



NCHE

EBONY/BLACK ACCESS TO QUALITY HIGHER EDUCATION

NATIONAL COUNCIL FOR HIGHER EDUCATION



ANNUAL REPORT

2011/2012



NATIONAL COUNCIL FOR HIGHER EDUCATION

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1. HIGH LEVEL STATEMENTS

VISION STATEMENT

A leader in coordinating higher education in pursuit of a knowledge-based society.

MISSION STATEMENT

To ensure a coordinated and excellent higher education system through equitable access and quality service delivery.

CORE VALUES

- Integrity
- Professionalism
- Accountability
- Justice
- Commitment
- Teamwork

2. GOVERNANCE STRUCTURE

2.1 Background

The National Council for Higher Education (NCHE) is a statutory body in terms of Section 4 of the Higher Education Act, 2003 (Act No. 26 of 2003), established to advise the Minister of Education on higher education related matters.

2.2 Objectives of NCHE

The objectives of the Council are to:

- Promote the establishment of a coordinated higher education system;
- Promote the access of students to higher education institutions;
- Promote quality assurance in higher education; and
- Advise on the allocation of funds to public higher education institutions.

2.3 Functions of NCHE

NCHE may, subject to the Higher Education Act, 2003 (Act No. 26 of 2003), do all things necessary or reasonably required to carry into effect its objects and must more specifically -

- Accredit, with the concurrence of the Namibia Qualifications Authority (NQA), programmes of higher education provided at higher education institutions;
- Monitor the quality assurance mechanisms of higher education institutions;
- Take measures to promote access of students to higher education institutions;
- Undertake such research with regard to its objects as it may deem necessary or as the Minister may require; and
- Advise the Minister of its own accord or at the request of the Minister on all issues related to higher education.

2.4 Composition of NCHE

Section 7 (1) of the Higher Education Act, 2003 (Act No. 26 of 2003), provides for the membership of NCHE drawn from government, public and private higher education institutions, labour, churches, people with disabilities, students, academic and non-academic community, teachers' education institutions, business community, vocational training sector and experts appointed by the Minister of Education on account of their special knowledge, skills or expertise in higher education matters. Despite the fact that the NCHE's members are drawn from various constituencies, it functions as a body of experts rather than as a body of delegates or representatives of organisations, institutions or constituencies.

The members are appointed by the Minister for a term of three (3) years. In total, NCHE comprises of nineteen (19) substantive members and sixteen (16) alternate members. The Second Council was appointed in November 2008 and its term of office expired in November 2011.

2.5 The Secretariat

NCHE is served by an Interim Secretariat and seconded staff members from the Ministry of Education, Directorate of Higher Education. It is headed by an Executive Director, who is its Accounting Officer. During the period under review, the NCHE Secretariat staff complement was twelve (12). The Secretariat, being the backbone of the Council, continues to provide administrative and technical assistance, as well as render secretarial services to NCHE and its committees to enable the NCHE to effectively and efficiently deliver on its mandate.



