



REPUBLIC OF NAMIBIA

NATIONAL COUNCIL FOR HIGHER EDUCATION

Annual Report

Vision

The vision of the NCHE is that of actualizing an innovative, relevant, sustainable and research driven system of higher education characterized by excellence, equity, life-long learning, international competitiveness and the advancement of knowledge for the purpose of cultural enrichment, and the enhancement of the overall quality of life as envisioned in Vision 2030, career development and the transition to a knowledge-based society.

Mission

The organization's mission is that of contributing to and overseeing key dimensions supportive of the missions of institutions of higher education, such as:

- » That of coordinating the work of the relevant education providers and their legislated partners;
- » That of institutionalizing a system of quality assurance that would ensure academically, professionally and technically grounded qualifications that can facilitate the achievement of national development objectives and contribute towards innovative scholarship and knowledge creation;
- » That of creating a funding formula for publicly financed higher education that enhances funding for national priorities, incentives for good use of money and justice between institutions; and
- » That of enhancing access with equity to higher education.

Objectives

In order to attain the set vision and mission, the NCHE has set itself the following objectives:

- » The establishment of a coordinated higher education system;
- » Ensuring equitable access of students to higher education institutions; and
- » Guaranteeing the quality of education offered in higher education institutions; and
- » Advising on the allocation of moneys to public higher education institutions.

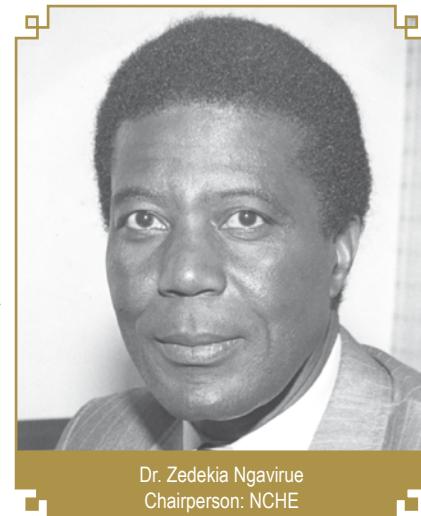
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Foreword

The National Council for Higher Education (NCHE) have the honour to present to the Honourable Minister of Education this concise but fairly comprehensive report, in which the Interim Executive Director and his staff have endeavoured to give the profile and work of the NCHE since its inception. A Financial Statement for the 2008/2009 financial year has also been included.

From the outset, the NCHE acknowledged the fact that it was not starting from a tabula rasa, but was going to benefit from, build and improve on the achievements of those dauntless pioneers in the field of Namibian higher education. Admittedly, in the process certain aspects of the existing systems would require a radical transformation. Council would, at the same time, try to learn from the existing regional and international experience in the field of higher education in order to be competitive in the increasingly globalized environment we live in.



Dr. Zedekia Ngavirue
Chairperson: NCHE

Such an approach would require serious research, intensive consultations, co-ordination and the realization of synergies between institutions. In order to carry out its mandate effectively, it was considered imperative for the NCHE to first and foremost build its own capacity and put systems in place that would ensure the realization of the quality and high standards in higher education required for a knowledge-based society; and thereby enable the country to achieve the goals of Vision 2030.

This report reflects the first phase of the building of the NCHE capacity even though it shall be understood that capacity building is a continuous process which would run concurrently with the work of the Council. While the NCHE is confident that the achievements made during its formative phase form a reasonable basis for the implementation phase of its mandate, it agrees fully with the Interim Executive Director that, "the existing shortcomings in the Higher Education Act constrain the effective functioning of the Council and its Secretariat". The necessary legal reforms must therefore be considered a top priority in the work programme of the Second Council.

For the rest, the NCHE humbly commends this report to the Honourable Minister of Education, and through him, to all those we serve. We take this opportunity to record our gratitude to the Ministry of Education and all its staff and agencies, particularly the management of ETSIP, for their unstinting support to the NCHE.

