

ANNUAL REPORT 2022 - 2023



Namibia Tourism Board



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MISSION

To sustainably market and develop tourism to and within Namibia by exceeding our visitors' experience and expectations, adding value to our stakeholders, and yielding enhanced quality of life for all our people.

VISION

"Namibia renowned as the most sought-after tourism destination in Africa."

CORE VALUES

The NTB defined five core values and created the acronym [ICARE] for ease of reflection:

I	Integrity	We shall always uphold high ethical and moral principles.
C	Caring	We care about ourselves, our team members, our customers, our natural environment and the well-being of the NTB and our beloved Country.
A	Accountability	We believe that our actions have a lasting impact on our Nation. Therefore, we accept the responsibilities that come with the positions that we hold and shall account for all our actions.
R	Reliability	We work as synergistic teams and therefore we shall always work towards the well-being of the NTB and deliver on our performance promises.
E	Excellence	We believe we are the masters of our destiny and therefore we shall always pursue everything that we do with a spirit of innovation in perfecting our craft.

REDISCOVER



Ms Madelein /Gôagoses
Chairperson of the Board

FOREWORD BY THE CHAIRPERSON

2023 will be remembered as a watershed year for the Namibia Tourism Board. This was the year when we applied our learnings from the early days of the pandemic, pushed the boundaries of innovation, and put into motion many of the plans to transform our industry for years to come. During this period of recovery, we have been focused on the economics of tourism – reviving our sector in the face of bleak outlooks – but we must not lose sight of the driving force behind our sector’s work. We need to continue to provide an environment in which visitors can ‘escape’ to gain memorable experiences. Although initiatives for tourism recovery are showing positive signs, there is much work still to be done. But the passion and dedication shown by tourism partners over the past two years give us confidence that Namibia’s tourism will thrive in the years to come

We must create and preserve good jobs, focus on customer-centric experiences, and anticipate the evolving needs of the market. It may be tempting to go back to doing things the same way we did before the pandemic. But, to stay ahead, we must push the envelope and find creative solutions. So as we look ahead to 2023 -2024, with its own set of new challenges and opportunities, I am heartened by our ability to adapt and create positive change in this industry to embrace all-inclusiveness. The government spearheads policy changes to ensure an enabling environment in tourism development spreads regionally to benefit the greater citizenry of this country.

After three years as the Chairperson for which the end of our tenure is in offing, I would like to thank my fellow Board members for their support and commitment and t for their able leadership of the Audit and Risk and Remuneration and Marketing Advisory and Standards and Industry Human Resources Development Advisory Committees. The Board has been an invaluable resource, providing expert advice and guidance throughout this turbulent year. I welcome their keen support for our refreshed strategy and their willingness to engage in our aim to increase wider recognition of the importance of tourism. I also thank and salute the able NTB team under the visionary leadership of Mr Digu //Naobeb, who has been at the helm of NTB in COVID-19 trying and turbulent times to steer the ship afloat.



REDISCOVER



Digu //Naobeb
Chief Executive Officer

STATEMENT BY THE CHIEF EXECUTIVE OFFICER

As much as international travel came to a standstill in 2020 and continued to do so in part until 2023 when China, which is the critical market in international travel circles finally re-opened its borders, we did not halt international marketing. We worked very hard to maintain Namibia as a top-of-mind destination by bringing our offerings virtually to international audiences through webinars, etc. and launched a domestic tourism campaign that ended in December 2022 to garner much-needed local support for our tourism businesses. With the world opening up, NTB worked closely with government ministries, Namibian Foreign Missions abroad and other government agencies and industry stakeholders to simplify the steps and procedures required of foreigners to enter Namibia, and disseminated the latest travel information through our website, overseas

offices and representative agencies so that visitors were always updated with the latest measures. Thanks to the hard work and the support of our industry partners, we started to see signs of recovery in 2022. Tourist arrivals to Namibia increased by 4.6% from 2021 to a total of 243 466 during the 2022 tourism season, albeit still far below pre-COVID-19 levels.

Equally, during this COVID-19 downtimes the tourism private sector did continue to make investments. These efforts enabled the tourism sector to create innovative and authentic products that would also appeal to visitors. Surely, these will afford the tourism sector that visitors both locals and international travellers will enjoy and be captivated by new and innovative experiences.

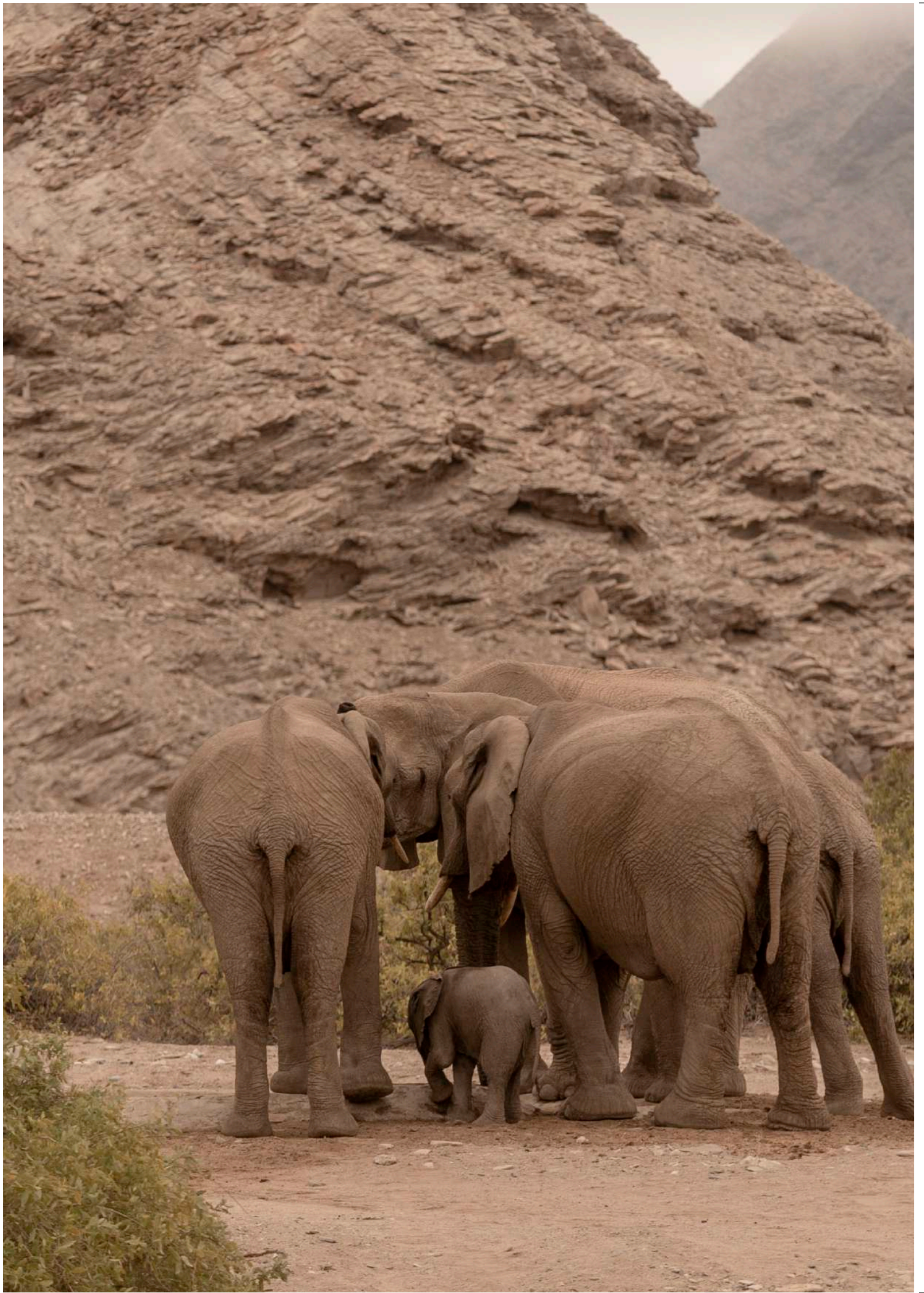
We also looked inward as an organization to create a more efficient organisation that can re-focus resources on delivery, and implement transformative initiatives which resulted in improvements including modernised digital channels with more dynamic content like the NTB website which includes new e-learning platform for both travel trade and media to gain more knowledge about destination Namibia. We made also progress in launching the Foreign Missions Toolkit to afro them with content to assist in Marketing Namibia under the banner of the economy development diplomacy policy that the national government has instituted. We also started the process of developing a marketing strategy that will be consulted with stakeholders for finalization later in 2023.

