



NIPAM

NAMIBIA INSTITUTE OF PUBLIC
ADMINISTRATION AND MANAGEMENT

ANNUAL REPORT 1 APRIL 2013 – 31 MARCH 2014





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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PORTFOLIO MINISTER AND GOVERNING COUNCIL



The Portfolio Minister of the Namibia Institute of Public Administration and Management (NIPAM) is the Prime Minister of the Republic of Namibia. During the period under review, this portfolio was held by the Right Honourable Dr Hage Geingob.

MEMBERS OF THE GOVERNING COUNCIL (GC)



Mr Frans Kapofi
Chairperson
01 / 09 / 2010 - Present



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



Mr Basilius Haingura
GC Member
01 / 10 / 2010 - Present



Mr Jeremiah Muadinohamba
GC Member
01 / 10 / 2010 - Present

MEMBERS OF THE GOVERNING COUNCIL (CONTINUED)



Mr Samuel Nuuyoma
GC Member
01 / 10 / 2010 - Present



Ms Maureen Kambala
GC Member
01 / 10 / 2013 - Present



Dr Salomo Amadhila
GC Member
01 / 12 / 2013 - Present



Ms Barbara van der Westhuizen
GC Member
01 / 10 / 2010 - 30 / 09 / 2013



Ms Damoline Muruko
GC Member
01 / 12 / 2013 - Present



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



Ms Elsie Nghikembua
GC Member (*ex officio*)
23 / 11 / 2010 - 30 / 06 / 2013



Prof. Joseph B. Diescho
GC Member (*ex officio*)
01 / 07 / 2013 - Present

TRAINING AND DEVELOPMENT BOARD

Members of the Training and Development Board



Prof. Joseph B. Diescho
Chairperson (*ex officio*)
01 / 07 / 2013 - Present



Ms Elsie Nghikembua
Vice-Chairperson (*ex officio*)
08 / 08 / 2010 - Present



Mr Frans E. Gertze
Member
15 / 04 / 2011 - Present



Ms Maria Nangolo-Rukoro
Member
19 / 04 / 2011 - Present



Ms Tuyakula Haiping
Member
01 / 02 / 2013 - Present



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



Prof. Erwin Schwella
Co-opted Member
11 / 08 / 2011 - 16 / 10 / 2013

NIPAM EXECUTIVE MANAGEMENT COMMITTEE



Prof. Joseph B. Diescho
Executive Director
01 / 07 / 2013 - Present



Ms Elsie Nghikembua
Deputy Executive Director
08 / 12 / 2010 - Present



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



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



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



Ms Marianne Gei-khoibes
Director: E-Governance
& Learning Resources Centre
18 / 07 / 2012 - Present

CHAIRPERSON'S REPORT



Frans Kapofi
Chairperson
Governing Council

During the period under review, the Namibia Institute of Public Administration and Management (NIPAM) completed its third year of operation and made tremendous strides in terms of both, its presence in the body politic and advancing meaningful transformation in the public sector of Namibia.

Government – by way of expression from the Head of State, the Prime Minister, Deputy Prime Minister and the entire Executive – has placed great confidence in NIPAM to spearhead the transformation of the Public Service to make it more cohesive. A uniform state of mind that is geared to serve the citizens of Namibia in their diversity is what is being aimed at in the offerings of NIPAM's training programmes.

In this regard, NIPAM is poised to embark on training programmes for public servants from different backgrounds and steer them to support Vision 2030. The programmes include foundation courses to equip participants with a basic understanding of Namibia's history and its political economy as well as an appreciation of its national philosophy, in order for these to serve as a necessary background to executive management/leadership training and coaching.

Such courses are essential not only for equipping public servants with the requisite knowledge and skills to perform optimally in their given context, but also for managing leadership transitions occasioned by changes in management and political leadership structures after elections, among other things.

The reality for Namibia is that, in order to achieve its long-term national development plan articulated in Vision 2030, the public sector will be required to play a critical role in transforming society. This will demand a "paradigm shift from sector development to integrated approaches through strategic partnerships. This means that some structural changes may be required, as will innovative thinking".

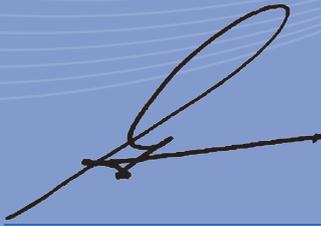
NIPAM's mandate and its structure, which reflects the composition of the public sector, are geared towards rendering support to that sector. To this end it has seven Business Centres. Three of these – the Academic Business Centres – respectively focus on central government, regional and local government, and state-owned enterprises (SOEs). A fourth is the Consultancy and Research Business Centre, which complements the academic units.

The lean administration comprises the final three structures, namely: the E-governance, Learning and Resource Centre Business Centre; the Finance, Human Resource and Estate Management Business Centre, and; the Strategic Communication and Quality Assurance Business Centre.

Together, the three administrative Business Centres render robust support to the other four Business Centres.

NIPAM's structure remains dynamic to ensure it is always ready to respond to Namibia's needs – nationally, regionally, and globally.

We look forward to NIPAM being utilised by more Offices, Ministries and Agencies in future to usher in the Namibian public service a new culture that ensures peace, stability and sustainable development.



Frans Kapofi
Chairperson of the Governing Council
29 October 2014

EXECUTIVE DIRECTOR'S REPORT



Prof. Joseph B. Diescho
Executive Director
NIPAM

I am honoured to be part of NIPAM's third annual report since the institution's official launch in February 2011 as a think tank for Government service in the SOE fraternity.

I am happy to confirm that progress continued in leaps and bounds during the period under review. The section on our operational highlights captures key achievements in the reporting year.

The NIPAM Policy Framework 2008–2013, published in April 2009, remains the guiding document for the institution's operations and development. This Policy Framework was compiled after an intensive and broad-based consultative process with diverse stakeholders and partners, and truly mirrors their expressed ambitions, advice and expectations that in turn influence the institution's directions.

Another of NIPAM's priorities entailed developing a strategic plan and having it approved by the Governing Council. This was achieved by way of the five-year NIPAM Strategic Plan 2012–2017, which provides the broad parameters and pathways for transforming "a post-colonial and post-apartheid public service" into "a developmental and entrepreneurially forward-looking public service". The Plan instructs that this transformation be achieved through a set of interconnected Business Centres which strive for excellence in the following:

- Capacity development
- Operational excellence
- Consultancy and research
- The creation of strategic partnerships with local and international institutions with similar focus, and
- Capacity evaluation.

The Strategic Plan also identifies three main entry points for such transformation. The first of these is to offer mandatory training programmes to the public sector, using experiential and action learning approaches. The second is to respond to an identified performance gap in a Government Office, Ministry or Agency, using organisational development and action research approaches. The third entry point is via the Think Tank platform, which will include policy dialogue and research.

The year under review saw the continued implementation of the NIPAM Strategic Plan and its related three-year Implementation Plan, the latter having been compiled during the 2011–2012 financial year. The Implementation Plan links the NIPAM Policy Framework, the Strategic Plan, and NIPAM's Mission, Vision and Core Values to key strategic objectives. Progress is constantly measured and monitored by way of the Performance Management System.

Our Capacity-building Framework is another crucial element in aligning stakeholder expectations with NIPAM throughputs and outputs. Thus, appropriate norms and standards have been set to help translate the Capacity-building Framework into relevant curricula and other interesting materials, while a comprehensive monitoring and evaluation system ensures quality of delivery.

Moreover, the strategy of taking to scale the NIPAM offerings entails a different organisational structure and different modes of organisational functioning, targeting NIPAM's three key clientele groups in the public sector, namely central government, regional and local government, and SOEs. NIPAM requires different sets of knowledge, skills and competencies to serve each type of institution in the various sectors efficiently and effectively. To this end, NIPAM's supporting organisational structure consists of three main Business Centres that cater for the corresponding clientele groups. These Business Centres are managed horizontally and are, in turn, supported by various technical and administrative Business Centres. By networking and interacting with our stakeholders, we constantly communicate our objectives and create the required buy-in from our clientele.

Our underlying goal is to deliver our services in ways that make an observable impact on competency levels in Namibia's public sector. It is anticipated that our management and staff will continue to implement the Strategic Plan as well as our specific Annual Plan with vigour in order to achieve our mission of facilitating growth and developing expertise. Thus, after our initial two years, we can safely state that the scene has now been set with the necessary methods and tools to facilitate not only lifelong learning, but also a performance culture in the public sector. The reporting year has demonstrated that our comprehensive planning has borne fruit in that a number of projects have been completed successfully. I am, therefore, happy to announce that we can again look back on a year of positive accomplishments.

I wish, on behalf of all the staff in NIPAM, to thank the Members of the Governing Council for their wise counsel and guidance. My gratitude also goes to the Members of the Training and Development Board for their contribution towards making our programmes meaningful and relevant. In addition, we are grateful to our growing client base for their steady support and constructive feedback. We at NIPAM will in turn endeavour to ensure we continue to deliver and improve on the service they expect.

