



REPUBLIC OF NAMIBIA



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
NAMIBIAN COMPETITION COMMISSION
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

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REPUBLIC OF NAMIBIA



TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY

I have the honour to submit herewith my report on the accounts of the Namibian Competition Commission for the financial year ended 31 March 2018 in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honourable Minister of Ministry of Industrialisation, Trade & SME Development in terms of Section 21(2) of the Competition Act, 2003 (Act 2 of 2003).

A handwritten signature in black ink, appearing to read 'Junias Etuna Kandjeke'.

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

WINDHOEK, February 2019

**REPORT OF THE AUDITOR - GENERAL
ON THE ACCOUNTS OF THE NAMIBIAN COMPETITION COMMISSION
FOR THE FINANCIAL YEAR ENDED
31 MARCH 2018**

1. UNQUALIFIED OPINION

I certify that I have audited the financial statements of the Namibian Competition Commission for the financial year ended 31 March 2018. These financial statements comprise the Statement of Financial Position, Statement of Financial Performance, Statement of Changes in Equity, the Cash Flow Statement and the Notes to the Financial Statements for the year then ended, and a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Namibian Competition Commission as at 31 March 2018 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

2. BASIS FOR AUDIT OPINION

I conducted my audit in accordance with International Standards for Supreme Audit Institutions. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to my audit of the financial statements in Namibia, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

3. KEY AUDIT MATTERS

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. We have determined that there are no such matters to report.

4. OTHER INFORMATION

Management is responsible for the other information. The auditor's opinion on the financial statements does not cover the other information and, accordingly, the auditor does not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS and the Competition Act, 2003 (Act No. 2 of 2003) and for such internal controls as management determines it necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible of overseeing the entity's financial reporting process.

6. AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs), will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards for Supreme Audit Institutions, I exercise professional scepticism throughout the audit, I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence, obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit

evidence obtained up to the date of my report. However, future events or conditions may cause the Entity to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit;
- Provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards;
- From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

WINDHOEK, February 2019



**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

NAMIBIAN COMPETITION COMMISSION
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018
GENERAL INFORMATION

Country of Incorporation and domicile	Namibia
Nature of business and principal activities	The Commission is tasked with promoting competitive market conditions through investigations and prosecutions of anti-competitive activities, reviewing and approving mergers and exemption applications, and disseminating information to businesses, consumers and other stakeholders.
Secretary	Vitalis Ndalikokule
Business address	No. 14 BPI House Mezzanine Floor Independence Avenue Windhoek
Postal address	P. O. Box 2104 Windhoek Namibia
Bankers	Bank Windhoek Limited
Auditors	Auditor-General

NAMIBIAN COMPETITION COMMISSION

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

COMMISSION'S RESPONSIBILITY & APPROVAL

The Commission is required by the Competition Act (Act No. 2 of 2003), to maintain adequate accounting records and is 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 Commission 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 and the Competition Act of Namibia (Act No. 2 of 2003). The annual financial statements are prepared in accordance with International Financial Reporting Standards and Competition Act (Act No. 2 of 2003) and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Commissioners acknowledge that they are ultimately responsible for the system of internal financial control established by the Commission and place considerable importance on maintaining a strong control environment. To enable the Commission to meet these responsibilities, the Commission sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standard includes the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level risk.

These controls are monitored throughout the Commission and all employees are required to maintain the highest ethical standard in ensuring the Commission's business is concluded in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Commission is identifying, assessing, managing and monitoring all known forms of risk across the Commission. While operating risk cannot be fully eliminated, the Commission endeavours to minimise it by ensuring that appropriate infrastructure, control, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Commissioners 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 Commissioners have reviewed its cash flow forecast for the year ended 31 March 2018 and, in light of this review and the current financial position, they are satisfied that the Commission has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on pages 5 to 19, which have been prepared on the going concern basis, were approved by the Commission and were signed on its behalf by: ✓

P. P. N. CHAND
Chairman of the Commission

Windhoek

26/02/2019

Date _____

Commissioner

NAMIBIAN COMPETITION COMMISSION
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018
SECRETARY'S REPORT

The Secretary has pleasure in submitting the report on the annual financial statements of the Namibian Competition Commission for the year ended 31 March 2018.