Our special thanks and appreciation also go to the Advisory Council on Teachers' Education and Training (ACTET), the Namibia Qualifications Authority (NQA) and our own member institutions of higher education for their co-operation. We thank our domestic and international experts for the valuable contributions they made to the work of the NCHE.

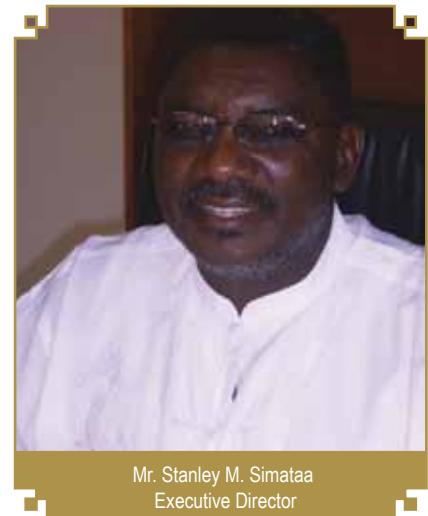
Last but not least, our corporate citizens in both the public and private sectors have generously given well-targeted financial support, particularly to the ETSIP Programme, from which the NCHE has received tangible benefits. We cannot thank them enough.

A handwritten signature in black ink, appearing to read "Dr. Zedekia Ngavirue".

Dr. Zedekia Ngavirue
Chairperson: NCHE

Executive Director's Overview

It gives me great pleasure as Executive Director of the Interim Secretariat of the National Council for Higher Education (NCHE) to provide an account of the Council's activities since its inception three years ago. Section 17 of the Higher education Act, 2003, Act No. 26 of 2003 obliges the Permanent Secretary of the Ministry of Education to establish a Secretariat for the Council "comprising of such staff members of the Ministry as the Permanent Secretary may designate to perform the functions of the Secretariat". In line with this provision, the Permanent Secretary designated staff in the Directorate of Higher Education (DHE) to provide secretarial functions and technical services to the Council. However, it was soon realized that it would be extremely difficult for the DHE's skeletal staff, in addition to the directorate's mandate, to shoulder secretarial responsibilities not only for one but two Councils. This realization led to the setting up of an Interim Secretariat (IS) that would be dedicated to providing administrative services to the two Councils. The establishment of the IS subsequently became an ETSIP priority under the tertiary education sub-program and was realized in July 2007 when four (4) IS staff members were appointed with the approval of the Public Service Commission.



Mr. Stanley M. Simataa
Executive Director

I must admit that taking over the secretariat administrative responsibilities from the DHE was both challenging and rewarding. Challenging in the sense that members of the Secretariat had to rise to the imperative of providing improved required services. The IS staff therefore had to build on the solid foundation laid by the DHE staff by establishing systems, processes and procedures that would give credence to the birth of the Council as an autonomous institution. The experience of serving the Council has so far been rewarding and enriching in that secretariat staff have come to know and appreciate the paradoxes and dynamics prevalent in higher education in Namibia. There is no doubt that the establishment of the IS, although not without challenges, has provided the Council with added impetus which has galvanized its progression from infancy to a fully-fledged institution that can begin to live up to the expectations of developing a coordinated, relevant and quality higher education system that is responsive to the country's developmental needs.

During the one year in which the IS (supported by seconded DHE staff) has been in existence, we can certainly look back with satisfaction on some of its accomplishments, notably, the:

- » Effective and timely implementation of Council/Committees' resolutions/ decisions;
- » Development of requisite organizational systems, policies and procedures needed in administering and managing the affairs of the organization;
- » Successful steering of the ETSIP tertiary education sub-program, key of which is overseeing and managing the engagement of Consultancies in ETSIP priority activities;
- » Acquisition of two sizeable Ervens for the construction of offices for the Secretariat in future;
- » Development of interim strategic priorities that would guide Council's interventions until such time that the organization's Strategic Plan is developed; and
- » Production and accounting of an "unqualified" audit report for the Council's finances for the previous financial year.