Most of all, these results are only due to the dedication, enthusiasm and teamwork displayed by all our NIPAM staff and our clientele. My thanks go to each one of you for your effort. I firmly believe that, by working together in this way, NIPAM can only grow from strength to strength.



Prof. Joseph B. Diescho

Executive Director

29 October 2014

OPERATIONAL HIGHLIGHTS

A five-year Strategic Plan spanning the period 2012–2017 has been developed to describe how NIPAM will achieve certain set objectives in its ultimate aim of fulfilling its mandate. The Strategic Plan draws from an intensive and broad-based consultative process with key stakeholders, and forms the critical link between Namibia's long-term development plan known as Vision 2030, the relevant five-year National Development Plan (NDP), the NIPAM Act, 2010 (No. 10 of 2010), and other instruments. The Strategic Plan is the roadmap to success in achieving the objectives of these instruments.

The following operational highlights report on our main achievements with regard to NIPAM's strategic objectives for the year under review:

- NIPAM's second Annual Report, covering the period 1 April 2012 to 31 March 2013, was published. Independent auditors confirmed that the Annual Financial Statements were prepared in accordance with International Financial Reporting Standards, and were based on appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates. NIPAM had a healthy and strong balance sheet, its finances were managed prudently, and expenses were kept well under control.
- The curricula for the internal auditors' training programme, the Internet and Core Computing Certification (IC3) and a tailor-made Namibian Corporate Governance programme were approved, and plans for rolling them out in the next financial year have commenced.
- NIPAM, in collaboration with the State-owned Enterprise Governance Council Secretariat, played a key role in establishing the Forum for State-owned Enterprise (SOE) Chief Executive Officers.
- The Consultancy and Research Business Centre undertook several team-building and leadership development consultancies, coordinated an in-depth study on human trafficking in Namibia, and were commissioned to develop administrative and technical guidelines under the Biosafety Act, 2006 (No. 7 of 2006).
- NIPAM hosted a series of public policy dialogue events.
- During Africa Public Service Day held in Ghana during May 2013, NIPAM was awarded a special recognition trophy in the category "Best Innovation in Service Delivery", and was runner-up to the winner in the category "Accountability and Transparency".
- A Memorandum of Understanding (MoU) was signed with the local representatives of the International University of Management. The Lal Bahadur Shastri National Academy of Administration in Mussoorie was visited on a benchmarking assignment, while a host of institutional networking and professional exchange activities were undertaken with various institutions from the African continent.
- The NIPAM Customer Service Charter was published.
- Further progress was made in developing and introducing suitable human resource policies.

TRAINING PHILOSOPHY

Experiential, participatory, life-long learning and transformation: these concepts underlie NIPAM's ethos to develop management potential in all public servants who show promise as leaders. The trickle-down effect of training for excellence at the top echelons of the Public Service of Namibia will ensure that the pursuit of high standards is the norm for each and every public servant in the country.

Our efforts aim to flesh out the ideals of development espoused in Namibia's long-term goals for advancement as set out in Vision 2030 as well as in the five-year NDPs.

The success of NIPAM's training philosophy in practice hinges on the following critical elements:

- Practical orientation programmes that are academically sound, with an emphasis on building and enhancing job competencies (knowledge, skills and a 'can do' 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, and
- A credit system leading to certification.



Participants of the course "Communicating with Emotional intelligence"



Project management training



A general training session



Colloquium event, a Think Tank activity

THE NIPAM CURRICULUM

For any new appointee, getting to know the principles of operation and reach of the Public Service of Namibia can be daunting. NIPAM eases this transitional phase by offering orientation courses that are followed by a Foundation Programme to build basic competencies.

On the assumption that every participant is equipped with skills, it is NIPAM's task to build on these and offer each public servant the chance to develop to his or her full capacity in a supportive environment that strives for excellence in service delivery to the nation. To this end, participants will receive in-service training to equip them to deal with a range of practical situations, while specific and generic management and leadership competence are inculcated in those who assume positions where others look to them for guidance.

The NIPAM curriculum also ensures it covers the broad canvas of service delivery across central government, regional and local government, and SOE structures. Furthermore, training programmes are constantly benchmarked against global standards, and address cognitive and behavioural skills development. While cognitive skills include capabilities such as critical analysis, idea generation and decision-making, behavioural skills relate to attitudes and values, and an appropriate management style.

To ensure that all of the programmes it offers are benchmarked against best practices, NIPAM collaborates with other training institutions, including:

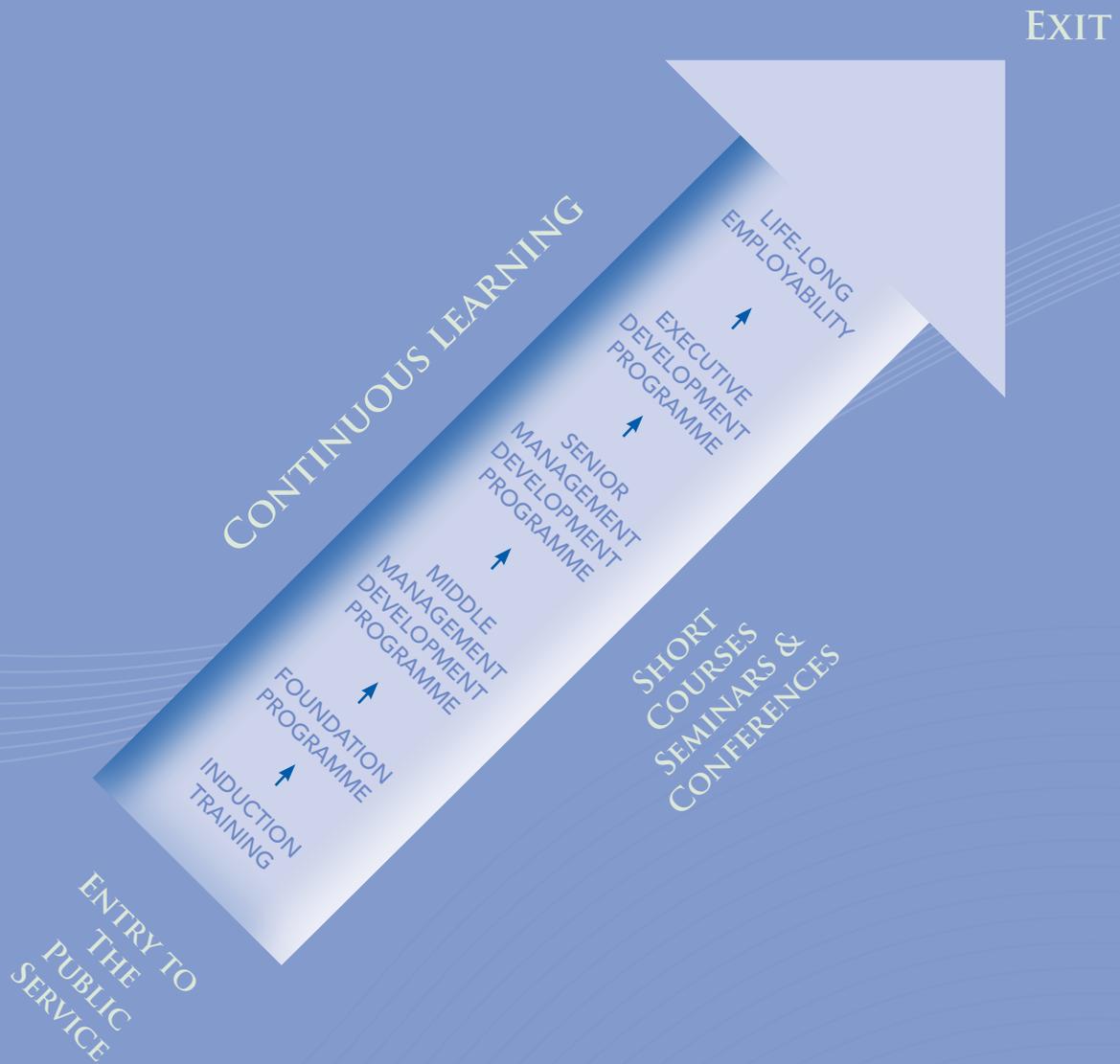
- the Local Economic Development Agency in Namibia
- the University of Namibia, the Polytechnic of Namibia, and the International University of Management in Namibia
- PriceWaterhouseCoopers in Namibia
- The Institute of Internal Auditors (South Africa) and its local Namibian Chapter
- the Southern Business School, the University of Stellenbosch's School of Public Leadership, and the Management Sciences for Health in South Africa, and
- the Harvard Kennedy School of Government in the United States of America.

NIPAM's comprehensive prospectus and detailed training calendar are made available to as many potential users as possible to ensure full advantage is taken of the services it offers.



