



*Equitable Access to Quality Higher Education*

**NATIONAL COUNCIL FOR HIGHER EDUCATION  
(NCHE)**

**ANNUAL REPORT 2008/2009**



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# 1. Foreword



The National Council for Higher Education (NCHE) has the honour to present to the Honourable Minister of Education its Annual Report for 2008/9.

The current report differs from the previous one in, at least, one important respect: whereas much of the time of the first Council was devoted to internal capacity building and the establishment of its administrative structure, the present Council has been able to chalk up a few concrete deliverables. Of particular mention is the long-awaited Funding Formula (FF) as well as the National Quality Assurance System.

This measure of success can largely be attributed to the improved functioning of the NCHE's sub-committees and a competent, though small and rudimentary Secretariat. It is true that given the small size of our professional staff, the NCHE had to draw heavily on consultants from our SADC region.

However, we can give the assurance that the final products have been distilled from inputs and vigorous debates with our own experts. The documents submitted are, therefore, genuinely Namibian.

These humble achievements notwithstanding, the Executive Director, has reiterated the constraint imposed on the NCHE by our enabling legislation. There is no doubt that once the proposed amendments to the Higher Education Act 2003, Act No. 26 of 2003 are effected, and concomitant resources are provided for broadening the scope of the NCHE Secretariat to the level of our counterparts in the Region, Namibia's rapid

advance to a knowledge-based society will have been guaranteed.

In conclusion, I would like to thank my colleagues; the entire NCHE, Executive Director, Secretariat staff and all the stakeholders for their support, commitment and contributions that made the work of the NCHE a fruitful endeavour during the reporting period.

A handwritten signature in black ink, appearing to read 'Z. Ngavirue', with a stylized flourish at the end.

Dr. Zedekia Ngavirue  
Chairperson, NCHE



## 2. Overview



This period marked the end of the term of office of the first Council and ushered in the second Council whose inauguration was presided over by the Minister of Education, the Honourable Nangolo Mbumba. The first Council is credited for having laid a solid foundation for the Council during its formative stages. As for the Secretariat, the period witnessed a gradual consolidation of its operations having benefited immensely from the good rapport established with members of the first Council and also having taken advantage of valuable networks developed with similar entities in the sub-region, continentally and globally.

During the period under review, Council initiated several key interventions whose outcomes, depending on their credibility and implementation, will place higher education in Namibia in better stead in meeting the tenets of a knowledge-based economy as articulated in Vision 2030. In summary, these are:

- The development of a Strategic Plan and Policy which will provide for a nationally and globally compliant framework for higher education provision in Namibia;
- The development of a Funding Formula (FF) for public higher education institutions which amongst other things will ensure better predictability of financial resources availed to such institutions, equitable distribution of financial resources and greater accountability in the utilization of public funds without of course eroding the independence of such institutions. Successful implementation of the FF has the potential to address perennial claims

of under/over funding intermittently advanced by the public higher education fraternity in the country. Additionally, the FF once concluded will provide leverage to government (the Ministry of Education) to channel funds to academic offerings in public higher education institutions that are in synch with national development priorities;

- The development of an internationally benchmarked National Quality Assurance System that will guarantee the provision of quality human capital capable of meeting the demands of a knowledge-based economy; and
- The commissioning of two research projects whose outcomes will inform Council's recommendations to the Minister of Education on the vexing issues of access to and co-ordination of higher education in Namibia.

While noting these milestones, it suffices to note that Council's effectiveness continue to be constrained by the pending review of the Higher Education Act 2003, Act No. 26 of 2003. As such, this intervention has been identified as a priority due for conclusion in the next reporting period. Council's ability and that of its Secretariat to successfully implement the outcomes of the interventions stated earlier, hinges on the comprehensives of its enabling legislation.

A revised and consolidated Higher Education Act offers better prospects for a rejuvenated and strengthened higher education mandate whose effective execution is a key ingredient in turning the country's sliding performance on the global competitiveness index.

A handwritten signature in black ink, appearing to read 'Stanley M Simataa', written over a light blue circular stamp.

**Stanley M Simataa**  
**Executive Director**

# 3. Background

## 3.1 Introduction

The National Council for Higher Education (NCHE) is an independent statutory body in terms of the Higher Education Act 2003, Act No. 26 of 2003. The responsibilities allocated to the Council by the Higher Education Act can be grouped into four main areas:

- Promoting the establishment of a coordinated higher education system and the access of students to higher education institutions;
- Advising the Minister of Education at his/her request or proactively on the following:
  - the structure of the higher education system in general;
  - the allocation of moneys to public higher education institutions;
  - quality promotion and quality assurance in higher education;
  - the governance of higher education institutions; and
  - any other aspect related to higher education.
- Assuming responsibility for quality assurance and quality monitoring and promotion within higher education such as accredit, with the concurrence of the Namibia Qualifications Authority (NQA), programs of higher education provided at higher education institutions and monitoring the quality assurance mechanisms of higher education institutions; and
- Contributing to the development of higher education by undertaking research to sensitize government and all stakeholders to challenges in higher education.