Our finances showed improvement and turned out to be in good health. We had to embrace a more prudent approach to ensure NTB remains a going concern.

ITEM	Financial Year 2022 – 2023 (1 April 2022 to 31 March 2023) in N\$
Government Grant	N\$ 3,100,000
Tourism Levy	N\$ 41,001,292
NTB Own Revenues	N\$ 10,180,340
Total Revenue	N\$ 54,281,632
Total Expenses	N\$ 40,663,206
Surplus	N\$ 13,618,426

NOTE: UNAUDITED FINANCIALS

Finally, as my term of employment with NTB is parching this will most probably be my last Annual Report Statement; hence, I would like to show my appreciation to the NTB Board, whose support and advice have been invaluable in navigating these changes. I would also like to thank the management cadre of the line ministry and the senior leadership team at NTB for their tireless work and of course the staff across NTB and source markets for their dedication to our success. My final thanks go to the tourism stakeholders, whom I have seen provide a strong voice for Namibia, and are now tasked with innovating the shift towards a new model for our domestic and intra-Africa tourism landscape.



REDISCOVER

BOARD MEMBERS



Ms Madelein /Gôagoses
Chairperson of the Board



Mr Terence Makari
Vice Chairperson and
Chairperson of Audit
Committee



Ms Janette Fourie
Board member & Chairperson of
Marketing Advisory Committee



Mr Kishi Silas Shakumu
Board member and Chairperson
of HR and Remuneration Committee



Ms Isolde Kollmütz
Board member and Chairperson of
Standards and Industry Human
Resources Committee

CORE LEADERSHIP TEAM



Digu //Naobeb
Chief Executive Officer



Mr Nesley Xarageb
Head Finance and IT



Mr Bornventure Mbidzo
Head of Business Development
and Operations



Ms Charmain Matheus
Head of Marketing



Namibia Tourism Board

RE-ENERGISE THE MARKETS

STAKEHOLDERS ENGAGEMENTS

Embassy Toolkit Launch

In response to a high demand from the various Namibian foreign missions requesting for destination materials, NTB deemed it necessary to compile/develop a set of digital promotional tools (including the destination brochure, presentation, banners and videos), which were successfully handed over to the Ministry of International Relations and Cooperation in September 2022 for onward distribution for the respective missions to print at own costs when the need arise. This was a more cost-effective approach from NTB.



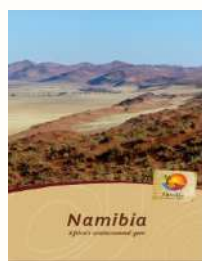
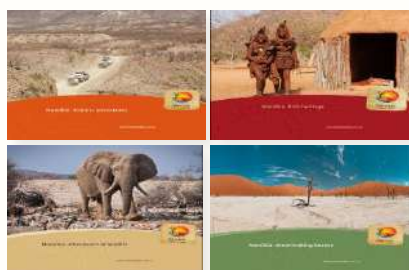
Executive Director of MIRCO: Amb Penda Naanda receiving the embassy toolkit from the NTB Chairperson Ms Madelein /Gôagoses



Digu //Naobeb, the CEO of NTB presented on tourism investment opportunities in Namibia at Davos event in Switzerland in May 2022



The CEO received Amb Selma Ashipala-Musivi at NTB headquarters to exchange ideas on the planned Annual General Meeting of the World Conference Centres to be hosted in Accra, Ghana on 2 August 2022



Mr //Naobeb, NTB CEO, received Honorary Council member representing Namibia in Mauritius for engagement on tourism trends and maritime event to be hosted in that country on October 2022

Heritage/Cultural Tourism Road show (5 Regions)

The NTB in collaboration with the line ministry with the support of GIZ funding, mobilised through UNESCO Namibia, organized a nationwide sustainable tourism roadshow that was aimed to build resilience amongst the communal conservancy sector in Namibia, especially post-Covid 19 by providing them with necessary tools and information that would enable them to prosper in their business operations going forward. The targeted regions were identified based on their concentration of communal conservancies and vulnerable tourism communities, especially women and youth in tourism. These regions are (1) //Kharas, (2) Omaheke, (3) Kunene, (4) Oshana and (5) Kavango West, of which all were successfully conducted from 15 – 24 November 2022.



RE-ENERGISE THE MARKETS

Ongwediva Stakeholder Engagement 2022

The stakeholder's engagement event was held on the 24 August 2022. The agenda of the aforementioned event was to engage the tourism role players to share ideas and opportunities to gradually accelerate recovery and rebuild the tourism sector amid the COVID-19 era. It was officiated by the Honourable Governor of Oshana Region Honourable Elia Irimari. The Mayor of Ongwediva Town Council His Worship Mayor Taarah Shalyefu delivered the welcoming remarks. The four Regional Councils (Oshikoto, Oshana, Omusati & Ohangwena) were represented by their Deputy Directors of Planning except for Oshikoto that delegated a Development Planner. Each region delivered their presentation centered around the tourism development plans for their region. They touched on the major attractions that are well known and the areas that are yet to be explored especially at the national level.



Tourism Symposium 2022

The NTB gathered key tourism stakeholders in order to rethink conducting tourism business in an unusual approach. The objectives were:

1. To create a platform for exchange of ideas around the current and future business ecosystem environment that will contribute towards the sustainability of the tourism sector.
2. To provide hands-on training to operators within Tourism, in particular SMEs, to improve and reposition business operations efficiently to be competitive in the marketplace

Background

The Symposium was held from the 6-7 December 2022. The Symposium attracted international speakers from Switzerland, Tanzania and South Africa. It included a 1-day training on Social Media and Digital Marketing Workshop and Revenue Management Workshop.

Participants/Attendees

Attendees :Total number of 50 delegates attended the symposium.