1. Incorporation

The commission was established on 24 April 2003 in accordance with the promulgation of the Competition Act, 2003 (Act No. 2 of 2003).

2. Nature of Business

The Commission is tasked with promoting competitive market conditions through investigations and prosecutions of anti- competitive activities, reviewing and approving mergers and exemption applications, and disseminating information to businesses, consumers and other stakeholders, and operates principally in Namibia.

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

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the commission are set out in these annual financial statements.

4. Going concern

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

5. Commissioners

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

Commissioners	Position	Appointment	Term of Office
Dr. Sakeus Akweenda	Chairperson	11 February 2015	3 years
Mr. Gideon Shilongo	Commissioner	11 February 2015	3 years
Dr. Teresa Kaulihowa	Commissioner	11 February 2015	3 years
Ms. Lesenda Grace Mohamed	Commissioner	17 September 2016	3 years
Ms. Malverene Theron	Commissioner	17 September 2016	3 years

6. Secretary

The Secretary of the Commission at the date of this report is as follows:

Name	Date Appointed	Nationality
Mr Vitalis Ndalikokule	02 March 2017	Namibian

**NAMIBIAN COMPETITION COMMISSION
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018
SECRETARY'S REPORT (Continued)**

7. Shareholder

The Commission is wholly owned by the Government of the Republic of Namibia (Ministry of Industrialisation Trade and SME Development).

8. Events after the reporting period

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

9. Auditors

Auditor-General continued in office as Auditors of the Commission for 2018.

ANNEXURE A

NAMIBIAN COMPETITION COMMISSION
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

	Note	2018 N\$	2017 N\$
ASSETS			
Non-Current Assets		364 900	511 548
Property, plant and equipment	3	364 900	511 548
Current Assets		20 806 552	10 115 080
Trade and other receivables	4	557 325	291 472
Cash and cash equivalents	5	20 249 227	9 823 608
Total Assets		21 171 452	10 626 628
EQUITY AND LIABILITIES			
Accumulated surplus		(359 450)	8 312 228
Liabilities			
Current Liabilities		21 530 902	2 314 400
Trade and other payables	6	21 530 902	2 314 400
Total Equity and Liabilities		21 171 452	10 626 628

ANNEXURE B

NAMIBIAN COMPETITION COMMISSION
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED
31 MARCH

	Note	2018 N\$	2017 N\$
Revenue	7	26 313 599	22 509 307
Operating expenses		(35 458 789)	(34 878 166)
Operating profit/(Loss)		(9 145 190)	(12 368 859)
Investment revenue		465 529	928 730
Other income		7 983	6 284
Total comprehensive income for the year		(8 671 678)	(11 433 845)

ANNEXURE C

NAMIBIAN COMPETITION COMMISSION
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH

	Accumulated surplus	Total equity
	N\$	N\$
Balance at 01 April 2016	19 746 073	19 746 073
Changes in equity		
Total comprehensive loss for the year	(11 433 845)	(11 433 845)
Balance at 01 April 2017	8 312 228	8 312 228
Changes in equity		
Total comprehensive loss for the year	(8 671 678)	(8 671 678)
Balance at 31 March 2018	(359 450)	(359 450)

ANNEXURE D

NAMIBIAN COMPETITION COMMISSION
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH

	Note	2018 N\$	2017 N\$
Cash generated from operations	8	10 028 531	(12 787 511)
Interest income		465 529	928 730
Net cash from operating activities		10 494 060	(11 858 781)
Cash flows from investing activities			
Proceeds from the sale of Property, Plant and Equipment		-	41 615
Purchase of property, plant and equipment	3	(68 441)	(104 107)
Net cash from Investing activities		(68 441)	(62 492)
Total cash movement for the year		10 425 619	(11 921 273)
Cash at beginning of the year		9 823 608	21 744 881
Total cash at end of the year		20 249 227	9 823 608

**NAMIBIAN COMPETITION COMMISSION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2018**

1. ACCOUNTING POLICIES

1.1 Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards, and the Competition Act (Act No. 2 of 2003). The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below.

