

Namibia Football Association (NFA)
Annual Financial Statements
for the year ended 31 March 2023

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

General Information

Country of incorporation and domicile	Namibia
Nature of business and principal activities	Promoting and facilitating the development of football through infrastructural and training initiatives
Normalisation Committee	Gerson Bisey Uirab (chairperson) Afra Schimming-Chase (deputy chairperson) Willy Mertens Esmeralda Muhinatjo Katjaerua Diina Shituula
Registered office	Football House Erf 339, Mahatma Ghandi Street Katutura Windhoek
Postal address	PO Box 1345 Windhoek Namibia
Bankers	Bank Windhoek Limited First National Bank of Namibia Limited
Auditors	Saunderson & Co Registered Accountants and Auditors Chartered Accountants (Namibia)

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Contents

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

	Page
Normalisation Committee's Responsibilities and Approval	3
Independent Auditor's Report	4 - 6
Normalisation Committee's Report	7 - 8
Statement of Financial Position	9
Statement of Comprehensive Income	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Accounting Policies	13 - 16
Notes to the Annual Financial Statements	17 - 24
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	25 - 26

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023
Normalisation Committee's Responsibilities and Approval

The Normalisation Committee is required by the Namibia Sports Act of 2003, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is its responsibility to ensure that the annual financial statements fairly present the state of affairs of the association as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the Namibian Generally Accepted Accounting Practice - NAC 001: Namibian Statement on Financial Reporting for Small and Medium Sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the Namibian Generally Accepted Accounting Practice - NAC 001: Namibian Statement on Financial Reporting for Small and Medium Sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.


The Normalisation committee acknowledge that it is ultimately responsible for the system of internal financial control established by the association and place considerable importance on maintaining a strong control environment. To enable the Normalisation committee to meet these responsibilities, the Normalisation committee sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the association and all employees are required to maintain the highest ethical standards in ensuring the association's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the association is on identifying, assessing, managing and monitoring all known forms of risk across the association. While operating risk cannot be fully eliminated, the association endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Normalisation committee is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The external auditors are responsible for independently auditing and reporting on the association's annual financial statements. The annual financial statements have been examined by the association's external auditors and their report is presented on pages 4 to 6.

The annual financial statements set out on page 7-24, which have been prepared on the going concern basis, were approved by the Normalisation Committee on 29 September 2023 and were signed on its behalf by:

Approval of annual financial statements



29 September 2023





Independent Auditor's Report

To the Shareholder of Namibia Football Association (NFA)

Opinion

We have audited the annual financial statements of Namibia Football Association (NFA) (the Association) set out on 7 to 24, which comprise the statement of financial position as at 31 March 2023, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies and the Normalisation Committee's Report.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Namibia Football Association (NFA) as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Namibian Generally Accepted Accounting Practice - NAC 001: Namibian Statement on Financial Reporting for Small and Medium Sized Entities and the requirements of the Namibia Sports Act of 2003.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (Parts 1, 3 and 4A) (IESBA Code) and other independence requirements applicable to performing audits of Auditor's Responsibilities for the Audit of the Annual Financial Statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Namibia. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Normalisation committee are responsible for the other information. The other information comprises the information included in the document titled "Namibia Football Association (NFA) annual financial statements for the year ended 31 March 2023", which includes the Normalisation Committee's Responsibilities and Approval and the supplementary information as set out on pages 25 to 26, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report

Responsibilities of the Executive Committee for the Annual Financial Statements

The Normalisation committee is responsible for the preparation and fair presentation of the annual financial statements in accordance with the Namibian Generally Accepted Accounting Practice - NAC 001: Namibian Statement on Financial Reporting for Small and Medium Sized Entities and the requirements of the Namibia Sports Act of 2003, and for such internal control as the Normalisation committee determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the Normalisation committee is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Normalisation committee either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

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

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the normalisation committee.
- Conclude on the appropriateness of the normalisation committee use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Normalisation committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report

Saunders & Co

**Saunderson & Co
Registered Accountants and Auditors
Chartered Accountants (Namibia)**

**Per: Edington Tafirenyika
Partner**

**29 September 2023
Windhoek**

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Normalisation Committee's Report

The Normalisation committee has pleasure in submitting its report on the annual financial statements of Namibia Football Association (NFA) for the year ended 31 March 2023.