Group work forms an integral part of the adult-centred training methodology

CAPACITY-BUILDING FRAMEWORK



Once a candidate joins the Public Service of Namibia, s/he is guided along a path of continuous learning delivered by various NIPAM programmes, and leading to his/her greater competence and ensured advancement through the ranks.

As articulated in the NIPAM Policy and in the NIPAM Act, NIPAM's training philosophy gives shape to a Capacity-building Framework constructed to fulfil the goal of continuous and life-long learning. The Framework links all NIPAM programmes and courses to the Public Service Performance Management System. In this way, NIPAM keeps abreast of the challenges faced by public servants in their everyday jobs, tailors training to deal with such challenges effectively, and creates an increasingly enduring environment of competence that delivers quality services to the end-user.

ACADEMIC BUSINESS CENTRES

Central Government Business Centre (CGBC)

As stated elsewhere herein, NIPAM's mission is to transform the Public Service of Namibia by developing management and staff competencies and providing organisational development support and consulting services. This transformation should engender an adaptable, flexible public service that is:

- technologically driven and citizen-centred
- able to create and sustain a balance between market-directed and state-directed economic growth, and
- able to create and sustain institutions that will facilitate and maintain a developmental state with a wide culture of learning.

In respect of operations at the Central Government Business Centre, in line with the agreements entered into with international partner organisations, NIPAM again successfully presented the Middle Management Development Programme (MMDP) in conjunction with the Southern Business School. In addition, NIPAM presented the Senior Management Development Programme (SMDP) in collaboration with the University of Stellenbosch's School of Public Leadership.

In terms of providing appropriate capacity development, all three flagship programmes (Foundation, MMDP and the SMDP) were implemented and delivered during the period under review.

Scheduled short courses were delivered as planned; however, more revenue was generated with on-demand/request courses and consultancies tailor-made for specific clientele groups.

Module 3 of the Performance Management System was successfully piloted and implemented, while Modules 1, 2 and 4 are envisaged to be rolled out in 2014.

In terms of acquiring needs-based training, the curriculum for training Internal Auditors was approved by the NIPAM Training and Development Board and plans to roll out the programme for the Internal Audit Technicians will be publicised in the next financial year.



Participants of the NIPAM Foundation Course

The following courses and programmes were conducted during the period under review:

Programme/Course	Number trained
Foundation Programme	192
MMDP	346
SMDP	143
Communication Skills	46
Leadership	37
Minute Taking	7
Secretarial skills	33
Business Process Re-engineering	36
Mentoring and Coaching	6
Procurement and Tendering	21
Report-writing	18
Monitoring and Evaluation	10
Discipline and Misconduct (Industrial Relations)	34
Performance Management (Module 3)	237
Total trained	1166



Middle Management Development Programme



Senior Management Development Programme

In addition, the following training consultancies were delivered by the Central Government Business Centre.

Programme/Course	Number trained
Leadership for School Principals*	35
Productivity	23
Public Finance for Good Governance	35
Communicating with Emotional Intelligence	10

**this course was delivered in collaboration with the Regional Local Government Business Centre*

Regional and Local Government Business Centre (RLGBC)

Elected Councillors at the regional and local level play a very important role in providing the link between their respective Councils and the citizens they serve. Their leadership is critical in the process of local democratisation, local economic development, and the empowerment of local actors. NIPAM offers a range of highly specialised courses and programmes that equip such office-bearers with new knowledge and skills.

In line with the Regional Local Government Business Centre's annual plan, the following courses were delivered to elected representatives and staff of regional councils and local authorities: Decentralisation for Effective Service Delivery, Project Management for Effective Service Delivery, Local Economic Development for Effective Service Delivery, Finance Management for Effective Service Delivery, Finance for Elected Councillors, and Training of Trainers Module 1.



Finance for Elected Councillors



Members of Regional and Local Government attending a Finance course



Training at NIPAM



Training of Trainers

Participants were assisted in understanding the importance of budgeting, and were introduced to tools for strengthening financial control. They were also shown project management tools within the context of implementing strategic plans.

In addition, participants were taken through the best practices in democratic decentralisation, good governance, and appreciation of the roles and responsibilities of regional and local authorities in the context of decentralisation. Furthermore, they were made to understand the national Local Economic Development Policy Framework, and identify a range of tools available within localities to implement local economic development.

The following courses were conducted during the period under review:

Course	Number of participants
MMDP – RLG Module 1	23
MMDP – RLG Module 2	60
MMDP – RLG Module 3	55
MMDP – RLG Module 4	13
Local Economic Development	68
Training of Trainers Module	109
Finance for Elected Councillors	26
Total trained	354

State-Owned Enterprise Business Centre (SoEBC)

NIPAM developed the curriculum for a comprehensive Corporate Governance Programme. The curriculum was approved by the Training and Development Board. NIPAM is currently developing the training materials for the programme. The Corporate Governance Programme, which will be ready for delivery during the coming financial year, consists of various modules aimed at building capacity among Board Members and SOEs. Part of the programme design process entailed the draft curriculum being subjected to comment and inputs from key stakeholders.

In partnership with PriceWaterhouseCoopers, NIPAM in the meantime presented various one-day workshops on Good Corporate Governance, and another on Fraud Prevention and Ethics. The material for the two-workshop series was approved by the Training and Development Board. The training aimed at helping the SOE leadership be more effective in managing their responsibilities, thus making SOEs more competitive, efficient and transparent.



A successful breakfast workshop was hosted at NIPAM with CEO's of SOE's



A workshop to discuss and confirm the Corporate Governance Programme curricula



Prof Joseph Diescho with Mr Mumba Kapumpa who assisted NIPAM with the development of the corporate governance training materials.

The following courses were conducted during the period under review:

Course	Number of participants
Good Corporate Governance	40
Fraud Prevention and Ethics	33
Total participants	73

In collaboration with the State-owned Enterprise Governance Council Secretariat, NIPAM played a key role in the establishment of the Forum for State-owned Enterprise (SOE) Chief Executive Officers. The Forum will be launched in the next financial year. The aim of the Forum is to discuss strategic issues facing SOEs.



Business meeting at NIPAM



Project management training



Ministry of Education training workshop



An official delegation from Malawi on an educational visit to NIPAM

Resource Pool

In order to keep staff numbers and associated costs at a minimum while nonetheless ensuring scholarly excellence, NIPAM's three Academic Business Centres make use of approved experts in various fields to present specific study units. These experts form part of the NIPAM Resource Pool. Members of the Resource Pool have been used in developing and facilitating training and in consultancies. The Resource Pool is subject to ongoing quality control conducted through training evaluation at the end of each training offering.



Industrial relations training



A team building intervention

Information Technology Training

The information age requires people who are competent in navigating the digital world and making sense of the vast amount of information now available. For the Public Service, this means having officials who are able to harness the power of the digital age for the benefit of the people.

To this end, NIPAM entered into a Memorandum of Understanding (MoU) with the Polytechnic of Namibia. One of the terms of the MoU is collaboration on courses and training development. Thus, NIPAM's E-Governance and Learning Resources Business Centre has been collaborating with the Polytechnic of Namibia in the area of information technology (IT) and in order to identify courses or course designs and philosophies that will best address the IT needs of the Public Service.

One such course is Internet and Computing Core Certification (IC3). This course caters for diverse needs, i.e. from those of computer novices, to IT professionals in the Public Service. The course serves as an international qualification based on global standards, and is certified by Certiport Incorporated, a leading institution in performance-based certification exams and practice test solutions.

Objectives of the IC3

The objective of the IC3 is to equip public servants with digital skills that will enable them to develop Namibia into an industrialised nation. A further objective is to create uniformity of approach and thought toward the use of computers and the Internet in service delivery to advance the principles and philosophy of a knowledge-based industrialised nation. The ultimate outcome is to provide officials with practical and common digital skills and competencies to function in a digital environment.

Structure and content of the IC3

The course consists of three modules:

- **Module 1 – Computing Fundamentals**
Demonstrate a foundational understanding of computer hardware, software, operating systems, peripherals, and troubleshooting to get the most value and impact from computer technology.
- **Module 2 – Key Applications**
Demonstrate ability to work with word processing, spreadsheet and presentation applications and identify the common features of all applications to learn faster, work smarter, and present better.
- **Module 3 – Living Online**
Demonstrate skills for working in an Internet or networked environment and maximising communication, education, collaboration and social interaction in a safe and ethical way.

Delivery of the IC3

The IC3 course is targeted at public servants on operational as well as supervisory level. IT staff within the Public Service are also presented with an opportunity to progress beyond IC3 and attain Microsoft Office Specialist, Expert or Master Associate Certification.

Consultancy and Research Business Centre (CRBC)

During the period under review, NIPAM also undertook research and consultancy activities, as elaborated below.