SECRETARIAT

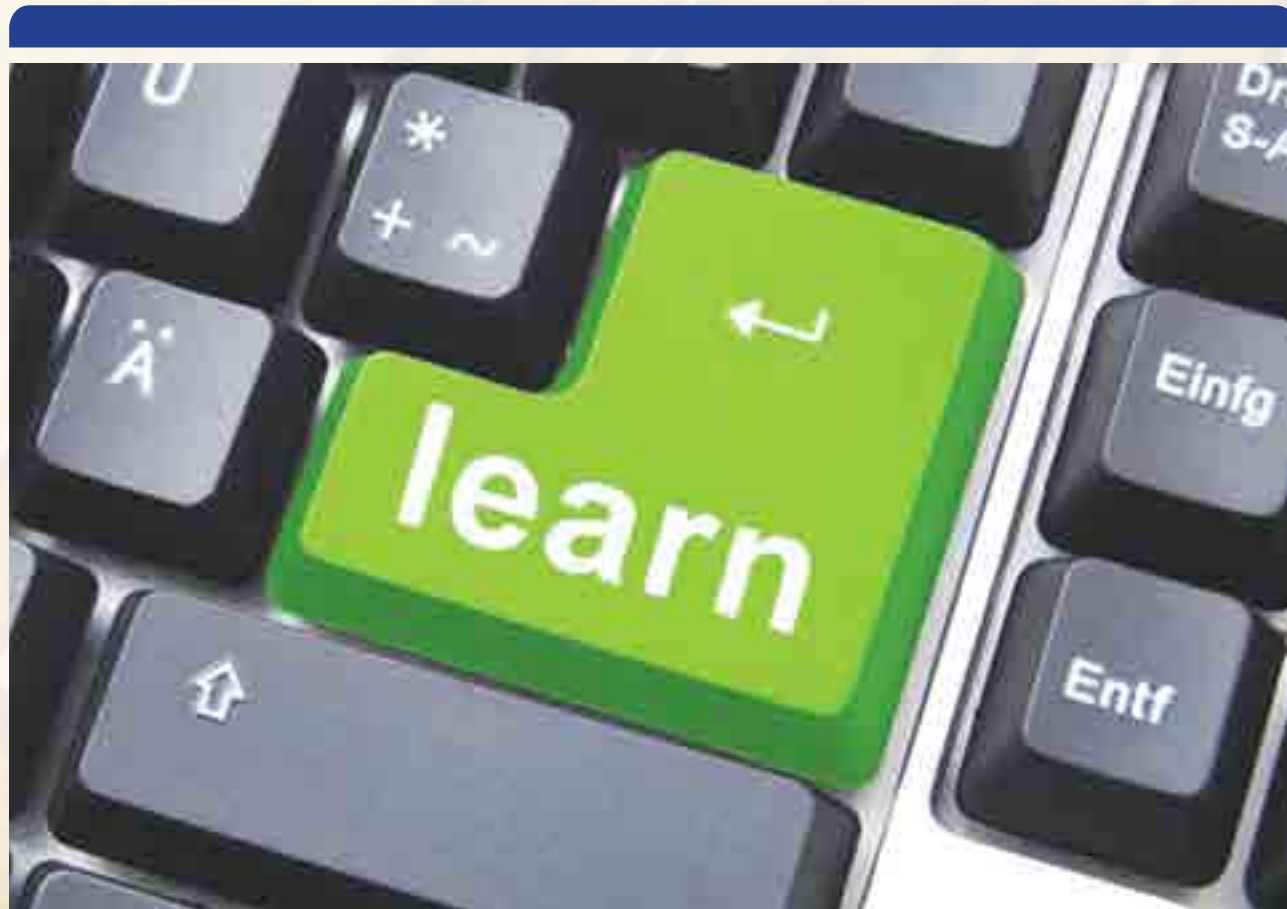
2.5.1 Approved temporary positions for the Secretariat

During the period under review the following positions were approved on a temporary basis:

- 1 x Grade 6A (Executive Director)
- 1 x Grade 4A (Deputy Director of Finance)
- 1 x Grade T4C (Senior Higher Education Officer)
- 3 x Grade T4B (Higher Education Officer)
- 1 x Grade 3B Level 1 (Analyst Programmer)
- 1 x Grade 3B Level 1 (Clerk)
- 1 x Grade 2C Level 1 (Clerk)
- 1 x Grade SP2 (Statistician)
- 1 x Grade SP2 (Private Secretary)
- 2 x Grade 2A Level 1 (Clerk)
- 1 x Grade 1C Level 2 (Clerical Assistant)
- 1 x Grade 1B level 3 (Driver)
- 1 x Grade 1A Level 1 (Cleaner)

3. ABBREVIATIONS/ACRONYMS

CHE	Council for Higher Education
ETSIP	Education and Training Sector Improvement Programme
HEQC	Higher Education Quality Committee
HEMIS	Higher Education Management Information System
IT	Information Technology
IUM	International University of Management
NCHE	National Council for Higher Education
NPC	National Planning Commission
NPHE	National Policy for Higher Education
NQA	Namibia Qualifications Authority
OPM	Office of the Prime Minister
PoN	Polytechnic of Namibia
QA	Quality Assurance
SANUMARC	Sam Nujoma Marine and Coastal Resources Research Centre
SLA	Service Level Agreement
UNAM	University of Namibia



4. FOREWORD

Few months after I was seconded to the National Council for higher Education (NCHE) Secretariat in 2010 as Executive Director, I set in motion a strategic planning process, aimed at establishing our institutional priorities and enabling us to make wise resource-allocation choices in the months and years to come.

That process started with a debate whether we should develop a strategic plan for public higher education institutions or for the Council, and whether we should engage a consultant or the Secretariat should spearhead the process on its own. The following words of then Right Hon. Prime Minister, Nahas Angula, when launching the Council in 2005, inspired us to first have an institutional strategic plan, which must be participatory in the development process: "The National Council for Higher Education should create a right balance and a proper mixture of accountability and autonomy.

If this can be achieved then our Higher Education System will bring benefits to individuals and to society as a whole. This is the challenge, facing the Council." Subsequently, the process started with a few staff members of the Secretariat under the expert guidance of the Office of the Prime Minister (OPM). Realising our key strategic objectives – to ensure a well-coordinated higher education system, improve



MR. MOCKS SHIVUTE
EXECUTIVE DIRECTOR

the quality of the higher education system, ensure affordable and equitable access to higher education, ensure equitable allocation of public funds to public higher education institutions (HEIs), and ensure an enabling environment and high performance culture – demands diligence and the involvement of the widest possible coalition.