1. Nature of business and operations

Namibia Football Association (NFA) was incorporated in Namibia with interests in the football development in the country .

The Namibia Football Association is the governing body for football in Namibia. Its main aim and objectives are to promote, advance, administer, co-ordinate and generally encourage the game of football in Namibia in accordance with the principles as laid down in the statutes of FIFA.

The main sponsors and contributors to the association were:

- Government of the Republic of Namibia.
- Federation Internationale de Football Association (FIFA).
- Confederation Africaine de Football association (CAF).
- Namibia Breweries Limited (NBL).
- Mobile Telecommunications Limited.
- De Beers Marine Namibia (Pty) Ltd.
- First National Bank of Namibia Limited.

There were no major changes in the nature of the business of the association during the year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with Namibian Generally Accepted Accounting Practice - NAC 001: Namibian Statement on Financial Reporting for Small and Medium Sized Entities and the requirements of the Namibia Sports Act of 2003. The accounting policies have been applied consistently compared to the prior year.

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

3. Normalisation Committee

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

Normalisation Committee	Nationality	Date of Appointment
Gerson Bisey Uirab (chairperson)	Namibian	Appointed 30 March 2022
Afra Schimming-Chase (deputy chairperson)	Namibian	Appointed 30 March 2022
Willy Mertens	Namibian	Appointed 30 March 2022
Esmeralda Muhinatjo Katjaerua	Namibian	Appointed 30 March 2022
Diina Shituula	Namibian	Appointed 30 March 2022

There term of the Normalisation Committee has been extended from 30 April 2023 to 30 November 2023.

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023
Normalisation Committee's Report

4. Events after the reporting period

Management is not aware of any material event which occurred after the reporting date and up to the date of this report

5. Going concern

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

The normalisation Committee believe that the association has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The normalisation Committee have satisfied themselves that the association is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The normalisation Committee are not aware of any new material changes that may adversely impact the association. The normalisation Committee are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the association.

6. Secretary General

The association secretary General is Mr Jochen Traut.

Postal address

P O Box 1345
Windhoek
Namibia

Business address

Football House
Erf 339
Mahatma Ghandi Street Katutura
Windhoek

7. Terms of appointment of the auditors

Saunderson & Co are the appointed auditors of the association .

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Statement of Financial Position

	Notes	2023 N\$	2022 N\$
Assets			
Non-Current Assets			
Property, plant and equipment	2	65,316,255	66,611,878
Current Assets			
Trade and other receivables	3	660,833	5,373,801
Cash and cash equivalents	4	20,656,056	189,329
		<u>21,316,889</u>	<u>5,563,130</u>
Total Assets		<u>86,633,144</u>	<u>72,175,008</u>
Equity and Liabilities			
Equity			
Reserves		40,544,232	40,544,232
Retained income		30,771,471	9,582,361
		<u>71,315,703</u>	<u>50,126,593</u>
Liabilities			
Current Liabilities			
Trade and other payables	5	15,317,441	21,258,129
Bank overdraft	4	-	790,286
		<u>15,317,441</u>	<u>22,048,415</u>
Total Equity and Liabilities		<u>86,633,144</u>	<u>72,175,008</u>

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Statement of Comprehensive Income

	Notes	2023 N\$	2022 N\$
Revenue	6	69,182,607	33,870,696
Operating expenses	7	(47,904,761)	(64,613,085)
Operating (deficit) surplus		21,277,846	(30,742,389)
Investment revenue	11	16,675	1,819
Finance costs	12	(105,411)	(79,044)
(Deficit) surplus for the year		21,189,110	(30,819,614)
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Gains on revaluation of property, plant and equipment		-	528,361
Other comprehensive income for the year net of taxation		-	528,361
Total comprehensive (deficit) surplus for the year		21,189,110	(30,291,253)