Team-building and Leadership Development interventions were presented to the following clients: the Tender Board Secretariat, the Ministry of Trade and Industry, the Ohangwena Regional Council and the Office of the Prime Minister. The custom-made programmes were designed to cover the following main areas: Managing Teams for High Performance, Leadership and Management, Appreciating the 'Big Picture', Managing Diversity as well as Incorporating Lessons into the System. Participants expressed their deep appreciation of the organisation and content of the interventions and developed action plans to implement lessons learnt.

National Study on Human Trafficking In Namibia

On behalf of the Ministry of Gender Equality and Child Welfare, NIPAM conducted an in-depth National Study on Human Trafficking in Namibia. The study, undertaken from August to November 2013, aimed to:

- build and develop capacity for research methods for the Inter-ministerial Committee on Human Trafficking and its staff
- generate a deep understanding of trafficking patterns as well as the risk factors and gaps in countering trafficking efforts in Namibia
- focus on particular needs, problem areas and target groups where additional information was needed, and
- develop new initiatives and programmes to meet the identified challenges.

Contrary to the 2009 Baseline Assessment of Human Trafficking, which found that most people in the country had no idea about the issue, the in-depth study recorded more than half of the respondents with full understanding of human trafficking. However, the distinction between human trafficking and other human-movement-related criminal activities such as kidnapping and smuggling were still very obscure.

Women, girls, poor people and boys are believed to be the most likely victims of human trafficking. Poor border infrastructure, the absence of comprehensive law on human trafficking, poor coordination among law enforcement institutions, unemployment, poverty, vulnerability and drug abuse were cited as factors contributing to human trafficking in Namibia.

Based on its findings, the study made recommendations for further implementation.

Development of administrative and technical guidelines under the Biosafety Act, 2006 (No. 7 of 2006)

NIPAM has been commissioned to coordinate the preparation of the development of administrative and technical guidelines under the Biosafety Act for the Namibian Biotechnology Alliance Trust. The following documents are to be developed under the project:

- Development of standard procedures for handling applications and administrative filing procedures
- Establishment of procedures for the handling of confidential business information
- Development of guidelines for conducting socio-economic assessments
- Development of standard procedures for all applications under the Act and procedures relating thereto, and
- Development of administrative and funding procedures for biotechnology, biosafety and other research anticipated under the auspices of the Act.

Project implementation commenced in the last quarter of 2013/1014 and will continue in the coming financial year. Once completed, these guidelines will be utilised by the Biosafety Secretariat in the National Commission on Research Science and Technology.

Public policy dialogue

Under the responsibility of being a Think Tank for the Public Service of Namibia, NIPAM organised two public policy dialogues. The first constituted a colloquium on the 50/50 balance in leadership and decision-making representation in Namibia from 2014 onwards. The purpose of the colloquium was to provide a platform for political parties represented in the National Assembly to share with the nation their strategies for actualising the 50/50 representation in the upcoming National Assembly and Presidential elections. The audience comprised representatives from civil society organisations and other opinion-makers.

The main challenge identified with regard to pursuing a 50/50 gender balance in politics was the extent to which male leaders were eager to surrender their positions and pave the way for women's assumption of such roles.

In summary, it was also commonly acknowledged that, in order for a 50/50 gender balance to become a reality,

- there had to be change in mindset, starting with a change in the educational curricula, to appreciate that both men and women should enjoy equal opportunities to participate in top leadership positions
- women had to trust one another, become more assertive, and use the power of their numbers to influence systems; however, one should caution against assuming gender equality to mean men should only vote for men and women only for women, and
- gender equality should remain one of the main criteria for participation and leadership positions, with the emphasis on according equal opportunities to men and women, but with the final decision on an election or appointment being based on merit and quality of leadership.



Active participation from a wide range of stakeholders at NIPAM's Colloquium focussing on 50/50 gender balance in politics



A Think Tank activity focussed on Gender-based violence



A team building consultancy hosted at Waterberg

The second dialogue was a symposium on the causes and possible solutions of GBV in Namibia. The purpose of this symposium was to lay bare some of the contributing factors towards GBV with an attempt to finding a durable solution to ending it. The dialogue featured remarks by Minister Richard Kamwi of Health and Social Services and Minister Rosalia Nghidinwa of Gender Equality and Child Welfare. Experts from civil society, multilateral institutions and academia made presentations on some of the causes of GBV.

Evaluation of programmes

To ensure consistent quality across its capacity development initiatives, NIPAM continuously conducts after-training response evaluations among participants. The results of such evaluations conducted and processed in 2013 reflect participant satisfaction with NIPAM training programme/course content and facilitator capacity.

On a scale of 1 to 5, where 1 denotes very poor and 5 denotes excellent, participants rated programme usefulness and relevance at 4,3 overall, whereas facilitator capacity scored an average of 4,4. This reflects a high degree of satisfaction with NIPAM programmes.

The results of individual course/module evaluation reports are shared with the programme coordinators concerned in order to study and consider participants' recommendations.

Supporting Business Centres

Technical support

E-governance and Learning Resources Business Centre (EGLRBC)

Learning Resource Centre

Building up the collection in different formats

The Learning Resource Centre (LRC) offers flexible learning opportunities and platforms by providing authentic information and documentation in support of NIPAM activities. The information collected is in various formats, including print, audio-visual and digital. The LRC collection is currently estimated to hold 4,265 units. Although growth of the collection is slow, the resources are in high demand. The LRC currently has 578 registered members.

Building up the E-Library collection

The LRC introduced digital resources for fast and easy access to all users. These resources are made available via the NIPAM website, where registered users and staff can access them at any time and from any place in the world by using a required login code. The LRC's collection of digital titles increased by 279 units during the year under review. In addition, the reporting year saw a promotional drive for the LRC, which included the publication and distribution of a comprehensive brochure on its various services.

Library Policy implemented

On 23 August 2013, the LRC Management Committee came into effect as per the approved Library Policy. The Committee offers a communication, consultation and cooperation platform to the LRC with regard to complying with policies and procedures and managing strategic issues. It consists of a mix of people with insight into users' needs and how best to meet them in respect of LRC resources.

Namibia Library Symposium

The LRC has identified various information resource organisations with which to partner, such as the University of Namibia, the Polytechnic of Namibia, the International University of Management, and the Ministry of Education's Directorate of Namibia Library and Archives Services. As part of this partnership, the LRC, together with other stakeholders, organised the first-ever Namibia Library Symposium, which took place on 7–9 October 2013. Entitled "Strong libraries, strong societies: The role of libraries in socio-economic development", the symposium brought together international, regional and local librarians.



NIPAM has a state of the art Learning and Resource Centre with a well-stocked library

Information technology

NIPAM can look forward to the implementation of an integrated information management system currently on tender. The system will allow seamless integration between NIPAM's academic, financial and administrative functions, allowing for greater efficiency and enhanced management. The bandwidth was increased to 3 Mb per second, and was commissioned together with the wireless network in September 2013. The NIPAM campus now allows wireless Internet access for NIPAM staff, programme/course participants and others who use it as a venue. The wireless network enables programme/course participants to access certain digital resources, while staff have wireless access to network printers and the like.



Business process re-engineering

Corporate communications and quality assurance

As a public institution, NIPAM has a duty to keep stakeholders informed about its activities as required in terms of good corporate governance. Our efforts in this regard have been geared to setting up an effective system of communication, and interacting with our stakeholders in a transparent and proactive manner.

Among the activities undertaken during the review period was the promotion of NIPAM at all levels of society. To this end, NIPAM once again actively participated in selected trade shows and exhibitions to heighten its visibility as well as inform and educate the public about its mandate.

Another highlight in the reporting year was the granting of an award to NIPAM during the celebrations to mark Africa Public Service Day in May 2013. At the event in Accra, Ghana, NIPAM received special recognition by way of a trophy for "Best Innovation in Service Delivery" and was acknowledged as a runner-up in the category "Accountability and Transparency".



As corporate citizen, NIPAM participates in selected trade fairs country-wide



NIPAM was awarded a trophee for "Best Innovation in Service Delivery" at the continental African Public Service Day held in Ghana.



NIPAM courses and activities were promoted in various media throughout the year



The Africa Public Service day is held at continental level with the objective of

- reflecting on the functions of the public service
- recognising and emphasising the importance of public service
- encouraging public servants to continually improve the public sector with innovations and other initiatives
- creating feedback mechanisms for citizens' scrutiny
- preparing the public service and administration for a better future by proposing positive changes that impact on the social well-being of the population.

On the institutional side, NIPAM promoted its core business by way of a host of advertising initiatives, ranging from corporate billboards, print media and digital media, including television. These initiatives supported NIPAM's drive to promote and market enrolment to its various courses and programmes. Furthermore, the NIPAM Bulletin, a stakeholder newsletter published every second month, continued to complement brochures, flyers and promotional material aimed at securing top-of-mind awareness of NIPAM amongst its key stakeholders.

NIPAM has maintained cordial relations with the media and obtained mostly positive coverage on its activities and progress. Furthermore, on a weekly basis, the Executive Director has published a series of articles focusing on a wide range of topics related to NIPAM's core business. NIPAM also participated in the Government Media Information Workshop held in Swakopmund during the reporting year.