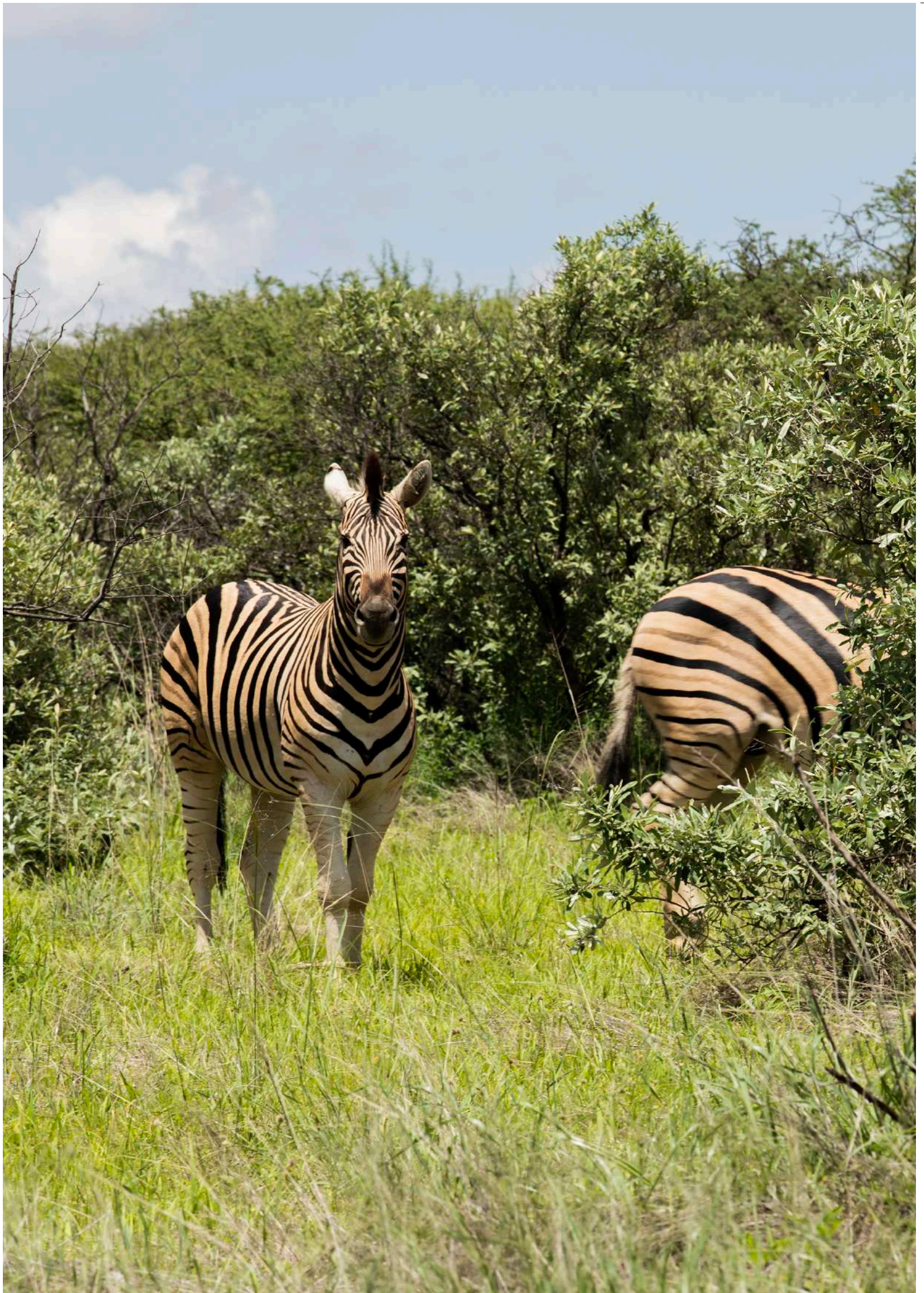
- Speakers :Total of local speakers were 7 and 3 International Speakers.
- Media :Total of the Media 6 media attended (Consumer News, NAMPA, New Era, NMH , NBC & Namib Times)
- Sponsors: FNB, Swakopmund Hotels & Entertainment Center, Advertteuer Afrika Safari
- Travel & Trade Representatives were in total 41.

Key outcomes

Participants Feedback Survey:

- 64.3% of respondents were extremely satisfied with the event, while 35.7% were satisfied. No dissatisfaction was conveyed by any of the respondents.
- Digital and Social Media Marketing was by far considered as the most useful topic for the respondents
- with 57.1% followed by Revenue Management (28.6%) and Agritourism (14.3%).
- Future Topics Recommendations - Revenue Management and Sustainable Tourism, Domestic Tourism, Digital Marketing and Agritourism were still recommended as key areas of discussion





RE-ENERGISE THE MARKETS

MARKETING TO NAMIBIA

NAMIBIA TOURISM EXPO 2023

Background

The Namibia Tourism Board (NTB) participated in the 24th Namibia Tourism Expo held 26 – 28 April 2023 at the Windhoek Country Club Resort & Casino. This was part of the enhancing brand awareness and to boost domestic tourism in Namibia

Participants/Attendees

The NTB had its own stand with most visitors comprising of local Travel and Trade stakeholders

Key outcomes

- More than 50 number of people participated in the Spin & Win Competition
- NTB won a silver prize
- NTB stand provided general information on destination Namibia as well information on the importance being registered with the NTB and what the tourism levy entails.
- Congratulations to the winners:
 1. 1st prize: Mr Ruggero Micheletti 2 nights for 2 (Gondwana Collection)
 2. 2nd prize: Ms Jeanne Taylor 1 night for 2 (Safari Court Hotel)



Ongwediva Trade Fair 2022

Ongwediva Annual Trade Fair was held from 26 August to 1st September 2022. The trade fair was officiated by Honourable Vice President Nangolo Mbumba. Over 300 people visited our stand, including the general public who sought information on travelling. Some of the Namibian travel trade also requested that their places to be inspected and they also wanted information on how to calculate NTB levies.

The activities at the NTB booth included: 1. **Owela Digital Game:** This was the major fun attraction, because the people could resonate very well with the game and they had really enjoyed it as it brings excitement and entertainment. Moreover, it was a way of promoting culture and heritage, and to collect some sort of survey from the consumers (to tap into their needs and desires for future events). There were 5 prizes attached to the game where by the winner of the two people playing the Game could be entered into the draw to win one of the Local Travel & Tourism Experience. Prizes were sponsored by Gondwana Collection Namibia, Hotel Destiny, Hotel Galaxy, Etuna Guesthouse and Tours cc & Cheetah Backpackers & Safaris.. Over 250 people participated in the game.

The stats for the survey can be accessed by clicking the link below:

https://goldstone.com.na/clients/ntb/index.php?type=ntb_ongwediva_trade_fair_data&code=Nxt1b9330_cvjb



RE-ENERGISE THE MARKETS

Local Media Kalahari FAM Trip

Twelve (12) local journalists partook in the Kalahari Local Media Familiarization Trip hosted by the NTB to promote local tourism from the 21-25 November 2022. In order to appeal tourists, tourism destinations need to be exposed which is achieved greatly through publicity. Considering the popularity and value of the local media, tourism more especially rural tourism is dependent on the power of media in order to be exist. The relationship between tourism and media is a crucial one and NTB continuously values the role of the media in promoting Destination Namibia



Domestic Tourism Campaign

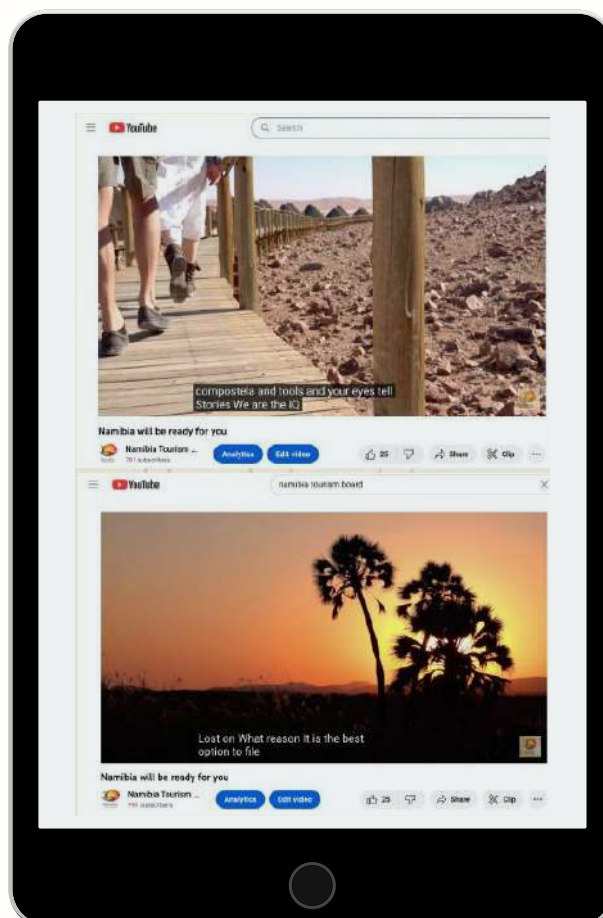
NTB continued to run the domestic tourism campaign both on NBC TV, radio, and social media platforms. NTB also conducted online campaign with travel news.