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Statement of Changes in Equity

	Revaluation reserve N\$	Retained income N\$	Total equity N\$
Balance at 1 April 2021	40,015,871	40,401,975	80,417,846
Deficit for the year	-	(30,819,614)	(30,819,614)
Other Comprehensive income	528,361	-	528,361
Total comprehensive deficit for the year	528,361	(30,819,614)	(30,291,253)
Balance at 1 April 2022	40,544,232	9,582,361	50,126,593
Surplus for the year	-	21,189,110	21,189,110
Total comprehensive surplus for the year	-	21,189,110	21,189,110
Balance at 31 March 2023	40,544,232	30,771,471	71,315,703

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Statement of Cash Flows

	Notes	2023 N\$	2022 N\$
Cash flows from operating activities			
Cash receipts from customers		73,503,066	33,889,366
Cash paid to suppliers and employees		<u>(52,157,317)</u>	<u>(48,630,474)</u>
Cash generated from (used in) operations	13	21,345,749	(14,741,108)
Interest income		16,675	1,819
Finance costs		<u>(105,411)</u>	<u>(79,044)</u>
Net cash from operating activities		<u>21,257,013</u>	<u>(14,818,333)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	2	<u>-</u>	<u>(2,461,933)</u>
Cash flows from financing activities			
Surplus on foreign exchange		<u>-</u>	<u>(116,394)</u>
Total cash movement for the year		21,257,013	(17,396,660)
Cash and cash equivalents at the beginning of the year		<u>(600,957)</u>	<u>16,795,703</u>
Total cash at end of the year	4	<u>20,656,056</u>	<u>(600,957)</u>

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the Namibian Generally Accepted Accounting Practice - NAC 001: Namibian Statement on Financial Reporting for Small and Medium Sized Entities, and the Namibia Sports Act of 2003. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in Namibia Dollar.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible assets which the association holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the association.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	40 years
Artificial Turf	Straight line	8 years
Furniture and fixtures	Straight line	5 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	3 years
Leasehold improvements	Straight line	25 years

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.1 Property, plant and equipment (continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or deficit) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

1.3 Tax

Tax expenses

The association is exempt from income tax in terms of the Income Tax Act of Namibia.

1.4 Impairment of assets

The association assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill or investment property on the cost model may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in surplus or deficit.

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.5 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.6 Provisions and contingencies

Provisions are recognised when the association has an obligation at the reporting date as a result of a past event; it is probable that the association will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

1.7 Government grants

Government grants are recognised when there is reasonable assurance that:

- the association will comply with the conditions attaching to them; and
- the grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they intended to compensate.

A government grant that becomes receivables as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Grants related to income are presented as a credit in the income statement (separately).

1.8 Revenue

Sponsorship income comprise amounts actually received by the association. Income from sponsors is recognised when received.

Revenue from the sale of tickets for football, is recognised when cash is received.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Other income is recognised when it is received by the association.

The association receives value-in-kind revenue from its commercial affiliates. This value-in-kind revenue consist of pre-determined services and delivery of goods to be used in all football development programs, tournaments and other events. The monetary value for these benefits is not included in these financial statements.

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Accounting Policies

1.9 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.10 Foreign exchange

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Namibia Dollars, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of each reporting period:

foreign currency monetary items are translated using the closing rate;
non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised in other comprehensive income or directly in equity, any exchange component of that gain or loss is recognised in other comprehensive income or directly in equity.