While acknowledging these achievements, the IS's operations have been severely hampered by inadequate technical expertise at the operational level who should interrogate and analyse issues before presentation to Council or its Committees. However, I am confident that the envisaged amendments to the Higher Education Act, Act No. 26 of 2003, will be concluded soon to allow Council to establish an independent Secretariat whose organizational establishment will be commensurate with its strategic objectives and legal mandate. Council members and senior officials in the Ministry of Education are thanked for having created an environment that has facilitated the IS's operations.



Stanley M. Simataa
Executive Director

Composition of the Council

In accordance with Section 7 (1) of the Higher Education Act, 2003, Act No. 26 of 2003, the following were duly appointed as members of the first NCHE Council for a period of three years, i.e. October 2005 – October 2008:



Dr. Zedekia Ngavirue
Minister's appointee
Chairperson



Prof. Gerhard Tötemeyer
Minister's appointee
Vice Chairperson



Prof. Agnes van Dyk
Minister's appointee



Prof. Lazarus Hangula
Member, UNAM



Mr. Eckhart Mueller
Member, NQA



Dr. David Namwandi
Member, Private Education
Institutions



Ms. Benitha Nakaambo
Member, Students' Associations



Ms. Miriam Hamunyela
Member, Academic Employees



Mr. Elias Manga
Member, Workers (NANTU)



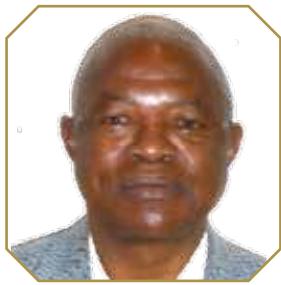
Mr. Justin Ellis
Member, Vocational Training
Board



Mr. Martin Tjivera
Member, People with Disabilities



Ms. Frederika Uahengo,
Member, Teacher Education
Institutions



Mr. Vitalis Ankama
Member, Ministry of Education



Rev. Cornelia Nel
Member, Churches



Dr. Francis Nyathi
Member, Business & Industry
Sector



Mr. Usutuaje Maamberua
Member, Non academic
Employees



Mr. Calle Schlettwein
Member, Ministry of Finance



Mr. Mocks Shivute
Member, National Planning
Commission



Dr. Tjama Tjivikua
Member, Polytechnic of Namibia

Council Activities

For the reporting period, i.e. October 2005 – March 2008, following its official inauguration on 16 November 2005 by the then Minister of Higher Education, Training and Employment Creation Hon. Nahas Angula, now Prime Minister, the NCHE undertook the following activities:

1.1 Introduction

Following its inauguration, Council underwent an induction program over a period of two days. Two eminent guest speakers, Prof. Festus Kaberia, the Deputy Executive Secretary of the Kenya Commission for Higher Education and Dr. Mbidzo, the Permanent Secretary of the Ministry of Higher Education in Zimbabwe, shared their experiences and outlined the functioning of similar organizations in their respective countries. The induction aimed at building the capacity of Council members to better deliver on their mandate. In addition to the two speakers, the induction was also facilitated by senior staff from the DHE as well as Prof. Goran Linde, the Technical Advisor (TA) seconded by the Swedish International Development Agency (SIDA) to assist the Ministry in the process of establishing the Council. The induction culminated in the establishment of the following Committees:

- » The Executive Committee (EC) chaired by the Chair of the Council and comprising of chairpersons of all Committees of the Council;
- » The Capacity Building Committee (CBC) chaired by Ms. Benita Nakaambo;
- » The Finance and Logistics Committee (FLC) chaired by Mr. Eckhart Mueller;
- » The Legal Matters Committee (LMC) chaired by Prof. Agnes van Dyk;
- » The Quality Assurance Committee (QAC) chaired by Dr. David Namwandi; and
- » The Research and Publications Committee (RPC) chaired by Ms. Miriam Hamunyela.
- » The Human Resources Committee (HRC) chaired by Prof. Gerhard Totemeyer was established later in 2007.