Despite our numerous challenges, such as insufficient funding, lack of quality in our higher education system, lack of human resources, and poor access and coordination, we will always be ready to tackle those issues that matter to each of the groups we are concerned with.

The heart of our mission, our integrated mandate, means that we will act across all the areas for which we are responsible, promoting quality in higher education through structural changes that benefits each and every Namibian student. Furthermore, we are committed to give our utmost best to deliver services guided by our core values.

In the coming years, we intend capitalising on the relationships we have been nurturing with individuals and institutions that have an interest in the Council's work and we will find more ways to secure the expert advice of many in our projects and our decision-making. I hope and believe that our plans match that ambition.

5. INTRODUCTION

This Annual Report is of particular significance as it accords the Secretariat the opportunity to report on the activities of the 2nd Council whose term of office coincidentally came to an end on 18 November 2011. It allows the Secretariat to take a step back and look at the overall practical and financial health of the Council through its audited annual financial statements; document essential information about its operations for the period under review; and enable it to compare, as well as develop perspective.

In spite of the absence of the 3rd Council, the Secretariat continues to diligently carrying out its functions in consultation with the office of the Minister of Education. It managed to implement most of the programmes and activities set out in its 2011-2012 year plan.

During the same period, the Secretariat engaged the Public Service Commission of Namibia through the Ministry of Education, to try and formalize the temporary structure to a permanent one. After much deliberation between the parties involved, the structure was finally approved.

Meanwhile, consultations are ongoing to have the Higher Education Amendment Bill approved by the Cabinet Committee on Legislations and presented to Parliament to be officially sanctioned.

6. ACTIVITIES FOR THE PERIOD APRIL 2011 - MARCH 2012

• HUMAN RESOURCES RELATED ISSUES

The Director of Higher Education went on early retirement in November 2011 and her Private Secretary was recalled to the Ministry of Education with effect from 01 November 2011.



MRS. ETAMBUYE MBUYE
DIRECTOR OF HIGHER EDUCATION



MS. LOINI AMUKOSHI
PRIVATE SECRETARY

• POLICY DEVELOPMENT AND RELATED ACTIVITIES

Draft National Policy for Higher Education

In October 2011, a call for "Expression of Interest" was placed in local newspapers to invite individuals or consulting firms to express their interest to transform the working document into a draft National Policy for Higher Education (NPHE).

Terms of Reference for this assignment:

1. Identify shortcomings in the existing document.
2. Examine the trends of higher education provision in Namibia.
3. Intensify the national context with regard to the Higher Education System.
4. Improve crucial aspects with regard to higher education in the existing document, i.e. Open and Distance Learning; Coordination of the Higher Education System, etc.

5. Ensure that the Higher Education System is in tandem with the nation's development agenda, as well as complying with regional and global trends in higher education.
6. Ensure that the NPHE accommodates other national policies which affect the Higher Education System.
7. Consider relevant legal and existing policy provisions and their implications.
8. Transform the NPHE working document into a policy document and provide a policy brief.

The revised draft NPHE was submitted in November 2011. Finalisation of this document is put on hold pending the outcome of the study on the Comprehensive and Holistic Review and Reform of the entire Higher Education System in Namibia in relation to its contribution to Vision 2030.

Funding Framework for Higher Education

In October 2011, a contract was awarded to a Canadian based company to develop a Higher Education Funding Framework (FF); and to build capacity at the NCHE Secretariat to implement the FF.

Code of Ethics for NCHE

The Secretariat identified the need for having a code of ethics for the Council and its staff members as they are expected to maintain certain norms such that their personal and professional conduct does not have a negative effect or reflect badly on the NCHE's reputation or credibility while in its service. Thus, the development of a Code of Ethics for NCHE was underway and expected to be submitted by April 2012.

• QUALITY ASSURANCE RELATED ACTIVITIES

Pilot Institutional Audit

It is common knowledge that NCHE developed a National Quality Assurance (QA) System for Higher Education in Namibia that was approved by Cabinet in 2011. This QA System consists of two sub-systems, i.e. Programme Accreditation and Institutional Audits.

While the Programme Accreditation sub-system has already been piloted in March 2011 at the Engineering and Information Technology (IT) Faculty of UNAM in Ongwediva, the Institutional Audit sub-system was piloted at PoN in October 2011 in Windhoek. As with the pilot programme accreditation, the pilot institutional audit also employed a pool of local, regional and international experts to ensure a meticulous exercise that can correctly inform implementation of the QA System.

Out-Reach Programme

Furthermore, the Secretariat undertook visits to a number of higher education institutions to present the QA System, as well as the Regulations for the Registration of Private Higher Education Institutions to relevant individuals at each respective institution. Among the institutions which were visited during April 2011 were the Sam Nujoma Marine and Coastal Resources Research Centre (SANUMARC) in Hentiesbay, International University of Management (IUM) in Swakopmund and Headstart Mercy Montessori Teachers Training College in Walvisbay.