Namibia will be ready (May - August 2020)

This multichannel cross promotional campaign was activated in collaboration with Travel News Namibia.

The aim was to assure travelers, local and international that Namibia will be ready when tourism resume after travel restrictions due to COVID - 19

Reached approx 1.500.000 followers



LinkedIn



RE-ENERGISE THE MARKETS

B2C Social Media Communication via own channels
Reach, approx. 120 000

Discover Namibia (September 2020 - today)



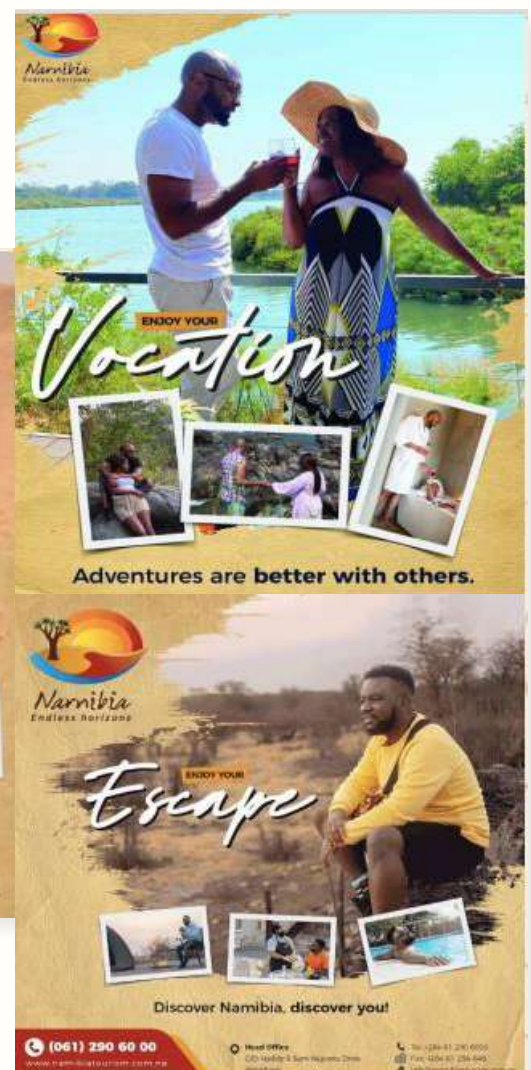
TV and B2C Social Media campaign in partnership with the Namibian Broadcasting Corporation (NBC)

Discover Namibia

The multichannel promotional campaign was activated in collaboration with NBC.

The aim was to provoke and encourage domestic tourism, during COVID-19 international travel restrictions. The focus was on family travel, escapism or going on working holiday.

Reached approx. 200 000 followers



LinkedIn

facebook



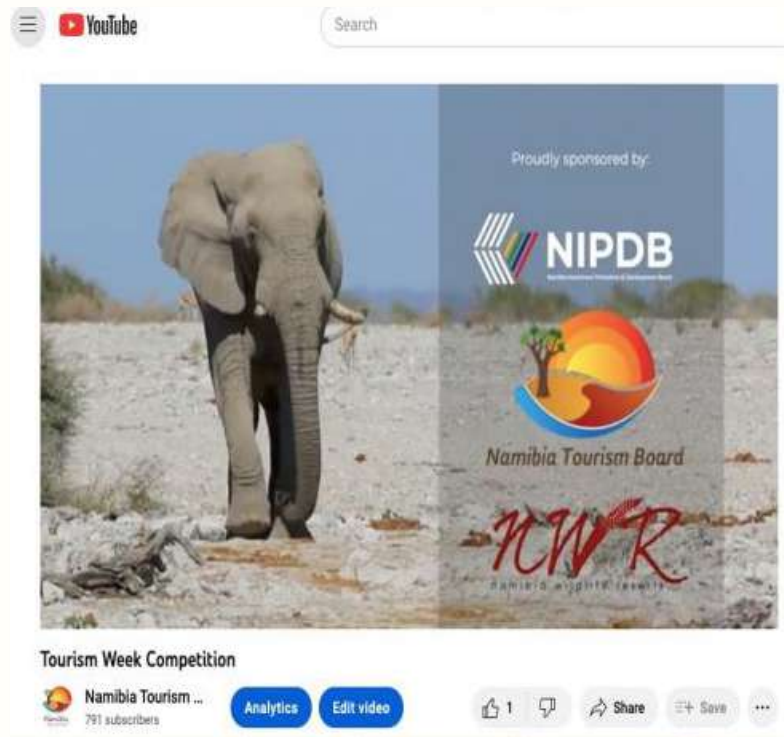
twitter

RE-ENERGISE THE MARKETS

B2C/B2B Social Media Communication via own channels.

Reached approx. 300.000+ followers

Tourism week online competition
(September 2021)



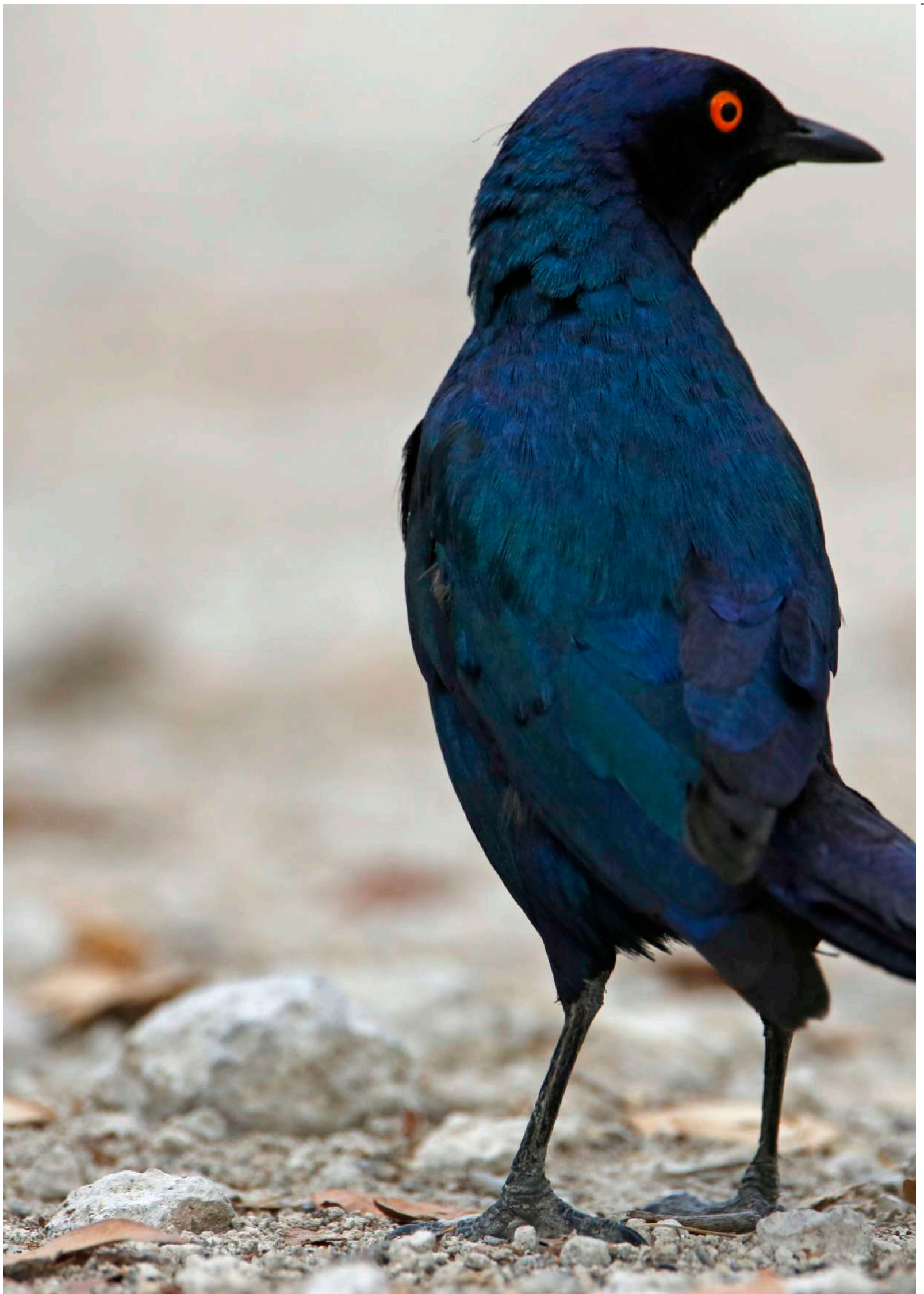
New NTB website launch



New website launched was in August 2022

Reached approx. 21 000 followers after launching

NTB launched the new website with enriched updated content, and it shall serve as a tool to re-engaged visitors being authoritative source on Namibia as a tourism destination.