Members of the IS and Seconded DHE attending the induction

Additionally, the IS and seconded staff in the Directorate of Higher Education underwent an induction program delivered by Mr. Theo Bhengu from the Council for Higher Education in South Africa.

The induction program although brief, was of great benefit in preparing Secretariat staff for their enormous task of providing secretarial and technical services to the Councils.

1.2 Council Meetings

In accordance with Section 12 (1) of the Higher Education Act, 2003, Council held ten (10) meetings. During these meetings the following key issues, were dealt with/considered:

- » Elected Prof. Gerhard Totemeyer as the Vice Chairperson of the Council;
- » Considered and approved the management structure of the Council;
- » Considered and adopted the membership to the Committees of the Council;
- » Deliberated and approved the Terms of Reference (TORs) for the different Committees of the Council, except the Human Resources Committee.
- » Approved the establishment of the Human Resources Committee;
- » Considered and endorsed the five research areas proposed by the Research and Publications Committee on the understanding that other areas could be added whenever necessary;
- » Considered and embraced the idea of concluding a Memorandum of Understanding (MOU) between the Council and the Namibia Qualifications Authority (NQA) that would regulate cooperation between the two institutions on quality assurance matters;
- » Considered and approved the Vision, Mission and Values of the Council;
- » Deliberated and approved the structure for the IS;
- » Considered and approved the Rules of the Council;
- » Consideration and approved Council's budget, inclusive of approval to open a consolidated Bank Account as well as approval of the signatories to the Account;
- » Considered the employment conditions of IS staff including the need for employment contracts;
- » Approved the establishment of a Joint Committee of the NCHE and ACTET to deal with issues that affect both Councils;
- » Dealt with several requests that needed Council's approval on representation on other bodies such as HEQMISA and NaCCATUM;
- » Considered and approved the Secretariat's Strategic Priority Activities for the year 2008;
- » Considered and approved the hosting of the first ever international workshop on the theme "Higher Education in Namibia and its relevance to society";
- » Considered and approved the development of Council's Website currently hosted by the Polytechnic of Namibia. Officially launched the Website at an event hosted at the Polytechnic of Namibia;
- » Considered and endorsed the idea of holding of public lectures on key issues relevant to higher education; and
- » Considered and embraced the idea to carry out at least two (2) Research Studies in priority higher education areas.

1.3 Familiarization Visits

1.3.1 Visits to Local Institutions of Higher Learning

During the reporting period, Council members undertook several visits to institutions of higher learning in Namibia. These visits were aimed at exposing Council members to the mechanics of these institutions. The visits also accorded Council members the opportunity to build the required rapport between Council and the leadership of these institutions. Additionally, the visits exposed members of the Council to a range of challenges these institutions were confronted with. Institutions visited include the University of Namibia (UNAM), the Polytechnic of Namibia (PoN) and the Windhoek College of Education (WCE).

The TA and Secretariat also held a series of meetings with stakeholders to inform them of the establishment and functions of the NCHE and what role they could play. Such stakeholders included public and private higher education institutions; Ministries such as the then Ministry of Basic Education, Sport and Culture; the Ministry of Finance; the National Planning Commission; Unions such as NANTU, TUN, NUNW, and PSUN, Students; Church organizations and the Federation of People Living with Disabilities.

1.3.2 Visit to the UK

With generous support provided by the British Council in Namibia, a delegation of Council led by its Chairperson, visited relevant organizations and institutions of higher education in the UK. The visit aimed at:

- » Establishing how higher education institutions in the UK are funded and how these institutions managed their funds;
- » Establishing how quality assurance agencies executed their mandates; and
- » Examining how higher education institutions planned and undertook quality assurance at institutional and departmental level.

