EDUCATION
Top field of study for 2015/2016

Followed by: Economics & Commerce (#2) and Medicine, Nursing & Related Sciences (#3)

KHOMAS
Top region awarded for 2015/2016

Followed by: Omusati (#2), Oshana (#3), Oshikoto (#4) and Ohangwena (#5)

5030
total VTC students funded in 2016/2017





NSFAF
2016/2017
ANNUAL REPORT

NSFAF
Namibia Students Financial Assistance Fund





4.52
million dollars
Amount recovered in 2016/2017

0.87%
decrease in recovery
from the previous year

58570
awards: 2012-2016
Total undergraduate, postgraduate, VTC and special initiative awards from 2012 to 2016

27025
applications for 2016/2017
that have been made through the **Loan Grant Administration Management Information System**

N$1,053,651,194
total student budget for 2016/2017

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1st Print Edition

Prepared by the Namibia Students Financial Assistance Fund (NSFAF)

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NSFAF ANNUAL REPORT 2016/2017

Operational, personnel, marketing, governance and financial information about the activities of the Namibia Students Financial Assistance Fund for the year 2016/2017

www.nsfaf.fund

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DOCUMENT ABBREVIATIONS

ARC	Audit & Risk Committe
CEO	Chief Executive Officer
ICT	Information & Communication Technology
IHL(s)	Institute(s) of Higher Learning
FINCOM	Finance Committee
HRRC	Human Resources & Remunerations Committee
LGAMIS	Loan & Grant Administration Management Information System
MCA-N	Millenium Challenge Account - Namibia
MOE	Ministry of Education
MTP	Medium Term Plan
NAMCOL	Namibia College of Open Learning
NANSO	Namibia National Students Organisation
NSFAF	Namibia Students Financial Assistance Fund
O/M/A's	Offices, Ministries, Agencies
RSA	Republic of South Africa
SAAC	Selection & Award Advisory Committee
SCC	Strategic Communications Committee
SADC	Southern African Development Community
SOEGC	State-Owned Enterprises Government Council
SRC	Students Representative Council
VET	Vocational Education & Training

GENERAL INFORMATION

Country of incorporation and domicile:	Namibia
Nature of business and principal activities:	The nature of the activities of the entity is to provide financial assistance in the form of loans and scholarships to eligible students at public and private accredited higher education institutions in the country and abroad.
Directors:	J Mutumba (Chairperson) C Swart Opperman (Vice chairperson) S Tjiuoro A Abner A Angula N Cheikhyoussef I Neema T Munyika
Business Address:	51 - 52 Werner List Street United Africa Building, 3rd Floor Windhoek, Namibia
Postal Address:	P.O. Box 23053 Windhoek, Namibia
Bankers:	Bank Windhoek Limited First National Bank of Namibia (FNB)
Auditors:	PricewaterhouseCoopers Registered Accountants and Auditors Chartered Accountants (Namibia)
Secretary:	F. Immanuel



SECTION A / INTRODUCTION



Hon. Dr. Itah Kandji-Murangi

MINISTER OF HIGHER EDUCATION, TRAINING & INNOVATION

"NSFAF will continue to be a key contributor to industrialization through enabling access to training and development for Namibian students."

His Excellency, Hifikepunye Pohamba, Former President of the Republic of Namibia, in his statement on the Occasion of the Last Ordinary Cabinet Meeting for 2013 said, "as our population grows, it is vital for Namibia to continue with the focus on capacity building and the training of our people as an important catalyst for socio-economic development".

According to the National Development Plan (NDP5), page 61, limited funding available to students has been identified as one of the challenges to accessing higher education. Technical, Vocational Education and Training are not exempted from this challenge. In an attempt to address this challenge, the NPD5 on page 62 sets as one of its strategic objectives the widening of access to higher education through equity and inclusion. The document further envisioned that this can only be achieved, among other things, through increasing the number of students from the rural areas and marginalized groups entering Higher Education Institutions by raising awareness and availability of students financing.

One the national institutions living out the aforementioned dream of the former President, as far as human capital development is concerned and helping in addressing the challenge cited above by NPD5, is the Namibia Students Financial Assistance Fund, which is making a mark through the provision of financial assistance to students. The NSFAF is mandated to "provide financial assistance, subject to the NSFAF Act, to students in order to (i) enable students to study or to do research; and (ii) more specifically, but without limiting the foregoing, to facilitate the training of students in prescribed courses or fields of study at approved institutions of higher education". This institution, being an agency of the MHETI assists the ministry in achieving its strategic objectives. In the same vein, it is meeting the financial needs associated with higher studies and the educational aspirations of most Namibian students.

In carrying out its statutory mandate, the NSFAF is guided by core values which are; Excellence, Commitment, Integrity, Teamwork, Ethics, and Diversity (ExCITED). These values are clearly mirroring the narratives of His

> "The Fund will continue to make itself a responsive institution to the calling of the NDP5 and Vision 2030."

Excellency, Dr Hage Geingob, the President of the Republic of Namibia, as contained in the Harambee Prosperity Plan, such that nobody should be left out. When the process of granting financial assistance is characterized by excellence, integrity and all other ethical considerations, one can only expect the best of results, which is inclusive and guaranteeing of equity in all spheres. In this way, the Fund has and will continue to distinguish itself as a responsive institution to the calling of the NDP5 and Vision 2030, respectively.

It is my valued belief that NSFAF will continue to be a key contributor to the formation and continuous cementing of the pursued industrialization through enabling access to training and development for Namibian students. Further, the institution will continue to perfect its awarding process, until it is completely free of doubt and possible complaints. It should also be emphasised herein that the Fund needs to put in place a pro-poor strategy to ensure that rural and marginalized members of our society are able to access educational opportunities. The Board and its management are also implored to improve upon their efforts to recover loans advanced in the past, as a way of contributing to the sustainability of the Fund.

Notwithstanding the strides being made in the sphere of higher education, NDP5 wants the enrolment of VET trainees to be increased to 35,000 during the 2018/19 financial year. The NSFAF is therefore called to task to do things differently and innovatively in order to ensure that this is realised.

Finally, I would like to congratulate the NSFAF Board and its management for what it has achieved in the just ended financial year and for their efforts to compile this Annual Report. The MHETI will forever be ready and available to assist and provide the necessary political leadership.



MINISTER'S FOREWORD



Patty Karuaihe-Martin

CHAIRPERSON, NSFAF

"Our priorities for the next reporting period will focus on the award of financial assistance policy, the recovery policy, the priority fields of study and the appointment of key executives, among others."

The period under review was the second year for the current NSFAF Board, following its appointment effective from the 1st of January, 2015. Meanwhile it was the fourth year of the NSFAF's existence and operation as an independent entity after its separation from the then Ministry of Education. During the referent period, the NSFAF made tremendous strides in terms of both its presence as a corporate citizen and in improving the lives of ordinary Namibians through provision of financial assistance towards learning opportunities.

By far, throughout the period under review, all stakeholders have continuously demonstrated their confidence in the NSFAF as the only national provider of financial assistance to students. This has been evidenced by the overwhelming support that Government has been giving to the institution and further by the ever-increasing demand of the Fund's services and products from the public in the course of the reference period. In more specific terms, the Fund is grateful for fiscal supports it received from the treasury as well as the enabling guidance and direction in the form of leadership from the line Minister, Honourable Dr Itah Kandjii-Murangi. It is beyond doubt that our line minister is an embodiment of Warren G. Bennis' wisdom, who once said that "leadership is the capacity to translate vision into reality". This is what Dr Kandjii-Murangi has done and continues to demonstrate in relation to the NSFAF.

As expected, the NSFAF Board remained consumed by the governance agenda throughout the period under review. More specifically, the Board's attention has been occupied by the demand to solidify the governance framework in the granting of financial assistance with a distinctive focus on transparency, accountability and sustainability of the NSFAF. In meeting this demand, the Board, with the aid of several Board Committees held its quarterly meetings and, where it was justified, special meetings were relied upon, during which crucial and impactful decisions were taken. It was during the reference period when the Board successfully completed the strategy review to re-align the institutional focus to the contemporary reality. In addition, the Board has approved the following operational policies after either fresh development or review thereof:

> "The NSFAF Board remained consumed by the governance agenda throughout the period under review."

- Code of Ethics
- Remuneration Policy
- Training and Development
- Employee Health and Safety
- Performance Management
- Cell phones
- Travel and Subsistence
- Conditions of Service, and
- Guidelines and Framework for Risk Management

Despite the considerable strides made by the institution, there are still numerous challenges that are laying ahead which, for as long as they remain, will forever impede the strategic execution of the Fund's mandate. Thus, it is reported herein that for the succeeding reporting period, it will be a priority in terms of the Board's agenda to address the following:

- Get the Ministerial approval of the Award of Financial Assistance Policy
- Get the Ministerial approval of the Recovery Policy
- Get the Ministry to gazette the Approved Institutions of Higher Education
- Get the Ministry to publish the list of fields of study and courses which are to be given priority in terms of funding
- Establish an in-house Audit Function;
- Approval of appointment for key executives in the vacant positions that are crucial to attaining the Fund's strategic objectives
- Company–wide institutionalization of the Performance Management System
- Improve the loan recovery rate
- Conduct Board Performance Appraisals, and
- Re-build the image of the NSFAF

Finally, I would like to extend special gratitude to my fellow Board members for their continuous commitment to and conviction in the Fund's cause. Equally, the Board is increasingly indebted to the NSFAF management and staff for their support, hard work and dedication in ensuring that equity and fairness prevail in the granting of financial assistance.



CHAIRPERSON'S REPORT



Hilya Nghiwete

CEO, NSFAF

"The papermill and bureaucracy of the NSFAF application process has been replaced with an online system that caters to our school-leavers and students' needs in the 21st Century. The previous process caused not only a huge frustration for the potential students but also unnecessary workload for the NSFAF team."

Welcome to the 2016/2017 Namibia Students Financial Assistance Fund (NSFAF) Annual Report. We can look back on another busy year that saw our organization continue to improve itself, its processes and service delivery. After NSFAF was delinked from the Ministry of Education and started operating as an independent entity in 2013, major changes and improvements have been implemented.

Administratively things have significantly improved where processes were streamlined to ensure that students' affairs are well managed. The Fund has so far produced three Annual Reports (2013/2014; 2014/2015; 2015/2016) each one giving a clear insight into the activities and role that NSFAF plays within the Higher Educational sector and its contribution to Namibia becoming a knowledge-based society. For the year under review, NSFAF launched an online application to alleviate the administrative challenges that we and our stakeholders faced in the past. The Loan Grant Administration Management Information System (LGAMIS) is a fully automated and seamlessly integrated application system to manage the entire lifecycle from application to loan recovery. To communicate and roll out this new system and to ensure that no one was left out, a roadshow to all 14 regions of Namibia, visiting 119 locations in the most remote and rural areas was commissioned, thus assisting potential students with their application.

The roll-out of this new innovative, technologically advanced platform had some minor teething problems, but we embraced such challenges with open arms. We constantly monitored online how the applicants were getting on and if they could access the necessary information. NSFAF resolved the challenges through the creation of an 'applicant portal', improving communication with students and reducing the usage of emails and mobile phones in this regard. This led to a much quicker turnaround time for the applicants, who knew their status within minutes or hours, instead of months as had been the case in the past. It also meant that NSFAF was able to save costs by not printing 50,000 hard copy application forms and having to process them by hand. The LGAMIS system saved both time and money and improved service delivery of NSFAF to a primary stakeholder group, namely the students. The year saw other challenges in the form of a severe economic downturn. This contributed to a reduction and delays in monies received for loans, grants and bursaries to the students. Together with the Fiscus, Line Ministry and the students we are working to remedy the situation. We anticipate having these issues be a

> The total number of applications for the period was an impressive **27,025**

thing of the past as we continue to enhance our system and achieve a seamless integration with IHLs to alleviate a long verification process and thus ensure prompt payment of registered students.

Furthermore, with the professional and experienced management team and employees we now have in place, NSFAF foresees a continued improvement of its processes, systems and service delivery ensuring that we continue delivering financial assistance to those that need it and want to improve themselves through tertiary education.

During the period under review the Fund recovered N$4.52 million, a decrease of 0.87% on the recovery in the previous financial year. The Fund also saw a decrease of 5.3% from 2015 in the number of active debtors. The recovery function which is outsourced has been met with a number of challenges which is affecting collections, and these are being worked on by the team. We are getting closer to realize our exciting and challenging strategic goal of becoming one of the most efficient and effective organizations in the Higher Education sector.



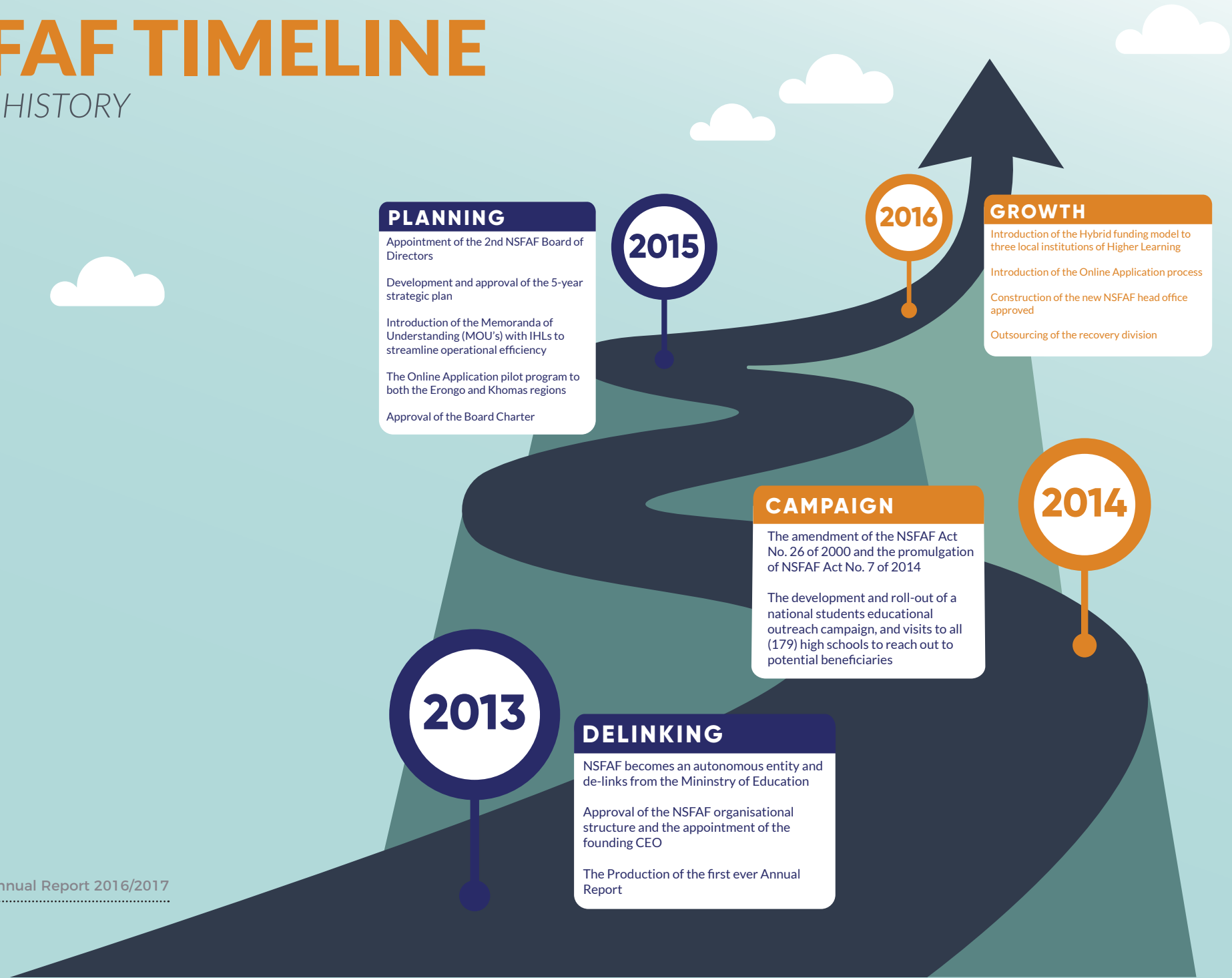
Regional insights from LGAMIS as of **October 2017**

ERONGO 618 ▲ 286	HARDAP 200 ▲ 112	KARAS 251 ▲ 175	KAVANGO EAST 733 ▲ 260	KAVANGO WEST 194 ▲ 70
KHOMAS 2030 ▲ 875	KUNENE 103 ▲ 46		OHANGWENA 1054 ▲ 136	OMAHEKE 95 ▲ 31
OMUSATI 1362 ▲ 325	OSHANA 1416 ▲ 372	OSHIKOTO 1219 ▲ 340	OTJOZONDJUPA 395 ▲ 250	ZAMBEZI 648 ▲ 327

OVERVIEW FROM THE CEO

NSFAF TIMELINE

A BRIEF HISTORY



STRATEGIC **OBJECTIVES**

1

AWARENESS & ACCESSIBILITY

Develop a comprehensive Students Financial Assistance Policy, to include student support, placement and value added services, internship and placement; as well as a ratio of allocation per sector and level of education.