## 3.2 Membership

In accordance with Section 7 (1) of the Higher Education Act 2003, Act No. 26 of 2003, the NCHE comprises of three permanent secretaries, three persons appointed by the Minister of Education on account of their special knowledge, skills or expertise in educational matters and thirteen other persons drawn from various constituencies. In total, the NCHE comprises of nineteen (19) substantive members and sixteen alternate members.

The Minister of Education appoints the members of the NCHE following a public call for nominations from Higher Education stakeholders and the general public. Members are appointed for a period of three (3) years. Despite the fact that the NCHE members are drawn from various constituencies, it functions as a body of experts rather than a body of representatives of organizations, institutions or constituencies. The members of the first Council were appointed in October 2005 and their term of office ended in October 2008.



*Council members at the Farewell Ceremony of the 1st Council and the Launch of the 2nd Council on 18 November 2008*

The second Council was launched on 18 November 2008 by the Minister of Education, Honourable Nangolo Mbumba. Hon. Mbumba also designated Dr. Zedekia Ngavirue as the Council's chairperson. He has been the chairperson since the Council inception in 2005. At its first meeting, after the inauguration, the Council elected Mr. Eckhart Mueller as vice chairperson and constituted the sub committees. A new sub-committee, the Registration committee was added to the six (6) existing sub-committees of the Council.

The following were duly appointed as substantive and alternate members of the second Council for a period of three (3) years, i.e. November 2008 – November 2011:

## Substantive Members

Dr. Zedekia Ngavirue: Minister's appointee, and chairperson  
 Prof. André du Pisani: Minister's appointee  
 Dr. Lischen Haoses-Gorases: Minister's appointee  
 Mr. Eckhart Mueller: NQA Council (Vice chairperson)  
 Mr. Vitalis Ankama: PS, Ministry of Education  
 Mr. Calle Schlettwein: PS, Ministry of Finance  
 Mr. Mocks Shivute: PS, National Planning Commission: Secretariat  
 Prof. Lazarus Hangula: UNAM Council  
 Dr. Tjama Tjivikua: Council for Polytechnic of Namibia  
 Ms. Frederika Uahengo: Teacher Education Institutions  
 Dr. David Namwandi: Private Higher Education Institutions  
 Ms. Benitha Nakaambo: Students Organizations  
 Mr. Martin Tjivera: People with disabilities  
 Dr. Francis Nyathi: Business & Industry Sector  
 Rev. Cornelia Nel: Churches  
 Ms. Sophia Daries: Academic Employees  
 Mr. Erago Thaddeus Erago: Non Academic Employees  
 Mr. Elia Manga: Workers  
 Mr. Justin Ellis: Namibia Training Authority (NTA)

## Alternate members

Ms. Ally Angula  
 Mr. Alfred Ilukena  
 Ms. Angelina Sinvula  
 Ms. Sylvia Demas  
 Prof. Rehabeam Auala  
 Mr. Corneels Jafta  
 Dr. Benett Kangumu  
 Dr. Dolores Wolfaardt  
 Mr. Medusalem Shilongo  
 Ms. Leonie Hango  
 Ms. Esther Akwaake  
 Rev. Dr Martin Nelumbu  
 Mr. Raymond Simanga  
 Mr. Awebahe //Hoeseb  
 Ms. Lourencia Stephanus  
 Mr. Lawrence Pringle

## Substantive Members



**Dr. Zedekia Ngavirue**  
Chairperson



**Mr. Eckhart Mueller**  
Vice Chairperson



**Prof. Lazarus Hangula**



**Dr. David Namwandi**



**Mr. Vitalis Ankama**



**Mr. Calle Schlettwein**



**Mr. Mocks Shivute**



**Dr. Francis Nyathi**



**Dr. Lischen Haoses-Gorases**



**Dr. Tjama Tjivikua**



**Ms. Benitha Nakaambo**



**Mr. Elia Manga**



## Substantive Members (continued)



**Prof. André du Pisani**



**Rev. Cornelia Nel**



**Mr. Justin Ellis**



**Ms. Frederika Uahengo**



**Mr. Erago Thadeus Erago**



**Ms. Sophia Daries**



**Mr. Martin Tjivera**

### 3.3 Secretariat

During the period under review, two positions were filled in the interim Secretariat, i.e. a quality assurance officer and a switchboard operator, thus the professional staff members are four (4) while the support staff members are three (3). The Secretariat being the backbone of the Council continued to give effective and timely technical and administrative assistance to the Council.



**Mr. Stanley M Simataa, Executive Director, chairing one of the consultative workshops during the year.**



**Secretariat Staff at the launch of the 2nd Council**

## 4. NCHE Activities

### 4.1 Induction Workshop

Following its inauguration, the NCHE underwent an induction program at Heja Lodge on 30 March 2009. The induction accorded members an opportunity for exposure to different operations of the organization and to build rapport between members – a critical imperative for NCHE to function as a unit.