After extensive consultations with stakeholders, NIPAM finalised and published its Customer Service Charter.

NIPAM attended the International Higher Education South Africa / South Africa – European Union (HESA/SA-EU) strategic partnership Quality Assurance Colloquium held in Stellenbosch, South Africa, during the period under review.

Further progress was also made with the accreditation of NIPAM and its programmes/courses.

Networking and partnerships

The reporting period saw NIPAM signing an MoU with the International University of Management. The agreement outlines the framework of collaboration between the two institutions in a spirit of cooperation in education, training and development in pursuit of national capacity-building. The parties also affirm their desire to strengthen the relationship between their institutions, and agree to develop joint activities in support of their organisations' objectives, where possible.



Stakeholder outreach programme: NIPAM residential neighbours during a breakfast meeting



A consultative meeting between NIPAM, USAID and MSH



SADC female Ambassadors during an introductory meeting to NIPAM



The signing of an MOU between NIPAM and IUM

The MoU was concluded in order to address the national challenge of educating and training Namibian citizens employed in the field of public administration. Working towards this desirable end result implies that all parties recognise and value the differences between them, but are nonetheless intent on pooling resources in a smart partnership where relevant.

Under NIPAM's strategic partnership with renowned management development institutes, a delegation comprising members of the NIPAM Governing Council and the NIPAM Executive visited India in order to benchmark itself against the Lal Bahadur Shastri National Academy of Administration in Mussoorie as well as other institutes such as the Harish Chandra Mathur Rajasthan State Institute of Public Administration, the Institute of Administrative and Development Research, and St John's College.

NIPAM was also visited by a number of institutions from abroad. These information and familiarisation visits brought guests from Botswana, China, the Republic of Congo, Lesotho, South Africa and Swaziland, among others. Besides a formal presentation by NIPAM and opportunities for discussion and professional exchange, visitors are given a guided tour of the premises. Guests have applauded NIPAM for its state-of-the-art facility as well as its modern and relevant approach to public sector training and development and the employment of best practices in its curricula.

Corporate citizenship

NIPAM is fully committed to operating within the realm of the laws governing it. Thus, in the process of all its developments and operations, NIPAM takes special care to apply the principles of good governance. This is accomplished in terms of the so-called triple bottom line, i.e. by giving due consideration to financial, social and environmental issues in its business operations.

Administrative support

Human resources

The Human Capital Department is a support service unit under the Finance and Human Resource Management Business Centre. This unit is entrusted with, amongst other things, recruitment and selection, staffing, compensation, benefit administration and support services, industrial relations, training and development, performance management and electronic records management.

The following policies were developed during the reporting period:

- General Conditions of Employment
- Health and Safety.

NIPAM's staff complement comprises 39 employees. The current structure comprises 67 posts, 28 of which are vacant.

NIPAM's Remuneration Policy is based on the total-cost-to-employment approach. This means that allowances are structured within the total package, depending on employee needs.

NIPAM embraces the principles and core ideals of corrective action and fundamental equity of opportunity for the common good of all. Employment equity is therefore an integral part of NIPAM's total business strategy. While we embrace the principles and ideals of the Affirmative Action (Employment) Act, 1998 (No. 29 of 1998), we acknowledge the current shortage of critical skills in certain areas as an institutional challenge.

NIPAM's first Affirmative Action Report spanning the period 1 April 2012 to 31 March 2013 was approved by the Employment Equity Commission.

Estate management

The Estate and Procurement Unit is a support service under the Finance and Human Resource Management Business Centre. The Unit attends to the overall maintenance of NIPAM property.

The construction of Phase 2 of the NIPAM building is still under way and going according to plan. The expansions include additional lecture rooms, ten additional offices, and a 300-seat conference hall. Other extensions include the construction of a canopy over the Cafeteria to allow for outside seating, and a new layout for the digital and analogue library. Technical and progress meetings are held monthly, while a dedicated quality assurance resource attends to all quality control issues during the construction phase.



A modern and inviting cafeteria on the NIPAM campus



Construction of phase 2 of the NIPAM building is underway

CORPORATE GOVERNANCE REPORT

Corporate governance

NIPAM's principles on corporate governance are founded on a rich legacy of five tenets of fairness, transparency, accountability, responsibility, integrity, efficiency and effectiveness, many of which are set by the Namibia Institute of Public Administration and Management Act, 2010 (No. 10 of 2010); the State-owned Enterprises Governance Act, 2006 (No. 2 of 2006), as amended; the King III Report on Corporate Governance; and internationally accepted best practices on principles of good governance.

Governance structure

NIPAM's governance structure includes the Prime Minister, the Governing Council, committees, and the Training and Development Board. Committees advise the Governing Council, and perform such tasks as the Council assigns to them. The Chairperson of each committee is charged with reporting on its activities to the Council.

Committees comprise at least three Non-executive Directors, with the Vice Chairperson of the Council and Executive Director as members *ex officio*. In order to streamline the activities of all committees on key focus areas, the Council approved a Charter for each committee. The committees of the Council are as follows:

- Governance and Remuneration Committee
- Audit and Risk Management Committee
- Investment Committee, and
- Council Tender Committee.

Governing Council

The Council acts as the focal point and custodian of corporate governance. The governance and general control of NIPAM and of all its affairs and functions, as well as the management of its property, are vested in the Council. The Council has a unitary structure of Non-executive Directors and one Executive Director. The Chairperson of the Council is a Non-executive Director.

The Executive Director is NIPAM's Head of Training and its Accounting Officer, and is a member of the Council *ex officio*. All other Directors are appointed by the Portfolio Minister for a term of three years. All Directors are eligible for reappointment after expiry of their term. All members of the Council were re-appointed for another three year term.

In line with King III recommendations, the Council operates under a Charter. The Charter sets out the Council's roles and responsibilities as well as the requirements relating to its composition and meeting procedures, as set out in the NIPAM Act.

The Council's key roles and responsibilities are to:

- approve the strategic plan and annual business plan
- approve the annual budget
- give strategic direction
- act as the focal point for, and custodian of, corporate governance
- provide effective leadership on an ethical foundation
- approve the development and expansion plans
- be responsible for the governance of risk
- be responsible for the governance of information and technology
- monitor executive performance, and
- ensure that NIPAM discharges its responsibilities to the Portfolio Minister.

Key results areas for Directors

The Chairperson

The *ex officio* Chairperson of the Council is the Secretary to Cabinet. The Chairperson –

- ensures that the Council provides leadership and vision to the Institute
- establishes the Council agenda
- presides over Council meetings and directs discussions to effectively use the time available to address the critical issues facing the Institute
- ensures that minutes properly reflect Council decisions
- ensures that the Council has the necessary information to undertake effective decision-making
- is the point of contact between the Executive Director and the Council
- guides the ongoing effectiveness of the Council and its individual members, and
- is the point of contact between the Council and the Prime Minister.

Individual Directors

Directors:

- discharge their duties in good faith and honesty in the best interest of the Institute with the expected level of skill and care
- use their powers of office for proper purpose
- act with required care and diligence
- demonstrate commercial reasonableness in their decisions
- avoid any conflict of interest, including the interests of any associated person in conflict with the interests of the Institute
- do not make improper use of information gained through their positions as Directors
- make reasonable enquiries to ensure that the Institute is operating efficiently, effectively and legally while achieving its goals, and
- undertake due diligence analyses of all proposals placed before the Council.

Training and Development Board

The Training and Development Board is a governance arm of NIPAM vested with the organisation and superintendence of:

- capacity-building interventions
- training programmes
- courses
- training sessions
- instructions
- curricula
- assessment
- award of qualifications
- accreditation
- research, and
- consultancy activities.

The Board also exercises quality control on the capacity-building interventions to ensure value for money.

Other Board functions include making recommendations to the Council in connection with the strategic plan, the annual business plan, the annual budget, and other matters that are referred to it by the Council.

Summary of key matters approved by the Governing Council

The Governing Council approved the following key matters during the year under review:

- Amendments to the LRC Policy
- Customer Service Charter
- Award of the tender for the construction of Phase II of the NIPAM building
- Code of Conduct for Directors and Members of the Training and Development Board
- Appointment of Prof. Joseph Brian Diescho as Executive Director
- E-governance Policy
- 2013/14 Business and Financial Plan
- Induction Manual for Directors and Members of the Training and Development Board
- General Conditions of Service Policy
- Health and Safety Policy
- Information and Technology Use Policy
- 100-days Report by the Executive Director on the state of NIPAM
- Communications, Marketing and Social Media Policy
- Design of NIPAM Certificates
- Executive Management Charter

Meetings

In terms of the NIPAM Act, the Council, the Training and Development Board and each committee is required to hold at least three meetings during a financial year. NIPAM's financial year begins on 1 April and ends on 31 March.