Development of QA Manuals

Work on the development of manuals for the QA System was started in April 2011. The purpose of these manuals is to provide to both the higher education providers, as well as the NCHE Secretariat, guidance and advice on how best to implement the Programme Accreditation and Institutional Audit sub-systems. Furthermore, these documents had to recommend procedures that will be complementary to the processes that are outlined in the National Quality Assurance System for Higher Education in Namibia.

Subsequent to the development of these QA manuals, in-house training was offered to staff members of the Secretariat, in February 2012.

• LAUNCHES

Tracer Study

The Report of the National Tracer Study, commissioned by NCHE in September 2010 and which targeted graduates from the University of Namibia (UNAM) and Polytechnic of Namibia (PoN) who completed their studies during the period 1999 – 2008, was launched on 7 December 2011 in Windhoek, by Dr. Zedekia Ngavirue, former Chairperson of NCHE. Copies of this Report were distributed to all stakeholders of the Council.

NCHE logo, website and some publications

The NCHE's newly designed logo, revamped website, two research reports, i.e. The Quest for Coordination of the Higher Education System in Namibia, and In Pursuit of Access with Equity in the Higher Education System of Namibia, as well as a public lecture report on Access to and Funding of Higher Education: A General Overview, were launched on 5 September 2011 in Windhoek, by Dr. Zedekia Ngavirue. These publications are available on the NCHE website (www.nche.org.na).

Logo

Designing the NCHE logo required the following stages: a call for "Expression of Interest" in local newspapers to design a logo for NCHE. The reaction to the call proved positive as a total of 35 logo designs were submitted. Subsequently, an ad hoc evaluation team, comprising experts in the arts and particularly graphic design field, rigorously scrutinised these designs which resulted in three of them being shortlisted. Finally, an experienced freelance graphic designer was engaged to fine-tune the final NCHE logo.

Website

A local IT Company was contracted to give the NCHE website a serious 'facelift'. The ultimate goal of the revamped website is to present the Council at a glance so that its national, regional and international stakeholders get a clear picture of its operations.

Publications

The first research study, namely, The Quest for Coordination of the Higher Education System in Namibia,

attempts to address the perceived need for the coordination of programmes and activities offered by Namibia's higher education providers. As NCHE has the legal mandate of coordinating higher education provision, this study might enhance its efforts to promote a harmonised yet diversified higher education system, which could satisfy varying needs of skills development and training in the country.

The second study, namely, In Pursuit of Access with Equity in the Higher Education System of Namibia, mainly focused on the dual issue of access with equity in higher education. NCHE has as one of its primary objectives the promotion of access to higher education thus it faces the daunting challenge of ensuring a quality higher education system where access to higher education goes hand-in-hand with equity.

The public lecture also touched on access to higher education, but was more focused on the funding of higher education, which is one of the major problems faced by most governments worldwide – the sustainable funding of higher education. The lecture provided a general overview of international trends, such as student participation in higher education, public funding of higher education and the composition of the income of higher education institutions. Thus, the report is well-researched and a must read!

• WORKSHOPS AND RETREATS

01st Strategic Plan for NCHE

The first Strategic Plan ever for NCHE was crafted during a one-week intensive workshop facilitated by the Office of the Prime Minister (OPM) in August 2011 in Swakopmund. This Strategic Plan, developed for the period 2012-2017, reflects the collective wisdom of the Council, its Secretariat and all its stakeholders. The Secretariat, under the expert guidance and support of the OPM, played a key role in the drafting of this Plan taking into consideration the enthusiastic participation and valuable contributions of the staff during the preparatory workshops.

After this draft Plan had been considered by Council, a national Stakeholders Consultative Workshop was held on 7 December 2011 in Windhoek primarily to solicit the input of key stakeholders in the higher education sector, which would ultimately help to fine-tune the draft.

01st Annual Plan for NCHE

Subsequent to the development of the NCHE Strategic Plan for 2012-2017, an Annual Plan for 2012/13 was cascaded from the main Strategic Plan during a four-day workshop in February 2012, in Swakopmund, under the auspices of the OPM. Again, developing this Annual Plan could not have been possible without the commitment and collective involvement of each and every staff member of the Secretariat.

Performance Agreements were also developed at this particular workshop. These two strategic documents would be launched at the inaugural meeting of the 3rd National Council for Higher Education during which the Executive Director would also sign his performance agreement with the Chairperson of the Council.

NCHE Secretariat retreat

This development of NCHE's Annual Plan for 2012/13 was followed by a Retreat for the Secretariat from 24 – 25 February 2012. The latter was facilitated by Dr. Mark Hay (Director: Higher Education

Quality Committee (HEQC) of the Council for Higher Education (CHE) South Africa) to briefly look at the definition of higher education as per the current, as well as the Higher Education Bill Amendment; critically look at the NCHE's objectives and functions in order to internalise and have a better understanding thereof; identify feasible activities related to those functions and learn from the South African experience in terms of CHE's organisational structure.