The guest speaker was Prof. Hugh Africa, a former chairperson of the Higher Education Quality Committee (HEQC) of the Council on Higher Education (CHE) in South Africa, who shared his experiences on the role of the HEQC in accreditation and quality assurance in institutions of higher education in South Africa. In addition to the main speaker, the induction was also addressed by Dr. Zedekia Ngavirue, the chairperson who highlighted his experiences of the first (1st) Council and the key priorities of the second (2nd) Council.



*Some participants at the Induction Workshop*

Mr. Gabes Nepaya from the Ministry of Justice highlighted key aspects of the Higher Education Act 2003, Act No. 26 of 2003 while the Executive Director, Mr. Stanley M Simataa presented key functions of the Council, including accomplishments of the first Council.



*Mr. Gabes Nepaya, Ministry of Justice, at the Induction Workshop*

### 4.2 Fulfilling the mandate of the NCHE

In fulfilling its mandate, the NCHE and its seven (7) sub-committees undertook the following activities for the reporting period March 2008 – March 2009:

#### 4.2.1 Advise the Minister on all aspect related to higher education:

- Considered and approved the Terms of Reference for the development of a comprehensive Strategic Plan and Policy for higher education. The consultants were appointed and consultative meetings were held with key stakeholders. The first draft Inception Report was concluded and a national consultative workshop was to be conducted in June 2009 to generate inputs on the draft policy and plan;



*Mr. Theo Bhengu, one of the consultants for the Strategic Plan and Policy for Higher Education*

- Approved comments on the overlapping functions between different bodies in Namibia such as the Namibia Qualifications Authority (NQA), National Council for Higher Education (NCHE) and the Advisory Council on Teachers' Education and Training (ACTET);



- Finalized the Funding Formula (FF) for public higher education institutions. The final report was made available to all relevant stakeholders. The implementation plan will start soon.



*Dr. Gert Steyn, one of the consultants for the Funding Formula (FF)*



*Participants at the workshop for the development of the FF*

- Agreed to commission a team of experts to advise Council on the Polytechnic of Namibia 's request to rename the institution as Namibia's University of Science and Technology (NUST); and
- Approved the Terms of Reference for the amendments of the Higher Education Act 2003, Act No. 26 of 2003.

#### **4.2.2 Assuming responsibility for quality assurance and quality management in higher education institutions:**

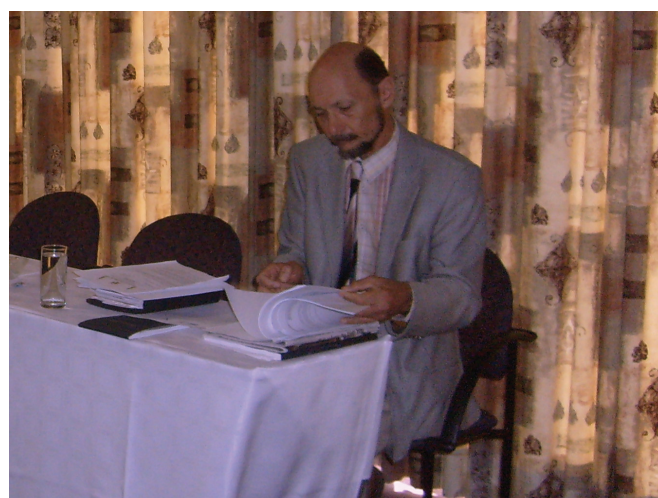
- Considered and approved the Terms of Reference for the consultancy for the development of a quality assurance system for higher education. The consultants were appointed and consultative meetings were underway;



*Mr. Raymond Simanga and Dr. Sifiso Nyathi at one of the NCHE workshops during the year*

- Approved the allocation of ETSIP Funding to twenty four (24) academic staff members at the public higher education institutions in order to improve their effectiveness and productivity; and
- Approved in principle to support the youth debating activities at higher education institutions.

#### **4.2.3 Research Activities**



*Prof. André du Pisani, chairperson: Research & Publications Committee (NCHE)*



In the area of research, the NCHE worked on the following:

- Two research projects, i.e. The Coordination of the Higher Education System in Namibia and Access with Equity in Higher Education in Namibia, were conducted under the auspices of the NCHE. The research studies are to support planning, policy and decision making on the access of students to higher education institutions and the establishment and promotion of a coordinated higher education system in Namibia;
- Finalised the Terms of Reference for the Consultancy for the Post-graduate Studies and Research at higher education institutions;
- Agreed to advise the Minister of Education on the development of a national ethical code in research; and
- Considered and approved the legal opinion that Council members could not be allowed to participate in research projects and/or consultancies undertaken by the NCHE.