Schedules and attendance of meetings – 1 April 2013 to 31 March 2014

Directors	Governing Council	Governance and Remuneration Committee	Audit and Risk Management Committee	Combined Audit and Risk Management and Remuneration Committee	Investment Committee	Council Tender Committee
Meetings held	4	4	4	1	1	2
Attendance						
F Kapofi	3	–	–	–	–	–
M Cupido	4	3	4	1	1	2
S Nuuyoma	4	4	4	1	–	1
J Muadinohamba	4	3	3	1	–	–
B Haingura	1	3	–	–	1	1
B Ndjoze-Ojo	1	–	1	1	–	–
J Kauapirura	1	–	–	–	1	–
B van der Westhuizen	2	–	2	–	–	1
M Kambala	2	–	1	–	–	–
D Muruko	1	–	–	–	–	–
S Amadhila	2	–	–	–	–	–
J Diescho	4	3	2	–	–	2

Assessment of the Council

The Council Charter requires that the Council 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 assessed by KMPG Advisory Services Namibia (Pty) Ltd. The governance of NIPAM was found to be healthy.

Secretary to the Council

All Directors have access to the advice and services of the Council Secretary, 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 NIPAM's affairs at NIPAM's expense.

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 NIPAM Act to committees of the Council and the Executive Director, except the power to make rules, appoint management staff, or discharge any staff member.

The Council is not divested or relieved of the power or function so 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 Team

The Executive Director is appointed by the Council in concurrence with the Prime Minister for a period of five years. The Executive Director is NIPAM's Head of Training and its Accounting Officer. The Executive Director manages NIPAM's day-to-day activities subject to the direction, control and guidance of the Council. The Executive Director is assisted by members of the executive management team in effecting executive management responsibilities.

In order to streamline its activities, the executive management team operates under an Executive Management Team Charter.

Key roles and responsibilities of the Executive Director

The key roles and responsibilities of the Executive Director are:

- business planning, setting targets and goals
- presenting proposals to the Council for final decision
- implementation of approved proposals
- management of resources and people
- running the business
- measuring business performance and results
- developing stakeholder relations, and
- leading the Institute in the best interest of its stakeholders.

Internal control systems

NIPAM maintains a system of internal control over financial reporting and 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 organisational structure and division of responsibility, as well as established policies and procedures.

Corrective actions are taken to address control deficiencies and other opportunities for improving the system as and when they are identified. The Council, through the Audit and Risk Management Committee, provides oversight of the financial reporting process. In the period under review, the Council appointed Ernst & Young to provide an internal audit service for three years.

ANNUAL FINANCIAL STATEMENTS

Namibia Institute of Public Administration and Management
Annual Financial Statements
for the year ended 31 March 2014

Namibia Institute of Public Administration and Management

Annual Financial Statements for the year ended 31 March, 2014

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) J. Muadinohamba (GC Member) B. Haingura (GC member) S. Nuuyoma (GC Member) J. Kauapirura (Resigned) Dr S N. Amadhila D. Muruko M. Kambala M. Cupido (Vice-Chairperson) Anne Saloranta (Co opted GC Member)
Registered office	14-30 Paul Nash Street Olympia Windhoek Namibia
Postal address	Private Bag 13218 Windhoek Namibia
Bankers	First National Bank of Namibia Limited
Auditors	Grand Namibia Chartered Accountants (Namibia)
Secretary Index	B. Chaka

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

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Governing Council's Responsibilities and Approval	38
Independent Auditors' Report	39
Governing Council's Report	40
Statement of Financial Position	41
Statement of Comprehensive Income	42
Statement of Changes in Equity	43
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Namibia Institute of Public Administration and Management

Annual Financial Statements for the year ended 31 March, 2014

Governing Council's Responsibilities and Approval

The Council members are required in terms of the Namibia Institute of Public Administration and Management Act (Act no.10 of 2010) 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 judgements and estimates.

The Council members 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 Council to meet these responsibilities, it 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 Council members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Council members have reviewed the Institute's cash flow forecast for the year to 31 March, 2015 and, in the light of this review and the current financial position, they are satisfied that the Institution has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the 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 to 63, which have been prepared on the going concern basis, were approved by the Council on 29 October 2014 and were signed on its behalf by:



F. Kapofi (Chairperson)



J. Muadinohamba (GC Member)

Independent Auditors' Report

To the Members of Namibia Institute of Public Administration and Management

We have audited the annual financial statements of Namibia Institute of Public Administration and Management, as set out on pages 41 to 63, which comprise the statement of financial position as at 31 March, 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Council's 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 (Act no.10 of 2010), 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, 2014, 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 (Act no.10 of 2010).



Grand Namibia
Registered Accountants and Auditors
Chartered Accountants (Namibia)

Per: R. Beukes
Windhoek

29 October, 2014

9 Axali Doeseb St
Windhoek
Namibia

Namibia Institute of Public Administration and Management

Annual Financial Statements for the year ended 31 March, 2014

Governing Council's Report

The Governing Council have pleasure in submitting their report on the annual financial statements of Namibia Institute of Public Administration and Management for the year ended 31 March, 2014.

1. Incorporation

The Institution was incorporated on 1 October, 2010.

2. 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 out in the attached annual financial statements and do not in our opinion require any further comment.

3. Directors

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

Directors

F. Kapofi (Chairperson)	01/09/2010- present
B. Ndjoze-Ojo (Resigned)	01/09/2010-31/08/2013
J. Muadinohamba (GC Member)	01/10/2010- present
B. van der Westhuizen (Resigned)	01/10/2010-30/09/2013
B. Haingura (GC member)	01/10/2010- present
S. Nuuyoma (GC Member)	01/10/2010- present
J. Kauapirura (Resigned)	08/12/2010- 31/08/2013
Dr S N. Amadhila	01/12/2013-present
D. Muruko	01/12/2013-present
M. Kambala	01/10/2013- present
M. Cupido (Vice-Chairperson)	23/11/2010- present
Anne Saloranta (Co opted GC Member)	22/03/2012- present

4. Events after the reporting period

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

5. Auditors

Grand Namibia Registered Accountants and Auditors.

6. Secretary

The company secretary is Mr B. Chaka.

Business address

14-30 Paul Nash Street
Olympia
Windhoek
Namibia

Namibia Institute of Public Administration and Management

Annual Financial Statements for the year ended 31 March, 2014

Statement of Financial Position as at 31 March, 2014

	Notes	2014 N\$	2013 N\$
Assets			
Non-Current Assets			
Property, plant and equipment	2	154,363,225	135,801,762
Intangible assets	3	174,852	157,594
		154,538,077	135,959,356
Current Assets			
Trade and other receivables	4	5,810,404	2,989,940
Cash and cash equivalents	5	59,897,169	41,702,245
		65,707,573	44,692,185
Total Assets		220,245,650	180,651,541
Equity and Liabilities			
Equity			
Retained income		44,532,488	30,152,457
Liabilities			
Non-Current Liabilities			
Deferred income	6	163,036,237	145,601,122
Current Liabilities			
Trade and other payables	7	12,676,925	4,897,962
Total Liabilities		175,713,162	150,499,084
Total Equity and Liabilities		220,245,650	180,651,541

Namibia Institute of Public Administration and Management

Annual Financial Statements for the year ended 31 March, 2014

Statement of Comprehensive Income

	Notes	2014 N\$	2013 N\$
Cafeteria		1,208,202	2,054,337
Hire of facilities		284,038	613,232
Consulting		1,741,004	381,782
Interest received		1,506,588	379,199
Training fees	8	5,477,096	4,715,184
		10,216,928	8,143,734
Cost of services			
Conferencing fees	9	(1,423,679)	(3,578,286)
Depreciation, amortisation, and impairment	11	(3,799,185)	(3,537,096)
Employee costs	10	(21,375,058)	(17,895,273)
Governing Council fees	19	(874,583)	(1,089,833)
Supplies and services	14	(8,561,279)	(5,876,530)
Training costs	12	(3,886,347)	(4,164,911)
Total cost of services		(39,920,131)	(36,141,929)
Net cost of services		(29,703,203)	(27,998,195)
Income from Government			
Deferred income released		3,097,234	4,372,704
Government grants	16	40,986,000	20,897,000
Total Grant Income		44,083,234	25,269,704
Surplus/(Deficit) for the year		14,380,031	(2,728,491)

Namibia Institute of Public Administration and Management

Annual Financial Statements for the year ended 31 March, 2014

Statement of Changes in Equity

	Retained income N\$	Total equity N\$
Balance at 1 April, 2012	32,880,948	32,880,948
Total deficit for the year	(2,728,491)	(2,728,491)
Total comprehensive Loss for the year	(2,728,491)	(2,728,491)
Balance at 1 April, 2013	30,152,457	30,152,457
Total surplus for the year	14,380,031	14,380,031
Total comprehensive income for the year	14,380,031	14,380,031
Balance at 31 March, 2014	44,532,488	44,532,488