Institutions visited include the Department of Education and Skills, Higher Education Funding Council of England, Quality Assurance Agency of Scotland, Scottish Higher Education Funding Council, School of African and Oriental Studies, the University of Edinburgh, the University of Strathclyde and the University of East London. This visit exposed Council members to operations of agencies vested with similar responsibilities in the UK. Experiences gained during the visit enabled Council to conclude the terms of engaging Consultants who should assist in developing the long overdue funding formula for higher education institutions in Namibia. Indeed, the networks established with various organizations in the UK, have been very useful in Council's endeavours to fulfil its mandate.

1.4 Higher Education Workshop



Some of the HE workshop participants

Council successfully organized a two-day workshop on the theme "The Higher Education System in Namibia and its Relevance to Society". The workshop brought together all stakeholders in higher education ranging from NCHE and ACTET members, to representatives from public and private higher education institutions.

Some officials from the Ministry of Education and members of Parliament also attended the event.

The workshop's objectives were to:

- » Interrogate the concept of the “Comprehensive and Rural University” by examining experiences from other countries in the sub-region and determine how such experiences could add value to the provision of higher education in Namibia;
- » Examine how the National Qualifications Framework (NQF) can effectively contribute to the desired articulation and integration of higher education programs and provisions;
- » Provide an opportunity for stakeholders in Namibia’s higher education institutions to initiate a discourse around the coordination of Namibia’s higher education system; and
- » Provide an opportunity for networking among higher education institutions and beyond.

The workshop was addressed by eminent scholars/ academicians and practitioners from Namibia, South Africa and Mauritius. A Report capturing the proceedings of the workshop will be published in future. Workshop recommendations where appropriate, will be factored in the tertiary education ETSIP sub-program for implementation.

1.5 Launch of Council’s Website

The NCHE, like any other organization operating in the current IT enabled environment, was obliged to develop a website that would ensure meaningful interaction with its stakeholders and Agencies engaged in similar activities globally. After going through the protracted process of developing the Website, Council launched the site at a well attended event hosted at the Polytechnic of Namibia. While the Website is hosted by the Polytechnic of Namibia, it will in future be transferred to the Secretariat once the ongoing process of developing the requisite IT infrastructure is concluded.

1.6 Consultative Meetings

During the reporting period, members of the NCHE held several consultative meetings with the Minister of Education and other senior Ministerial officials to discuss pertinent higher education matters.

1.7 Committee Meetings

Each Committee of the Council had meetings three weeks prior to the scheduled meeting of the Council to consider and make recommendations on issues relevant to each Committee before presentation to Council. Similar activities undertaken by each of the Committees include the development of Terms of Reference as well as a Work Plan (WP) and Budget.

1.7.1 Executive Committee (EC)

The EC held several meetings in which recommendations made by the other committees on different issues were thoroughly examined before such recommendations were tabled in the Council for consideration. The EC also dealt with urgent/ emerging issues that needed resolution in between scheduled meetings of the Council. The EC ratified Council’s draft Agenda items prior to scheduled meetings.

1.7.2 Human Resources Committee (HRC)

During this reporting period, the HRC held five (5) meetings. During these meetings the Committee dealt with the following key issues:

- » Considered and recommended the creation of additional posts for the IS;
- » Deliberated on the need for employment contracts for members of the IS;
- » Considered and recommended the development of a Website for the Council; and
- » Deliberated and recommended the holding of a workshop on higher education in Namibia.

1.7.3 Capacity Building Committee (CBC)

The Committee held ten (10) meetings during the reporting period in which the following key issues were dealt with/considered:

- » Appointed co-opted members to the Committee;
- » Deliberated and recommended the NCHE's Vision, Mission and Values; and
- » Set criteria for supporting staff from public higher education institutions recommended for staff development programs.