Comments/input on the skeleton structure drafted by the Secretariat; and input on the efficient implementation of NCHE's functions with particular regard to coordinating the higher education system and promoting access to higher education in the country, was also solicited.

Workshop on Employee Wellness and HIV & AIDS Workplace Programme

The need for developing an Employee Wellness and HIV & AIDS Workplace Programme for the NCHE Secretariat was driven by the National Strategic Plan on HIV&AIDS-Third Medium Term Plan (MTP III 2004 – 2009), which requires all Offices/Ministries/Agencies to develop and implement behaviour change interventions in the workplace linking prevention, treatment, care and support.

In response to this mandate placed on the public sector, on 5 September 2011, the NCHE Secretariat had a half-day workshop – facilitated by the National Planning Commission (NPC) Secretariat – under the theme “Introduction into the development of an Employee Wellness HIV & AIDS Workplace Programme” to set in motion the process of developing such programme, in Windhoek. Particular attention was given to the following topics: high level statements; workplace policy development, including outline and roadmap; workplace programme development, including the impact on the organisation, challenges, components and implementation; and wellness issues.

A follow-up workshop was planned in due course to develop a five-year Employee Wellness and HIV & AIDS Workplace Programme, as well as a one-year Action Plan for the Secretariat.

Workshop on Institutional Annual Regime

On 14 April 2011, the Secretariat conducted a workshop under the theme “Institutional Annual Regime”, in Windhoek. The main purpose of this workshop was to design a standard/uniform template for recording the statistical information of higher education institutions in order to make relevant statistical data readily available. This arrangement will remain until the Higher Education Management Information System (HEMIS) is in place.

• AGREEMENTS WITH OTHER INSTITUTIONS/SERVICE PROVIDERS

Service Level Agreement

The Secretariat signed a Service Level Agreement (SLA) with a local IT Service Provider in November 2011, which is renewable on an annual basis. The main aim of this SLA is to ensure a basis for close corporation between the two parties pertaining to effective and timely support services being provided by the Service Provider to the Secretariat. This Agreement is contingent upon each party knowing and fulfilling their responsibilities and generating an environment conducive to the achievement and maintenance of targeted service levels.

• TRADE FAIRS

The main purpose of the NCHE's participation in trade fairs is to reach out to the general public and sensitize them on the role, functions and activities of the Council.

NCHE participated in the Ongwediva Annual Trade Fair in August 2011; in the Windhoek Agricultural and Industrial Show in September/October 2011; and in the Rundu Trade Fair in November 2011. As usual, a large number of individuals visited the NCHE stand showing much interest in the services of the Council. NCHE markets itself by means of information materials, radio interviews at the trade fairs, promotional gifts and face-to-face interactions with the public.

• ETSIP FUNDING

The Secretariat is administering funds earmarked through the Education and Training Sector Improvement Programme (ETSIP) to provide financial assistance to academic staff members (lecturers) from UNAM and PoN who are interested in pursuing further studies in the following fields as prioritized by Vision 2030, the Fourth National Development Plan (NDP4) and ETSIP – logistics, tourism, manufacturing, agriculture, fisheries, languages, curriculum development, information technology, mathematics, accounting, economics, business management, science in general, engineering, geology, medical science.

For the 2011/12 financial year, 38 academic staff members from these public institutions benefited from these funds.

hamper its effectiveness. These include:

- Absence of the HEMIS
- Misinterpretation of NCHE's mandate
- Gaps in the Higher Education Act, 2003 (Act No. 26 Of 2003)
- Lack of expertise
- Limitations to attract highly qualified staff

FINANCIAL STATEMENTS



NATIONAL COUNCIL FOR HIGHER EDUCATION
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012

General Information

Council registration number and Applicable Acts:	Higher Education 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
ANNUAL FINANCIAL STATEMENTS
 for the year ended 31 March 2012

NATIONAL COUNCIL FOR HIGHER EDUCATION
ANNUAL FINANCIAL STATEMENTS
 for the year ended 31 March 2012

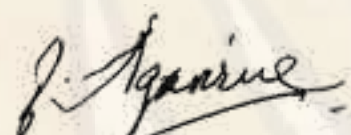
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1. The Council members are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with International Financial Reporting Standard for Small Medium-sized Entities and in the manner required by the Higher Education Act, 2003.