RE-ENERGISE THE MARKETS

MARKETING TO THE WORLD

Media Educational for Local & International Journalists Nov 2022

The focus was to promote Namibia as a preferred holiday destination across the globe. The program included press trips where the NTB invites new international media, (journalists) from various source markets to showcase what Namibia has to offer, raise awareness and spread latest information about the destination Namibia to these markets.



BELGRADE FAIR 2023

Background

Namibia successfully participated at the Belgrade International Tourism Fair held from 23 – 26 February 2023 in Belgrade, Serbia.

The aim as a country was to create awareness on the Destination Namibia brand in restarting the tourism sector post-Covid 19.

Participants/Attendees

The Namibian team who attended the Belgrade International Tourism fair comprised of Ministry of Environment, Forestry and Tourism (MEFT), NTB, NIPDB and ONE (1) operator being Kali Safais & Tours.

key outcomes

- Namibia had created valuable new contacts with travel professionals from Serbia.
- Namibia received some media coverage: https://youtu.be/8_3ISPhOMJY.



FITUR 2023

Background

NTB participated in the international tourism trade fair, Fitur, which took place at the IFEMA trade fair centre of Madrid.

Participants/Attendees

There were five (5) co-sharers namely:

1. Gondwana Collection Namibia
2. Kalahari Namibia Tailor Made Tours
3. Kolosi Lodge & Guesthouse
4. Matiti Safaris
5. Namibia Wildlife Resorts

key outcomes

- The event attracted over 222,000 attendees, representing a growth of 99.6%, almost double that of 2022
- Enquiries at the stand mostly comprised of journalists and influencers requesting for FAM Trips
- Co-Sharers Survey Results:
- 75% of the respondents were fairly satisfied with NTB' organization and coordination.
- 3 out of the 4 respondents indicated that the Namibia stand was organized fairly
- All indicated that they would most definitely partake in Fitur again. This was the basis on stand reservations for the next edition.



RE-ENERGISE THE MARKETS

MARKETING TO THE AFRICA

Africa's Travel Indaba May 2022

As part of NTB's continuous effort to position the destination brand to the world, Namibia participated at the Africa's Travel Indaba which took place from 2 – 5 May 2022, in Durban, South Africa. The Namibia Tourism team shrunk to a merely 5 co-sharers as a result of Covid -19. Over 220 B2B and 165 B2C enquiries/meetings recorded on the Namibian pavilion (These figures included the co-sharers engagements as well). The Win-a-trip -to-Namibia was the main consumer activity on the Namibian stand during Indaba 2022, besides the consumer enquiries. The campaign was promoted on the various NTB social media platforms prior and during the course of Indaba as a way of drawing more feet to the stand. Despite the stand exhibitions, NTB CEO was privileged to be part of the panel speakers at the Business Opportunity Day during in Indaba. This is a trade event aimed at unlocking and exploring new tourism opportunities and capitalising on the best practices.





WIN A TRIP TO NAMIBIA

PRIZE #1

5 x Nights for two sharing at **Traveller's Inn** in Windhoek (B&B)
1x day tour to **Naankuse** for two
2x Return Flight ticket to Windhoek via Cape Town with Fly Namibia (Excl. Taxes)

PRIZE #2

2x Nights for two sharing at **Lake Oanob Resort** (B&B)
2x Nights for two sharing at **Avani Hotel** (B&B)
2x Return Flight ticket to Windhoek via Cape Town with Fly Namibia (Excl. Taxes)

PRIZE #3

2x Nights for two sharing at **City Town Lodge** (B&B)
2x Nights for two sharing at **any Protea Hotel** (B&B)
2x Return Flight ticket to Windhoek via Cape Town with Fly Namibia (Excl. Taxes)



Scan code and play to be eligible for the **prize draw on 5 May 2022 at 13:00**
Competition closes on 5 May 2022. T&Cs apply!

Sponsored by: Interflora, Blue Crane Safari, Cape Gaidabo Hotels, Avani Hotels, Gryludger Hotel, Protea Hotel and Fly Namibia



BUSINESS OPPORTUNITIES & NETWORKING DAY (BONday) Workshop & Seminars: 2-5 May 2022



DIGU // NAOBEB
CEO, Namibia Tourism Board

Reimagining Localism & Regionalism in Tourism
- The Business Case For Intra Africa Travel

FOR MORE INFORMATION
www.indaba-southafrica.co.za/events/

AFRICA'S TRAVEL INDABA

Day 2: Tuesday, 3 May 2022



Brought to you by South African Tourism

RE-ENERGISE THE MARKETS

Maritime week 2022

BACKGROUND:

NTB in partnership with NAMPORT successfully participated at the Maritime week event, hosted by the Mauritius Port Authority (MPA) in partnership with Transport Events Ltd, Malaysia. The event is biggest maritime transport trade event in the Indian Ocean region, and it was held on 13 – 15 December 2022. On the sidelines of the Maritime week NTB also organized a networking session.

Participants/Attendees

250 senior GRN officials, senior representatives from the global port community, shipping companies, tourism consultants, cruise owners, shipping line experts

30 International Exhibitors, 25 International Conference high caliber Speakers and over 200 delegates

key outcomes

NTB held a sideline networking session of which outcomes were:

- CEO had an Interview with Mauritius Broadcasting Corporation (MBC)
- Destination Presentation to 16 Mauritian Travel Trade representatives

Presentations & Panel Discussions - Topic:

Ports Infrastructure, Sustainability, and Tourism for the Future: New Goals, Opportunities, and Challenges:

- Tourism for the Future: A Namibian Perspective by Mr. Digu //Naobeb - NTB CEO
- Port Infrastructure, Sustainability & Tourism by Mr. Elias Mwenyo, Namport Executive



Media Coverage and Trade Representation

1. CEO Interview with Mauritius Broadcasting Corporation (MBC) was done
2. Destination Presentation to 16 Mauritian Travel Trade representation was done by NTB as a sideline networking session.
3. NTB committed to Media FAM trip as well as online workshop with SAA and Mauritian tourism travel trade Tourists trip confirmations to Namibia in 2023.





RE-ENERGISE THE MARKETS

MARKETING TO CONTINENTAL EUROPE

Cross promotion with Rose Bike

The cross Promotion & Brand Cooperation ROSE BIKES In November 2022 was GO-LIVE for the nationwide Cross Promotion in Central Europe with Brand Cooperation Partner ROSE Bikes and the Partners Ethiopian Airlines and Tour Operator DIAMIR Erlebnisreisen.

This multi-channel campaign was targeting a highly relevant target group of experience-seekers at various touchpoints including Bike Shops/POS, Events, online and Social Media.

The campaign was aimed at introducing the beauty of the holiday destination Namibia and its people as well as further USPs through the theme of Biking which aim at one of the key topics of interest among consumers currently.