1.7.4 Finance and Logistics Committee (FLC)

The FLC held seven (7) meetings during which the following key issues were dealt with:

- » Developed the Council's budget and recommended its approval by Council;
- » Considered the opening of Council's Bank Account including the signatories to the Account and recommended the approval thereof by Council;
- » Approved the allocation of funds for the creation of two additional posts on the IS's establishment; and
- » Considered and approved the Terms of Reference for the Development of a Funding Formula for Higher Education Institutions in Namibia.

1.7.5 Legal Matters Committee (LMC)

The LMC held ten (10) meetings during which the following issues were dealt with:

- » Developed Terms of Reference for the Committee;
- » Considered and adopted the Committee's WP;
- » Developed and submitted Rules for the NCHE;
- » Endorsed the execution of a study comparing the Higher Education Act in Namibia with similar Acts in selected countries in the sub-region;
- » Recommended the engagement of Mr. S. Amoo as the NCHE's Legal Advisor; and
- » Identified desired amendments to the Higher Education Act for consideration by Council.

1.7.6 Quality Assurance Committee (QAC)

The QAC held eight (8) meetings during which the following key issues were dealt with:

- » Considered and proposed the development of a Memorandum of Understanding on accreditation matters between the NCHE and the NQA;
- » Sanctioned the development of a concept paper on Quality Assurance for Higher Education which culminated in the holding of a workshop to discuss key aspects of the concept paper; and
- » Considered and recommended the NCHE's involvement in HEQMISA.

1.7.7 Research and Publications Committee (RPC)

The RPC held five (5) meetings during which the following key issues were dealt with:

- » Deliberated on the need for background research studies in five areas. The outcomes of these studies would inform Council's interventions on these issues. The areas selected were the Realized Curriculum in Higher Education, Coordination in the Namibian Higher Education System and Funding of Higher Education in Namibia; and
- » Initiated the development of a policy document on "Ethics in Research".

1.8 Challenges

As reported earlier, the Council's operations are severely hampered by an inadequate Secretariat establishment that can better serve the organization's diverse mandate. Existing shortcomings in the Higher Education Act also constrain the effective functioning of the Council and its Secretariat.

**National Council of Higher Education and Advisory Council
for Teachers Education and Training**

Annual Financial Statements

For The Year Ended 31 March 2008

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

for the year ended 31 March 2008

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
Windhoek
Namibia

Auditors:

EDB & Associates

Bankers:

First National Bank of Namibia Limited

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

ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2008

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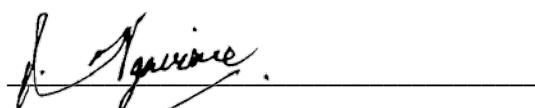
NATIONAL COUNCIL OF HIGHER EDUCATION AND ADVISORY COUNCIL FOR TEACHERS EDUCATION AND TRAINING

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

for the year ended 31 March 2008

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 11 to 25 were approved and authorised for issue by the board of council members and are signed on their behalf by:



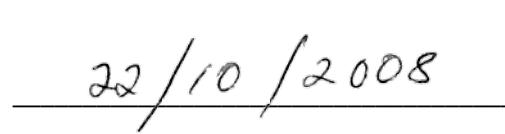
Council Chairperson - NCHE



Secretariat Executive Director

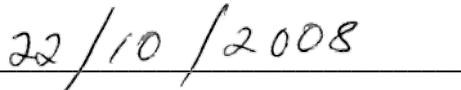


Council Chairperson - ACTET



Date

Date



REPORT OF THE INDEPENDENT AUDITORS

To the board of council members of

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

We have audited the financial statements of National Council of Higher Education and Advisory Council for Teachers Education and Training, which comprise the report of the council members, the balance sheet as at 31 March 2008, and the income statement, the statements of changes in funds and cash flow statement for the year ended 31 March 2008, and a summary of significant accounting policies and other explanatory notes, as set out on pages 19 to 24.