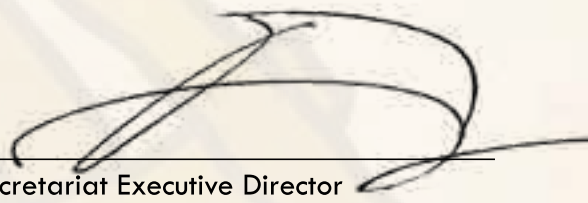
2. The Council members are also responsible for the councils' system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets and to 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 17 were approved and authorised for issue by the Councils and are signed on their behalf by:



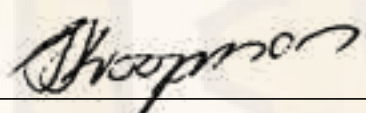
 Council Chairperson - NCHE

 Date 10/09/13



 Secretariat Executive Director

 Date 10/09/13



 Deputy Director: Finance

 Date 10/09/13



**REPORT OF THE INDEPENDENT AUDITORS
To the council members of the
NATIONAL COUNCIL FOR HIGHER EDUCATION**

We have audited the financial statements of the National Council for Higher Education, which comprise the report of the Council members, the statement of financial position as at 31 March 2012, and the statement of comprehensive income, the statements of changes in funds and the statement of cashflows for the year ended 31 March 2012, 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 International Financial Reporting Standard for Small Medium-sized Entities and in the manner required by the Higher Education Act, 2003. 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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

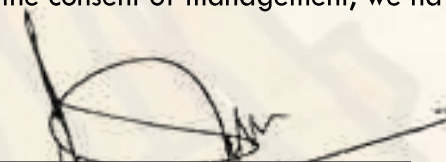
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or 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 council at 31 March 2012 and its financial performance and its cash flows for the year ended in accordance with International Financial Reporting Standard for Small Medium-sized Entities and in the manner required by the Higher Education Act, 2003.

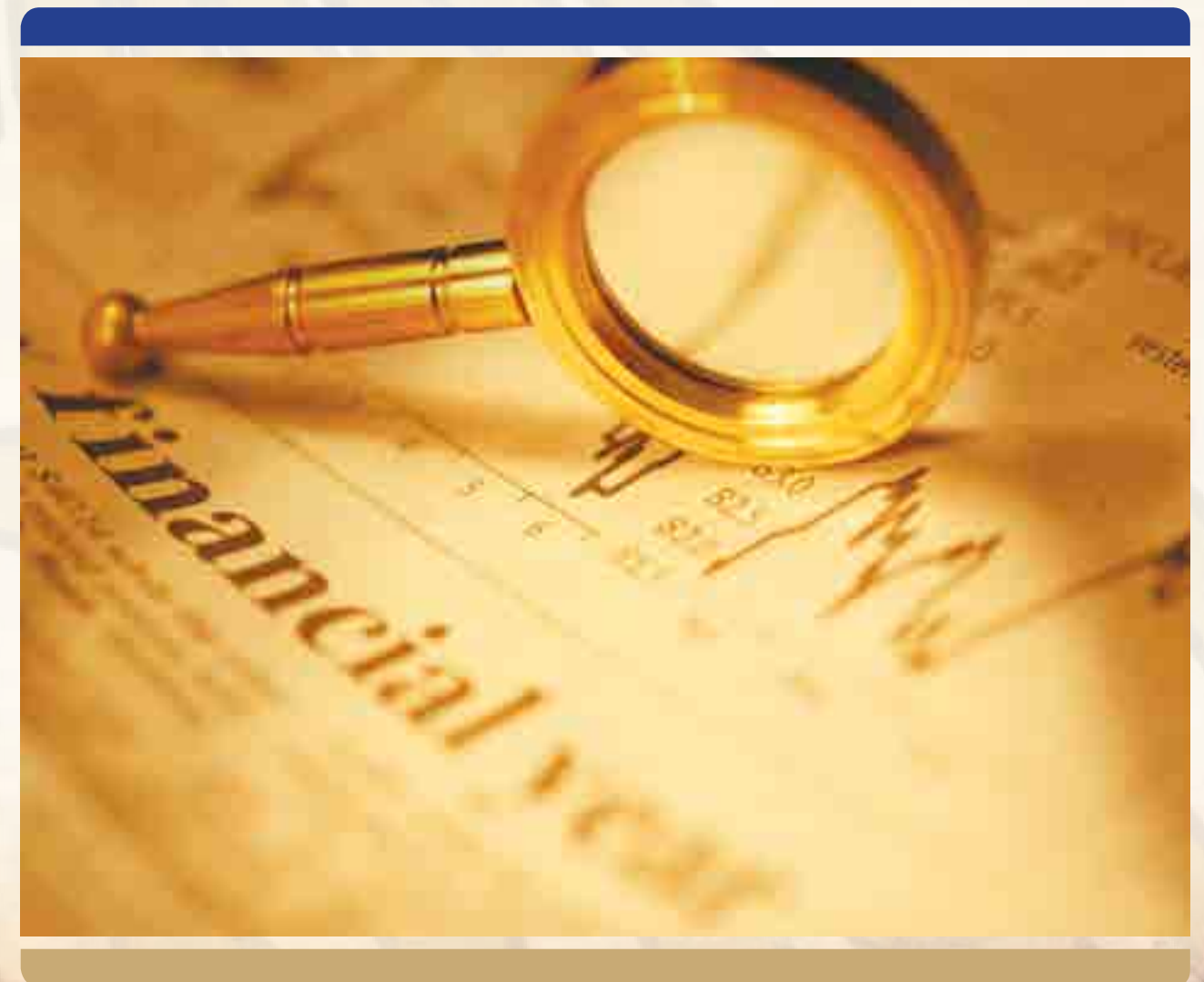
Accounting services

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



 EDB AND ASSOCIATES
 Registered Auditors
 Chartered Accountants (Namibia)