The annual financial statements are prepared in conformity with International Financial Reporting Standards and the requirements of the Competition Act of Namibia, appropriate to the business of the Commission. The annual financial statements are prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment, marketable securities and investment properties where appropriate, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

1.1.1 Statement of compliance

The Annual financial statements are prepared in compliance with International Financial Reporting Standard (IFRS) and Interpretations of those standards, as adopted by the International Accounting Standard Board (IASB) the requirements of the Competition Act of Namibia.

1.1.2 Significant judgements

In preparing the annual financial statements, management is required to make estimates and assumptions that affects the amounts represented in 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:

Loans and receivables

The Commission assesses its loans and receivables for impairment at each balance sheet date. In determining whether an impairment loss should be recorded in an income statement, the Commission makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flow from a financial asset.

Taxation

The Commission has interpreted the Competition Act and Tax laws and concluded that the Commission is exempt from taxation.

NAMIBIAN COMPETITION COMMISSION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2018 (Continued)

1.1.3 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 Commission; and
- the cost of the item can be measured reliably.

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.

The initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment.

Item	Average useful life
Furniture and Fixtures	3 Years
Motor Vehicles	5 Years
IT Equipment and Softwares	3 Years
Other Fixed Assets	3 Years
Office Equipment	3 Years
Cell Phones	2 Years
Minor Assets	0 Years

The residual value and useful life of each asset are reviewed at the end of each financial period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately.

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 disposable proceeds, if any, and the carrying amount of the item.

**NAMIBIAN COMPETITION COMMISSION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2018 (Continued)**

1.1.4 Financial Instruments

Initial recognition and measurements

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

The Commission 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.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Fair value determination

The fair values of quoted investments are not based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the commission establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cashflow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

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 debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowances 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.

Trade and other receivables are classified as loans and receivables.

**NAMIBIAN COMPETITION COMMISSION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2018 (Continued)**

1.1.4 Financial Instruments (Continued)

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 known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.1.5 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 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.

1.1.6 Impairment of assets

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

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

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use.

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.

NAMIBIAN COMPETITION COMMISSION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2018 (Continued)

1.1.7 Provisions and contingencies

Provisions are recognised when:

- the Commission has present obligation as a result of 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 settle 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

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note.

1.1.8 Government grants

Government grants are unconditional and are recognized upon receipt in terms of the Competition Act (Act No. 2 of 2003) of Namibia.

1.1.9 Revenue

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 discount and volume rebates, and value added tax.

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

NAMIBIAN COMPETITION COMMISSION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2018 (Continued)

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the Commission has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/Interpretation	Effective date: Years beginning on or after	Expected impact
Amendment to IAS 24: Related Party Disclosures: a Annual Improvements project	01 July 2014	The impact of the amendment is not material.
Amendment to IAS 16: Property, Plant and Equipment: Annual improvements project	01 July 2014	The impact of the amendment is not material.
Amendment of IFRS 13: Fair Value Measurement: Annual improvements project	01 July 2014	The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The Commission has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Commission's accounting periods beginning on or after 01 April 2016 or later periods.