### 4.3 Cooperate Services

The NCHE further considered some financial, human resources and administrative policies which enabled the Council and its Secretariat to function effectively and timely:

- Reviewed and approved amendments to its Rules;
- Considered and approved the Council's 3-year rolling budget 2010/2011/2012;
- Agreed to develop Human Resources and Financial Policies;



*Mr. Corneels Jafta, member: HR Committee and Mr. Eckhart Mueller, chairperson: HR Committee*

- Approved the sub-committees' Work Plans; and
- Considered and approved benefits for the Secretariat staff members such as pension, medical aid, etc.

### 4.4 Other Council Activities

#### 4.4.1 Public Lecture

The NCHE successfully held its first of the series of public lecture on Distance Education and E-Learning on 15 September 2008. The NCHE believes that a vibrant and robust distance education and e-learning system is one of the pillars of a relevant and responsive higher education system as it has enormous benefits in expanding the current limited access to higher education.

The public lecture was attended by stakeholders in education ranging from the National Council for Higher Education (NCHE), the Advisory Council on Teachers' Education and Training (ACTET), representatives from public and private higher education institutions, general public, teachers and members of parliament.

The guest speaker was Ms. Frances Ferreira, an education specialist in the department of basic education and open learning in the Commonwealth of Learning and a former director of the Namibian College of Open Learning (NAMCOL).



*Ms. Frances Ferreira sharing her experiences with the audience*

The objectives of the public lecture were to:

- Enhance public interest in higher education;
- Create a forum where historic discussions and debates take place on the future directions of higher education in Namibia; and
- Provide a platform for experts in distance and open learning to advance current trends in this field with a view to determine lessons Namibia can learn.

A Report capturing the key issues of the lecture will be published in future.



*Participants listen attentively to the lecture*

#### **4.4.2 Capacity Building activities**

The Council through its Secretariat continued to collaborate with external quality assurance agencies like the Council on Higher Education (CHE) in South Africa, the Commission for Higher Education (CHE) in Kenya, the Tertiary Education Council (TEC) in Botswana and the Higher Education Quality Management Initiative in Southern Africa (HEQMISA) for purposes of information sharing in quality assurance and quality management issues.

Collaboration with these bodies facilitated study visits to such agencies:

- In June 2008 and October 2008, Ms. V Kauaria and Ms. N lipumbu and some academic staff members from the colleges of education attended workshops on quality assurance organized by HEQMISA in Zambia and Lesotho respectively;
- The Legal Matters Committee members and two Secretariat staff members visited the

Commission for Higher Education (CHE) in Kenya and the Council on Higher Education (CHE) in South Africa in March 2009. In South Africa, the group also visited the Department of Education in the Ministry of Education on the registration of private higher education institutions.



*Legal matters Committee members, Secretariat Staff with the officials from the Department of Education in SA. Seated in front is the Chief Director of the Department, Prof. M T C Schoole and Mr. E Manga, the chairperson of the Legal Matters Committee*



*Legal Matters Committee members, Secretariat staff at the CHE offices in Nairobi, Kenya*

The NCHE continued to receive invitations to participate actively in international debates, conferences and workshops on issues in higher education and quality assurance and quality management:

- In August 2008, Mr. R Fritz attended a workshop on **Financing Higher Education** organized by Prize Watershouse Coopers in South Africa;



- In September 2008, Mr. S M Simataa and Ms. V Kauaria attended the **Third International Conference on Quality Assurance in Higher Education in Africa (ICQAHEA)**, organized by UNESCO in Dakar, Senegal;



*Prof. Juma Shabani, Director: UNESCO Bamako Cluster Office and Ms. Vejanda Kauaria, NCHE Secretariat at the Opening Ceremony of the Third ICQAHEA in Dakar, Senegal*

- In September 2008, Ms. E Mbuye attended the **Regional Conference on African Higher Education** organized by UNESCO in Dakar, Senegal;
- In February 2009, Ms. N Iipumbu attended a workshop on **Linking Quality Management and Institutional Research**, organized by the South African Association for Institutional Research (SAAIR) in Johannesburg, South Africa;
- In March 2009, the chairperson, Dr. Z Ngavirue and Mr. S M Simataa attended a workshop on

**Governance of State-owned Enterprises** in Johannesburg, South Africa.

#### 4.4.3 International visitors

The NCHE hosted some international visitors:

- In July 2008, the NCHE was visited by officials from the Botswana Training Authority (BOTA) and the Tertiary Education Council (TEC);
- An Angolan delegation consisting of six members visited the NCHE in February 2009. Ms. E Mbuye presented the NCHE activities to these officials at the Namibia Qualifications Authority (NQA) premises.



*Ms. Etambuyu Mbuye presenting NCHE activities*

## 5. Challenges

The NCHE's operations are severely hampered by the following:

- Inadequate Secretariat establishment that can better serve the organization's diverse mandate; and

- Existing shortcomings in the Higher Education Act 2003, Act No. 26 of 2003 which constrains the effective functioning of the Council and its Secretariat.