When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

	N\$		N\$			
2. Property, plant and equipment	2023		2022			
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Land and Buildings	38,621,000	-	38,621,000	38,621,000	-	38,621,000
Motor vehicles	2,106,773	(1,681,597)	425,176	2,106,773	(1,421,988)	684,785
Furniture and fixtures	1,856,540	(1,346,279)	510,261	1,856,540	(1,172,392)	684,148
Office equipment	3,963,575	(3,329,292)	634,283	3,963,575	(2,641,986)	1,321,589
Leasehold improvements	26,980,969	(3,965,998)	23,014,971	26,980,969	(3,791,177)	23,189,792
Artificial Turf	1,351,139	(1,351,138)	1	1,351,139	(1,351,138)	1
Capital work in progress	2,110,563	-	2,110,563	2,110,563	-	2,110,563
Total	76,990,559	(11,674,304)	65,316,255	76,990,559	(10,378,681)	66,611,878

Reconciliation of property, plant and equipment - 2023

	Opening balance	Depreciation	Closing balance
Buildings	38,621,000	-	38,621,000
Motor vehicles	684,785	(259,609)	425,176
Furniture and fixtures	684,148	(173,887)	510,261
Office equipment	1,321,589	(687,306)	634,283
Leasehold improvements	23,189,792	(174,821)	23,014,971
Artificial Turf	1	-	1
Capital work in progress	2,110,563	-	2,110,563
	66,611,878	(1,295,623)	65,316,255

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Revaluations	Depreciation	Closing balance
Buildings	38,621,000	-	-	-	38,621,000
Motor vehicles	273,739	-	528,361	(117,315)	684,785
Furniture and fixtures	162,243	694,911	-	(173,006)	684,148
Office equipment	222,833	1,766,942	-	(668,186)	1,321,589
Leasehold improvements	23,364,644	-	-	(174,852)	23,189,792
Artificial Turf	124,793	-	-	(124,792)	1
Capital work in progress	2,110,563	-	-	-	2,110,563
	64,879,815	2,461,853	528,361	(1,258,151)	66,611,878

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

	2023	2022
	N\$	N\$

2. Property, plant and equipment (continued)

Leasehold Land

Work in progress, leasehold improvements and the artificial turf have been erected on leasehold land. The land is leased from the Municipality of Windhoek for a period of 20 years with an option to renew for a further period of 20 years. The lease commenced on 01 March 2000 until 28 February 2020.

The Leasehold agreement term has further been extended for a period of 20 years. The lease extension commenced on 31 July 2012 until 30 June 2032.

Capital Work in Progress

Capital work in progress is a leasehold improvement made on the property for an Income Generating project -NFA hotel. No work has been done on these project as there were no funds committed to this project to date.

Net carrying amounts of leased assets

Leasehold improvements	23,014,971	23,189,792
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Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

	2023 N\$	2022 N\$
2. Property, plant and equipment (continued)		
Details of properties		
Erf R/339, Mahtma Gandhi Street, Katutura, Windhoek		
- Purchase price (Land)	53,635	53,635
- Additions since purchase	15,022,365	15,022,365
- Revaluation : 2013	3,043,400	3,043,400
- Revaluation : 2017	3,980,600	3,980,600
- Revaluation : 2021	16,521,000	16,521,000
	<u>38,621,000</u>	<u>38,621,000</u>

Leasehold Land: Erf R/340, Mahtma Gandhi Street, Katutura, Windhoek

- Work in progress	2,110,563	2,110,563
- Leasehold improvements (Property)	22,846,078	23,189,792
-Artificial Turf	1	1
	<u>24,956,642</u>	<u>25,300,356</u>

Erf R/339, Mahtma Gandhi Street, Katutura in the municipality Windhoek measuring approximately 4210 square metres.

Revaluation is done every four years, according to the association's policy, the next revaluation will be done in 2025.

The association received a grant from FIFA for the development of Football House during the 2004 financial year. Football House has been built on Erf 339 which the association acquired from Municipality of Windhoek during 2004 financial year. The Erf 339 is still registered in the name of Municipality of Windhoek at the Deeds Office. There is a deed of sale which stipulated that the Erf 339 on which Football House was built would ultimately be transferred to the association. At the date of this report this has not happened. The association is in the process of resolving this matter with the Municipality of Windhoek but currently there is no indication that the Municipality of Windhoek will request the association to vacate the building. In the opinion of the Executive Committee the matter does not affect the value of, or the association's rights to Football House. The carrying value of Football House after the revaluation is N\$ 39 million.