Standard/Interpretation	Effective date: Years beginning on or after	Expected impact
IFRS 9: Financial instruments	01 January 2018	Unlikely there will be a material impact
IFRS 15: Revenue from Contracts with Customers	01 January 2017	Unlikely there will be a material impact
Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	01 January 2016	Unlikely there will be a material impact
Amendment to IFRS 7: Financial Instruments: Disclosures: Annual improvements project	01 January 2016	Unlikely there will be a material impact
Disclosure Initiative: Amendment to IAS 1: Presentation of Financial Statements	01 January 2016	Unlikely there will be a material impact

ANNEXURE E

NAMIBIAN COMPETITION COMMISSION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2018 (Continued)

3. PROPERTY, PLANT AND EQUIPMENT

	2018			2017		
	Cost/ Valuation	Accumulated depreciation	Carrying Value	Cost/ Valuation	Accumulated depreciation	Carrying Value
	N\$	N\$	N\$	N\$	N\$	N\$
Furniture and Fixtures	1 711 959	(1 561 259)	150 699	1 711 958	(1 460 614)	251 344
Motor Vehicles	530 350	(424 280)	106 070	530 350	(424 280)	106 070
IT equipment	1 406 543	(1 328 477)	78 066	1 343 452	(1 230 230)	113 222
Other Fixed Assets	114 685	(92 560)	22 125	114 685	(79 846)	34 839
Office Equipments	144 872	(136 932)	7 940	144 872	(139 174)	5 698
Cell Phones	90 428	(90 428)	-	90 428	(90 053)	375
Minor Assets	324 185	(324 185)	-	318 835	(318 835)	-
Total	4 323 021	(3 958 121)	364 900	4 254 580	(3 743 032)	511 548

Reconciliation of property, plant and equipment - 2018

	Opening Balance	Additions	Written/ off	Depreciation	Total
	N\$	N\$	N\$	N\$	N\$
Furniture and Fixtures	251 345	-	-	(100 645)	150 699
Motor Vehicles	106 069	-	-	-	106 069
IT equipment	113 222	63 091	-	(98 248)	78 066
Other Fixed Assets	34 839	-	-	(12 714)	22 125
Office Equipments	5 698	-	-	2 242	7 940
Cell Phones	375	-	-	(375)	-
Minor Assets	-	5 350	-	(5 350)	-
	511 548	68 441	-	(215 090)	364 899

ANNEXURE E

NAMIBIAN COMPETITION COMMISSION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH (Continued)

3. PROPERTY, PLANT AND EQUIPMENT (Continued)**Reconciliation of property, plant and equipment - 2017**

	Opening Balance	Additions	Written/ off	Depreciation	Total
	N\$	N\$	N\$	N\$	N\$
Furniture and Fixtures	445 919	-	-	(194 574)	251 344
Motor Vehicles	155 142	-	-	(49 073)	106 070
IT equipment	156 792	67 447	(22 729)	(88 288)	113 222
Other Fixed Assets	50 461	-	-	(15 622)	34 839
Office Equipment	15 870	15 286	-	(25 458)	5 698
Cell Phones	25 520	-	(12 603)	(12 542)	375
Minor Assets	-	21 374	-	(21 374)	-
	849 704	104 107	(35 332)	(406 931)	511 548

4. TRADE AND OTHER RECEIVABLES

	2018	2017
	N\$	N\$
Deposits	557 325	291 472
Study loans	272 257	272 257
Staff Advances	-	1 715
Salary Control Account	-	17 500
Staff Debtors	1 000	-
	284 068	-

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalent consist of:

	20 249 227	9 823 608
Bank balances - Cheques account	4 855 410	3 507 420
Bank balances - Call account	15 384 343	1 335 378
Bank balances - Fixed account	9 474	4 980 810

Credit quality of cash at bank and short term deposit, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit rating (if available) or historical information about counterparty default rates:

Credit rating

A1 +

20 249 227	9 823 608
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ANNEXURE E

NAMIBIAN COMPETITION COMMISSION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR
ENDED 31 MARCH (Continued)