2

CAPACITY

Determine the amount of the Loan Book, locate all traceable debtors (and write-off untraceable debtors) and engage IHLs and employers to provide beneficiary and payment information respectively.

3

EFFICIENCY

Developing our IT Strategy and Governance Framework as well as timely and cost effective implementation of IT projects such as the Student Life Cycle System and Record Management System.

4

SUSTAINABILITY

Funding optimization is the primary goal of this objective, in addition to establishing strategic relationships for joint funding opportunities. Establishing business cases for student funding and accommodation and transport fall under this umbrella too.

5

TRANSPARENCY

Establishing an internal audit function and adherence to policies and procedures are the key outcomes of the transparency objective of the NSFAF.

6

OPERATIONAL EXCELLENCE

Staff retention and development are the focal points of this strategy, as well as maintaining a conducive organizational culture and strong succession policy.

OUR VALUES

1.1 MANDATE

To provide financial assistance to eligible students at approved tertiary educational institutions.

1.2 VISION

To be a sustainable institution, equitably providing financial assistance to contribute to the development of Namibia's human capital.

1.3 MISSION

To provide financial assistance to eligible Namibians to access Vocational as well as Higher Education and Training.

1.4 CORE VALUES ("ExCITED")

EXCELLENCE
We perform above expectations

TEAMWORK
We work together to achieve our mission

COMMITMENT
We are dedicated to our purpose

ETHICS
We are principled in whatever we do

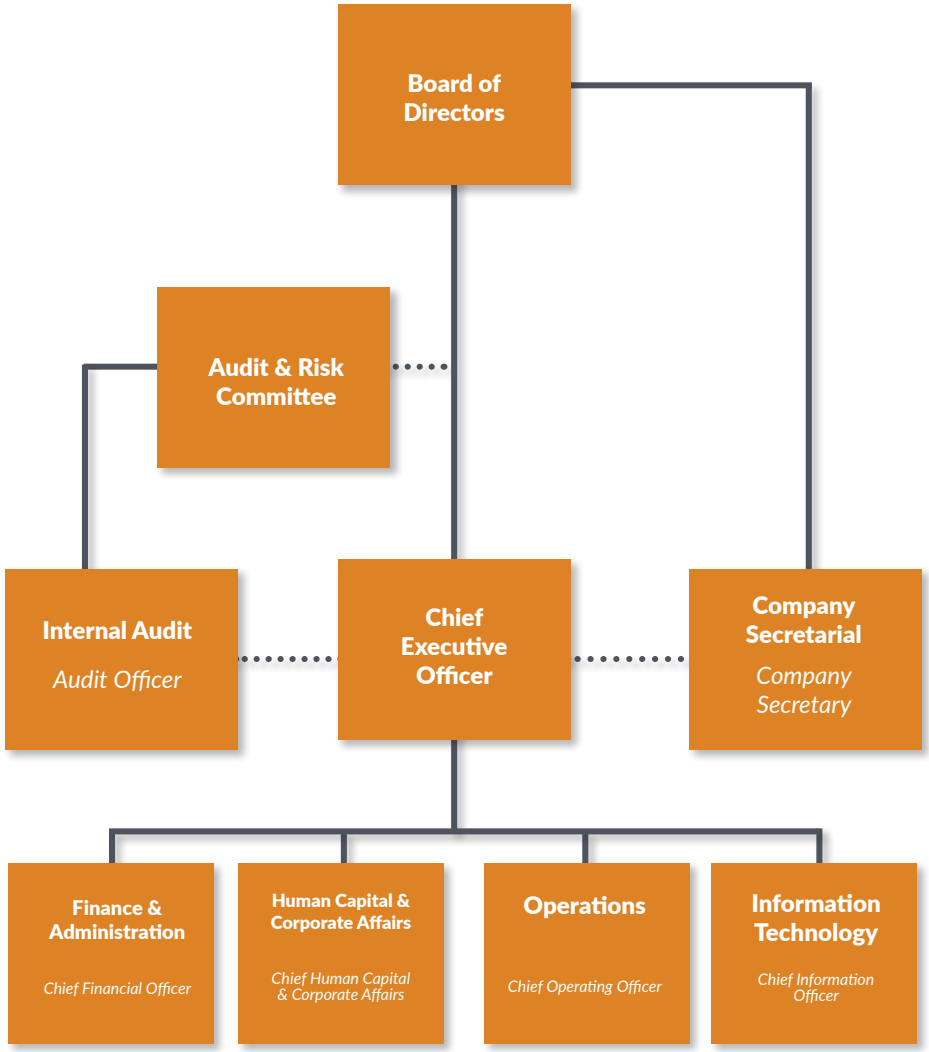
INTEGRITY
We do the right thing even when no-one is watching

DIVERSITY
We embrace our uniqueness

GOVERNANCE STRUCTURE



EXECUTIVE STRUCTURE



GOVERNANCE TEAM

The Board of the NSFAF is tasked with governance, policy creation and review as well as Awards allocation.



PATTY KARUAIHE-MARTIN

CHAIRPERSON



MBUSHANDJE NTINDA

DEPUTY CHAIRPERSON



FRANZ GERTZE

BOARD MEMBER



LEEZHEL VAN WYK

BOARD MEMBER



TAINA NANKELA

BOARD MEMBER



TIMOTHEUS ANGALA

BOARD MEMBER



HILYA NGHIWETE

CEO (EX OFFICIO)

The Board of the Namibia Students Financial Assistance Fund is responsible for policy-making, adherence to governance regulations, award policy review. This is in addition to reviewing, validating and improving the key components of the institution's Mission, Vision, Values and Strategic Objectives.

THE BOARD OF DIRECTORS

OLAVI HAMWELE

Chief Human Capital & Corporate Affairs

MBA in Mgt. Strategy (Namibia), MA. HR (India), B.Tech. Public Mgt. (ZA), Dip. Public Mgt. (Namibia)

Joining the NSFAF team on the 1st of February, 2016, Olavi Hamwele is a trained Human Resources Practitioner with more than 23 years of experience. During his tenure, staff training has soared and produced tangible results.

KENNEDY KANDUME

(Acting) Chief Operations Officer

M.Com. (ZA), MSc. Financial Economics (Nam)

Enlisting with the NSFAF on the 2nd of February, 2014, as Senior Manager: Operations, Kennedy's main mandate was to design core business process and identify policy gaps in the Operations Department. He boasts previous experience from Standard Bank as Head of Payment, the Payments Association of Namibia (PAN) as Chief Operating Officer and the Bank of Namibia.



HILYA NGHIWETE

Chief Executive Officer

Dip. Comm. (Namibia), CIS (UK), MBA (UK)

Hilya came on board the NSFAF team on the 13th of May, 2013 and is a qualified Company Secretary by profession with 17 years of experience in all aspects of government budget preparation and control. She completed her MBA in 2008, specializing in B2B marketing strategy and managing strategic change.

SVEN VON BLOTNITZ

Chief Financial Officer

B. Bus. Sci. (ZA), B. Compt (Hons) (ZA)

In August 2015, Sven joined the NSFAF team following an illustrious career in Finance at such entites as the Bank of Namibia, FNB, Standard Bank, Shell Namibia and the Namibia Training Authority. With over 20 years of experience in diverse finance portfolios and having served on several different boards, he brings well-earned expertise in financial management to the NSFAF.

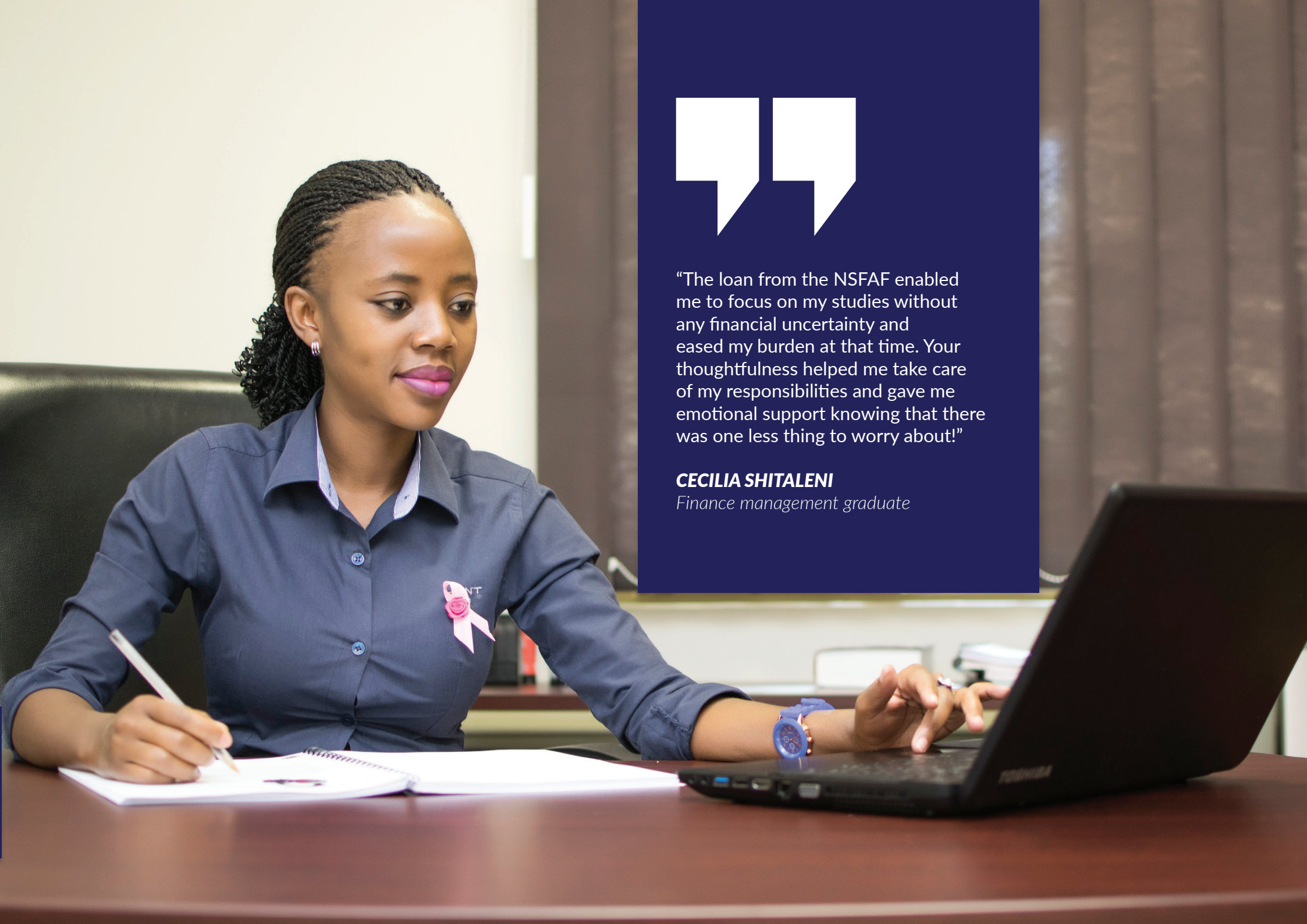
FILLEMON WISE EMMANUEL

Company Secretary

BA. Economics, LLB (Hons.), MA. Management Strategy

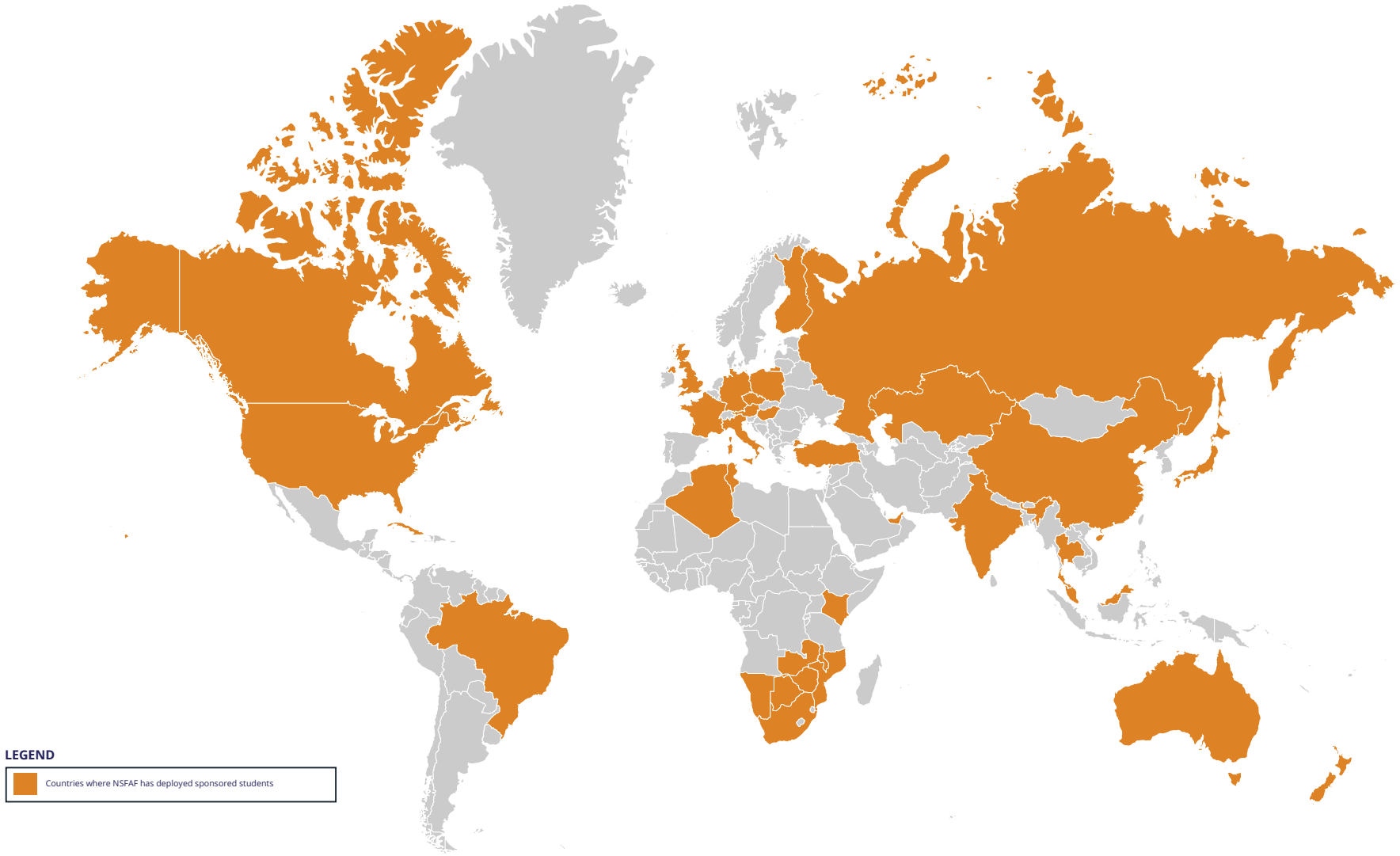
Joining the NSFAF in September 2013, Wise has over 10 years of professional experience in legal compliance, risk management and financial analysis, among others. With governance under his care, the NSFAF has undertaken the development of its Governance Charter, Board Annual Workplan and numerous other significant policies.

THE EXECUTIVE COMMITTEE



"The loan from the NSFAF enabled me to focus on my studies without any financial uncertainty and eased my burden at that time. Your thoughtfulness helped me take care of my responsibilities and gave me emotional support knowing that there was one less thing to worry about!"

CECILIA SHITALENI
Finance management graduate



SECTION B / AWARDS

NSFAF ALIGNMENT WITH STUDENT NEEDS & GOVERNMENT POLICY

Under this theme, the NSFAF strives to harmonize and align its policies and procedures with those relating to the Government's National Human Capital Development objectives as informed by the needs of eligible students.

2.1 REVIEW OF STUDENT FINANCIAL ASSISTANCE POLICY

The Namibia Students Financial Assistance Fund derives its mandate from the NSFAF Act, No. 26 of 2000 as amended by Act No. 7 of 2014. In terms of Section 4 of the above-mentioned Act, the NSFAF's core function is to provide financial assistance, subject to the same Act, to students in order to;

- Enable them to study or to do research; and
- More specifically, but without limiting the foregoing, to facilitate the training of students in prescribed courses or fields of study at approved tertiary institutions.