Namibia Institute of Public Administration and Management

Annual Financial Statements for the year ended 31 March, 2014

Statement of Cash Flows

	Notes	2014 N\$	2013 N\$
Cash flows from operating activities			
Office of the Prime Minister (operational subsidy)		40,986,000	20,897,000
Cash receipts from customers and banks			
Interest income		1,506,588	379,199
Cafeteria		1,208,202	2,054,337
Hire of facilities		284,038	613,232
Training fees		6,424,268	3,823,138
Consulting		1,741,004	381,782
Cash payments to suppliers and employees			
Supply and services		(4,424,402)	(12,133,558)
Employee costs		(20,033,159)	(16,568,742)
Governing Council fees		(874,583)	(1,089,833)
Training costs		(5,139,300)	(4,696,421)
Conferencing services		(1,637,230)	(3,578,286)
Net cash from operating activities	15	20,041,426	(9,918,152)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(22,307,978)	(3,353,448)
Purchase of other intangible assets	3	(71,524)	(12,086)
Net cash from investing activities		(22,379,502)	(3,365,534)
Cash flows from financing activities			
Movement in special purpose funds		-	(641,374)
Funds received from Government for Phase 2 construction		20,533,000	-
Net cash from financing activities		20,533,000	(641,374)
Total cash movement for the year		18,194,924	(13,925,060)
Cash at the beginning of the year		41,702,245	55,627,305
Total cash at end of the year	5	59,897,169	41,702,245

Namibia Institute of Public Administration and Management

Annual Financial Statements for the year ended 31 March, 2014

Accounting Policies

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 (Act no.10 of 2010). The annual financial statements have been prepared on the historical cost basis, except for certain financial instruments which are stated at fair value, and incorporate the principal accounting policies set out below. They are presented in Namibia Dollars.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade receivables, Held to maturity investments and Loans and receivables

The Institution assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Institution makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables, held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the [name a key assumption] assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The Institute reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

Provisions

Provisions were raised and management determined an estimate based on the information available.

1.2 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 Institution; 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.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

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1.2 Property, plant and equipment (continued)

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
Motor vehicles	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 profit or loss 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 profit or loss 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.

1.3 Financial instruments

Classification

The Institution 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 profit or loss, 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 profit or loss, transaction costs are included in the initial measurement of the instrument.

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Accounting Policies

1.3 Financial instruments (continued)

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 profit or loss 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 profit or loss 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 profit or loss.

Trade and other receivables are classified as loans and receivables.

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.

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Accounting Policies

1.4 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.

1.5 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 profit or loss. 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 profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.6 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.

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Accounting Policies

1.7 Provisions and contingencies

Provisions are recognised when:

- the Institution 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.

1.8 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.

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.

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

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Accounting Policies

1.8 Government grants (continued)

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.

1.9 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 profit or loss, using the effective interest rate method.

1.10 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.
- 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.

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Accounting Policies

1.10 Borrowing costs (continued)

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

1.11 Taxation

The Institution is exempt from income tax in terms of the NIPAM Act no. 10 of 2010 section 36.

Namibia Institute of Public Administration and Management

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Notes to the Annual Financial Statements

2. Property, plant and equipment

	2014			2013		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Land	12,572,000	-	12,572,000	12,572,000	-	12,572,000
Buildings	113,228,000	(6,492,765)	106,735,235	113,228,000	(4,228,205)	108,999,795
Furniture and fixtures	2,147,972	(642,859)	1,505,113	1,873,606	(441,350)	1,432,256
Motor vehicles	1,002,107	(180,834)	821,273	-	-	-
Office equipment	163,522	(80,791)	82,731	135,605	(49,735)	85,870
IT equipment	1,696,289	(920,089)	776,200	1,376,950	(616,545)	760,405
Cafeteria equipment	1,318,474	(910,577)	407,897	1,318,474	(646,882)	671,592
Audio visual equipment	2,543,652	(1,042,788)	1,500,864	2,468,508	(542,414)	1,926,094
Capital Work In Progress	29,961,912	-	29,961,912	9,353,750	-	9,353,750
Total	164,633,928	(10,270,703)	154,363,225	142,326,893	(6,525,131)	135,801,762

Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Depreciation	Total
Land	12,572,000	-	-	12,572,000
Buildings	108,999,795	943	(2,265,503)	106,735,235
Furniture and fixtures	1,432,256	274,366	(201,509)	1,505,113
Motor vehicles	-	1,002,107	(180,834)	821,273
Office equipment	85,870	27,917	(31,056)	82,731
IT equipment	760,405	319,339	(303,544)	776,200
Cafeterial equipment	671,592	-	(263,695)	407,897
Audio visual equipment	1,926,094	75,144	(500,374)	1,500,864
Capital Work In Progress	9,353,750	20,608,162	-	29,961,912
	135,801,762	22,307,978	(3,746,515)	154,363,225

Reconciliation of property, plant and equipment - 2013

	Opening balance	Additions	Revaluations	Other changes, movements	Depreciation	Total
Land	12,572,000	-	-	-	-	12,572,000
Buildings	63,442,105	-	47,824,821	-	(2,267,131)	108,999,795
Furniture and fixtures	1,534,435	81,513	-	-	(183,692)	1,432,256
Office equipment	83,212	27,476	-	-	(24,818)	85,870
IT equipment	898,018	123,382	-	-	(260,995)	760,405
Cafeteria equipment	935,286	-	-	-	(263,694)	671,592
Audio visual equipment	228,437	-	-	2,191,358	(493,701)	1,926,094
Capital Work In Progress	6,232,673	3,121,077	-	-	-	9,353,750
	85,926,166	3,353,448	47,824,821	2,191,358	(3,494,031)	135,801,762

Land and buildings comprise of ERF 14-30 Paul Nash Street Olympia. The value of land and buildings was determined by the Government of Namibia through the Ministry of Lands and Resettlement. Capital Work In Progress is comprised of costs incurred in the Phase 2 construction of NIPAM offices.

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Notes to the Annual Financial Statements

3. Intangible assets

	2014			2013		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	293,313	(118,461)	174,852	221,789	(64,195)	157,594

Reconciliation of intangible assets - 2014

	Opening balance	Additions	Amortisation	Total
Computer software	157,594	71,524	(54,266)	174,852

Reconciliation of intangible assets - 2013

	Opening balance	Additions	Amortisation	Total
Computer software	188,572	12,086	(43,064)	157,594

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	2014 N\$	2013 N\$
4. Trade and other receivables		
Trade receivables	2,487,506	2,613,114
Deposits	20,000	-
Value Added Tax	3,270,749	376,826
Staff loans	32,149	-
	5,810,404	2,989,940

The age analysis of the trade receivables carrying amount is as follows:

Trade receivables carrying amount

Current	950,324	2,422,764
30 days	420,839	26,000
60 days	-	35,000
90 days	-	6,000
90 days+	1,116,343	123,350
	2,487,506	2,613,114

5. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	59,897,169	41,702,245
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6. Deferred income

Land	12,572,000	12,572,000
Buildings	113,228,000	113,228,000
Furniture & Fittings	1,792,093	1,792,093
Computer Equipment	1,253,568	1,253,568
Cafeteria Equipment	1,318,474	1,318,474
Office Equipment	108,129	108,129
Computer and IT equipment	1,853,315	1,853,315
Total assets donated	132,125,579	132,125,579
Accumulated deferred income released to statement of comprehensive income	(10,425,342)	(7,327,457)
	121,700,237	124,798,122
Phase 2 construction	41,336,000	20,803,000
	163,036,237	145,601,122

The balance of the deferred income is comprised of the net carrying value of the items of property, plant and equipment transferred to NIAPAM upon its establishment by the Government of the Republic of Namibia. It also comprises of capital /developmental grants received from the Government.