 10/09/12
 DATE
 Windhoek



NCHE Council members:

Dr. Z Ngavirue (Chairperson)
Prof. A Du Pisani
Dr. L Haoses-Gorases
Rev. C Nel
Ms. FB Uahengo
Mr. M Shivute
Mr. M Shilongo
Mr. A Ilukena
Mr. A Hungamo

Mr. E Mueller (Vice-chairperson) Prof. L Hangula
Dr. T Tjvikua
Dr. FS Nyathi
Ms. S Daries
Mr. EHM Manga
Mr. E Erago
Ms. M Nangolo-Rukoro
Ms. E Shafudah

NATIONAL COUNCIL FOR HIGHER EDUCATION
STATEMENT OF FINANCIAL POSITION
 At 31 March 2012

	Notes	2012 N\$	2011 N\$
ASSETS			
Non-current assets			
Property, plant and equipment	2	669 939	557 444
Current assets			
Trade and other receivables	3	72 451	89 825
Cash and cash equivalents	4	32 788 560	10 545 875
Total assets		33 530 950	11 193 143
FUNDS AND LIABILITIES			
Funds and reserves			
Accumulated surpluses		9 241 296	7 675 659
Building Fund		20 802 821	-
ETSIP funds	6	2 720 052	2 785 877
Current liabilities			
Trade and other payables	5	766 783	731 606
Total funds and liabilities		33 530 950	11 193 143

NATIONAL COUNCIL FOR HIGHER EDUCATION
STATEMENT OF COMPREHENSIVE INCOME
 At 31 March 2012

	Notes	2012 N\$	2011 N\$
Grant income		6 664 000	6 705 000
Other income			
Interest received	8	388 339	248 287
Rental income		3 711	-
Profit on disposal of non-current assets		-	849
Total income		7 052 339	6 953 287
Less: Operational expenses			
Auditors remuneration:			
audit fees - actual	7.1	37,663	23,874
Advertising and promotions		262,734	189,184
Bank charges		19,434	23,081
Computer expenses		2,243	46,121
Consulting fees		185,751	49,949
Courier and postage		3,450	2,649
Depreciation	7.1	189,784	137,512
Donations		-	5,000
Electricity and water		43,596	24,275
Entertainment expenses		4,926	16,283
General expenses		49,639	-
Insurance		42,955	34,577
Leasing and hire costs - operating		10,917	17,063
Motor vehicle expenses		54,298	32,660
Printing and stationery		286,258	209,333
Public Lectures		-	6,000
Refreshments - office/committee meetings		75,057	28,080
Refreshments - Council meetings		15,981	29,811
Rent Paid - offices		512,752	463,123
Repairs and maintenance		151,363	71,668
Salaries and wages		2,458,015	2,145,809
Sitting allowance	7.1	62,874	77,029
Subscriptions - other		29,527	22,085
Telephone, internet, email and fax		172,260	135,540
Training		131,271	89,340
Travel and accommodation - secretariat		480,051	524,271
Travel and accommodation - members		166,289	493,238
Venues - council/committee meetings	-	54,543	-
Workshop expenses		37,615	45,425
Net surplus for the year		1 565 636	1 955 764

NATIONAL COUNCIL FOR HIGHER EDUCATION
STATEMENT OF CHANGES IN FUNDS
 At 31 March 2012

	Notes	2012 N\$	2011 N\$
Balance as at 31 March 2010		5 719 895	5 719 895
Net surplus for the year		1 955 764	1 955 764
Balance as at 31 March 2011		7 675 659	7 675 659
Net surplus for the year		1 565 636	1 565 636
Balance as at 31 March 2012		9 241 296	9 241 296

NATIONAL COUNCIL FOR HIGHER EDUCATION
STATEMENT OF CASH FLOWS
 At 31 March 2012

	Notes	2012 N\$	2011 N\$
Cash flow from operating activities			
Cash receipts from grants and other customers		3 711	--
Cash paid to suppliers and employees		1 419 632	2 266 180
Cash generated by operations	9	1 423 343	2 266 180
Net investment income		384 628	247 438
Net cash inflow operating activities		1 807 971	2 513 618
Cash flows from investing activities			
Plant and equipment acquired		(302 281)	(54 165)
Proceeds from insurance claim - stolen assets		--	7 349
Net cash out flow in investing activities		(302 281)	(46 816)
Cash flows from Funds			
Increase in building fund		20 802 821	--
(Decrease) / increase in ETSIP funds		(65 825)	2 157 546
Net cash flow from funds		20 736 995	2 157 546
Net change in cash and cash equivalents		22 242 685	4 624 348
Balance at the beginning of the year		10 545 875	5 921 527
Balance at the end of the year	4	32 788 560	10 545 875

NATIONAL COUNCIL FOR HIGHER EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS

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.