In order to fulfil the above-mentioned mandate, the Fund developed the Award of Loans, Grants and Scholarship Policy, to guide the provisioning of financial assistance since 2015. However, it has transpired that the policy is not as wide-ranging as was desired and the Fund noted challenges related to implementation and interpretation of the Policy. In this connection and in order to ensure that the provision of financial assistance is inclusive, responsive, and aligned to national development goals, the Fund resolved to review the Award of Loans, Grants and Scholarship Policy during the reporting period.

As part of the Policy review process, the NSFAF held consultative workshops on the 27th and 28th of July, 2016 to solicit inputs from various stakeholders in order to inform the new Students Financial Assistance Policy. In addition, the Fund also sought input from the line Ministry as well as from the Office of the President. The contributions from various stakeholders were incorporated and the policy was presented to the relevant Board Sub-committee (i.e. the Selection and Award Advisory Committee) during the reporting period. We envisage having the policy approved by the Board as well as by the line Ministry during the upcoming financial year.

2.2 FINANCIAL ASSISTANCE

In line with its mandate, NSFAF continues to provide financial assistance through loans, grants and related products and services in an effective and efficient manner.

2.2.1 AWARD STATISTICS

2.2.1.1 OVERALL AWARDS

As shown in Table 1, over the past 5 years, a total number of 58,570 students were awarded financial assistance by the NSFAF, from a mere 7,700 in 2012 and rising to 14,100 in 2016. This demonstrates the

Table 1: Total Award (5-year statistics)

Year	Vocational Education	Under Graduate	Post Graduate	Special Initiative	Grand Total
2016	5030	8222	712	136	14100
2015	4952	6339	218	86	13610
2014	4783	5544	159	*	12500
2013	1485	8953	222	*	10660
2012	950	6692	58	*	7700
Total	**17200**	**35750**	**1369**	**222**	**58570**

NSFAF's commitment to provide funding to students to pursue studies at Institutions of Higher Learning.

2.2.1.2 REGIONAL AWARDS

Table 2 presents the number of undergraduate awards per region from 2012 to 2016. Overall, there has been an increase in the number of student awards, with exception of a decrease in 2014, which can be attributed to the tightening of qualifying criteria in the same year.

2.2.1.3 AWARDS PER FIELD OF STUDY

Table 3 indicates awards per field of study for undergraduate students in 2015 and 2016. A large

Table 2: Number of undergraduate students awarded per region

Region	2012	2013	2014	2015	2016
Oshikoto	865	1282	650	671	872
Oshana	1159	1583	792	794	1015
Erongo	247	468	301	281	418
Otjozondjupa	263	262	216	179	241
Hardap	84	127	100	86	126
Zambezi	278	351	344	335	372
Kavango West	341	468	363	103	122
Kavango East	*	*	*	408	461
Omaheke	96	109	47	51	86
Ohangwena	718	869	615	554	768
Omusati	1141	1703	819	929	1003
Karas	139	155	122	162	117
Khomas	1225	1374	1091	997	1448
Kunene	80	51	27	42	74
Completed Grade 12 outside	58	151	57	77	68
Junior Diploma	*	*	*	635	1031
Special Case	*	*	*	35	*
Total	6694	8953	5544	6339	8222

number of students are in the field of Education, followed by Economics and Commerce. The higher number of students in the field of Education can be attributed to the introduction of the Junior Diploma in Education since 2015.

2.2.1.4 AWARDS PER LEVEL OF STUDY

Table 4 indicates that the majority of students funded are pursuing studies at undergraduate level followed by funding at Vocational Education Training centres.

Table 3: Number of undergraduates awarded per field of study

Field of Study	2015	2016	% Increase/Decrease
Accountancy	377	368	-2.4
Agriculture and Veterinary Science	109	311	185.3
Communication, Conservation & Tourism,	200	245	22.5
Culture, Sport and Art	286	98	-65.7
Economics & Commerce	607	1387	128.5
Engineering and related fields	146	803	450
Humanities & Social Work	233	519	122.7
Law	192	135	-29.7
Medicine, Nursing and related sciences	1345	818	-39.2
Natural Science & IT	279	393	40.9
Policy and Strategic Studies	0	53	*
Public Administration	996	142	-85.7
Education & related fields	1569	2950	88
TOTAL	6339	8222	29.7

There was however an exponential increase in the number of students funded at postgraduate level in 2016, which can be attributed to an increase in the number of priority fields of study as postgraduates are funded strictly based on the field of study.

2.2.1.5 UNDERGRADUATE AWARDS PER PRIORITY AREA

Figure 1 indicates the undergraduates funded per priority category, and it shows that most students funded during the period under review are studying towards High-Priority Areas.

2.2.1.6 REGIONAL AWARDS FOR STUDENTS STUDYING AT LOCAL INSTITUTIONS AND ABROAD

A comparison has been made on funding per region at local institutions (2015 compared to 2016) as shown in Table 5. It indicates that the most students funded are from the Khomas region, followed by Oshana. However, in terms of percentage increase in the number of students funded, Omaheke recorded the highest increase at 68.6 percent.

The same table indicates the number of students funded to study abroad and it reveals that the majority are also from the Khomas region, followed by Oshikoto. It further shows that the overall number of students funded to study abroad has increased by 17.1%. This implies that more and more students are gaining 30 points in five subjects in Grade 12.

2.2.1.7 AWARDS COMPARED TO GRADE 12 ENROLMENT

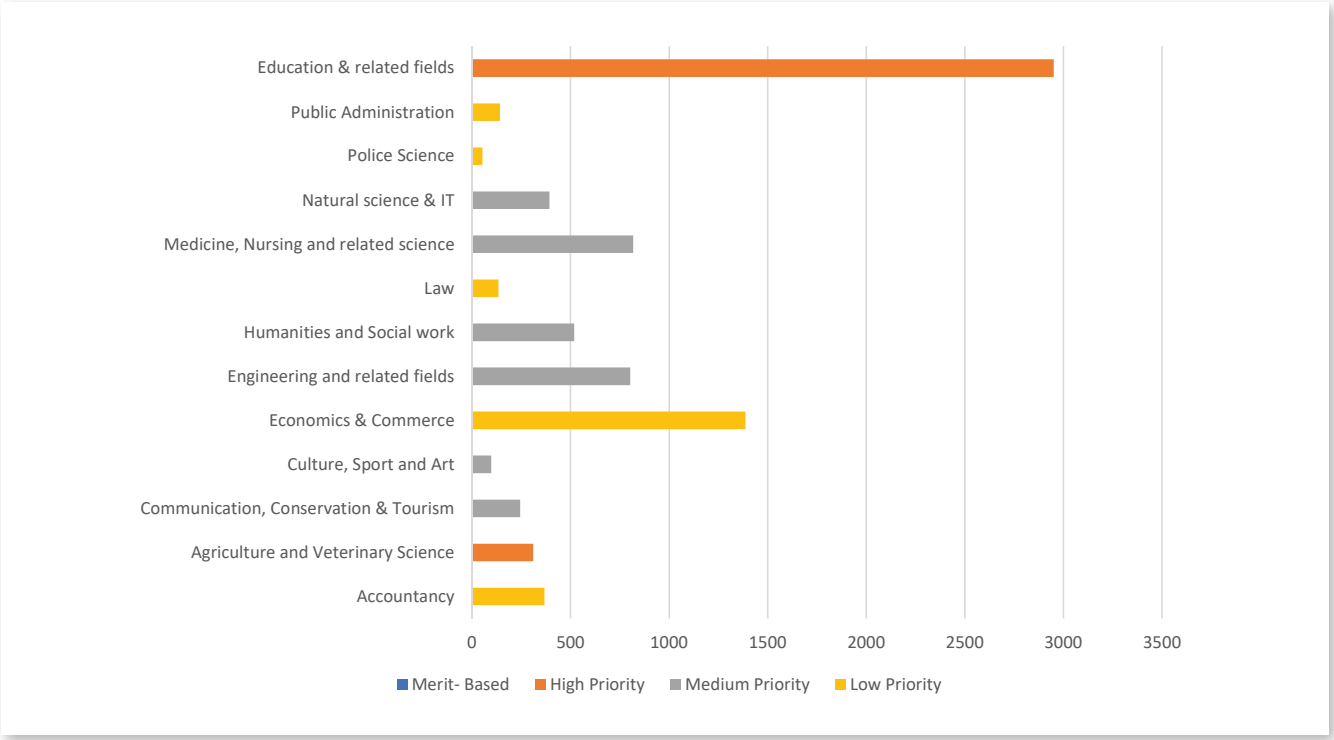
Figure 2 shows the financial assistance awards compared to Grade 12 enrolment for the years 2014 to 2016. In the year 2014, 5,544 students out of 18,600 enrolled in Grade 12 were provided with financial assistance. This represent 29.8% of those who were in Grade 12 in 2013.

A total of 6,339 students were awarded financial assistance in 2015 out of 19701 Grade 12 enrolments in 2014. Furthermore, 40.1% of those enrolled in Grade 12 in 2015 were provided with financial assistance in 2016, an indication that more and more students are obtaining grades meeting NSFAF's funding requirements.

Table 4: Awards per level of study

		2012	2013	2014	2015	2016
Undergraduate	Undergraduate	6,694	8,953	5,544	5,669	7,191
	Junior Diploma	*	*	*	635	1031
	Special Case	*	*	*	35	*
Postgraduate		58	222	159	218	712
VTCs		950	1,485	4,783	4,952	5,030
Special Initiatives		*	*	*	86	136
Total Overall	7,702	10,660	10,660	10,486	11,595	14,100
% Increase/decrease		45.7	38.4	-1.6	10.6	21.6

Figure 1: Undergraduate awards per priority area



2.2.1.8 VOCATIONAL EDUCATION AND TRAINING AWARDS

As part of the Namibia Students Financial Assistance Fund's contribution to national human resource development, the Fund deemed financial assistance to Vocational Education and Training as an important element to achieving its mandate. Potential beneficiaries can apply for placement to Government owned Vocational Training Centres (VTCs) and other private Vocational Training Providers. Financial assistance to VET beneficiaries is provided in the form of a loan or grant, depending on the field of study.

The number of student trainees at Vocational Training Centres increased from 4,952 in 2015 to 5,030 in 2016 as shown in Figure 3. Figure 4 further indicates that more students have enrolled for Office Administration followed by Auto Mechanics.

2.2.1.9 POSTGRADUATE AWARDS

Figure 5 shows postgraduate funding per field of study and indicates that the most popular field is Education followed by Finance (Chartered Accountancy).

2.2.2 PAYMENT STATUS

During the period under review, payments were made to 30,505 NSFAF beneficiaries at local and international Higher Education institutions. The Fund provided financial assistance to 18,504 students at Local Higher Education institutions, representing 61% of the beneficiaries (see Figure 6). Approximately 30% of NSFAF beneficiaries are enrolled at local Vocational Training Centres, while 7% are studying abroad and 2% are studying towards postgraduate qualifications.

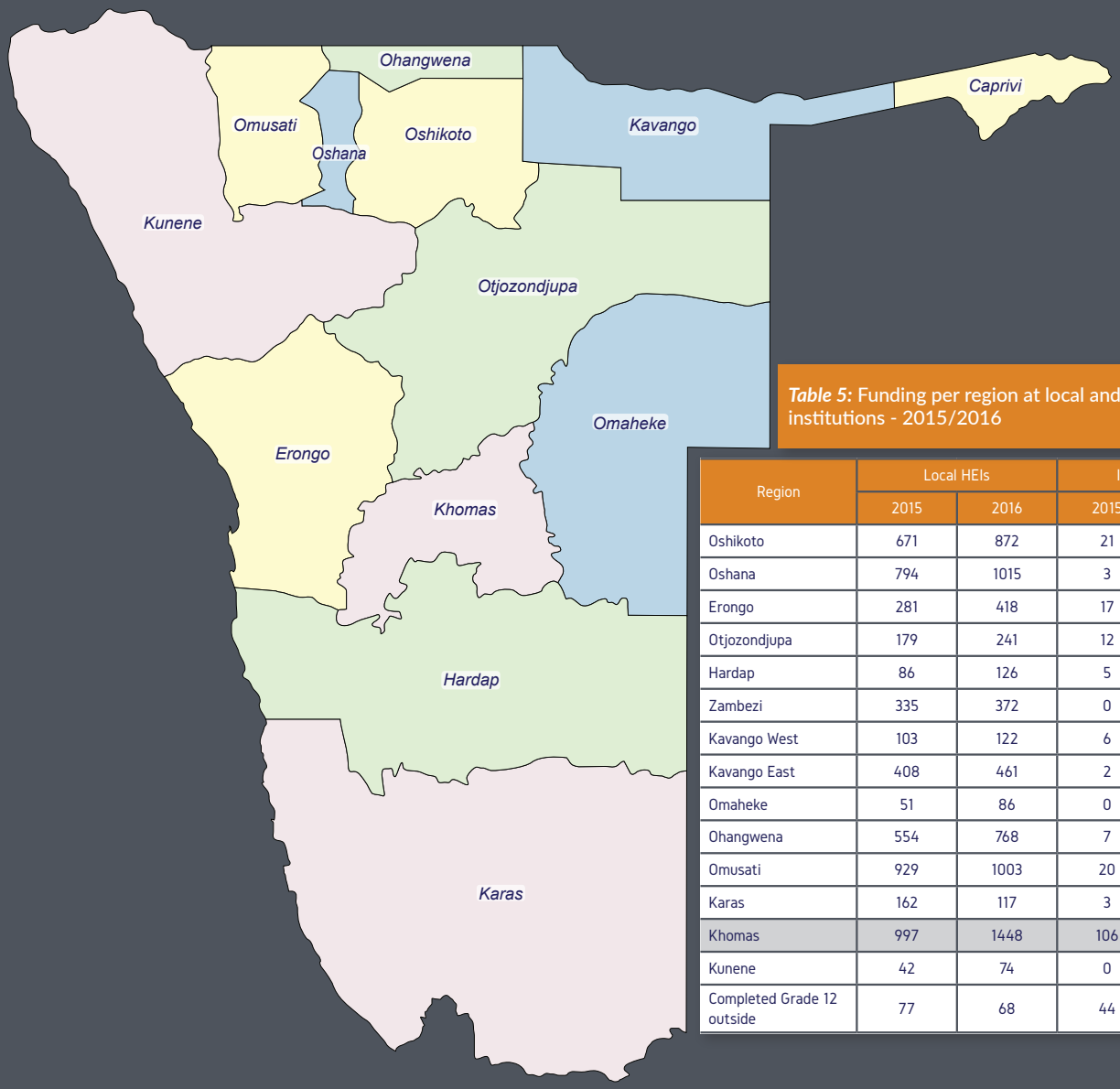


Table 5: Funding per region at local and international institutions - 2015/2016

Region	Local HEIs		International	
	2015	2016	2015	2016
Oshikoto	671	872	21	31
Oshana	794	1015	3	9
Erongo	281	418	17	23
Otjozondjupa	179	241	12	16
Hardap	86	126	5	10
Zambezi	335	372	0	2
Kavango West	103	122	6	8
Kavango East	408	461	2	0
Omaheke	51	86	0	7
Ohangwena	554	768	7	3
Omusati	929	1003	20	3
Karas	162	117	3	11
Khomas	997	1448	106	136
Kunene	42	74	0	0
Completed Grade 12 outside	77	68	44	29

