219	55 168 219
	56 887 703	56 887 703

2011

	Loans and receivables N\$	Total N\$
Trade and other receivables	6 380 035	6 380 035
Cash and cash equivalents	15 319 984	15 319 984
	21 700 019	21 700 019

Notes to the Annual Financial Statements

	2012 N\$	2011 N\$
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20. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

2012

	Financial liabilities at amortised cost N\$	Total N\$
Special purpose funds	641 374	641 374
Trade and other payables	9 983 144	9 983 144
	10 624 518	10 624 518

2011

	Financial liabilities at amortised cost N\$	Total N\$
Special purpose funds	768 272	768 272
Trade and other payables	711 520	711 520
	1 479 792	1 479 792

21. New Standards and Interpretations

21.1 Standards and interpretations not yet effective

The Institute has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Institute's accounting periods beginning on or after 01 April 2012 or later periods:

IFRS 9 Financial Instruments

This new standard is the first phase of a three phase project to replace IAS 39 Financial Instruments: Recognition and Measurement. To date, the standard includes chapters for classification, measurement and derecognition of financial assets and liabilities. The following are main changes from IAS 39:

- Financial assets will be categorised as those subsequently measured at fair value or at amortised cost.
- Financial assets at amortised cost are those financial assets where the business model for managing the assets is to hold the assets to collect contractual cash flows (where the contractual cash flows represent payments of principal and interest only). All other financial assets are to be subsequently measured at fair value.
- Under certain circumstances, financial assets may be designated as at fair value.
- For hybrid contracts, where the host contract is an asset within the scope of IFRS 9, then the whole instrument is classified in accordance with IFRS 9, without separation of the embedded derivative. In other circumstances, the provisions of IAS 39 still apply.
- Voluntary reclassification of financial assets is prohibited. Financial assets shall be reclassified if the entity changes its business model for the management of financial assets. In such circumstances, reclassification takes place prospectively from the beginning of the first reporting period after the date of change of the business model.
- Financial liabilities shall not be reclassified.
- Investments in equity instruments may be measured at fair value through other comprehensive income. When such an election is made, it may not subsequently be revoked, and gains or losses accumulated in equity are not recycled to profit or loss on derecognition of the investment. The election may be made per individual investment.
- IFRS 9 does not allow for investments in equity instruments to be measured at cost.
- The classification categories for financial liabilities remains unchanged. However, where a financial liability is designated as at fair value through profit or loss, the change in fair value attributable to changes in the liabilities credit risk shall be presented in other comprehensive income. This excludes situations where such presentation will create or enlarge an accounting mismatch, in which case, the full fair value adjustment shall be recognised in profit or loss.

The effective date of the standard is for years beginning on or after 01 January 2013.

IAS 24 Related Party Disclosures (Revised)

The revision to IAS 24 include a clarification of the definition of a related party as well as providing a partial exemption for related party disclosures between government-related entities.

In terms of the definition, the revision clarifies that joint ventures or associates of the the same third party are related parties of each other. To this end, an associate includes its subsidiaries and a joint venture includes its subsidiaries.

The partial exemption applies to related party transactions and outstanding balances with a government which controls, jointly controls or significantly influences the reporting entity as well as to transactions or outstanding balances with another entity which is controlled, jointly controlled or significantly influenced by the same government. In such circumstances, the entity is exempt from the disclosure requirements of paragraph 18 of IAS 24 and is required only to disclose:

- The name of the government and nature of the relationship

21. New Standards and Interpretations (continued)

- Information about the nature and amount of each individually significant transaction and a qualitative indication of the extent of collectively significant transactions. Such information is required in sufficient detail to allow users to understand the effect.

The effective date of the amendment is for years beginning on or after 01 January 2011.

2010 Annual Improvements Project: Amendments to IFRS 7 Financial Instruments: Disclosures

Additional clarification is provided on the requirements for risk disclosures.

The effective date of this amendment is for years beginning on or after 01 January 2011.

The Institute expects to adopt the amendment for the first time in the 2012 financial statements.

IFRS 13 Fair Value Measurement

New standard setting out guidance on the measurement and disclosure of items measured at fair value or required to be disclosed at fair value in terms of other IFRS's.

The effective date of the standard is for years beginning on or after 01 January 2013.

IAS 1 Presentation of Financial Statements

The amendment now requires items of other comprehensive income to be presented as:

- Those which will be reclassified to profit or loss
- Those which will not be reclassified to profit or loss.

The related tax disclosures are also required to follow the presentation allocation.

In addition, the amendment changed the name of the statement of comprehensive income to the statement of profit or loss and other comprehensive income.

The effective date of the amendment is for years beginning on or after 01 July 2012.

There are numerous other new standards or amendments to existing standards that are not yet effective for the Institute. Each of these have been assessed and will not have an impact on the Institute's financial statements.

NIPAM SUPPORT PARTNERS



Republic of Namibia



High Commission of India



Embassy of France



Embassy of Finland

NIPAM TRAINING PARTNERS



CIEDEL (International Study Centre for Local Development, France)



Harvard Kennedy School of Government (HKS, USA)



Local Economic Development Agency



Management Sciences for Health (MSH, South Africa)



PricewaterhouseCoopers (PwC)



Southern Business School (SBS, South Africa)



School of Public Leadership (University of Stellenbosch)



NIPAM
NAMIBIA INSTITUTE OF PUBLIC
ADMINISTRATION AND MANAGEMENT

TRANSFORMING THROUGH CAPACITY BUILDING

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