1.4 Revenue recognition

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

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.

NATIONAL COUNCIL FOR HIGHER EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
 At 31 March 2012

	2012 N\$	2011 N\$
--	-------------	-------------

2. Property, plant and equipment

	Motor vehicles N\$	Office equipment N\$	Other fixed assets N\$	Furniture and fittings N\$	Computer equipment N\$	Total N\$
31 March 2011						
Opening net book value	374 815	34 050	5 951	140 760	91 714	647 289
Additions	--	8 184	--	30 160	15 822	54 165
Disposals - Cost	--	--	--	--	(10 833)	(10 833)
Disposals - Accum. Dep	--	--	--	--	4 333	4 333
Depreciation charge	(83 597)	(6 776)	(1 200)	(20 138)	(25 801)	(137 512)
Closing carrying amount	291 218	35 458	4 751	150 782	75 234	557 443
Represented as:						
Cost	417 990	50 570	9 000	208 076	134 793	820 429
Accum. depreciation	(126 772)	(15 113)	(4 249)	(57 294)	(59 559)	(262 987)
Net book value	291 218	35 458	4 751	150 782	75 234	557 444
31 March 2012						
Opening net book value	291 218	35 458	4 751	150 782	75 234	557 443
Additions	293 150	2 552	5 999	580	--	302 281
Depreciation charge	(132 456)	(7 211)	(2 100)	(21 058)	(26 959)	(189 784)
Closing carrying amount	451 911	30 799	8 650	130 304	48 276	669 939
Represented as:						
Cost	711 140	53 122	14 999	208 656	134 793	1 122 710
Accum. depreciation	(259 229)	(22 323)	(6 349)	(78 352)	(86 518)	(452 771)
Net book value	451 911	30 799	8 650	130 304	48 276	669 939

3. Accounts receivable

Prepaid expenses	-	27 395
Deposits	41 721	41 721
Staff loans	8 582	10 031
Study loans	22 148	10 678
	72 451	89 825

4. Cash and cash equivalents

First National Bank - current account	4 592 442	2 629 833
First National Bank - call account	11 298 548	1 821 292
Cash on hand	2 000	2 000
	15 892 990	4 453 125
Development fund:		
Investment account	16 895 571	6 092 750

The Development fund investment account were 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	32 788 560	10 545 875
	32 788 560	10 545 875

5. Trade and other payables

Accrued expenses	104 964	135 987
Rental deposit received	3 967	--
Office of the Prime Minister - ED Salary	657 852	595 619
	766 783	731 606

6. ETSIP funds Staff development

	Quality Development	Quality Assurance	HEMIS Fund																											
Unexpended funds prior year	1 176 328	898 549	509 000	2 583 877	628 331																									
Received in current year	1 255 048	1 000 467	--	2 255 514	2 509 000																									
Expended in current year	(1 330 412)	(990 928)	--	(2 321 340)	(553 454)																									
	1 100 963	908 088	509 000	2 518 052	2 583 877																									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: right;">Strategic planning</th> <th style="text-align: right;">Funding Formula</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>Unexpended funds prior year</td> <td style="text-align: right;">50 000</td> <td style="text-align: right;">152 000</td> <td style="text-align: right;">2 785 877</td> <td style="text-align: right;">628 331</td> </tr> <tr> <td>Received in current year</td> <td style="text-align: right;">--</td> <td style="text-align: right;">--</td> <td style="text-align: right;">2 255 514</td> <td style="text-align: right;">2 711 000</td> </tr> <tr> <td>Expended in current year</td> <td style="text-align: right;">--</td> <td style="text-align: right;">--</td> <td style="text-align: right;">(2 321 340)</td> <td style="text-align: right;">(553 454)</td> </tr> <tr> <td></td> <td style="text-align: right;">50 000</td> <td style="text-align: right;">152 000</td> <td style="text-align: right;">2 720 052</td> <td style="text-align: right;">2 785 877</td> </tr> </tbody> </table>							Strategic planning	Funding Formula			Unexpended funds prior year	50 000	152 000	2 785 877	628 331	Received in current year	--	--	2 255 514	2 711 000	Expended in current year	--	--	(2 321 340)	(553 454)		50 000	152 000	2 720 052	2 785 877
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