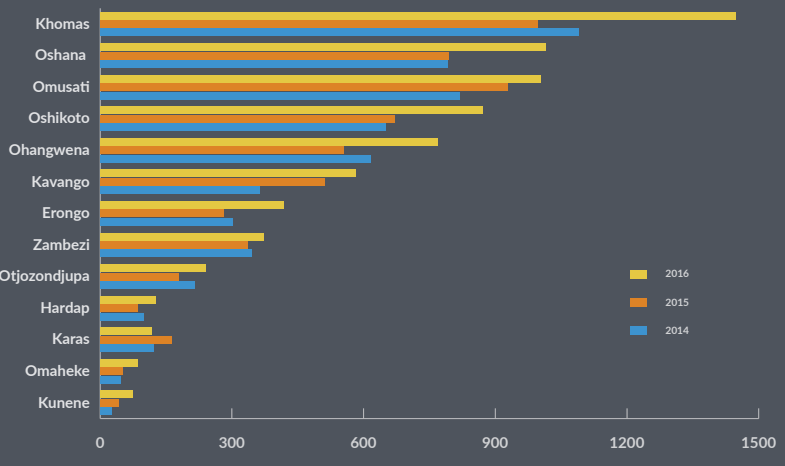


Figure 2: Awards compared to Grade 12 enrolment: 2014 - 2016

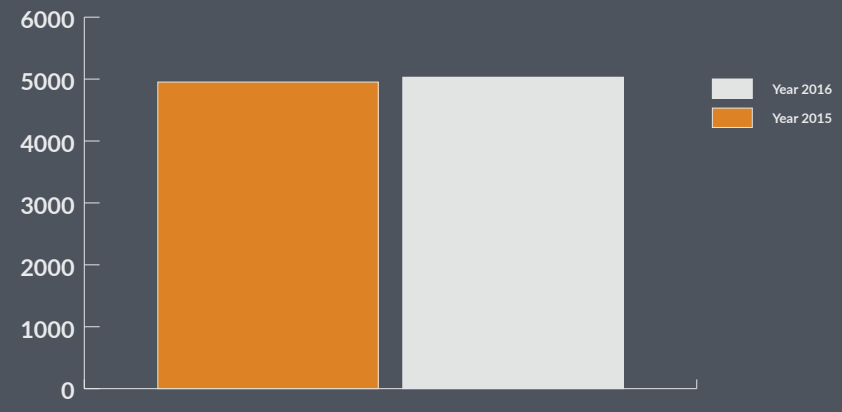


Figure 3: Number of students funded at VTCs in 2015 and 2016

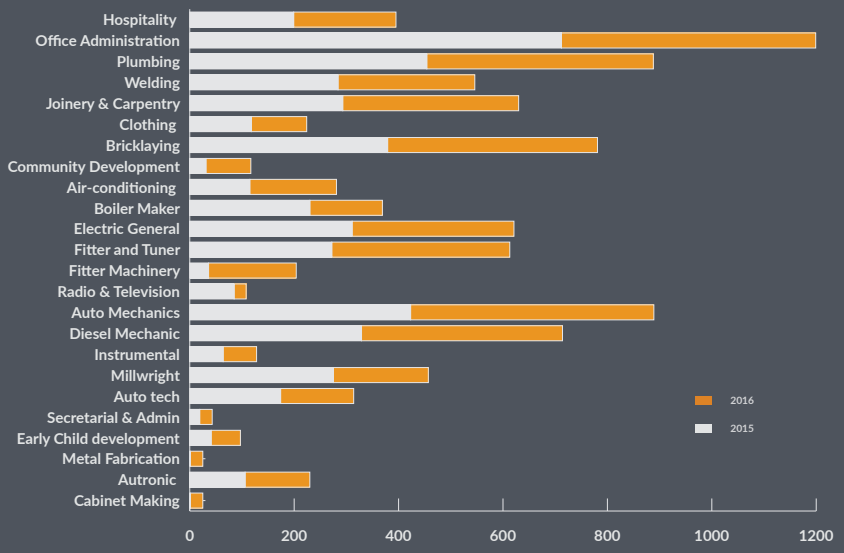


Figure 4: VTC programmes per field of study: 2015/2016

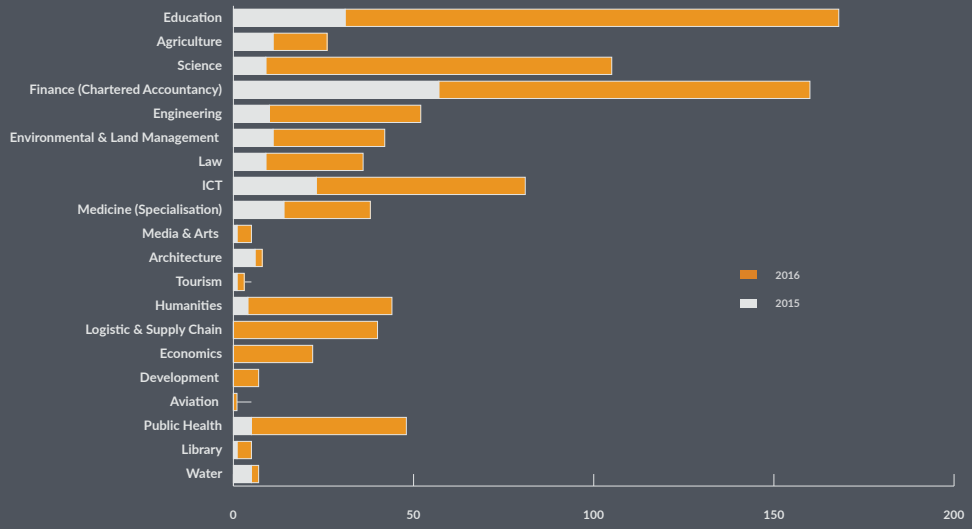
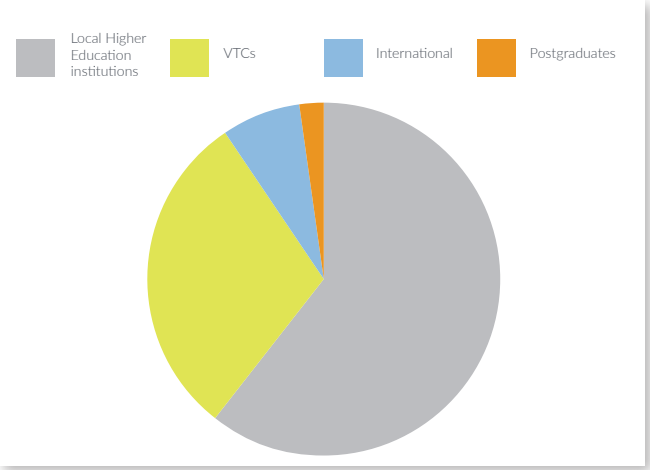


Figure 5: Postgraduate awards per field of study

Figure 6: Payments for students enrolled at Local HEIs, VTCs, International institutions and postgraduate programmes.



The Fund continuously seeks to alleviate the financial constraints facing students, aiming to improve educational access to students mainly from a low socio-economic background who would otherwise have been denied access to higher education. In order to address shortfalls experienced by students over the years, during the period under review the Fund introduced a New Funding Model to the three main local higher education institutions. The New Funding Model provides a grant of 100% tuition fees, as well as pre-determined non-tuition fees based on hostel status, which is a loan.

In addition, the Fund also introduced a NSFAF Payment Card for its beneficiaries at all local HEIs and payments were to be made through the card. This brought the benefit of students knowing how much was paid towards non-tuition fees and the amount paid as tuition fees to their respective Higher Education Institutions on their behalf. An amount paid on behalf of a student is recorded on their card/account and students are notified via SMS or email. Moreover, the payment card promotes transparency, auditability and efficiency in service delivery to students.

2.3 SUSTAINABILITY

Sustainability of the Fund requires the optimal utilization of all available resources to ensure that the NSFAF is able to execute its mandate over the committed period of time as per Government's Human Capital Development objectives

2.4 OPERATIONAL EXCELLENCE

Under operational excellence, NSFAF is committed to ongoing improvement of its internal process in order to deliver superior service and exceed the expectations of its stakeholders.

2.4.1 ONLINE APPLICATION

In order to improve operational excellence, the NSFAF reviewed its business processes and has introduced online applications on a pilot basis. The online application initiative was piloted in two regions, namely Khomas and Erongo. This was partly to ensure that applicants are provided with adequate support i.e. computers and internet connectivity. The online application service was also made available to applicants from other regions, especially postgraduate applicants.

During the period under review, the Fund received 23,472 applications (27,025 as of October 2017), of which 5,696 were through online applications. This represented approximately 24.3% of the total and was a clear indication that full-out online application was feasible, which was to be introduced during the next cycle of the application process.

2.4.2 STUDENT SUPPORT SERVICES

2.4.2.1 PROVISION OF CUSTOMER SERVICE AND TURNAROUND TIMES

The Fund intensified its efforts with regards to high quality, timely and efficient service delivery to students in the manner that enquiries and student appeals are processed and responded to. Statistics shows that the majority of students visiting the Student Care Centre are either making an enquiry on the status of awards/payments and or appealing for an approval to change courses or institutions, and this trend is mostly observed among the first and second-year students at local institutions.

In order to be proactive in responding to student appeals and enquiries on time, the Fund has implemented a new process to effectively manage students' appeals and to ensure timely feedback.

(a) Management of students' appeals (special consideration)

The Fund continues to receive appeals from students for several reasons. This has included those who are either seeking approval to change courses or institutions, or who want to extend their loans due to failure, change in curriculums or for medical reasons as well as those appealing to put their loans on hold due to temporary employment or secured training for employment, especially in the Military field. During

the financial year under review, the Fund recorded a significant decline in the number of appeals received from the students (1903 vs. 249 cases), compared to the previous year. Of the 249 cases received this year, 93% (231) were approved by the Fund.

Requests to change courses have gone up by 18% compared to last year, whilst the request for loan transfers (e.g. change of institutions/country) has gone down by 20%. This could be attributed to the procedures put in place to ensure that students' appeals are thoroughly screened and discussed in-person with the student upon submission, to ensure that the student is given the right information, in terms of policy provisions and requirements before they decide to change institutions or request to change from local to international institutions.

The Fund has since reviewed the process to receive and manage the student appeal cases. In the past, the students were given a window period of at least 3 months to submit their appeals, of which, after the closing date, the Fund will then commence with the process to review the cases to adjudicate and provide feedback to the students. High volumes of cases are received and as such it requiresdmore time to finalise all cases and feedback to students is prolonged, for up to eight (8) months of waiting.

To improve efficiency, the Fund has thus adopted a new process where students can submit their appeals any time for review and adjudication on a monthly basis. The new process has improved turnaround times in terms of case processing and giving timely feedback to the student, as it only takes about two (2) months to finalise. This has also eliminated the backlog, workload and overtime that employees used to endure in reviewing high volumes of cases all at once.

(b) Management of student enquiries

Statistics show that students still prefer a human touch and contact with the student care centre, as a high number of walk-ins indicates that the majority of the students are still frequenting the student care centres for enquiries related to payment, awards and other support-related matters. The Fund has also recorded a high number of telephonic enquiries during the year under review.

Moreover, the NSFAF remains committed to effectively responding to student issues, through maintaining and monitoring the enquiry logging mechanism which tracks student-related enquiries and measures turnaround times on query resolution. The data shows that most queries (89%) are responded to within the same day of receipt, with an exception of complex matters or feedback which takes 5 days on average due to the necessity of thorough investigations.

(c) Launching of the Customer Service Assessment ("Rate our Service")

Customer service is an integral part of our deliverables; therefore, it is imperative that we deliver a consistent and excellent service experience at all times. In order to gauge the satisfaction indices of the students we serve, the Fund launched a "Rate our Service Survey" in July 2016. The initiative is pegged on the NSFAF Customer Service Charter which sets out the service standards that all our key stakeholders should expect when dealing with the Fund, with a specific focus on the students who are visiting the contact centre on a daily basis.

Essentially, the launch of the survey is in itself an implementation of the feedback channel that will capture feedback from our esteemed customers and stakeholders (students/parents/public) in rating our service experience and give recommendations on service improvements.

(d) Highlights of the Student Satisfaction Report – October 2016

The highlights of the first report produced in October 2016 reveal important information, in terms of some success indicators. The majority of clients (77.0%) indicated that they were assisted within 10 minutes or less of entering the NSFAF service centre. It is important to note that there has been a punctuality improvement in how clients are assisted when visiting the service centre. In addition, 21.3% of clients indicated that they were assisted within 10-30 minutes, and a worrying 1.6% (1 respondent) indicated that s/he was not punctually assisted, and s/he was assisted after an hour of waiting time.

Overall, the NSFAF service centre team was rated well above average in all aspects rated. The aspect of staff friendliness, professionalism and knowledge of the NSFAF's products, policies, processes and procedures, was rated at 86.9% which raises confidence levels to the public in the service rendered by the team behind the scenes. However, 11.5% of clients indicated that there is room for improvement, whilst 1.6% indicated that the poor service they received did not meet their expectations.

As part of the survey, clients were queried on turnaround times and customer satisfaction. It is expected that a client should at least receive reasonable feedback

on his/her enquiry, or be given clear indication as to when feedback will be provided if the matter is more complex. It is pleasing to note that at least 75.4% of the clients received feedback the same day. Those who were told to come back for a follow up represented 14.8% and a worrying 9.8% indicated that they had not received feedback on their enquiries. The dynamics surrounding the 9.8% could vary, as it could be that the feedback was either not satisfactory or did not meet their expectation, or it was not provided to them as they have indicated.

It is equally important for the team at the service centre to keep the workstations neat and tidy. An untidy and disorganized workstation may give a bad impression to a client, thinking that if the table looks disorganized, the service is equally likely to be poor or they cannot trust leaving their documents with them. We note that 75% of the clients indicated that the workstations were neat and tidy, whilst 23% indicated that they were satisfactory, with room for improvement. However, 2% indicated that the workstation where s/he received service was not tidy and neat.

The aim of all service-related surveys is to receive feedback on the best experience that can be offered, and which has been so-far received. As shown in the service delivery infographic, 65.5% of respondents indicated that they have received Excellent service, 32.8% indicated that the service was Satisfactory, and 1.6% indicated that the service was poor.

2.4.2.2 STUDENT SUPPORT SERVICES

(a) Students' internship/practicum and graduation costs

The Fund continues to assist loan-holding beneficiaries studying at international institutions to have access to and be exposed to the practical skills required for Medical and Engineering students in order to fulfil the conditions required for the completion of their studies. In addition, the Fund assists the Scholarship graduates with flight/bus tickets at both the commencement and completion of their courses, in order to return home.

Table 6 presents the number of students assisted financially for internship purposes and those that have graduated per country, respectively. The Fund had assisted at least 287 students with flight tickets to travel to Namibia for practicum/internship purposes, and a total of 162 students (both scholarship and loan holders) who graduated from various countries were assisted by the Fund with flight tickets to return home.

The fundamental principle for the funding of internship of the NSFAF-funded students is primarily to allow students to gain practical knowledge by practicing at credible institutions under the guidance of a knowledgeable and experienced supervisor.

2.4.3 RECOVERY

The recovery section deals with loan recovery and the terms of contract entered between NSFAF and its beneficiaries. All beneficiaries that received loans are expected to repay their loan upon completion of their study or upon securing employment within six months from graduation.

The beneficiary is expected to repay the sum of amounts received from NSFAF in line with the terms and conditions of the contract entered between him/her and NSFAF. This is done in line with the NSFAF award and recovery policies.

Increasing the rate of recovery has a positive impact, as these funds will be made available to students who have received loans or grants from the NSFAF. If the required amount/budget of funding is reduced substantially as a result of prevailing economic difficulties then NSFAF should be able to honour its obligation towards students once the recovery rate improves significantly.

The NSFAF Board considers that appropriate recovery action will depend on the level of and nature of the debt, and that the collection procedures vary according to the recovery policy.

The Fund aims to optimize its loan book and improve the recovery rate as part of its sound financial management objectives to enhance sustainability.

2.4.4 DEVELOPMENT OF RECOVERY POLICY AND INCENTIVE SCHEME

The Fund had developed the recovery policy which was submitted to the line Minister for approval. Furthermore, the Fund developed its incentive scheme as a strategy to attract more debtors and to counter their repayment reluctance. This initiative will enable the Fund to persuade the debtors to start repaying or settling their loan accounts.