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 Practise – 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 principles 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

REPORT OF THE INDEPENDENT AUDITORS

To the board of council members of

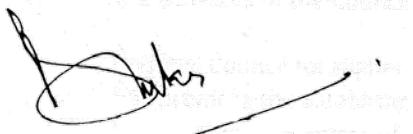
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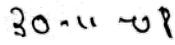
Opinion

In our opinion, the financial statements present fairly, in all material respects, the position of the organization at 31 March 2008 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 Namibia Qualifications Act, Section 12, Act 29 of 1996.

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)
WINDHOEK~~


DATE

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

COUNCIL MEMBERS' REPORT

for the year ended 31 March 2008

-
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 2008.

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 for Teacher 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 2008 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\$ 183 002 (2007: N\$ nil) during the year under review.

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

COUNCIL MEMBERS' REPORT (continued)

for the year ended 31 March 2008

Council members

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

NCHE Council members:

Dr. Z Ngavirue (Chairperson)
Prof. GKH Totemeyer (Vice-chairperson)
Prof. A Van Dyk
Prof. L Hangula
Dr. T Tjivikua
Mr. V Ankama
Mr. C Schlettwein
Mr. M Shivute
Mr. J Ellis
Mr. E Mueller
Dr. DR Namwandi
Ms. FB Uahengo
Ms. B Nakaambo
Ms. MN Hamunyela
Mr. U Maamberua
Mr. EHM Manga
Dr. FS Nyathi
Rev. C Nel
Mr. M Tjivera

ACTET Council members:

Hon. C Bohitile (Chairperson)
Ms. E Kirchner (Vice-chairperson)
Ms. H Pomuti
Mr. R Simanga
Dr. L Mostert
Dr. J Katzao
Mr. M Kavihuha
Mr. J Nyambe (01/04/07 to 30/04/07)
Ms. C Sibuku (01/05/07 to 28/01/08)
Mr. B Kangumu (29/01/08 to date)
Ms. F Uahengo
Ms. M Shihako (01/04/07 to 20/09/07)
Mr. M Katewa (21/09/07 to date)
Ms. E Mbuye

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 in accordance with Section 270(2) of the Namibian Companies Act.

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

BALANCE SHEET

at 31 March 2008

	Notes	2008 N\$
ASSETS		
Non-current assets		171 659
Plant and equipment	2	171 659
Current assets		931 465
Trade and other receivables	3	47 405
Cash and cash equivalents	4	884 060
Total assets		<u>1 103 124</u>
EQUITY AND LIABILITIES		
Capital and reserves		1 033 362
Accumulated funds		1 033 362
Current liabilities		69 762
Trade and other payables	5	69 762
Total equity and liabilities		<u>1 103 124</u>

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

INCOME STATEMENT

for the year ended 31 March 2008

	Notes	2008 N\$
Revenue	1	<u>2 248 406</u>
Total income		2 248 406
Administrative expenses		<u>(1 243 681)</u>
Operating surplus for the year		1 004 725
Net finance income	7	<u>28 637</u>
Net surplus before taxation		1 033 362
Taxation		<u>--</u>
Net surplus for the year		<u>1 033 362</u>

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

STATEMENT OF CHANGES IN FUNDS

for the year ended 31 March 2008

	Accumulated Funds	Total
Balance as at 31 March 2007	--	--
Net surplus for the year	1 033 362	1 033 362
Balance as at 31 March 2008	<u>1 033 362</u>	<u>1 033 362</u>

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

CASH FLOW STATEMENT

for the year ended 31 March 2008

	Notes	2008 N\$
Cash flow from operating activities		
Cash receipts from grants		2 277 213
Cash paid to suppliers and employees		(1 238 958)
Cash generated by operations	8	1 038 255
Investment income		28 807
<i>Net cash inflow operating activities</i>		1 067 062
Cash flows from investing activities		
Plant and equipment acquired		(183 002)
<i>Net cash outflow in investing activities</i>		(183 002)
Net change in cash and cash equivalents		884 060
Balance at the beginning of the year		--
Balance at the end of the year	4	884 060