In the coming year, challenges will become even greater as the Council takes responsibility of registering private higher education institutions.



*2nd Council at the launch on 18 November 2008*

# **National Council for Higher Education and Advisory Council on Teachers' Education and Training.**

## **Annual Financial Statements**

**For the Year Ended 31 March 2009**

**NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND  
TRAINING  
ANNUAL FINANCIAL STATEMENTS**

for the year ended 31 March 2009

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**GENERAL INFORMATION**

**Councils registration number and Applicable Acts:** Higher Education Act, 2003  
Teachers Education Colleges Act, 2003

**Country of registration or domicile:** Namibia

**Registered address:** No.6, Newton Street  
Windhoek  
Namibia

**Postal address:** P.O.Box 90890  
Klein - Windhoek  
Namibia

**Auditors:** EDB & Associates

**Bankers:** First National Bank of Namibia Limited

**NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND  
TRAINING**

**ANNUAL FINANCIAL STATEMENTS**

**for the year ended 31 March 2009**

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**NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND TRAINING**

**STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES**


for the year ended 31 March 2009

1. The Council members are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with Namibian generally accepted accounting practice and in the manner required by the Higher Education Act, 2003 and Teachers Education Colleges Act, 2003.
2. The Council members are also responsible for the councils' system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets and to prevent and detect misstatements and deficit. Nothing has come to the attention of the Council members to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the period under review.
3. The financial statements have been prepared on the going concern basis, since the Council members have every reason to believe that the Councils have adequate resources in place to continue in operation for the foreseeable future.

The financial statements set out on pages 6 to 18 were approved and authorised for issue by the Councils and are signed on their behalf by:



Council Chairperson - NCHE



Secretariat Executive Director



Council Chairperson - ACTET

03 December 2009

Date

02 December 2009

Date



## REPORT OF THE INDEPENDENT AUDITORS

To the council members of the

### NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND TRAINING

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We have audited the financial statements of the National Council for Higher Education and Advisory Council on Teachers' Education and Training, which comprise the report of the Council members, the balance sheet as at 31 March 2009, and the income statement, the statements of changes in funds and cash flow statement for the year ended 31 March 2009, and a summary of significant accounting policies and other explanatory notes, as set out on pages 8 to 17.

#### **Council members' responsibility for the financial statements**

The Council members are responsible for the preparation and fair presentation of these financial statements in accordance with Namibian Generally Accepted Accounting Practice – NAC 001: Financial Reporting for Small Medium Sized Entities and in the manner required by the Companies Act of Namibia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### **Auditor's responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, 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 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 principals used and reasonableness of accounting estimates made by the management, as well as evaluating the overall financial statements presentation.

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 financial statements present fairly, in all material respects, the position of the councils at 31 March 2009 and its financial performance and its cash flows for the year ended in accordance with Namibian Generally Accepted Accounting Practise – NAC 001: Financial Reporting for Small and Medium Sized Entities and in the manner required by the Higher Education Act, 2003 and Teachers Education Colleges Act, 2003.

## REPORT OF THE INDEPENDENT AUDITORS

To the council members of the

### NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND TRAINING

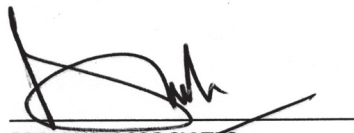
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#### Accounting services

With the consent of management, we have performed certain accounting duties.

#### Supplementary schedules

The detailed income statement set out on page 18 does not form part of the annual financial statements and is presented as additional information. We have not audited the detailed income statement and accordingly do not express an opinion on it.

  
**EDB AND ASSOCIATES**  
Registered Auditors  
Chartered Accountants (Namibia)

3-12-09  
**DATE**  
Windhoek



# NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND TRAINING

## COUNCIL MEMBERS' REPORT

for the year ended 31 March 2009

1. The council members present their annual report which forms part of the audited financial statements of the Councils for the year ended 31 March 2009.

### General review

2. The activities of the Councils comprise:

#### **National Council for Higher Education:**

- \* to promote the establishment of a co-ordinated higher education systems;
- \* to promote the access of students to higher education institutions;
- \* to promote quality assurance in higher education;
- \* to advise on the allocation of moneys to public higher education institutions

#### **Advisory Council on Teachers' Education and Training:**

- \* advise Ministry on general policy to be pursued in respect of the education and training of teachers;
- \* to advise on the establishment, governance and funding of teachers' education colleges;
- \* to advise on the establishment of diploma and certificate courses at teachers' education colleges, including the determination of the curricula of such courses;
- \* to advise on the education and training standards or qualifications to be maintained by teachers' education colleges and;
- \* to advise on any other matter with regard to teachers' education colleges that is referred to it by the Minister.

3. No matter which is material to the financial affairs of the Councils have occurred between 31 March 2009 and the date of approval of the annual financial statements.