The reach of this Destination Marketing and Cross Promotion activity was leveraged through the communication of popular influencers that featured this Namibia promotion on their channels. Moreover 4 bikes were raffled and a Namibia trip.

Such Brand Partnerships are an innovative and powerful way of Destination Marketing and PR with strong reach towards a relevant target group. As Namibia Tourism Board we have been first mover in this field for some years now, having initiated great Cross Promotions with leading brands. So we are proud to now continue with such innovative programmes

Total reach of this project:
approx. 3 Million in Germany,
Austria and Switzerland.



RE-ENERGISE THE MARKETS

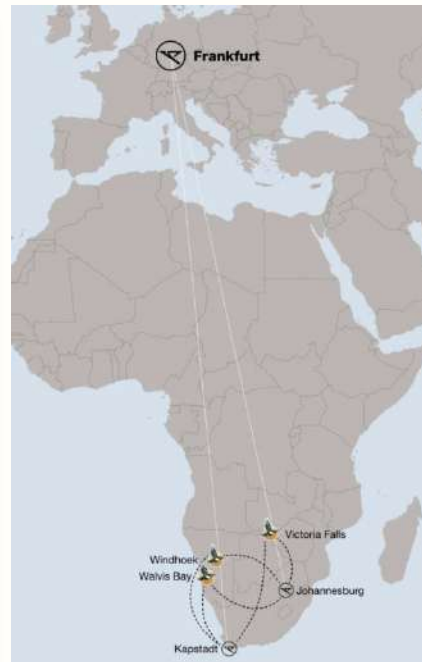
B2B Promotion Condor Airlines

NTB pro-actively approached airlines flying to Southern Africa to identify connections with relevance for the markets in Europe.

In cooperation with Condor the Namibia Tourism Board launched a B2B communication campaign, highlighting the great Namibia portfolio of Condor via the Hubs in South Africa.

Exciting tour ideas available through these connections open also Walvis Bay as point of entry, besides the well known arrival airport of Windhoek. Also KAZA can be included in a Namibia holiday tour, starting in Vic Falls and ending in Windhoek or Walvis Bay.

This addition flight-option was highly appreciated by the markets and was well booked.



Product Manager Trips and Travel Agent Fam Trips

NTB in cooperation with Eurowings Discover and FlyNamibia we welcomed 10 Product Managers from Tour Operators in Austria, Germany, and Switzerland in May 2022.

The routing was focussing on the north including Etosha National Park, Kunene Region, Erongo and Windhoek.



RE-ENERGISE THE MARKETS

Product Manager Trips and Travel Agent Fam Trips

In June 2022 Travel Agents from German Speaking Europe visited Namibia for a Namibia Fam Trip; exploring the destination in two groups; one visiting the north including Swakopmund, Kunene Region, Owambo Region and Etosha NP; and the other one visiting the south including Kalahari, Namib and Swakopmund.



Product Manager Trips and Travel Agent Fam Trips

In July 2022 Namibia Tourism Board was involved as one of the host-countries of the 2022 „**Travel Vibes**“ Educational Programme powered by Eurowings Discover and accompanied by fw | TravelTalk as media partner.

After 3 days in South Africa, where in total over 40 Trade contacts were welcomed, **18 Product Managers and MDs** of German Tour Operators as well as Managers of Discover and Lufthansa arrived in the Namib desert for site inspections and to experience Namibia. FlyNamibia took the group to the Namib and back to Windhoek for Workshops.



RE-ENERGISE THE MARKETS

Product Manager Trips and Travel Agent Fam Trips

In November 2022 Boarding Call was organised in association with which for a very special Lufthansa hosted **7 Top Managers** of leading Tour Operators from Germany, namely DERTOUR, AER tour Kooperation AG, Trendtours Touristik, Gebeco, Chamäleon Reisen GmbH, Studiosus Reisen München and Ikarus Tours as well as Heads of Sales of Lufthansa was organised.

The Namibia Tourism Board is proud that we pitched successfully to have Lufthansa leading this very special tour project to Namibia.



Product Manager Trips and Travel Agent Fam Trips

In December 2022 adventure Seekers dream of experiencing the destination Namibia by 4x4 self-drive tour, in association with a Land Rover Defender, was hosted.

In December 2022 **16 Product Managers** from all over Europe were invited to join a Pilot-Tour organized by German Operator Land Rover Experience in partnership with Eurowings Discover, aiming at introducing the destination and a unique travel product: Namibia tours with Land Rover Defender vehicles as guided self-drive experience; open to international Tour Operators and Travel Agents to add clients onto scheduled departures.

The Namibia Tourism Board look forward to a whole series of new Land Rover Experience Tours to various regions of Namibia.

#NamibiaNOW

Namibia is the preferred holiday destination for adventure- and experience seekers. And for Self-Drive!

To cater for this market the Tour Operator brand **Land Rover Experience** created an all new travel package; available for Tour Operators and Travel Agents in international Source Markets to add clients onto scheduled departures:

Guided Self-Drive Tours exclusively with Land Rover Defender vehicles and with accommodation at well selected Lodges and Hotels plus unique signature experiences like outdoor camps in Private Nature Reserves.

Tour Operators from all over Europe are invited to join a very exclusive Pilot-Trip that will introduce this new travel package to the market.

Dates: 06.12.2022 - 13.12.2022
Program: The tour will lead you to the south of Namibia to the Kalahari, Fish River Canyon, Lüderitz, Namib Desert and Windhoek. Program starts/ends in Frankfurt Airport.

For further details please contact:
Nils.Untch@landrover-experience.de

RE-ENERGISE THE MARKETS

Namibia Road Show Germany, Netherlands, UK

With a strong delegation of tourism professionals from Namibia representing some of the most important hospitality brands we visited Munich, Frankfurt, Amsterdam and London.

The Events saw a high number of quality contacts from Tour Operators and Media; in total over **80 guests** attended.

Inspiring presentations were followed by intensive discussions and networking.

The Roadshow was taking place in cooperation with Ethiopian Airlines and Airlink.

The Namibia Tourism Board received very positive feedback and thanks for re-connecting our tourism industry with key players in Europe.



MICE Trophy 2023

During the MICE trophy event organised by MICE Now and in cooperation with the Magazine Convention International and Eurowings Discover NTB welcomed **15 representatives of leading MICE agencies** from Europe for a Familiarization Trip that focused on signature experiences, products and services with relevance for this very special tourism segment.

The concept of the MICE Trophy also included the participation of international partners, so we were proud that also the representatives of the Convention Bureaus of **Abu Dhabi, Colombia, Oman and Zambia** took part.

Experiencing pure nature and the vast landscapes of the desert, playing at the Action Hub on the coast and go on Safari in Central Namibia accompanied by site-inspections and networking functions were on the agenda.

The workshop-seminar on the last day was a great opportunity for all partners to present their destinations. One of the highlights was the inspirational Key-Note Speech on „Sustainability in Tourism in Namibia“ by Mr Manni Goldbeck



RE-ENERGISE THE MARKETS

ITB Berlin 2023

The Namibia Stand was indeed a hub for meetings with the European tourism trade and media during this ITB Berlin 2023.

From day 1 our **19 co-exhibitors** were busy, and the positive vibes could not be overseen. Feedback shows: it has been a successful marketplace for Namibia.

Numerous meetings with international Tour Operators, MICE Agents, Travel Agents, representatives of the media, content creators and influencers, creative agencies but also meetings with members of Embassies, colleagues from other DMOs took place at the Namibia Stand.



Road Show

Together with Eurowings Discover after ITB, NTB participated in the Roadshow to key-markets in Germany, meeting over 300 Tourism Trade contacts in Hamburg, Düsseldorf, Frankfurt, Stuttgart and Munich.

Eurowings Discover is serving the route FrankfurtWindhoek 10 times per week as from next month, so this represents a serious flight offer to Namibia, worth it to spread the message to the Travel Trade in Germany: Visit Namibia!