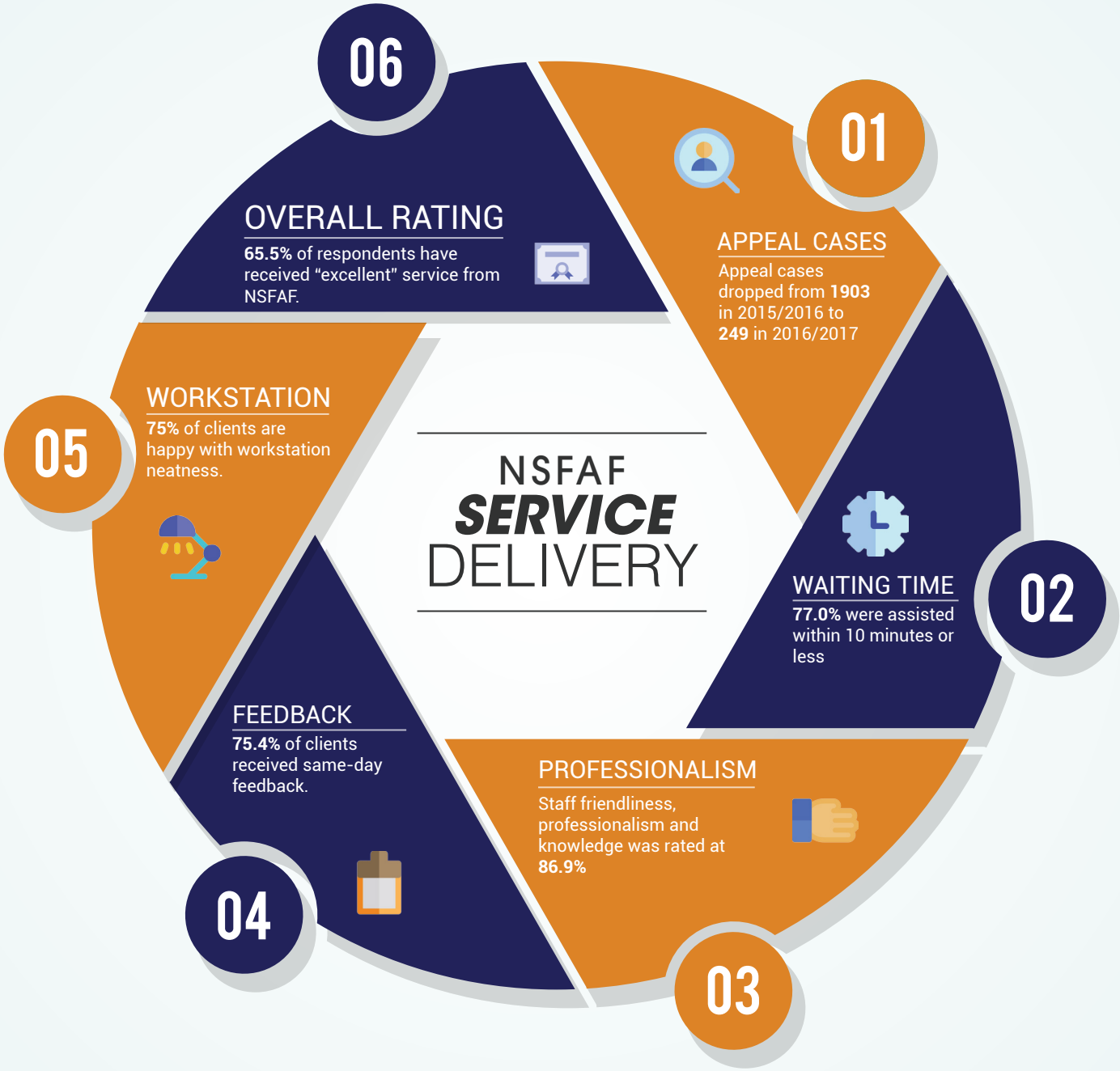

NSFAF
SERVICE
DELIVERY
01
APPEAL CASES
Appeal cases dropped from 1903 in 2015/2016 to 249 in 2016/2017
02
WAITING TIME
77.0% were assisted within 10 minutes or less
03
PROFESSIONALISM
Staff friendliness, professionalism and knowledge was rated at 86.9%
04
FEEDBACK
75.4% of clients received same-day feedback.
05
WORKSTATION
75% of clients are happy with workstation neatness.
06
OVERALL RATING
65.5% of respondents have received "excellent" service from NSFAF.

Table 6: Travel assistance for students towards internship in 2016/2017 (** - Figures/Costs based on quotations).

	2016	
COUNTRY	Number of students	Estimated TOTAL (N$)
CHINA	52	1,202,401.00
INDIA	19	475,969.00
CUBA	5	258,567.00
RUSSIA	85	1,640,130.00
UKRAINE	117	3,049,508.00
TURKEY	1	8,357.00
MALAYSIA	8	25,816.00
GRAND TOTAL	287	6,660,748.00

COUNTRY	Number of Graduates	Estimated TOTAL N$
CHINA	12	257,554.10
ALGERIA	3	40,737.00
VENEZUELA	5	220,325.00
CUBA	6	344,429.00
RUSSIA	36	389,847.00
UKRAINE	40 (**loan holders)	0
BOTSWANA	7	21,000.00
MAURITIUS	2	28,652.00
MALAYSIA	51	1,554,529.00
GRAND TOTAL	162	2,857,073.00

2.4.5 CHALLENGES FACING THE RECOVERY SECTION

Legacy

- Most of the debts that the NSFAF is collecting had been transferred from the Ministry of Education, and about 90% of these debts have gone beyond three years. In terms of the Prescription Act, the Fund might face challenges in collecting these funds due to this legal aspect.
- There is no clear indication whether these debts are still regarded as state debts, whether the NSFAF has a legal mandate to collect these debts on behalf of the Government, or if they have been transferred and are now the Fund's debts.
- There is no proper record of amounts paid to students, especially students studying beyond Namibian borders. Most of these students were paid by cash or cheque and had registered as private students, hence the difficulty in tracing the amounts paid to them.
- There is an ambiguity of loan vs grant/scholarship contracts.

The main challenges experienced during the recovery process included:

- Interest charges getting disputed
- Wrong amounts being recorded into students' files versus amounts actually disbursed.
- Loan vs bursary disputes
- Employees working for Government felt that they should be exempted from paying back their study loans.
- Funds were disbursed directly to the Institutions of Higher Learning and students did not receive any refund on balances left in their accounts or else reduction in their loan balances.
- Lack of employment opportunities for graduates.
- Difficulties tracing graduates due to changes in contact numbers, e-mails, postal addresses and residential addresses.

2.4.6 OUTSOURCING OF NSFAF LOAN RECOVERY

The NSFAF has outsourced the student loan recovery function to Tribesmen Investments (Pty) Ltd, a Namibian company in a joint venture with a South African company called New Integrated Credit Solution (NICS) (Pty.) Ltd. who were appointed in October 2014. They commenced recovery activities on the 1st of December, 2014 under an insourcing arrangement until the 23rd of February 2017 when both parties agreed to proceed on full outsourcing terms.

2.4.7 STATUS OF RECOVERY DURING 2016/17

During the period under review, the Fund recovered N$4.52 million, a decrease of 0.87% in the recovery from the previous year. The fund also saw a decrease of 5.3% from 2015 in the number of active debtors.

Table 7: Amounts recovered in the years 2012 to 2016

Year	Amount recovered (N$)	% increase/decrease	Active debtors	% increase/decrease in active debtors
2016/17	4,523,241	-0.87	1,041	-5.3
2015/16	4,563,154	9.86	1,099	44.6
2014/15	4,153,506	-33.4	760	-44.2
2013/14	6,237,475	-9.41	1,362	-17.8
2012/13	6,885,113	-0.27	1,656	21.59

2.4.8 AMOUNTS RECOVERED PER YEAR

Table 7 presents the amounts recovered in the years 2012 to 2016 alongside the numbers of active debtors for this period.

2.5 WAY FORWARD (SOLUTION)

During the year under review, the Fund embarked on strategic initiatives to improve the recovery of loans since its sustainability rests on this aspect. These strategic initiatives include the development of policies and ICT systems to improve the efficiency and effectiveness of its loan book as well as to facilitate loan recovery. These initiatives are expected to bear fruit in the near future as the current recovery process is mostly based on legacy loans. The terms and conditions in the student contracts were reviewed and aligned with the Amended NSFAF Act.

Lastly, a revised recovery policy is still under discussion which includes incentives for NSFAF beneficiaries for on-time completion of their studies, as well as various incentives for the repayment of legacy debts. This policy, once approved, foresees an income contingent loan repayment model (ICL), whereby the monthly loan repayment depends on a beneficiary's monthly income rather than the current mortgage type loan repayment whereby the beneficiary arranges to payback regularly or schedules payment based on what he/she is willing to pay. This will help the Fund in executing recovery and ensure fairness of loan repayment.





VICTORIA NAKAFINGO, MOSES NAMUPALA & SIBONGILE NETHA
NSFAF Beneficiaries: Physics, Geo-IT and Biochemistry

SECTION C / STAKEHOLDER RELATIONS

STAKEHOLDER ENGAGEMENTS

The NSFAF is committed to fostering effective relationships with all stakeholders.



NSFAF Beneficiary: Victoria Absalom is a final year student in Law, and aims to pursue her Master's Degree next year. She commends the NSFAF for the financial support provided to her during her undergraduate studies.

During the period under review, stakeholder engagements focused mainly on rebuilding and repositioning the image of the Fund. The Fund participated in various trade fairs/shows, exhibitions and career fairs, conducted stakeholder engagement meetings and provided timely and precise information.

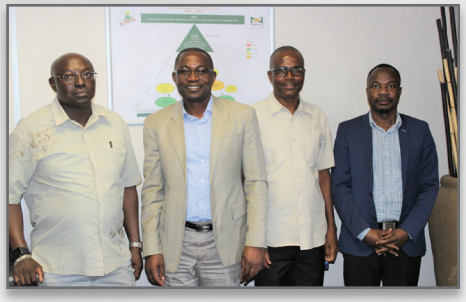
The Fund also took the initiative of visiting all secondary schools in the country with the aim of sharing information regarding the NSFAF's products and funding requirements. The Online Application system was introduced in 2016, replacing the traditional manual application process. This system allowed applicants to apply for financial assistance through various technological devices. During the 2016-2017 application period, the NSFAF team assisted all applicants with their applications. Facilities such as computers, Wi-Fi routers, printers and scanners were made available in all regions through permanent centres at Institutions of Higher Learning and mobile teams to cover all 14 regions.

Applicants were able to launch their applications and receive acknowledgement letters during the period. Furthermore, during the period under review, the department posted daily updates on social media such as the organisation's website, its Facebook page and its internal newsletter which kept the staff members and external stakeholders abreast of developments.

14 Number of regions visited as part of stakeholder engagement initiatives.

119 Number of centers setup for the online application process.













The NSFAF team has engaged in stakeholder engagements throughout the 2016/2017 financial year aimed at fostering deeper working relationships with corporate organizations, SOEs, NGOs, HEIs and students in different communities. These stakeholder engagements have had yielded tangible results in the form of increased funding, more scholarship opportunities, open feedback on challenges faced by stakeholders, as well as actionable solutions going forward. The NSFAF team has enjoyed support from, and has included, the top management cadres; from the CEO and Chief Human Capital & Corporate Affairs, to the Marketing and HR teams.

STAKEHOLDER ENGAGEMENTS 2016-2017

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July

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August

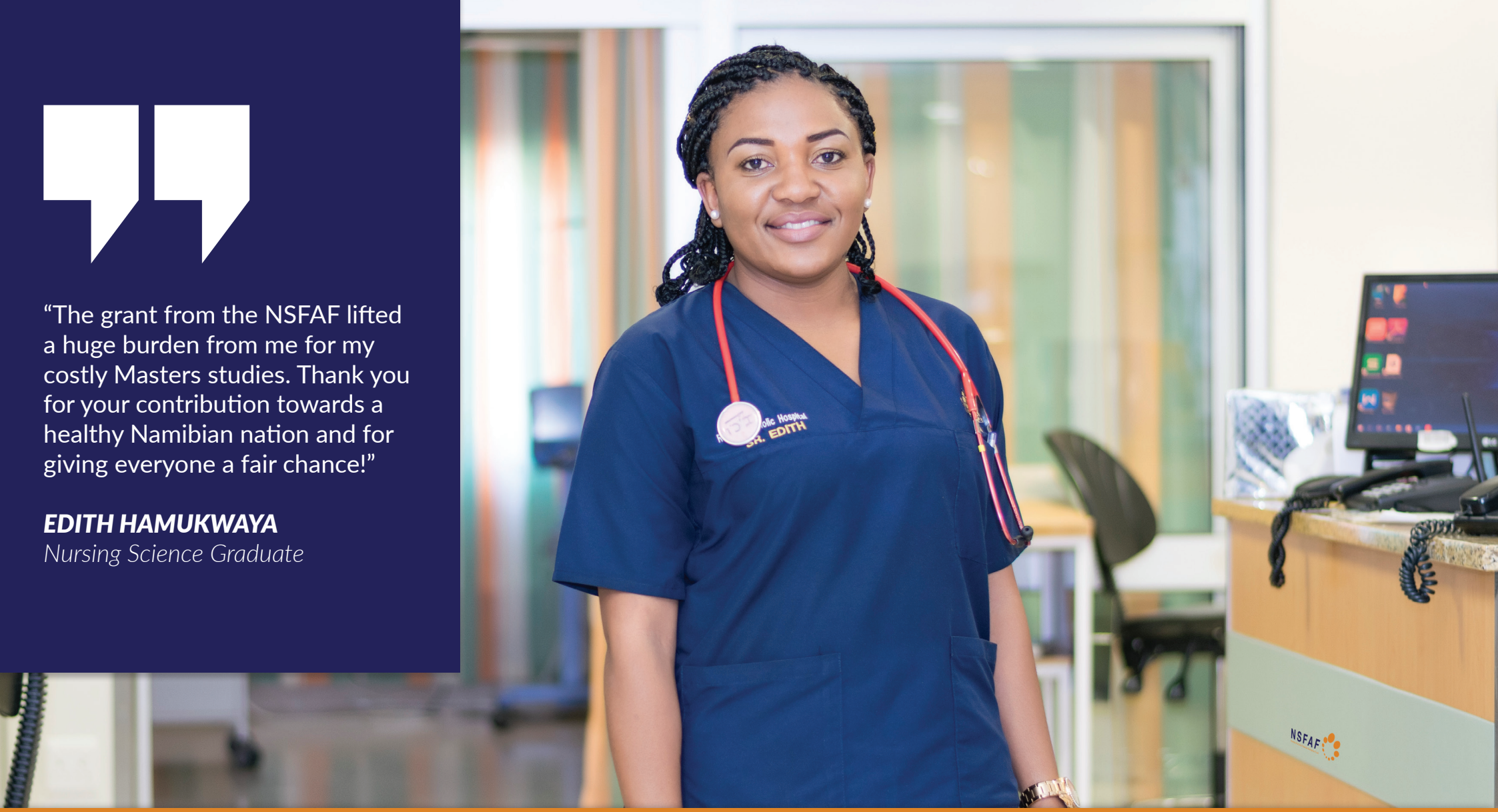
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27	28	29	30	31		

2016

8/SEP	Ministry of Works and Transport	Understanding the dynamics of the aviation training programs was at the top of the agenda.
14/SEP	University of Namibia	Consultation of funded students (local and international) took place, as well as the funding of various programs.
25/SEP	UNAM NUST IUM	The determination of the NSFAF's allocation towards accommodation, books and transportation fees was discussed, as well as eligibility requirements for NSFAF funding.
26/SEP	National Council for Higher Learning	An agreement to centralize admission systems for Institutions of Higher Learning was reached, together with student funding criteria.
6/OCT	National Youth Council	Working together to bring about the NSFAF Harambee Youth Initiative program was an output of this engagement.
10/OCT	Valombola Vocational Training Centre	Both the structure of the VVTC campus and programs offered by the institution were determined, together with the NSFAF eligibility criteria for VVTC admissions. The issue of NSFAF payment cards was also discussed.
19/OCT	Oshana Regional School Councilor	Applications for financial assistance by NAMCOL learners were initiated, together with an introduction to Online Applications.

2017

2/FEB	NSFAF Board NANSO	We looked at the NSFAF product offering, funding requirements & funding model. A presentation of LGAMIS & the online application system took place.
6/FEB	Hifikepunye Pohamba Foundation	Co-funding and sponsorship agreements (in specific disciplines) between NSFAF and the foundation to talented young Namibians were proposed, especially for agricultural sciences and related fields.
7/FEB	Namibia Qualifications Authority	Accreditation was determined of various programs and Institutions of Higher Learning, both local and international. Enhancing relations between the NSFAF and the NQA was a top goal.
17/FEB	National Youth Council National Youth Service	We outlined challenges experienced by the youth such as unemployment & lack of skills. Funding of VTC programs focusing on unemployed youth was tabled, targeting specific segments of vulnerable youth communities.
13/MAR	NamPower	A co-funding cooperation agreement was reached, together with an address of the dual funding of students. The NSFAF was tasked with administering NamPower's financial/bursary scheme.
24/MAR	Embassy of Indonesia	We agreed to cource co-funding between NSFAF and the Embassy, as well as establishing a relationship between Indonesian organizations and the NSFAF to send scholarships through the Fund.
18/APR	Office of the Vice President University of Namibia	Funding of students from marginalized communities was tabled to our stakeholders, and we addressed issues of dual funding for UNAM students.
28/APR	High Commission of Namibia to Malaysia	We discussed concerns experienced by Namibian students in Malaysia, whereafter the awarding of scholarships to Namibian students took place.



"The grant from the NSFAF lifted a huge burden from me for my costly Masters studies. Thank you for your contribution towards a healthy Namibian nation and for giving everyone a fair chance!"