### Financial results and dividends

4. Full details of the financial results of the Councils are set out on pages 8 to 17.

### Plant and equipment

5. The Councils acquired plant and equipment at a cost of N\$202 811 (2008: N\$183 002) during the year under review.

### Council members

6. The council members during the year are as set out below:

#### NCHE Council members:

Dr. Z Ngavirue (Chairperson)  
Mr. E Mueller (Vice-chairperson)  
Prof. L Hangua  
Prof. A Du Pisani  
Dr. T Tjivikua  
Dr. L Haoses-Gorases

#### ACTET Council members:

Mr. A Agapitus (Chairperson)  
Dr. H Pomuti (Vice-chairperson)  
Prof. R Auala  
Dr. B Kangumu  
Ms. E Kirchner  
Mr. R Simanga

**NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND TRAINING**

**COUNCIL MEMBERS' REPORT (continued)**

for the year ended 31 March 2009

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**Council members (continued)**

- 6 The council members during the year are as set out below:

NCHE Council members:

Dr. FS Nyathi  
Dr. DR Namwandi  
Rev. C Nel  
Ms. S Daries  
Mr. J Ellis  
Mr. V Ankama  
Ms. FB Uahengo  
Ms. B Nakaambo  
Mr. EHM Manga  
Mr. C Schlettwein  
Mr. M Shivute  
Mr. M Tjivera  
Mr. E Erago

ACTET Council members:

Ms. F Uahengo  
Ms. E Mbuye  
Mr. M Kavihuha  
Mr. M Katewa

**Events subsequent to year end**

7. The council members are not aware of any matter or circumstance arising since the end of the financial year, not otherwise dealt with in the financial statements, which significantly affects the financial position of the Councils or the results of its operations.

**Council members' interest in contracts**

8. No material contracts involving council members' interest were entered into during the current year.

**Auditors**

9. EDB & Associates will continue in office for the year under review.

**NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND TRAINING**

**BALANCE SHEET**

at 31 March 2009

	Notes	2009 N\$	2008 N\$
<b>ASSETS</b>			
<b>Non-current assets</b>		<b>334 432</b>	171 659
Property, plant and equipment	2	<b>334 432</b>	171 659
<b>Current assets</b>		<b>3 943 527</b>	931 465
Trade and other receivables	3	<b>76 970</b>	47 405
Cash and cash equivalents	4	<b>3 866 557</b>	884 060
<b>Total assets</b>		<b>4 277 959</b>	1 103 124
<b>FUNDS AND LIABILITIES</b>			
<b>Funds and reserves</b>		<b>4 088 425</b>	1 033 362
Development fund		<b>4 088 425</b>	1 033 362
<b>Current liabilities</b>		<b>189 533</b>	69 762
Trade and other payables	5	<b>189 533</b>	69 762
<b>Total funds and liabilities</b>		<b>4 277 959</b>	1 103 124

**NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND TRAINING**

**INCOME STATEMENT**

for the year ended 31 March 2009

	Notes	2009 N\$	2008 N\$
<b>Revenue</b>	1		
Grant income - Ministry of Education		5 679 000	1 288 406
<b>Other income</b>		190 066	960 000
Activities - net income		112 907	960 000
Donations income		76 000	--
Sundry income		1 159	--
<b>Total income</b>		5 869 066	2 248 406
Operational expenses		(3 112 487)	(1 243 681)
<b>Operating surplus for the year</b>		2 756 579	1 004 725
Net finance income	7	298 484	28 637
<b>Net surplus before taxation</b>		3 055 063	1 033 362
Taxation		--	--
<b>Net surplus for the year</b>		3 055 063	1 033 362

**NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND  
TRAINING**

**STATEMENT OF CHANGES IN FUNDS**

for the year ended 31 March 2009

	<b>Development Fund</b>	<b>Total</b>
<b>Balance as at 31 March 2008</b>	<b>1 033 362</b>	<b>1 033 362</b>
Net surplus for the year	3 055 063	3 055 063
<b>Balance as at 31 March 2009</b>	<b><u>4 088 425</u></b>	<b><u>4 088 425</u></b>

**NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND TRAINING**

**CASH FLOW STATEMENT**

for the year ended 31 March 2009

	Notes	2009 N\$	2008 N\$
<b>Cash flow from operating activities</b>			
Cash receipts from grants and other customers		5 791 907	2 277 213
Cash paid to suppliers and employees		<u>(2 911 913)</u>	<u>(1 238 958)</u>
Cash generated by operations	8	2 879 994	1 038 255
Net investment income		<u>298 484</u>	<u>28 807</u>
<i>Net cash inflow operating activities</i>		<u>3 178 478</u>	<u>1 067 062</u>
<b>Cash flows from investing activities</b>			
Plant and equipment acquired		( 202 811)	( 183 002)
Proceeds on disposal of assets		<u>6 830</u>	<u>- -</u>
<i>Net cash out flow in investing activities</i>		<u>( 195 981)</u>	<u>( 183 002)</u>
<b>Net change in cash and cash equivalents</b>		2 982 497	884 060
<b>Balance at the beginning of the year</b>		<u>884 060</u>	<u>- -</u>
<b>Balance at the end of the year</b>	4	<u>3 866 557</u>	<u>884 060</u>

**NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND  
TRAINING**

**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 March 2009

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**1. Accounting policies**

The annual financial statements of the Councils are compiled in accordance with the historical convention modified by the restatement of financial instruments to fair value, except where otherwise stated.