Such non-stop connections are offering perfect accessibility to Namibia from Germany, from all over Europe and via Code-Share with United,Airlines also from America.





MARKETING TO THE UNITED KINGDOM

Experience Africa

Experience Africa by ATTA is the premiere platform for uniting Africa suppliers with the most relevant, active buyers from the UK & Europe. On behalf of NTB, MMGY Hills Balfour attended the three days event at the Kia. NTB UK held 34 meetings over three days with decision makers at key tour operator



NTB held meetings with the following travel trade to re-energise them in selling Namibia:

Wednesday 22 June 2022

Wild Frontiers Adventure Travel Ltd
- Anna Baldwin
Africa Exclusive - Julia Morgan
DialAFlight - James Jones
Stewart Travel - Kevin Preston
Audley Travel - Laura Dale
2by2 Holidays - Claire Farley
LUSSO - Zoe Carroll
Premier Holidays - John Parker
Albee's Africa - Albee Yeenad
Travelbag - Sheryl Drane
Llama Travel - Scott Mathias
Titan Travel - Phil Ellis

Thursday 23 June 2022

NMN Travel - Nina Magdziak Nayeem
Abercrombie and Kent - Jen Morris
Kuoni - Helen Austin
Inspire My Holiday - Lockie Kerr
Nelson Travel - Ben Nelson
Travel Counsellors - Minke SmitsSteintjies
Roxstar Luxury Group - Roxy Robinson
KAYAK - Florence Imrie
Adams and Butler - Siobhan Byrne
Learat
Big Ambitions - Natalia Rosa
Earth Changers - Vicky Smith
Exodus Travels - John Penge

Friday 24 June 2022

Freedom Destinations - Mark Gavin
Charitable Travel - Ali Nicholls
VeryChic - Elena Salguero Centeno
Gecko Publishing - Phil Clisby
Perfect Travel Services - Paulo Pavao
Travelpack - Murray Chalibamba
DRR Travel Architects - Willem Snel
Hermes Holidays Jsc - Violetta Rousseva
Tourdust - Lisa Fisher
Tigerfoot.net - Emma Gregg



NTB Roadshow - 15 September 2022

- NTB - UK roadshow was attended by 50 key buyers meeting with Namibian suppliers
- There were welcome addresses from Her Excellency Linda Scott of the Namibian High Commission in the UK and a welcome address by NTB CEO Mr Digu //Naobeb, of the Namibia Tourist Board
- One to one meetings were held, food and drink served during networking and a prize giving at the end



The NTB partners in attendance were as follows:

- Ethiopian Airlines
- Ondili Lodges + Activities
- Okonjima Nature Reserve
- Gondwana Collection Namibia
- African Profile Safaris
- Naturally Namibia
- Sense of Africa
- Namibia Wildlife Resorts
- Naankuse Ecotourism - Collection



Following the event, NTB - UK received very positive feedback from product managers and sales agents:

Maggi Smit, Managing Director at Windows on the Wild:

It was a very good evening with Namibia – thank you. It was really useful. I just wanted to tell you that when I got into the office I was asked by BBC Travel about people who are travel and tourism pioneers that are creating top-class regenerative travel programmes and experiences around the world. These need to be people embedded in a place who are making a real difference to their local community. I was very impressed with N/a'an ku sê. Collection in Namibia so I have put them forward – lets see what happens.

Paul Tyler, Travel Consultant at Original Travel: Thanks for the mail and all the info. Thanks too for a wonderful evening, it was nice to meet everyone.

Samantha Kelly, Head of Product Development at The Africa Hub: Thank you so much for last night, it was a lovely evening and I think the agents really loved it! I look forward to working with you on the next event and anything we can do to support your future efforts do please let us know

Shelley Phillips, Travel Specialist at Rainbow Tours:

Just a quick note to say thanks for such a lovely evening last night – I really enjoyed it and learnt loads! Great product and a really nice group of people! Thanks so much for the invite

Visiting Journalist Programme 2022

NTB UK secured an individual press trip for UK lifestyle journalist, Harriet Charnock-Bates, for Hello! magazine in September, 2022 to write a travel feature on the Skeleton Coast and review Little Kulala.

The UK PR team organised flights and self-drive vehicle hire in partnership with Namibia Tours & Safaris and upon the journalist's return, the team shared fact box information and images.

As a result, Harriet produced two print articles which were published in Hello! magazine in October 2022 and January 2023. Each feature had a circulation of 206,900 readers and a combined equivalent advertising value of £34,556 (783,602 NAD)



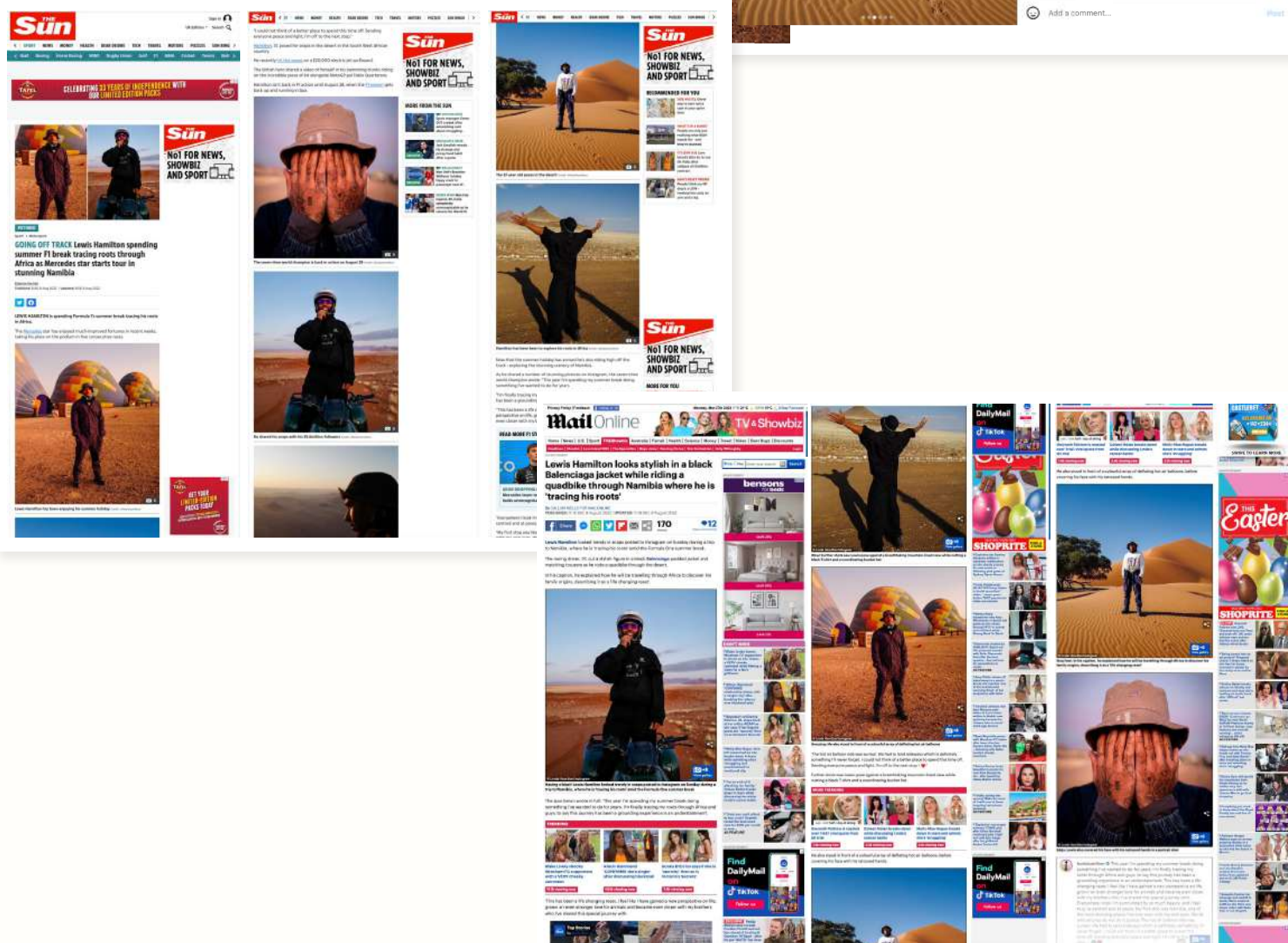
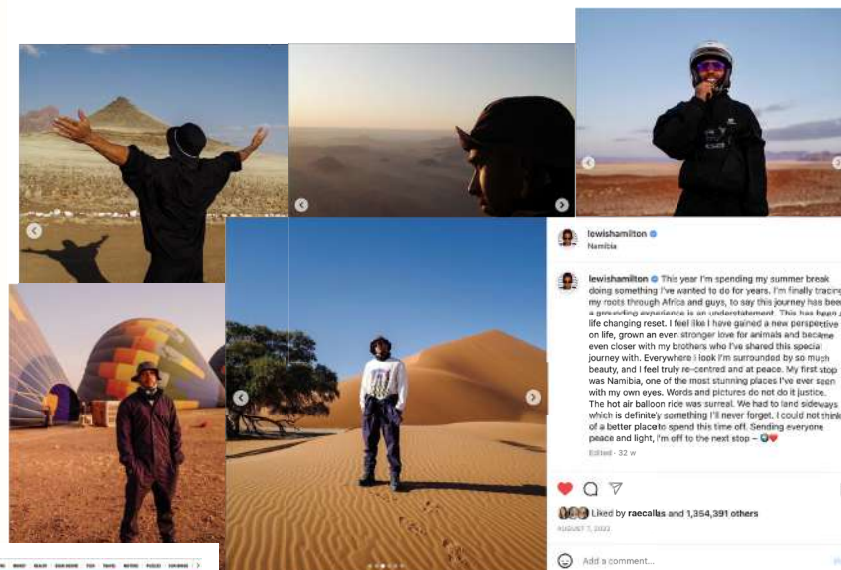
Namibia Tourism Board