EDITH HAMUKWAYA
Nursing Science Graduate

SECTION D / PERSONNEL



Under this theme, the NSFAF strives to harmonize and align its policies and procedures with those relating to the Government's National Human Capital Development objectives as informed by the needs of eligible students.

4.1 PERFORMANCE MANAGEMENT

Performance Agreements (PAs)

All managers had performance agreements in place. The notable strategic perspectives on the PAs were: stewardship & budget control, board management, operations management, risk & compliance and human capital.

Performance Evaluation and Appraisal

The informal performance evaluations (known as health checks) were conducted throughout the period under review. Formal appraisals were held bi-annually.

Approaches Employed to Address Performance Management Challenges

Standard operating procedures and job descriptions are being reviewed to ensure better alignment to individual performance agreements.

4.2 HUMAN CAPITAL POLICIES

The following policies were approved during the period under review:

Performance Management Policy

The NSFAF is committed to fostering a high-performance culture. To achieve this, it strives to provide each employee with clear performance objectives/targets, ongoing training, coaching, feedback, professional development opportunities and recognition for outstanding work.

Employee Health & Wellness Policy

NSFAF is committed to the health and wellbeing of its employees. The Fund takes a holistic approach that aims to work in partnership with employees to promote wellbeing, prevent sickness-related absences wherever possible and to manage cases of employee wellbeing within the provisions of this policy.

Table 8: Learning and development interventions arranged by NSFAF for employees at all levels during the period under review.

Intervention	Male	Female	Total
Defensive Driving and Drivers Etiquettes	2	0	2
Executive Coaching	5	1	6
Leadership Conference 2016	4	3	7
Namibia Industrial Relations, Negotiation & Collective Bargaining Symposium Workshop	4	0	4
A night of Inspiration with Sam Shivute & Estelle Tjipuka	3	1	4
Intensive 3-day Course in Project Management	1	0	1
Customer Service Excellence	2	8	10
Women Conference	0	10	10
Corporate Governance Workshop	8	6	14
Building Sustainable Funding Models for Higher Edu in Africa 2016	0	2	2
Public Speaking Training	8	5	12
Africa Leadership Institute (ALI) Training Week 1	0	1	1
Excel Level 3	1	3	4
Pastel Evolution	0	4	4
Health & Wellness Training	0	1	1
5 Choices to Extraordinary Productivity 2 Day Workshop	2	5	7
Leadership Intelligence Expo	2	1	3
Basic Information & Records Management Training	2	2	4
Managing Workers Movements & Creating Ecosystems for Collective Bargaining	1	0	1
Work Integrated Learning Africa Conference 2016	1	0	1
FortiGate Multi-Threat Security Systems I & II	1	0	1
Grievance & Disciplinary Inquiry Management Training	14	8	22
Master Class in Procurement Risk Management	0	2	2
ALI Training Week 3	0	4	4
Managing Day to Day Labour Relations	1	1	2
Basic Accounting Training	0	1	1
COBIT 5 Foundation Training	1	0	1
ALI Training Week 2	0	1	1
Effective Organisational Communication, Crisis Communication & Public Relations	2	0	2
Labour relations	0	1	1
ALI Training Week 3	0	2	2
Emotional Intelligence	7	17	24
Transformational Leadership	11	6	17

Cellular Phone Policy

In order to improve service delivery, the NSFAF recognises the importance of a cellular phone as an efficient and effective mean of communication. It is for this purpose that NSFAF has adopted a stance of issuing cellular phones to qualifying employees.

Subsistence & Travelling Allowance Policy

The NSFAF shall ensure that staff members that travel on Fund-related business are properly remunerated in line with this policy and approved rates.

The following policies were revised and approved during the period under review:

Learning & Development Policy

The NSFAF is committed to ensuring that all employees have access to learning, development and training opportunities which enable them to be suitably knowledgeable and skilled to carry out their roles within the Fund, and to develop their talents in ways that are aligned to the NSFAF's current and future strategic objectives.

Remuneration & Reward Policy

The remuneration approach and philosophy of NSFAF is to attract, motivate and retain people of the right calibre in line with the strategic and operational business requirements of the organisation and in line with the performance management principles. The NSFAF remuneration philosophy takes cognisance of the unique nature of the industry and the current scarcity of competencies, especially with skills that are core to the organisation's operations.

The following policies are expected to be formulated during 2017/18:

- Talent Management Policy
- Succession Management Policy
- Change Management Policy

4.3 LEARNING AND DEVELOPMENT

Over 30 learning and development interventions were arranged by the NSFAF for employees at all levels during the period under review (see Table 14).

In total, during the period under review, 25 male employees out of 30 underwent various formal learning and development interventions, while 37 female employees out of 41 partook in the same.

4.4 EMPLOYEE RELATIONS

4.4.1 INDUSTRIAL RELATIONS

Union Demands for 2016/17

On the 9th of August, 2016, the NSFAF and NAFINU (being the exclusive bargaining agent of the Fund) agreed and entered into a Collective Agreement to

WE BELIEVE IN WELLNESS

The NSFAF is committed to fostering a high-performance culture.

increase the total cost to company (CTC) of employees within the bargaining unit by 8.8% with effect from the 1st of April, 2016.

In a similar vein, the Board granted the management an increase of 6.1% to the total CTC, with effect from the 1st of April, 2016.

Capacitating Workplace Union Representatives

The duly elected workplace union representatives underwent labour relations training in order to keep them abreast of industrial trends.

Likewise, the management was also trained on various industrial relation aspects such as collective bargaining as well as grievance and disciplinary inquiry management.

4.4.2 EMPLOYEE ENGAGEMENT

Over 90% of employees were involved in various engagements such as strategy review, policy formulation, general staff meetings and employee initiated "Let's Talk" sessions.

4.5 EMPLOYEE HEALTH AND WELLNESS

The NSFAF conducted a Health and Wellness Screening as well as the Knowledge, Attitude, Practice and Behaviour Survey in order to collate data required in the formulation of health and wellness strategies.

Notwithstanding prevailing lifestyle diseases in the NSFAF, the overall health status of its employees is relatively good. The most prevailing health and wellness related conditions were:

- Unhealthy body mass indices (BMI): 62% of employees were either overweight or obese. An unhealthy BMI level was prevalent among employees 39 years and younger.
- Blood pressure level: a high blood pressure was detected among 13% of employees.
- Cholesterol level: 7% of employees were detected to have high cholesterol level.
- Sugar level: 4% of employees had high blood sugar levels.

4.6 IDENTIFIED HEALTH AND WELLNESS-RELATED INTERVENTIONS/STRATEGIES

Based on the analysis of the Health and Wellness Screening results and the Knowledge, Attitude, Practice and Behaviour Survey data, the NSFAF will increase awareness on diseases and wellness policies to promote healthier lifestyles. With respect to the most prevalent diseases and those demographics affected, the NSFAF endeavours to implement interventions such as:

- Sensitizing employees on how to improve their lifestyle through exercise and/or healthy eating habits to reduce the risk of being overweight and obese.
- Sensitizing and educating employees on the prevention and treatment of each disease to improve employee knowledge.
- Disseminating information related to healthy diets, exercise or health talks on the impact of lifestyle diseases and their consequences to employees.



"The NSFAF was very helpful when it came to paying for my accommodation, transport and food costs. Thank you once again, NSFAF!"

THOMAS KASITA
Law Graduate

SECTION E / GOVERNANCE



THE NSFAF CODE OF ETHICS

The NSFAF recognizes that it occupies a position of trust which brings with it higher public expectations.

5.1 ETHICS/CODE OF CONDUCT

The Fund, like any other organisation, will only be able to live up to its mandate when its organisational culture is grounded in ethics and value-driven. It is indisputable that an organisation without ethical values is an organisation at risk. The reputation for such an organisation suffers due to a lack of ethical dimensions and/or inadequate value systems. This in return negatively affects the organisation's position on the market map, decreases stakeholder confidence and discourages its customers from stepping forward. In addition, an organisation that finds itself mired in ethical challenges struggles to attract or retain talented personnel.

Conversely, an organisation that meets high ethical standards in turn maintains a pool of employees with higher morale and exceptional work ethics. The workforce for such an organisation is often committed to a collective vision and shared values, rather than a culture of mistrust and suspicions. The members of such a team turn out to be more inspired and consequently aspire to succeed in their professional pursuits to the greater advantage of the employing organisation.

Moreover, an organisation that thrives in a value-based culture reaps several benefits. These include an increased awareness on ethical issues, heighted commitment to the organisation, improved decision-making, heigtened employee integrity, transparency and open communication; as well as the willingness and preparedness of employees to report ethical violations. The end result is reduced unethical conduct.

In pursuit of the above, the NSFAF Board during the referent financial year embarked upon the review of the Code of Ethics initially approved on the 21st of October, 2014. Accordingly, the Board approved the reviewed Code of Conduct on the 21st of March, 2017. This Code now serves as a compass towards ethical realisation and actualisation throughout the organisation. The requirement for ethical standards applies to both Board members and employees. It is therefore expected that all stakeholders will familiarise themselves with this Code and act ethically by abiding to it at all material times. Any violation of the Code or failure to comply therewith may attract disciplinary action(s), up to and including dismissal, where such is justified.

5.2 CONFLICT OF INTEREST

Quite often, in organisations we hear and/or observe situations that have the potential to undermine the impartiality of persons acting in official capacities, due to the possibility of a clash between their own interests and the professional, organisational or public interest. When this happens, the judgement of the person(s) entrusted with the official responsibilities, on behalf of the organisation, becomes blurred and thereafter impaired to the detriment of the organisation. The NSFAF, as a public institution serving the Republic of Namibia, recognizes the foregoing fact and also that it occupies a position of trust which brings with it higher public expectations. More specifically, the Fund recognizes that the public has the right to expect that those charged with the responsibilities of governing or managing the affairs of the NSFAF, and/or those associated with the NSFAF's operation directly or indirectly, will perform their duties in a fair, unbiased and transparent manner when making decisions in the name of the NSFAF; and that such decisions are not affected by self-interest or personal gain at all times.

In affirming the above commitment, the NSFAF included in its Code of Ethics/Conduct a section expressly dedicated to Conflict of Interest and/or its management thereof. Although this section is not exhaustive, its inclusion in the Code is a reflection of the organisational intention to have frameworks in place aimed at governing and regulating incidents of conflict of interest.

> "The NSFAF Board is committed to ensuring that the Fund faces as minimum risk as possible."

During the referent financial year, there were intermittent allegations of conflict of interest within the organisation, but the Board dealt with them conclusively, either by itself or through external referrals. As a result of the review of some of those allegations, an improvement to the Section on the Code of Ethics/Conduct regarding Conflict of Interest was proposed and effected. In addition, the Board directed that a stand-alone, Conflict of Interest Management Policy be developed.

It therefore hereby reported that a stand-alone Conflict of Interest Management Policy should be expected in the succeeding financial year (2017/18) and that it will by all means bring maximized effectiveness in the management and mitigation of conflict of interest incidents at the NSFAF.

5.3 RISK MANAGEMENT FRAMEWORK

Any event that may impact or affect, either negatively or positively, the organisational ability to achieve its objectives, is considered a risk to the NSFAF.

The NSFAF, as a juristic person, and like any other person (natural or juristic) needs to abide by the law, as may be outlined in various pieces of legislation. Nºtwithstanding the obligation on the NSFAF to comply with various statutes, the organisation is equally exposed to normal business risks, with some originating from within and others from without, all requiring due management.

Cognisant of the above fact, the NSFAF Board is committed to the cause of ensuring that the Fund faces as minimum risk as possible. In this light, the organisation has put in place a risk management framework that is aligned with the Namibia Students Financial Assistance Fund Act 26 of 2000, (as amended by Act Nº. 7 of 2014), ISO 31000:2009 and NamCode (the Corporate Governance Code for Namibia) in order to manage enterprise risk within NSFAF. The aforementioned framework provides a process to effectively and proactively identify, assess, quantify, and mitigate such events, providing the Fund with reasonable assurance that its objectives will be met.

It is the Board's conviction that the realisation of the NSFAF's strategy depends on its management being able to take calculated risks in a way that does not jeopardise the direct interests of stakeholders. Sound and effective management of risk will further enable the Fund to anticipate and respond to changes in its environment, as well as make informed decisions in events of uncertainty.

Moreover, the establishment of appropriate mechanisms to serve as early warning signals for emerging or unpredictable risks is considered integral to the risk management process.

CODE OF ETHICS



"I used my stipend provided by the NSFAF to study short courses and improve my employability!"

SIMON IYAMBO
Environmental Science graduate

Despite the foregoing, the NSFAF Board also recognises that risk is a complex and diverse concept, making it difficult for one to identify with ease. A consistent and integrated approach is thus needed to manage risk and reduce undue exposure to the Fund. Notably, risk management should not be seen as an impediment to the management in its execution of day–to–day activities, but rather as an aid towards the achievement of overall organisational objectives. It is risk management that will cause a safer, healthier work environment for employees and the preservation of assets for the benefits of all stakeholders.

In accordance with the above, the Board during the referent year reviewed the Risk Register developed during the previous financial year (2015/16), and also developed and approved the Risk Management Policy, Framework and Guidelines at its ordinary meeting held on the 6th of October, 2016.

Board and committee meetings for 2016/2017 were held as follows:

- Board: 24 meetings
- Human Resources & Remunerations Committee: 7 meetings
- Strategic Communications Committee: 3 meetings
- Finance Committee: 4 meetings
- Selection & Award Advisory Committee: 5 meetings
- Audit & Risk Committee: 5 meetings



SECTION F / FINANCIALS

SUSTAINABILITY

"The NSFAF has to demonstrate its capability to deliver the funding needed by students."



Since the NSFAF receives appropriated funds which are contained in the Medium-Term Expenditure Framework (MTEF), it is confident in its ability to continue providing financial assistance through loans, grants or related products and services to eligible Namibian Students in an effective and efficient manner. However, this takes place in a dynamic and highly volatile environment of available funding, as government-appropriated funds reflect a steep declining trend.

6.1 STRATEGIC THEME: SUSTAINABILITY

The funds that were made available during the 2016/17 financial year bear testimony to the commitment of the Namibian government to achieve its national goals and objectives as outlined in the National Human Capital Development Plan. This reveals a rising need for student funding and improved loan recovery strategies that bridge the gap between the demand for access to tertiary education and available resources.

Taking into account the current economic climate in the country, the 2016/17 review period presents an opportune moment for a reflective assessment on the continual impact of the Fund's ability to remain a sustainable revolving Fund, with input from both stakeholders and the line Ministry.

FINANCIALS

6.2 GOVERNMENT SUBVENTIONS

For the year under review, the approved government allocation amounted to N$1,200,727,000 compared to the N$1,428,736,060 allocated in the previous financial year. Due to cash flow constraints that the Treasury experienced during the 2016/17 financial year, only N$882,888,729 was released, leaving an amount of N$317,838,271 as unclaimed.

The Fund's actual expenditure for the year under review sums up to N$1,206,776,803 and the accumulated surplus of previous years were used to cover the shortfall to ensure its ability to fulfil its financial obligations towards Namibian students. Accumulated surplus refers to unused funds at the end of a financial year which are used as a cushion during the month of January before the next financial year starts in April. The annual government subvention covers three sources of funding for the NSFAF and is split as follows:

(i) Student Funding (approx. 87% of government-allocated funds)

This component comprises funding for academically deserving and financially-needy students. It includes funding for Vocational, Under- and Post-graduate studies as well as expenditure related to ad-hoc scholarships offered by other countries.

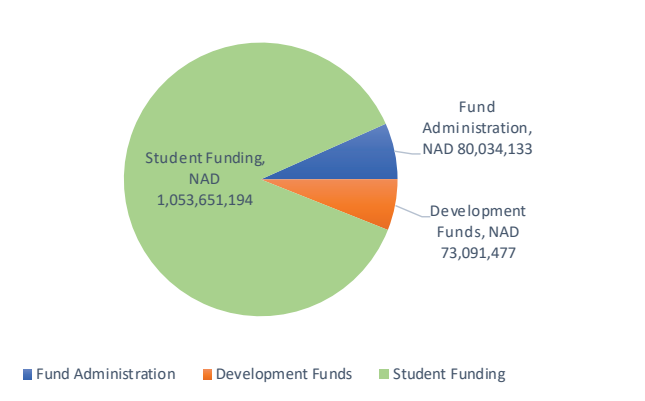
(ii) Fund Administration (approx. 7% of government-allocated funds)

This includes administration fees for the management of the Fund's day-to-day operations.

(iii) Development Funds (approx. 6% of government allocated funds)

This consists of capital funds for the development of the NSFAF Head Office.