3. Trade and other receivables

CAF Receivables	36,182	3,908,882
COSAFA receivables	-	126,117
Young African Football Club *	149,550	149,550
Namibia Premier League (NPL)**	-	392,509
Accounts receivable Ronnie F Kanalelo	28,182	28,182
Other receivables	208,924	716,166
Sisa Namanje & Co Inc NFA Trust Account	19,195	19,195
Trade receivables	218,800	33,200
	<u>660,833</u>	<u>5,373,801</u>

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

	2023	2022
	N\$	N\$

3. Trade and other receivables (continued)

* On the 22nd of May 2020, the High Court ruled that Young African Football Club pay the NPL (the execution creditor) the sum of N\$149,549.76 together with interest hereon at the rate of 0% per annum from the 28th day of January 2020 and the sum of to be taxed for the taxed costs and charges of the said Execution Creditor which he or she recovered by judgment of this Court dated on 28th day of January 2020 in the abovementioned case, and also all other costs and charges of the judgement creditor in the said case to be hereafter duly taxed according to law, besides all your costs thereby incurred. In addition to this settlement, Young African Football Club was paid an amount of N\$ 150,000 from the MTC NFA Cup.

**The NFA writes off a receivable when there is information indicating that the counterparty is in severe financial difficulties or has stopped to exist and operate and there is no realistic prospect of recovery. Receivables written off may still be subject to enforcement activities under the Associations Recovery Procedures, taking into account legal advice where appropriate. Any such recoveries made are recognised in the Profit & Loss. The association has resolved to provide for the NPL balance of N\$ 392 509 as the NPL has been liquidated and the recoverability of the balance is uncertain. This is a provision/credit loss allowance and not a write off. The Congress will be informed at the next ordinary Congress of any debt write offs above N\$250 000."

Account receivable NPL	N\$ 392 509
Credit loss allowance	N\$(392 509)

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	3,200	3,200
Bank balances	20,652,856	186,129
Bank overdraft	-	(790,286)
	20,656,056	(600,957)
Current assets	20,656,056	189,329
Current liabilities	-	(790,286)
	20,656,056	(600,957)

5. Trade and other payables

Accrued leave pay	1,274,675	3,241,955
Amounts payable to members	2,070,000	2,145,000
Other payable -employee costs	508,307	508,307
Other payables-Players & Technical Staff and Sundry Creditors	4,217,314	4,466,170
PAYE Payable	490,813	1,253,980
Trade payables	6,756,332	9,642,717
	15,317,441	21,258,129

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

	2023 N\$	2022 N\$
6. Revenue		
CAF Development	6,066,676	2,792,000
Council of Southern Africa Football Associations- COSAFA	250,000	-
De Beers Marine Namibia	6,056,200	-
Dr Hage Geingob Cup -MTC & NBL	-	3,100,000
FIFA Development	49,215,680	15,506,756
Government of the Republic of Namibia	1,292,355	-
Miscellaneous other revenue	992,498	334,272
Mobile Telecommunications Limited -MTC	-	4,012,898
Namibia Breweries Limited- NBL	5,000,000	7,500,000
Other Income: Legal cost recovery	-	439,885
Other sponsorships	24,000	87,154
UEFA Assistance	285,198	97,731
	<u>69,182,607</u>	<u>33,870,696</u>
7. Operating expenses		
Deficit/surplus before investment income and finance costs include the following expenses:		
Operating lease charges		
Equipment		
• Contractual amounts	-	9,275
Loss on exchange differences	-	116,394
Depreciation and amortisation	1,295,624	1,258,230
Employee costs	5,755,795	7,477,535
Advertising	42,239	1,225,061
Development Courses	1,018,206	2,074,768
Debmarine Premiership Related Expenses	9,709,825	-
Consulting and professional Fees	293,863	1,203,255
Member Financial assistance	7,637,947	9,092,578
Members -Other costs	1,064,764	-
Women National Team Expenses	4,041,234	9,108,061
	<u>33,100,000</u>	<u>33,100,000</u>
8. Auditor's remuneration		
Audit fees	331,028	150,568
9. Employee cost		
Employee costs		
Basic	5,755,795	7,477,535
	<u>5,755,795</u>	<u>7,477,535</u>
10. Depreciation, amortisation and impairments		
The following items are included within depreciation, amortisation and impairments:		
Depreciation		