The principle accounting policies of the Councils, which are set out below, had been consistent with those applied in the previous year and comply with Namibian Generally Accepted Accounting Practise – NAC 001: Financial Reporting for Small and Medium Sized Entities. The financial statements had been prepared in accordance with the requirements of the Higher Education Act, 2003 and Teachers Education Colleges Act, 2003.

**1.1 Plant and equipment**

All plant and equipment are initially recorded at historical cost less depreciation. Cost includes all costs directly attributable to bring the assets to working condition for their intended use.

Depreciation is calculated on the straight-line method to write off the cost of each asset to their residual values over their estimated useful lives as follows:

Office equipment	5 years
Other fixed assets	5 years
Computer equipment	5 years
Furniture and fittings	10 years

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and deficits on disposal of plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating surplus.

**1.2 Trade receivables**

Trade receivables are carried at anticipated realizable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. Bad debts are written off during the year in which they are identified.

**1.3 Cash and cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, short-term investments and deposits held at call with banks, net of bank overdrafts.

**NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND  
TRAINING**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

for the year ended 31 March 2009

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**1.4 Revenue recognition**

Revenue is recognized at the date that grants and activity funds are received.

**1.5 Provisions**

Provisions are recognized when the Councils has a present legal constructive obligation and 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 of the amount can be made.

**1.6 Financial instruments**

Financial assets and liabilities are recognised in the Organization's statement of financial position when the organization becomes a party to the contractual provisions of an instrument. All financial instruments are initially measured at fair value. Transaction costs are normally also included in the initial measurement of financial instruments. However, transactions costs incurred on financial assets and liabilities at fair value through profit or loss are not included in the initial measurement, but are expensed. The transactions costs referred to are those incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability. For this purpose, transactions costs excludes financing costs and internal administrative costs.

The Organization derecognition principles for financial liabilities hinge on the legal release (extinguishment) of the obligation. Consequently, an financial liability or part thereof would be removed from its statement of financial position only when it is extinguished. The Organization derecognition principles for financial assets are normally triggered when it receives consideration in return for the transfer or sale of all or part of a financial asset.

**1.7 Offsetting**

The net amount on offsets of financial assets and financial liabilities were reported in the organization statement of financial position, where applicable. However this was only done when the organization had legal enforceable right to set off the recognised amounts and intends to settle on a net basis.



**NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND TRAINING**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

for the year ended 31 March 2009

**2. Property, plant and equipment**

	Office equipment N\$	Other fixed assets N\$	Furniture and fittings N\$	Computer equipment N\$	Total N\$
<b>2.1 31 March 2008</b>					
Opening net book value	--	--	--	--	--
Additions	9 507	6 830	118 951	47 715	183 002
Depreciation charge	( 593)	( 683)	( 5 607)	( 4 461)	( 11 343)
Closing carrying amount	<b>8 914</b>	<b>6 147</b>	<b>113 344</b>	<b>43 254</b>	<b>171 659</b>
<b>Represented as:</b>					
Cost	9 507	6 830	118 951	47 715	183 002
Accumulated depreciation	( 593)	( 683)	( 5 607)	( 4 461)	( 11 343)
Net book value	<b>8 914</b>	<b>6 147</b>	<b>113 344</b>	<b>43 254</b>	<b>171 659</b>
<b>2.2 31 March 2009</b>					
Opening net book value	8 914	6 147	113 344	43 254	171 659
Additions	26 880	85 000	48 551	42 380	202 811
Disposals - Cost	--	( 6 830)	--	--	( 6 830)
Disposals - Accum. Dep	--	1 160	--	--	1 160
Depreciation charge	( 3 333)	( 1 725)	( 13 696)	( 15 613)	( 34 368)
Closing carrying amount	<b>32 462</b>	<b>83 752</b>	<b>148 199</b>	<b>70 021</b>	<b>334 432</b>
<b>Represented as:</b>					
Cost	36 387	85 000	167 502	90 095	378 983
Accumulated depreciation	( 3 925)	( 1 248)	( 19 303)	( 20 074)	( 44 551)
Net book value	<b>32 462</b>	<b>83 752</b>	<b>148 199</b>	<b>70 021</b>	<b>334 432</b>

**NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND TRAINING**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

for the year ended 31 March 2009

	2009 N\$	2008 N\$
<b>3. Accounts receivable</b>		
Prepaid expenses	35 249	20 060
Deposits	41 721	18 741
Sundry receivables	--	8 604
	<u>76 970</u>	<u>47 405</u>
<b>4. Cash and cash equivalents</b>		
First National Bank - current account	( 98 238)	23 510
First National Bank - call account	231 225	858 550
Cash on hand	2 000	2 000
	<u>134 986</u>	<u>884 060</u>
Development fund: Investment account	<u>3 731 571</u>	<u>--</u>
The Development fund investment account was established to cater for future development and infrastructural expenditure on the new offices, future capacity building expenditure etc.		
For the purpose of the cash flow statement the year-end cash and cash equivalents comprise the following:		
Cash and bank balances	<u>3 866 557</u>	<u>884 060</u>
	<u>3 866 557</u>	<u>884 060</u>
<b>5. Trade and other payables</b>		
Trade payables	189 533	19 762
Other payables:	--	50 000
Audit fees	<u>--</u>	<u>50 000</u>
	<u>189 533</u>	<u>69 762</u>

**NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND TRAINING**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

for the year ended 31 March 2009

	2009 N\$	2008 N\$
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**6. Notes to the income statement**

**6.1. Net operating surplus for the year**

Net operating surplus for the year is stated after charging:

Auditors' remuneration	( 26 356)	50 000
Actual audit fees	23 644	--
(Reversal) / provision for audit fees	( 50 000)	50 000
Council members' sitting allowance	114 898	60 040
Depreciation	34 369	11 343

**7. Net finance income**

Interest expense:		
Bank overdraft	( 742)	( 170)
	( 742)	( 170)
Interest income	299 226	28 807
	298 484	28 637

**Note to the cash flow statement**

**8. Cash flows from operations**

**Reconciliation of net operating surplus to cash utilised in operations:**

Net operating surplus	3 055 063	1 033 362
Adjusted for:		
Depreciation	34 369	11 343
Net - investment income	( 298 484)	( 28 807)
Profit on disposal of non-current assets	( 1 159)	--
<i>Changes in working capital:</i>		
Increase in trade and other receivables	( 29 565)	( 47 405)
Increase in trade and other payables	119 771	69 762
Cash generated from operations	2 879 994	1 038 255

NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND  
TRAINING

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2009

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2008  
N\$

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**Other notes**

**9 Financial instruments**

In the normal course of its operations, the Councils are exposed to interest rate and credit risk. The Councils manage these risks as follows:

**9.1 Credit risk**

The Councils have no significant concentrations of credit risk. Cash is placed with financial institutions. Debtors are regularly monitored and assessed and, where necessary, an adequate level of provision is maintained.

**9.2 Fair value**

The council members are of the opinion that the carrying value of financial instruments approximates fair value.

**NATIONAL COUNCIL FOR HIGHER EDUCATION AND ADVISORY COUNCIL ON TEACHERS EDUCATION AND TRAINING**

**DETAILED INCOME STATEMENT**

for the year ended 31 March 2009

	Notes	2009 N\$	2008 N\$
<b>Grant income</b>		<b>5 679 000</b>	1 288 406
<b>Activities - net income</b>		<b>112 907</b>	960 000
Income		166 547	960 000
Expenditure		( 53 640)	--
<b>Other income</b>		<b>376 386</b>	28 807
Interest received		299 226	28 807
Donations income		76 000	--
Profit on disposal of non-current assets		1 159	--
<b>Total income</b>		<b>6 168 293</b>	2 277 213
<b>Less: Operational expenses</b>		<b>3 113 229</b>	1 243 851
Auditors remuneration:			
audit fees - actual prior year		23,644	-
audit fees - (reversal) / provision		(50,000)	50,000
Advertising and promotions		61,133	13,340
Bank charges		12,061	6,308
Computer expenses		1,101	3,837
Consulting fees		172,391	1,140
Courier and postage		2,405	1,634
Depreciation		34,369	11,343
Electricity and water		18,280	8,560
Entertainment expenses		7,677	1,850
General expenses		15,273	7,198
Insurance		15,347	3,011
Interest paid		742	170
Leasing and hire costs - operating		18,799	10,932
Legal matters committee expenses		153,820	-
Motor vehicle expenses		4,145	1,722
Printing and stationery		93,295	20,151
Refreshments - office/committee meetings		14,138	4,672
Refreshments - Council meetings		8,866	13,850
Rent Paid - offices		375,695	123,387
Repairs and maintenance		11,285	1,187
Salaries and wages		1,359,412	634,052
Sitting allowance		114,898	60,040
Subscriptions - other		10,960	4,316
Sundry expenses		2,500	12,729
Telephone and fax		83,748	32,596
Training		32,517	-
Travel and accommodation - Secretariat		136,292	70,080
Travel and accommodation - members		344,473	133,903
Venues - council/committee meetings		16,339	11,842
Workshop expenses		17,626	-
<b>Net surplus for the year</b>		<b>3 055 063</b>	1 033 362

## NOTES

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## NOTES

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## NOTES

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