	2018	2017
	N\$	N\$
6. TRADE AND OTHER PAYABLES	21 530 902	2 314 400
Trade Creditors	337 286	439 427
Accrued expense	-	359 808
Income Received in Advance	2 500 000	-
Leave provision	1 456 341	1 505 867
Salaries and Wages Control Account	-	9 298
Annual Bonus Provision	1 852 932	-
Receiver of Revenue – Penalties & Interest	15 384 343	-
7. REVENUE	26 313 599	22 509 307
Administration fee income	1 644	1 572
Fee Income	12 811 955	10 258 861
Government grants received	13 500 000	12 248 874
8. CASH GENERATED FROM OPERATIONS		
Profit/Loss before taxation	(8 671 678)	(11 433 845)
Adjustments for:		
Depreciation and amortisation	215 089	406 931
Profit and Loss on disposal of assets	-	(6 284)
Interest received	(465 529)	(928 730)
Changes in working capital:		
Trade and other receivables	(265 853)	30 109
Trade and other payables	19 216 502	(855 692)
Total cash generated from operations	10 028 531	(12 787 511)
9. COMMITMENTS		
Operating leases - as lessee (expense)		
Minimum lease payments due		
- within one year	3 551 924	4 056 000
- in second to third year inclusive	7 867 157	-
	11 419 081	4 056 000

Operating lease payments represent rentals payable by the Commission for certain of its properties. The lease was negotiated for a term of three years and rentals are fixed for the three years. No contingents are payable.

**NAMIBIAN COMPETITION COMMISSION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR
ENDED 31 MARCH (Continued)**

10. CAPITAL RISK MANAGEMENT

The Commission is not exposed to capital risk.
There are no externally imposed capital requirements.

Financial Risk Management**Liquidity Risk**

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

Interest Rate Risk

The Commission is not exposed to interest rate risk.
The Commission has no significant interest bearing assets, the Commission's income and operating cashflows are substantially independent of changes in market interest rates.

Credit Risk

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

Foreign Exchange Risk

The Commission is not exposed to foreign currency exchange risks.

ANNEXURE F

NAMIBIAN COMPETITION COMMISSION
DETAILED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED
31 MARCH

	2018	2017
	N\$	N\$
Revenue	26 313 599	22 509 307
Administration fee income	1 644	1 572
Fee Income	12 811 955	10 258 861
Government grants received	13 500 000	12 248 874
Other Income	473 512	935 014
Sundry Income	7 983	6 284
Interest received	465 529	928 730
Operating expenses	35 458 789	34 878 166
Accommodation & meals	-	49 725
Advertising	109 102	880 066
Auditing and accounting fees	145 774	487 860
Bank Charges	20 694	23 287
Cleaning	124 139	130 510
Board seating fees	755 108	543 853
Computer expenses	353 773	75 220
Consulting and professional fees	1 653 186	1 850 650
Depreciation, amortisation and impairments	215 089	406 931
Donations	-	1 740
Employee costs	23 713 323	22 542 603
Entertainment	-	5 492
Fines and penalties	4 000	-
Insurance	119 751	102 596
Gazetting Expenses	43 965	-
Lease rental on operating lease	4 032 850	3 746 910
Legal fees	2 473 130	1 179 753
Library Materials	37 877	1 319
Motor vehicle expenses	19 043	28 428
Postages	6 659	9 825
Printing and stationery	247 307	524 987
Repairs and maintenance	28 403	46 522
Security	5 708	5 782
Office consumables	90 830	189 177
Subscriptions	52 830	73 343
Subsistence and travelling	-	213 405
Telephone and fax	389 876	482 959
Training	86 507	584 109
Merger Investigations	8 645	-
Meetings	110 595	-
Transport expenses	3 301	409 101

ANNEXURE F

NAMIBIAN COMPETITION COMMISSION

DETAILED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH (Continue)

	2018	2017
	N\$	N\$
Water & Electricity	296 676	282 013
Human Resources Expenses	11 903	-
Research Studies	298 745	-
Surplus/(loss) for the year	(8 671 678)	(11 433 845)