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2008

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 Statements of Generally Accepted Accounting Practices. 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
Furniture and fittings	10 years
Computer equipment	5 years
Other fixed assets	5 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 and deposits held at call with banks, net of bank overdrafts. In the balance sheet, bank overdrafts are included in current liabilities.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2008

1.4 Revenue recognition

Revenue is recognized at the date that grants 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, transaction 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 transaction 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, transaction 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, a 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 OF HIGHER EDUCATION AND ADVISORY COUNCIL FOR TEACHERS EDUCATION AND TRAINING

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2008

2. Plant and Equipment

	Office equipment N\$	Other fixed assets N\$	Furniture and fittings N\$	Computer equipment N\$	Total N\$
2.1 31 March 2008					
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	8 914	6 147	113 344	43 254	171 659
Cost	9 507	6 830	118 951	47 715	183 002
Accumulated depreciation	(593)	(683)	(5 607)	(4 461)	(11 343)
Net book value	8 914	6 147	113 344	43 254	171 659

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2008

	2008 N\$
3. Accounts receivable	
Prepaid expenses	20 060
Deposits	18 741
Sundry receivables	8 604
	<u>47 405</u>
4. Cash and cash equivalents	
Bank accounts	882 060
Cash on hand	2 000
	<u>884 060</u>
For the purpose of the cash flow statement the period-end cash and cash equivalents comprise the following:	
Cash and bank balances	<u>884 060</u>
	<u>884 060</u>
5. Trade and other payables	
Trade payables	19 762
Other payables: Provision for audit fees	<u>50 000</u>
	<u>50 000</u>
	<u>69 762</u>

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2008

**2008
N\$**

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	50 000
Provision for audit fees	50 000
Council members' sitting allowance	60 040
Depreciation	<u>11 343</u>

7. Net finance income

Interest expense:	
Suppliers	<u>(170)</u>
Interest income	(170)
	<u>28 807</u>
	<u>28 637</u>

Note to the cash flow statement

8. Cash flows from operations

Reconciliation of net operating surplus to cash utilised in operations:

Net operating surplus	1 033 362
Adjusted for:	
Depreciation	11 343
Investment income	(28 807)
<i>Changes in working capital:</i>	
Increase in trade and other receivables	(47 405)
Increase in trade and other payables	<u>69 762</u>
Cash generated from operations	<u>1 038 255</u>

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2008

**2008
N\$**

Other notes

9 Financial instruments

In the normal course of its operations, the Councils are exposed to currency, interest rate, liquidity 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 OF HIGHER EDUCATION AND ADVISORY COUNCIL FOR TEACHERS EDUCATION AND TRAINING

DETAILED INCOME STATEMENT

for the year ended 31 March 2008

	2008 Notes
Grant income	2 248 406
Other income	28 807
Interest received	28 807
Total income	2 277 213
Less: Administrative expenses	1 243 851
Accounting Fees	50,000
Advertising & Promotions	13,340
Bank Charges	6,308
Computer Expenses	3,837
Consulting Fees	1,140
Courier & Postage	1,634
Depreciation	11,343
Electricity & Water	8,560
Entertainment Expenses	1,850
General Expenses	7,198
Insurance	3,011
Interest Paid	170
Leasing & Hire Costs	10,932
Motor Vehicle Expenses	1,722
Printing & Stationery	20,151
Refreshments - Office/Committee meetings	4,672
Refreshments - Council Meetings	13,850
Rent Paid - Offices	123,387
Repairs & Maintenance	1,187
Salaries & Wages	634,052
Sitting Allowance	60,040
Subscriptions - Other	4,316
Sundry Expenses	12,729
Telephone & Fax	32,596
Travel & Accommodation - Secretariat	70,080
Travel & Accommodation - Members	133,903
Venues - Council/Committee Meetings	11,842
Net surplus for the year	1 033 362