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

	2023	2022
	N\$	N\$
10. Depreciation, amortisation and impairments (continued)		
Property, plant and equipment	<u>1,295,624</u>	<u>1,258,230</u>
11. Investment Income		
Interest income		
Bank	<u>16,675</u>	<u>1,819</u>
12. Finance costs		
Bank	<u>105,411</u>	<u>79,044</u>
13. Cash generated from (used in) operations		
Net profit (loss) before taxation	21,189,110	(30,819,615)
Adjustments for:		
Depreciation, amortisation, impairments and reversals of impairments	1,295,624	1,258,231
Surplus on foreign exchange	-	116,394
Interest received	-	(1,819)
Other non-cash items	(16,675)	-
Other non-cash items	105,411	79,044
Changes in working capital:		
(Increase) decrease in trade and other receivables	4,320,459	18,670
Increase (decrease) in trade and other payables	(5,940,689)	14,607,987
	<u>20,953,240</u>	<u>(14,741,108)</u>

14. Contingencies

NFA disclosed on three legal cases in the financial year ended 2021 . Two of the cases are labour dispute matters with former employees and are being handled by an arbitrator who will determine the outcome of the cases. The third case relates to the suspended President of the NFA, which the NFA ethics committee will make a ruling on. As at the reporting date the status of these cases are unknown.

In prior year there were also three legal cases, former General Secretary, Timo Tjongarero and Shikwambi. Furthermore there are also suppliers, player and Technical staff balances that are being investigated to determine whether the NFA has an obligation to pay for past services that do not appear in the NFA books. As at the reporting date the status of these cases are unknown.

Management at this point cannot determine what the probable outcome of the cases will be and when they will be concluded. Management however estimates that in the event of adverse outcomes, the NFA would be liable to a maximum of at least N\$500,000 on all cases combined.

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

	2023 N\$	2022 N\$
15. Related parties		
Relationships		
Members- Regional Football Associations		Zambezi Region, Erongo Region, Hardap Region, Karas Region, Kavango East Region, Khomas Region, Kunene Region, Ohangwena Region, Omaheke Region, Omusati Region, Oshana Region, Oshikoto Region, Otjozondjupa Region, Kavango West Region
Members - National Sports Bodies		Namibia Premier Football League (NPFL), North East First Division, Women National Football League, North-West First Division, Southern Stream First Division
Members - Affiliates		Referees Association
Key management		Jochen Traut- General Secretary Simeon Alfred - Finance, IT & Administration Manager Jacquiline Shipanga- General Manager Women Football & Acting Technical Director Jacquiline Gertze-Manager: Girls Centre Cassius Moeti -Marketing & Communications Johaness Vries- League Director Titus Kunamuene-Competitions Manager Cyril Isaacs-International Relations
Related party balances and transactions with entities with control, joint control or significant influence over the company		
Related party balances		
Balances owed by / (owed to) related parties		
Members - Regional Football Associations	(1,410,000)	(1,480,000)
Members - National Sports Bodies	(660,000)	(665,000)
Members - Affiliates	218,600	33,000
Related party transactions		
Financial assistance to related parties		
Members - Regional Football Associations	2,368,179	2,121,000
Members - National Sports Bodies	5,260,051	6,971,578
Compensation to key management		
Short-term employee benefits	3,866,400	3,867,000

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Notes to the Annual Financial Statements