Figure 7: 2016/2017 NSFAF expenditure allocation



6.3 CHALLENGES EXPERIENCED WITH GOVERNMENT FUNDING

The Fund experienced steep annual growth of student funding as a result of the following commitments:

Continuous liability for legacy awards

The Fund provides financial assistance for the full duration of study for awarded students. The duration of study ranges between 4 to 7 years and this places an enormous annual financial liability on the Fund for the current and future commitments towards those students.

New intakes for the current financial year

Every year the NSFAF has to demonstrate its capability to deliver the funding needed by students who register as "first entry" at Institutes of Higher Learning and Vocational Training Centres if they apply and qualify for a loan.

Government-appropriated funds for future years reflects a steep declining trend. If the declining trend as appears in the MTEF remains, the NSFAF will not be able to fund all students who apply and qualify for a loan. Furthermore, the monthly release schedule of funds has a huge impact on the Fund's cash flow management. This is due to the following:

- The Fund's student payment cycle is not uniformly distributed or on a linear trend throughout the year but is concentrated between May and September annually.
- However, the line Ministry can only release monthly funds in proportion to what is allocated to them for a specific month, hence the amount is much lower than what the Fund requires to disburse to students and institutions as per the payment calendar.
- Lastly, the steadily expanding annual budget of the NSFAF (as a result of the annual increase of tuition fees and number of new intakes) in comparison to the growth rate of the national budget is a further barrier towards sustainability.

In light of the above, the NSFAF took the following initiatives to try to circumvent these challenges. These include the following:

- On an annual basis, the Fund conducts a zero-based budgeting exercise with the aim of establishing the exact number of continuing students and associated liabilities. These figures are submitted through the annual MTEF budgeting exercise but shortfalls occur if the budget ceilings for subsequent financial years are not adjusted or if ceilings are reduced.

- The Fund engaged its line Ministry with regards to its monthly cash flow requirements for student funding. This aimed to notify the Treasury on the situation of student disbursements and the risk involved that students might be disadvantaged if payments are not done according to the terms provided by institutions both local and foreign.

- The Fund is also working on a long term financial sustainability strategy which will ensure a reduced dependency on Government allocation with increased income from other sources.





Patty Karuaihe-Martin

CHAIRPERSON, NSFAF
BOARD OF DIRECTORS

"NSFAF will continue to be a key contributor to industrialization through enabling access to training and development for Namibian students."

The directors are required by the State Owned Enterprises Governance Act of 2006, 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 their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company 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 International Financial Reporting Standard for Small and Medium sized Entities. The external auditor's is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard 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 directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors 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 company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

"The directors are tasked to maintain adequate accounting records and are responsible for the content and integrity of the financial statements."

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

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

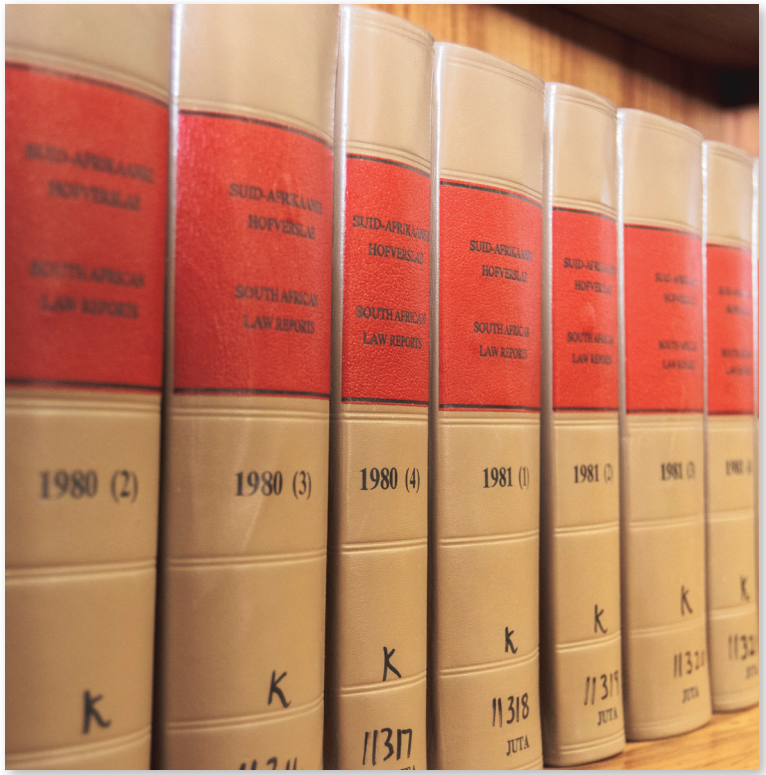
The external auditor's are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditor's and their report is presented on pages 48 - 50.

The annual financial statements set out on pages 53 to 64, which have been prepared on the going concern basis, were approved by the board of directors on 23 March 2018 and were signed on its behalf by:

Approval of financial statements:

Director
Windhoek

Director
Windhoek



DIRECTORS' RESPONSIBILITIES AND APPROVAL



Hon. Dr. Itah Kandji-Murangi

MINISTER OF HIGHER EDUCATION,
TRAINING & INNOVATION

"To the Minister of Higher Education, Training and Innovation...."

6.4 QUALIFIED OPINION

We do not express an opinion on the financial statements of Namibia Students Financial Assistance Fund (the Company). Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

6.5 WHAT WE WERE ENGAGED TO AUDIT

Namibia Students Financial Assistance Fund's financial statements set out on pages 54 to 63 comprise:

- the directors' report for the year ended on the 31st of March, 2017;
- the statement of financial position as at the 31st of March, 2017;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

6.6 BASIS FOR QUALIFIED OPINION

The Fund's records did not provide sufficient audit evidence for the recording of the student loans balances of N$1,912,168,624 (2016: N$1,386,019,541) and student grants N$302,266,877 (2016: N$489,049,615) due to a break down in internal controls. As a result we could not perform sufficient and appropriate audit procedures. As a result, we were unable to determine whether any adjustments would be required in respect of recorded or unrecorded student loans or grants, provision for doubtful student loans and the related elements making up the statements of financial position, statement of profit or loss and other comprehensive income and changes in equity and cash flows.

In addition to the above matter management could not provide us with support for the total value of commitments relating to the student loans of N$1,912,168,624 (2016: N$1,386,019,541) and student funding expenses amounting to N$344,602,804 (2016: N$534,040,221). Consequently we could not satisfy ourselves as to the completeness of disclosures related to commitments and the classification (long term vs short term) of student loans balances.

Also before May 2013, the fund was part of the Ministry of Education. A decision was taken to establish an independent Secretariat. The Secretariat took over all loans advanced and commitments from the Ministry. Management could not provide us with a complete list of all student loans, student grants and related commitments taken over from the Ministry. As a result, we were unable to satisfy ourselves over the completeness of these loans, grants, recoveries and related commitments. This item was raised in prior year as well.

Our audit opinion was also modified similarly in the prior years.

6.7 OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Namibia Students Financial Assistance Fund's Annual Financial Statements for the year ended 31 March 2017. Other information does not include the financial statements and our auditor's report thereon.

We have read the other information and, in doing so, considered whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. However, due to the disclaimer of opinion in terms of the International Standard on Auditing (ISA) 705 (Revised), Modifications to the Opinion in the Independent Auditor's Report, we are unable to report further on this other information.

6.8 RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard for Small and Medium sized Entities and the requirements of the State Owned Enterprises Governance Act of 2006, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

6.9 AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our responsibility is to conduct an audit of the company's financial statements in accordance with International Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA

INDEPENDENT AUDITOR'S REPORT

Code) and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in Namibia. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B).

PricewaterhouseCoopers
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Per: **Samuel N Ndahangwapo** (Partner)
Windhoek

Date: 26/06/2018

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***Country Senior Partner**: R Nangula Uaandja*
***Partners**: Carl P van der Merwe, Louis van der Riet, Anna EJ Rossouw, Seretta N Lombaard, Stéfan Hugo, Chantell N Husselmann, Gerrit Esterhuyse, Talita B Horn, Samuel N Ndahangwapo, Hans F Hashagen, Johannes P Nel, Annette van Coller*



"I would like to thank the Namibia Students Financial Assistance Fund (NSFAF) for paying for my studies. and helping me to fulfil my lifelong dream of becoming an Information Systems Auditor. May you continue to assist and reach out to those passionate students that need financial assistance just as you did with me!"

EVA-LISA TUWILIKA NAWA
Informatics Graduate

INDEPENDENT AUDITOR'S REPORT

DIRECTOR'S REPORT

The directors have pleasure in submitting their report on the financial statements of the Namibia Students Financial Assistance Fund for the year ended on the 31st of March, 2017.

6.10 NATURE OF BUSINESS

The Namibia Students Financial Assistance Fund was established in January 1997 to provide financial assistance to students at approved institutions of higher education. A decision was taken to establish an independent Secretariat with effect from the 1st of May, 2013. As a result, and by implication, the Secretariat assumed responsibility over all the loans advanced and commitments that were prior approved and awarded by the Ministry. These loans and commitments could not be measured reliably as there were no accurate and complete records received from the Ministry.

Although the fund was promulgated by Act 26 of 2000 of Parliament, it was still part of the Ministry of Education.

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

6.11 REVIEW OF FINANCIAL RESULTS & ACTIVITIES

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the State-Owned Enterprises Governance Act of 2006. 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 company are set out in these financial statements.

6.12 DIRECTORS

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

Directors	Nationality	Changes
A. Nankela	Namibian	Service term ended 31 December 2017
F. Gertze	Namibian	Service term ended 31 December 2017
L. van Wyk	Namibian	Service term ended 31 December 2017
M. Ntinda	Namibian	Service term ended 31 December 2017
P. Karuaihe Martin (Chair)	Namibian	Service term ended 31 December 2017
T. Angala	Namibian	Service term ended 31 December 2017
J Mutumba (Chair)	Namibian	Appointed 17 January 2018
C Swart Opperman (Vice Chair)	Namibian	Appointed 17 January 2018
S Tjiuoro	Namibian	Appointed 17 January 2018
A Abner	Namibian	Appointed 17 January 2018
A Angula	Namibian	Appointed 17 January 2018
N Cheikhyoussef	Namibian	Appointed 17 January 2018
I Neema	Namibian	Appointed 17 January 2018
T Munyika	Namibian	Appointed 17 January 2018

6.13 EVENTS AFTER THE REPORTING PERIOD

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

6.14 GOING CONCERN

The directors believe that the company 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 directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors 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 company.

6.15 AUDITOR

PricewaterhouseCoopers will continue in office as the auditor for the company for 2018.

6.16 SECRETARY

The company secretary is Fillemon Wise Immanuel.

6.17 POSTAL ADDRESS

P.O Box 23053

Windhoek

Namibia

6.18 BUSINESS ADDRESS

51 - 52 Werner List Street

United Africa Building, 3rd Floor



"I am currently pursuing a qualification in the scientific field thanks to the NSFAF and its full support!"

MOSES NAMUPALA
Geophysics Student

NSFAF DIRECTORS' REPORT

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017

	Note(s)	2017 (N$)	2016 (N$)
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	104,389,642	32,411,911
Student loans	3	1,912,168,624	1,386,019,541
		2,016,558,266	**1,418,431,452**
Current Assets			
Trade and other receivables	4	434,123	-
Prepayments	5	347,021	370,461
Cash and cash equivalents	6	24,070,325	258,843,805
		24,851,469	**259,214,266**
Total Assets		**2,041,409,735**	**1,677,645,718**
EQUITY AND LIABILITIES			
Equity			
Accumulated funds		1,935,337,998	1,658,070,443
LIABILITIES			
Current Liabilities			
Trade and other payables	7	98,071,737	19,575,275
Provisions	17	8,000,000	
		106,071,737	**19,575,275**
Total Equity and Liabilities		**2,041,409,735**	**1,677,645,718**

STATEMENT OF COMPREHENSIVE INCOME

	Note(s)	2017 (N$)	2016 (N$)
Grants for administrative costs	8	141,466,638	165,915,291
Grants for student funding	8	742,699,851	1,240,416,367
Recoveries of previously impaired loans	8	4,523,241	4,563,154
Other income	9	32,200	931,682
Student funding expenses		(344,602,804)	(534,040,221)
Impairment of student loans		(184,177,067)	(12,728,759)
Administrative expenses		(89,147,884)	(87,539,018)
Surplus before investment income		**270,794,175**	**777,518,496**
Investment income	10	6,473,380	10,409,392
Surplus for the year		**277,267,555**	**787,927,888**

STATEMENT OF CHANGES IN EQUITY

	Accumulated Funds (N$)	Total Funds (N$)
Balance at 01 April 2015	**870,142,555**	**870,142,555**
Surplus for the year	787,927,888	787,927,888
Balance at 01 April 2016	**1,658,070,443**	**1,658,070,443**
Surplus for the year	277,267,555	277,267,555
Balance at 31 March 2017	**1,935,337,998**	**1,935,337,998**

STATEMENT OF CASH FLOWS

	Note(s)	2017 (N$)	2016 (N$)
Cash flows from operating activities			
Receipts			
Grants for capital fund and administration costs	8	141,466,638	165,915,291
Grants for student funding	8	742,699,851	1,240,416,367
Recoveries	8	4,523,241	4,563,154
Other income	9	32,200	931,682
	8	**888,721,930**	**1,411,826,494**
Payments			
For student awards		(984,449,172)	(1,236,747,451)
To employees and suppliers		(71,830,265)	(89,026,723)
		(1,056,279,437)	**(1,325,774,174)**
Net cash from operating activities	13	**(167,557,507)**	**86,052,320**
Cash flows from investing activities			
Acquisition of property, plant and equipment	2	(73,689,352)	(24,841,592)
Interest income	10	6,473,379	10,409,392
Net cash to investing activities		**(67,215,973)**	**(14,432,200)**
Total cash movement for the year		**(234,773,480)**	**71,620,120**
Cash at the beginning of the year		258,843,805	187,223,685
Total cash at end of the year	6	**24,070,325**	**258,843,805**

ACCOUNTING POLICIES

6.20 PRESENTATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the State-Owned Enterprises Governance Act of 2006. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in Namibian Dollars. These accounting policies are consistent with the previous period.

6.20.1 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

Critical judgements in applying accounting policies

Management is required to make critical judgements in applying accounting policies from time to time. The judgements, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

6.20.2 KEY SOURCES OF ESTIMATION UNCERTAINTY

Useful lives and residual values of property, plant and equipment

The company reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimates.

Impairment testing

The company reviews and tests the carrying value of property, plant and equipment, as well as intangible assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determines the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

6.21 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

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.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

Table 9: Asset depreciation methods

Item	Depreciation method	Average useful life
Buildings	Straight line	Not depreciated
Furniture and fixtures	Straight line	7-15 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	5 years
IT equipment	Straight line	3-5 years

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to its major components and each such component is depreciated separately over its useful life.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate. The building under construction comprises of costs incurred on the construction of the head office of the Fund. Nº depreciation has been provided since the building is not yet available for use.

6.22 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 profit or loss) 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 staff loans, trade receivables and trade payables. Those debt instruments which meet the criteria in Section 11.8(b) of the standard, 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 profit or loss.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, are measured at fair value through profit and loss.

Student Loans

The student loans offered by the fund are unique within the market. The primary focus of these loans is not profit generation, but rather to provide affordable financing for Namibian students (from low income households) studying at various institutions of higher learning. The loans have no fixed repayment terms and the debt is only due 6 months after completion of the studies, provided that the student (debtor) is employed, otherwise the debtor is required to provide a letter in which the debtor makes a declaration that he/she is still unemployed and looking for a job. The debtor may negotiate the repayment period, with a maximum of 3 times the number of years of the loan.

The student loans are recognised at cost at inception. Until repayment, the loans are measured at cost and only start to accrue interest when the first instalment falls due. The subsequent value is calculated based on amortised cost using 50% of the prevailing prime rate.

ACCOUNTING POLICIES

At each reporting date, student loans are impaired based on 10% (2016: 2%) of the total book valiue of the loans. Impairment losses are recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

6.23 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- Another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- The payments are structured to increase in line with expected general inflation (based on published indices or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

6.24 LEGACY REWARDS

Recoveries relating to legacy awards from students whose loans and commitments were approved prior to May 2013 were ceded as revenue to the fund by the Ministry and is accounted for on receipt.

6.25 IMPAIRMENT OF ASSETS

The company assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets 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 profit or loss. 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 profit or loss.

6.26 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.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

ACCOUNTING POLICIES

Defined benefit plans

For defined benefit plans, the cost of providing the benefits is determined using the projected unit credit method.