7. Trade and other payables

Trade payables	9,171,945	2,279,914
Other payables	949,920	1,359,550
Leave pay provision	1,908,571	420,224
Other salary accruals	646,489	838,274
	12,676,925	4,897,962

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	2014 N\$	2013 N\$
8. Training fees		
Generic courses	-	248,151
Foundation courses	268,692	413,090
Middle Management Development Programme(MMDP)	2,327,174	2,082,152
Senior Management Development Programme(SMDP)	536,957	900,746
Other	2,344,273	1,071,045
	5,477,096	4,715,184
9. Conferencing fees		
Central Government Business Centre	231,027	1,301,679
Regional and Local Business Centre	221,009	605,570
Finance and Human resources	962,604	494,998
Executive Director	9,039	1,176,039
	1,423,679	3,578,286
10. Employee costs		
Remuneration Administration	4,864,662	4,362,292
Remuneration: Central Government Business Centre	1,598,730	2,445,039
Remuneration:Regional and Local Government Business Centre	1,289,722	941,844
Remuneration:E-Governance and Learning Resources Business Centre	2,479,469	2,098,269
Remuneration-Strategic Communication Business Centre	1,720,418	1,362,377
Remuneration-Executive Director	4,035,765	1,212,864
Remuneration-Consulting and Rese	1,351,265	1,605,155
Leave Expenses	1,488,351	(22,806)
Allowances	238,161	985,507
Bonus	-	980,261
Overtime	56,904	4,271
Employer Contribution:GIPF	1,479,970	1,274,242
Medical Aid	739,543	599,338
Social Security	32,098	46,620
	21,375,058	17,895,273
11. Depreciation,amortisation and impairment		
Buildings	2,265,503	2,267,131
Furniture and fittings	201,508	183,692
Office equipment	31,056	24,818
IT Equipment	303,544	260,995
Cafeteria equipment	263,695	263,695
Audio visual equipment	500,374	493,701
Computer software	52,671	43,064
Motor vehicles	180,834	-
	3,799,185	3,537,096

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	2014 N\$	2013 N\$
12. Training costs		
Books and periodicals	413,510	194,455
Generic courses	910	985,721
Middle Management Development Programme	1,091,986	486,714
Resource pool	817,284	1,512,670
Senior Management Development Programme	1,553,208	968,500
Training materials	3,259	10,569
Work visas and permits	6,190	6,282
	3,886,347	4,164,911
13. Auditors' remuneration		
Fees	86,000	110,544
14. Supplies and services		
Advertising	742,041	555,071
Cleaning materials	63,343	26,106
Computer expenses	144,078	138,987
Consulting fees	524,211	664,043
Courier and postage	9,883	3,115
Flowers and gifts	16,276	11,102
Library tools and others	-	68,385
Membership and subscription fees	48,456	24,781
Printing and stationery	467,185	245,383
Rental expenses	591,185	553,430
Repairs and maintainance	180,692	165,433
Audit fees	86,000	110,544
Security costs	7,237	4,712
Staff training	672,369	566,279
Staff welfare	118,726	47,773
Telecommunication costs	227,079	171,183
Transport costs	267,950	238,869
Travel and accommodation	1,537,593	375,299
Utilities	523,630	503,525
Subsistence and travelling allowances	973,376	615,428
Motor vehicle expenses	327,618	283,332
Bank charges	34,322	57,715
Bad debts	603,424	-
Insurance	87,580	-
Corporate image	307,025	446,035
	8,561,279	5,876,530

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	2014 N\$	2013 N\$
15. Cash generated from (utilised by) operating activities		
(Deficit)/Surplus for the year	14,380,031	(2,728,491)
Adjustments for:		
Depreciation and amortisation	3,799,185	3,257,889
Deferred income released to income statement	(3,097,234)	(4,093,497)
Movement in leave pay provision	1,488,347	(31,349)
Trade and other receivables	(2,820,463)	(1,268,870)
Trade and other payables	6,291,560	(5,053,834)
	20,041,426	(9,918,152)
16. Government grants		
Government subsidy (operational)	40,986,000	20,897,000
	40,986,000	20,897,000
17. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Phase 2 Construction	61,128,457	81,736,619
This committed expenditure relates to property and will be financed by the Government through capital grants.		
18. Related parties		
Relationships		
Governing Council Members		Refer to Governing Council Report
Shareholder		Government of the Republic of Namibia
Related party balances		
Deferred Income	163,111,398	145,601,122
Related party transactions		
Government grants received	61,519,000	20,897,000

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Notes to the Annual Financial Statements

	2014 N\$	2013 N\$
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19. Governing Council's Fees

Non-executive

2014

	Governing Council's fees	Other Committees fees	Incidental costs	Total
Training and other board expenses	-	-	402,033	402,033
B. Ndjoze-Ojo (Resigned)	15,179	11,557	-	26,736
J. Muadinohamba (GC Member)	45,536	49,841	-	95,377
B. van der Westhuizen (Resigned)	45,536	30,297	-	75,833
B. Haingura (GC member)	40,934	28,020	-	68,954
J.Kauapirura	15,179	11,885	-	27,064
M.F.Cupido(Vice Chairperson)	45,536	65,329	-	110,865
M. Kambala	30,358	7,005	-	37,363
S N.Amadhila	15,179	-	-	15,179
D. Muruko	15,179	-	-	15,179
	268,616	203,934	402,033	874,583

2013

	Governing Council fees	Other Committees fees	Training and Development Board fees	Incidental costs	Total
Training and other board expenses	-	-	-	652,241	652,241
B. Ndjoze-Ojo (Resigned)	38,250	16,108	16,218	-	70,576
J. Muadinohamba (GC Member)	35,351	40,115	-	-	75,466
B. van der Westhuizen (Resigned)	38,250	19,087	-	-	57,337
B. Haingura (GC member)	35,351	17,653	-	-	53,004
J.Kauapirura	35,351	9,964	-	-	45,315
M.F.Cupido(Vice Chairperson)	38,250	61,661	-	-	99,911
J Ncube	15,447	14,136	6,400	-	35,983
	236,250	178,724	22,618	652,241	1,089,833

20. 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 returns for shareholder and 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 currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

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Notes to the Annual Financial Statements

	2014 N\$	2013 N\$
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20. Risk management (continued)

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, 2014	Less than 1 year
Trade and other payables	10,768,354
At 31 March, 2013	Less than 1 year
Trade and other payables	4,477,738
Other 1	-

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.

Credit risk

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

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	2014 N\$	2013 N\$
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21. Financial assets by category

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

2014

	Loans and receivables	Total
Trade and other receivables	2,539,655	2,539,655
Cash and cash equivalents	59,897,169	59,897,169
	62,436,824	62,436,824

2013

	Loans and receivables	Total
Trade and other receivables	2,613,114	2,613,114
Cash and cash equivalents	41,702,245	41,702,245
	44,315,359	44,315,359

22. Financial liabilities by category

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

2014

	Financial liabilities at amortised cost	Total
Trade and other payables	10,768,354	10,768,354

2013

	Financial liabilities at amortised cost	Total
Trade and other payables	4,477,738	4,477,738

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Notes to the Annual Financial Statements

23. New and Revised Standards

23.1 Amendments in International Accounting Standards (IAS) and IFRS

The following summary contains effective dates of IFRS's amendments and recently revised IAS's, which have not been early adopted by the Institute and that might affect future financial periods:

IAS 16 Property, Plant and Equipment

Amendments to the revaluation method-proportionate restatement or accumulated depreciation.

The effective date of the standard is for years beginning on or after 1 July 2014.

The Institute has not early adopted the amendment in the current financial year.

IAS 19 Employee Benefits

Amendments to Defined Benefit Plans: Employee Contributions whereby the requirements in IAS 19 for contributions from employees or third parties that are linked to service have been amended.

The effective date of the amendment is for years beginning on or after 1 July 2014 .

The Institute has not early adopted the amendment in the current financial year.

IAS 24 Related Party Disclosures

Amendments to the definitions and disclosure requirements for key management personnel.

The effective date of the amendment is for years beginning on or after 1 July 2014.

The Institute has not early adopted the amendment in the current financial year.

IAS 40 Investment Property

Amendments to clarify the interrelationship between IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property.

The effective date of the amendment is for years beginning on or after 1 July 2014.

The Institute has not early adopted the amendment in the current financial year.

IFRS 1 First-time Adoption of International Financial Reporting Standards

Amendments to the Basis of Conclusion clarifying the meaning of "effective IFRSs".

The effective date of the amendment is for years beginning on or after 1 July 2014.

The Institute has not early adopted the amendment in the current financial year.

IFRS 2-Share-based Payment

Amendments added the definitions of performance conditions and service conditions and amended the definitions of vesting conditions and market conditions

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Annual Financial Statements for the year ended 31 March, 2014

Notes to the Annual Financial Statements

23. New and Revised Standards (continued)

The effective date of the amendment is for years beginning on or after 1 July 2014.

The Institute has not early adopted the amendment in the current financial year.

IFRS 13 Fair Value Measurements

Amendments to clarify the measurement requirements for those short-term receivables and payables. Amendments to clarify that the portfolio exception applies to all contracts within the scope of, and accounted for in accordance with IAS 39 or IFRS 9.

The effective date of the amendment is for years beginning on or after 1 July 2014.

The Institute has not early adopted the amendment in the current financial year.

IFRIC 21 Levies

The Interpretation provides guidance on when to recognise a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and those where the timing and amount of the levy is certain.

The effective date of the amendment is for years beginning on or after 1 January 2014.

23.2 Standards and interpretations not yet effective

The Institute has chosen not to early adopt the following standards and interpretations, which have been published and whose effective dates are yet to be announced:

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.

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Notes to the Annual Financial Statements

23. New and Revised Standards (continued)

- 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 will be announced when IASB completes all outstanding parts of IFRS 9. Entities may still choose to apply IFRS 9 immediately. The Institute has not yet decided to adopt IFRS 9.

Council members anticipate that the adoption of the recent standards, amendments and interpretations will have no material impact on the financial statements in future periods.

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