	2023 N\$	2022 N\$
16. Categories of financial instruments		
Debt instruments at amortised cost		
Cash and cash equivalents	20,656,056	189,329
Trade and other receivables	613,456	5,326,424
	21,269,512	5,515,753
Financial liabilities at amortised cost		
Bank overdraft	-	790,286
Trade and other payables	15,317,438	21,258,127
	15,317,438	22,048,413
17. Member Financial assistance		
Erongo Region	221,478	515,310
Hardap Region	160,442	515,310
Omusati Region	250,464	515,310
Karas Region	231,965	515,310
Kavango East Region	160,442	515,310
Oshana Region	160,442	515,310
Ohangwena Region	160,442	515,310
Omaheke Region	-	515,310
Khomas Region	208,674	515,310
Oshikoto Region	172,060	515,310
Kavango West Region	160,442	515,310
Kunene Region	160,442	515,310
Otjozondjupa Region	160,442	515,310
Zambezi Region	160,442	515,310
North East First Division	1,759,417	515,310
Sourthern Stream First Division	1,741,217	515,310
North West First Division	1,759,417	515,310
Namibia Premier Football League (NPFL)	-	5,373,128
	7,628,228	14,133,398

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Detailed Income Statement

	Notes	2023 N\$	2022 N\$
Revenue			
CAF - Development		6,066,676	2,792,000
Council of Southern Africa Football Associations -COSAFA		250,000	-
De Beers Marine Namibia (Pty) Ltd		6,056,200	-
Dr Hage Geingob Cup MTC & NBL		-	3,100,000
FIFA - Development		49,215,680	15,506,756
Government grants		1,292,355	-
Miscellaneous other revenue		992,498	334,272
Mobile Telecommunications Limited -MTC		-	4,012,898
Namibia Breweries Limited- NBL		5,000,000	7,500,000
Other Income: Legal cost recovery		-	439,885
Other sponsorships		24,000	87,154
UEFA Assistance		285,198	97,731
	6	<u>69,182,607</u>	<u>33,870,696</u>
Expenses (Refer to page 26)		<u>(47,904,761)</u>	<u>(64,613,085)</u>
Operating profit (loss)		<u>21,277,846</u>	<u>(30,742,389)</u>
Investment income	11	16,675	1,819
Finance costs	1.9	(105,411)	(79,044)
		<u>(88,736)</u>	<u>(77,225)</u>
(Deficit) profit for the year		<u>21,189,110</u>	<u>(30,819,614)</u>

Namibia Football Association (NFA)
Annual Financial Statements for the year ended 31 March 2023

Detailed Income Statement

	Notes	2023 N\$	2022 N\$
Operating expenses			
Accounting fees		241,767	196,858
Advertising		42,239	1,225,061
Audit and Compliance committee fees		36,000	-
Auditors remuneration	8	331,028	150,568
Bad Debts		392,509	-
Bank charges		80,266	173,617
COVID-19 protocol and related costs		-	670,882
Coaching and technical development related costs		252,044	392,667
Computer expenses		512,991	582,179
Conference and meetings		889,507	664,044
Consulting and professional fees		293,863	1,203,255
Courier & Postage		36,970	370
Debmarine Premiership Related Expenses		9,709,825	-
Depreciation, amortisation and impairments		1,295,624	1,258,230
Development Courses		1,018,206	2,074,768
Donations		5,000	500
Employee costs		5,755,795	7,477,535
FIFA Worldcup Tickets		647,785	-
General Expenses		225,694	-
Insurance		-	95,183
Lease rentals on operating lease		-	9,275
Legal expenses		515,215	222,704
Levies and fines paid		-	86,820
Loss on exchange differences		-	116,394
Member financial assistance		7,637,947	9,092,578
Members- Other Costs		1,064,764	-
Men National team expenses		9,966,082	20,665,832
Motor vehicle expenses		146,786	88,433
National competition costs		195,330	7,274,042
Office expenses		95,651	64,723
Printing and stationery		267,613	190,586
Repairs and maintenance		258,602	160,820
Security		469,753	460,488
Subscriptions		60,200	61,226
Team member advance related expenses		503,642	-
Telephone and fax		80,978	73,604
Utilities		833,852	771,782
Women National Team Expenses		4,041,233	9,108,061
		47,904,761	64,613,085