Past service costs are recognised immediately as an expense. Actuarial gains or losses are recognised in other comprehensive income. Gains or losses on the curtailment or settlement of a defined benefit plan are recognised in profit or loss when the company is demonstrably committed to curtailment or settlement.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In the statement of income and retained earnings, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

Termination benefits

Termination benefits are recognised as an expense with its resulting liability when the entity is demonstrably committed either:

- to terminate the employment of an employee or group of employees before the normal retirement date; or
- to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The termination benefits are measured at the best estimate of the expenditure that would be required to settle the obligation at the reporting date.

6.27 PROVISIONS AND CONTINGENCIES

- Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company 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.

6.28 GOVERNMENT GRANTS

- Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.
- Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.
- Grants received before the revenue recognition criteria are satisfied are recognised as a liability.
- Grants are measured at the fair value of the asset received or receivable.

6.29 REVENUE

- Revenue comprises of grants received for student funding and administration costs, recoveries of loans awarded prior to the Fund becoming an independent Secretariat, interest on student loans and donations received or receivable from the Ministry of Higher Education, Training and Innovation in the ordinary course of the fund's activities.
- The fund recognises revenue when:
- The amount of revenue can be reliably measured;
- It is probable that future economic benefits will flow to the entity; and
- Specific criteria have been met for each of the Fund's activities, as described below.

(a) Government grants

The fund recognises government grants when received or receivable from the Ministry of Education per Cabinet directive of ME012. The fund is required to split the government grant for student funding into loans and grants on a 70:30 basis respectively. Grants for administration costs are reflected separately.

(b) Interest income

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

(c) Recoveries

Recoveries on legacy loans are recognised as and when received from the debtors.

6.30 FOREIGN EXCHANGE

Foreign currency transactions

The Fund is exposed to foreign currency transactions through the payment of student awards for students studying abroad. The Fund carries the foreign currency risk. Foreign currency transactions are translated into Namibian Dollars using the exchange rates prevailing on the dates of the transactions.

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 on 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 from the settlement of monetary items or from 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.

FINANCIALS



"The Namibia Students Financial Assistance Fund (NSFAF) has helped me tremendously, most importantly by eliminating my parents' need to look for external financial support for my studies!"

HAITANGE NELIWA
Informatics Graduate


NSFAF
Namibia Students Financial Assistance Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. PROPERTY, PLANT AND EQUIPMENT

	2017 (N$)			2016 (N$)		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	2,323,300	(922,029)	1,401,271	2,206,059	(579,539)	1,626,520
Motor vehicles	1,255,155	(630,675)	624,480	1,255,155	(379,644)	875,511
Office equipment	2,288,002	(1,012,462)	1,275,540	2,236,770	(561,706)	1,675,064
IT equipment	3,504,797	(1,662,229)	1,842,568	3,075,395	(994,885)	2,080,510
Building under construction	99,245,783	-	99,245,783	26,154,306	-	26,154,306
Total	**108,617,037**	**(4,227,395)**	**104,389,642**	**34,927,685**	**(2,515,774)**	**32,411,911**

Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	1,626,520	117,241	(342,490)	1,401,271
Motor vehicles	875,511	-	(251,031)	624,480
Office equipment	1,675,064	51,232	(450,756)	1,275,540
IT equipment	2,080,510	429,402	(667,344)	1,842,568
Building under construction	26,154,306	73,091,477	-	99,245,783
Total	**32,411,911**	**73,689,352**	**(1,711,621)**	**104,389,642**

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	1,213,172	674,590	(261,242)	1,626,520
Motor vehicles	592,308	461,209	(178,006)	875,511
Office equipment	921,215	1,029,150	(275,301)	1,675,064
IT equipment	1,563,187	1,021,433	(504,110)	2,080,510
Building under construction	4,499,096	21,655,210	-	26,154,306
Total	**8,788,978**	**24,841,592**	**(1,218,659)**	**32,411,911**

Details of properties

A register containing the information required by Regulation 25(3) of the Companies Regulations and is available for inspection at the registered office of the company.

3. STUDENT LOANS

Student loans comprise of loans awarded subsequent to the date the Fund became an independent secretariat.

2017	New Award Loans	Continuing Loans	Total
Opening balance	305,146,447	1,109,159,208	1,414,305,655
Loans awarded	276,852,681	369,538,820	646,391,501
Student accruals	31,778,148	32,156,500	63,934,648
Impairment of student loans	**(61,377,728)**	**(151,085,453)**	**(212,463,180)**
Total	**552,399,548**	**1,359,769,076**	**1,912,168,623**

2016	New Award Loans	Continuing Loans	Total
Opening balance	98,951,302	678,916,427	777,867,729
Loans awarded	205,839,015	422,013,319	627,852,334
Student accruals	356,130	8,229,461	8,585,591
Impairment of student loans	(6,095,806)	(22,190,307)	(28,286,113)
Total	**299,050,641**	**1,086,968,900**	**1,386,019,541**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

	2017 (N$)	2016 (N$)
4. TRADE AND OTHER RECEIVABLES		
Staff loans	434,123	-
5. PREPAYMENTS	347,021	370,461
6. CASH AND CASH EQUIVALENTS		
Cash & cash equivalents consist of:		
Cash on hand	(447)	13,325
Bank balances	24,060,002	156,765,547
Short-term deposits	10,770	102,064,933
Total	**24,070,325**	**258,843,805**
7. TRADE AND OTHER PAYABLES		
Trade payables	8,461,850	2,408,790
Student loan accruals	82,237,667	11,757,887
Payroll accruals	7,372,220	5,408,598
Total	**98,071,737**	**19,575,275**
8. REVENUE		
Grants for student funding	742,699,851	1,240,416,367
Recoveries	4,523,241	4,563,154
Grants for capital fund and administration costs	141,466,638	165,915,291
Total	**888,689,730**	**1,410,894,812**

	2017 (N$)	2016 (N$)
9. OTHER INCOME		
Refunds - tertiary institutions	-	910,262
Tender documentation fees	32,200	21,420
Total	**32,200**	**931,682**
10. INVESTMENT REVENUE		
Interest revenue		
Bank	6,473,380	10,409,392
11. TAXATION	The fund has obtained income tax exemption from the Receiver of Revenue. This exemption is applicable from the date on which the Fund was established.	
12. AUDITOR'S REMUNERATION		
Fees	574,002	952,373
13. CASH (USED IN) GENERATED FROM OPERATIONS		
Surplus for the year	277,267,555	787,927,888
Adjustments for:		
Depreciation and amortisation	1,711,621	1,218,659
Interest received - investment	(6,473,380)	(10,409,392)
Movement in provisions	8,000,000	-
Impairments of student loans	184,177,067	12,315,718
Changes in working capital:		
Trade and other receivables	(434,123)	-
Prepayments	23,440	(107,233)
Trade and other payables	78,496,462	(68,868,434)
Student loans	(710,326,149)	(636,024,886)
Total	**(167,557,507)**	**86,052,320**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

		2017 (N$)	2016 (N$)
14. COMMITMENTS			
Authorized capital expenditure			
Already contracted for but not provided for			
Property, plant and equipment		110,552,832	183,407,359
	(This committed expenditure relates to property and will be financed by available bank facilities, retained profits, rights issue of shares, issue of debentures, mortgage facilities, existing cash resources, funds internally generated, etc.)		
Operating leases – as lessee (expense)			
Minimum lease payments due			
- within one year		4,382,501	1,560,227
Operating lease payments represent rentals payable by the company for certain of its office properties			
Legacy commitments	The fund inherited loan balances and financial commitments to continuing students whose loans were approved previously from the Ministry of Education upon becoming an independent Secretariat. These loans and commitments could not be measured reliably as there were no accurate and complete records received from the Ministry.		
15. RELATED PARTIES & RELATIONSHIPS			
Relationships			
Controlling body	Ministry of Higher Education, Training and Innovation		
Directors	P. Karuaihe-Martin (Chairperson)		
	M. Ntinda		
	F. Gertze		
	L. van Wyk		
	A. Nankela		
	T. Angala		
Members of key management	H. Nghiwete (Chief Executive Officer)		
	S. Von Blotnitz (Chief Financial Officer)		
	C. Koopman (Senior Manager: Finance)		
	P. Tjahere (Senior Manager: Marketing and Communications)		
	K. Kandume (Senior Manager: Operations)		
	F. Immanuel (Company Secretary)		
	O. Hamwele (Chief Human Capital & Corporate Affairs)		

	2017 (N$)	2016 (N$)
Related party balances and transactions with entities with other related parties		
Related party transactions		
Key management		
Salaries	9,071,000	10,663,486
Grants received from related parties		
Grants for capital fund and administration fees	141,466,638	165,915,291
Grants for student funding: MHETI	742,699,851	1,406,331,658
16. DIRECTORS' REMUNERATION	1,445,631	2,918,390

17. PROVISIONS

Reconciliation of provisions - 2017

	Opening balance (N$)	Additions (N$)	Total (N$)
Legal settlement	-	8,000,000	8,000,000

CONTINGENCIES

Lex Consult instituted a civil claim to the tune of N$64 million against the Namibia Students Financial Assistance Fund with the Fund's Chief Executive Officer cited as 1st Defendant, the Fund's Board of directors as 2nd Defendant and Minister of Education as 3rd Defendant respectively. The civil claim was instituted based on the following allegations by Lex Consult;

1. "The Fund acted in breach of express agreement to engage Lex Consult to develop and conduct field testing of approved modifications and enhancements to the Fund's Management Information System (MIS) structure by procuring a parallel Fund MIS, a violation of Lex Consult's existing and vested rights to undertake such work".

2. Further that the Fund has acted unlawfully by enabling CIDE to utilize Lex Consult's intellectual property (technical information, trade secrets and copyrighted information) in developing a parallel MIS.

3. Further that the Fund acted in violation of Lex Consult's commercial right and interest to its existing Integrated Information Management System (consisting of application, selection and award, student, debt status, payment and recovery) by procuring a parallel recovery component from another contractor.

4. Further that the Fund continues to be in breach, justifying the claim for special and general damage in lieu of the loss of contract and violation of commercial rights by Lex Consult.

The parties attempted court connected mediation, which featured various settlement monetary figures but it all ended in vain. The latest settlement proposal by the Plaintiff is NAD 8,000,000.00. The Defendants are yet to express their collective position in respect of this settlement proposal. In the meantime the matter is set down for status hearing on the 18th of October, 2017.

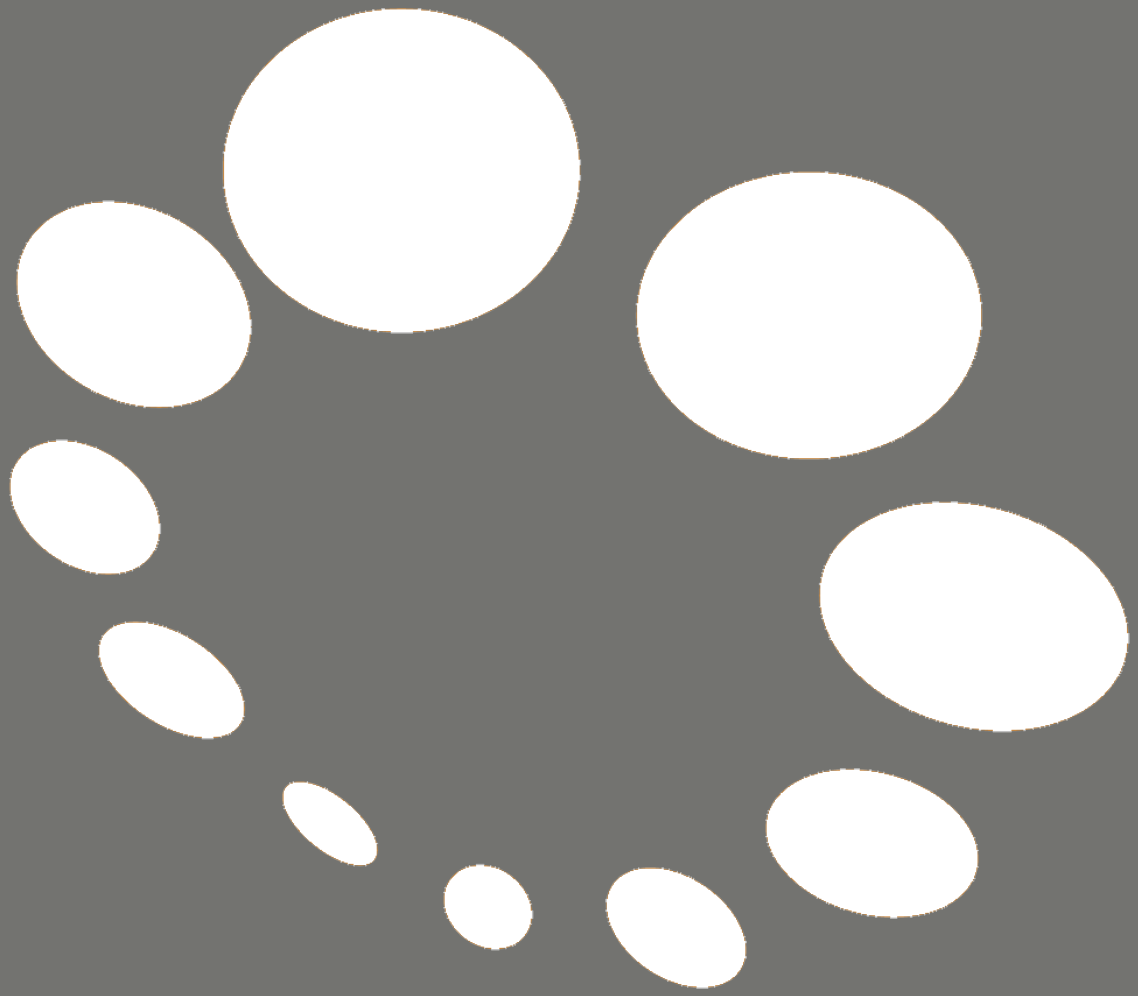
DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2017

	Note(s)	2017 (N$)	2016 (N$)
Revenue			
Recoveries		4,523,241	4,563,154
Grants for capital fund and administration costs		141,466,638	165,915,291
Grants for student funding		742,699,851	1,240,416,367
	8	**886,689,730**	**1,410,894,812**
Other income			
Refund - tertiary institutions		-	910,262
Tender documentation fees		32,200	21,420
Interest received	10	6,473,380	10,409,392
		6,505,580	**11,341,074**
Other expenses			
Impairment of student loans		(184,177,067)	(12,728,759)
		(184,177,067)	(12,728,759)
Administrative expenses			
Provision for legal settlement		(8,000,000)	-
Advertising		(3,915,392)	(4,651,446)
Auditor's remuneration	12	(574,002)	(952,373)
Bank charges		(573,958)	(1,021,121)
Board and subcommittee fees		(1,445,631)	(2,918,390)
Cleaning		(85,329)	(51,952)
Computer expenses		(227,635)	(242,195)
Consulting and professional fees		(5,483,741)	(6,325,097)
Depreciation		(1,711,621)	(1,218,659)
Employee costs		(44,759,459)	(45,857,961)
Entertainment		(224,090)	(180,801)
General expenses		(2,029,107)	(2,017,932)
Insurance		(112,788)	(65,908)
Lease rentals on operating lease		(4,266,958)	(3,877,776)

	Notes	2017 (N$)	2016 (N$)
Motor vehicle expenses		(643,984)	(600,204)
Office refreshments		(273,740)	(316,625)
Car hire		(11,277)	-
Postage		(62,267)	(101,727)
Printing and stationery		(1,380,104)	(1,396,273)
Projects		(5,373,594)	(7,749,381)
Recruitment and selection		(24,100)	(109,941)
Repairs and maintenance		(18,067)	(153,837)
Security		(79,664)	(63,308)
Staff welfare		(524,763)	(31,546)
Subscriptions		(166,029)	(45,525)
Training		(940,761)	(1,554,554)
Travel and accommodation		(2,616,012)	(3,293,990)
Telephone and fax		(2,353,274)	(1,684,077)
Water and electricity		(549,285)	(614,112)
Workshops and conferences		(721,252)	(442,307)
		(89,147,884)	**(87,539,018)**

	2017 (N$)	2016 (N$)
Student funding expenses		
Postgraduate awards	(2,695,183)	(10,071,462)
Solidarity scholarships	-	(739,490)
Student accommodation and medical	(4,285)	(1,048,343)
Student flight and travel expenses	(12,695,782)	(7,766,647)
Student stipends	(21,940,677)	(25,364,664)
Undergraduate student awards (grants)	(307,266,877)	(489,049,615)
	(344,602,804)	**(534,040,221)**
	(617,927,755)	**(634,307,998)**
Surplus for the year	**895,195,310**	**1,422,235,886**

The supplementary information presented does not form part of the financial statements and is unaudited.



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