Sir Lewis Hamilton MBE

Sir Lewis Hamilton MBE is a British racing driver currently competing in Formula One, driving for Mercedes-AMG Petronas Formula One Team with 32million followers on Instagram.

In September 2022, Sir Lewis used his Summer break to trace his roots through Africa with his first stop in Namibia. Sir Lewis said in an Instagram post "Namibia, one of the most stunning places I've ever seen with my own eyes. Words and pictures do not do it justice. The hot air balloon ride was surreal. We had to land sideways which is definitely something I'll never forget. I could not think of a better place to spend this time off."

Sir Lewis dedicated two Instagram posts to Namibia and as well as an Instagram reel. This was incredible coverage for the UK market, which NTB - UK leverage on the drive home message the Namibia is now ready and open for business.



MARKETING TO THE CHINA

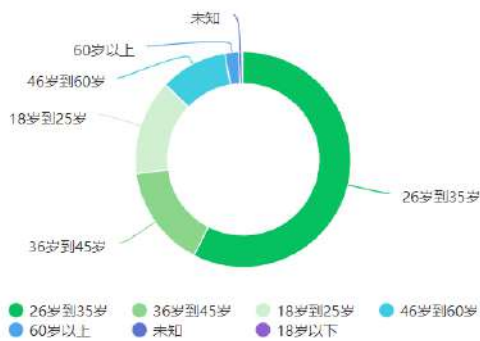
China source market continued to experience a hard lockdown with strict outbound travel restrictions. NTB restored to focus on online media platforms to continue to generate sustain awareness about Namibia to generate and stimulate interest to travel to Namibia once China open up its borders for international travel.

Social Media Marketing: NTB WeChat Account

Followers Profile

Ages: 57.55% are 26yr-35yr

年龄分布



年龄	用户数	占比
26岁到35岁	28,847	57.55%
36岁到45岁	7,664	15.29%
18岁到25岁	7,208	14.38%
46岁到60岁	5,057	10.09%
60岁以上	1,033	2.06%
未知	211	0.42%
18岁以下	106	0.21%

Social Media Marketing: NTB WeChat Account

Artist Cooperation

NTB cooperated with the Cartoonist Mr Zhu Xiao Jun to use his artwork as prize awards for winners posting campaign on NTB WeChat account. The aim was to continue to engage would-be-travelers once borders are re-opened for travel.



Interaction with followers via creatives

NTB used creative designs for postings to draw more interests of followers and attract NEW followers.



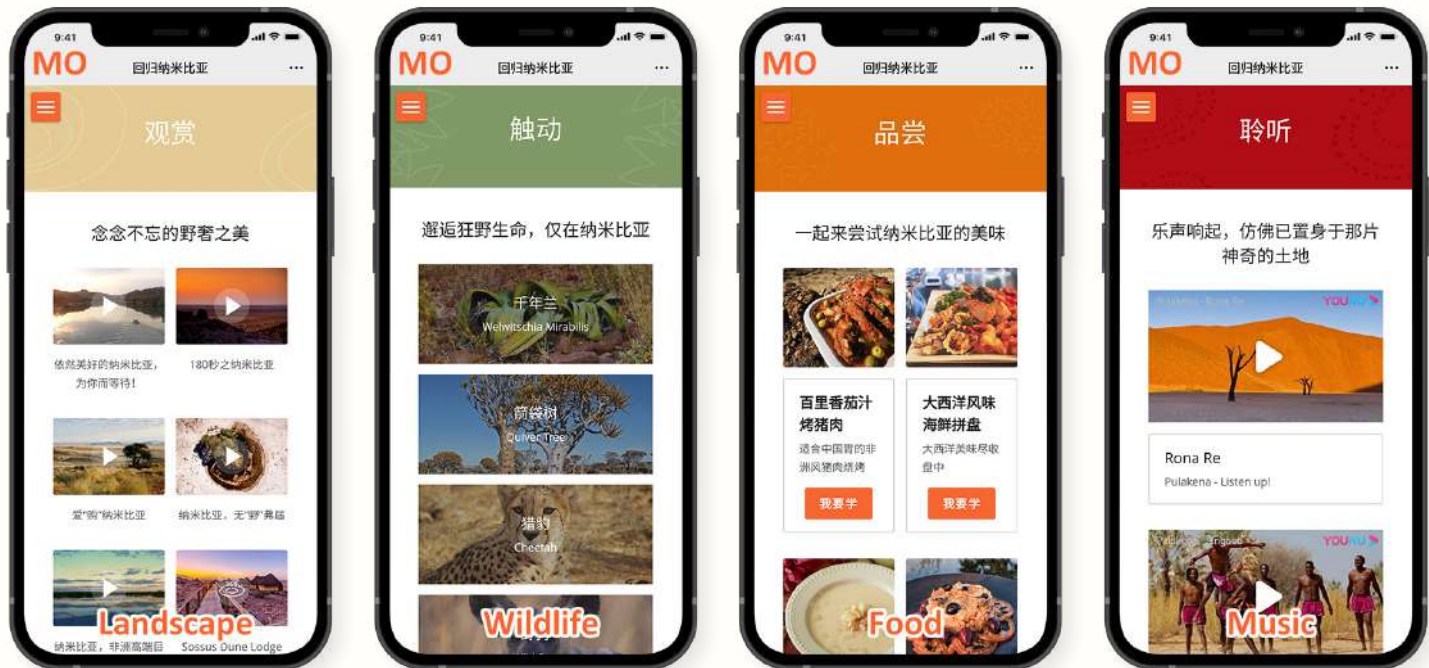
Promotions with Chinese photographer

NTB lined up a famous Chinese photographer and promoted his photo exhibition about destination Namibia
Consumer reach: 500,000+

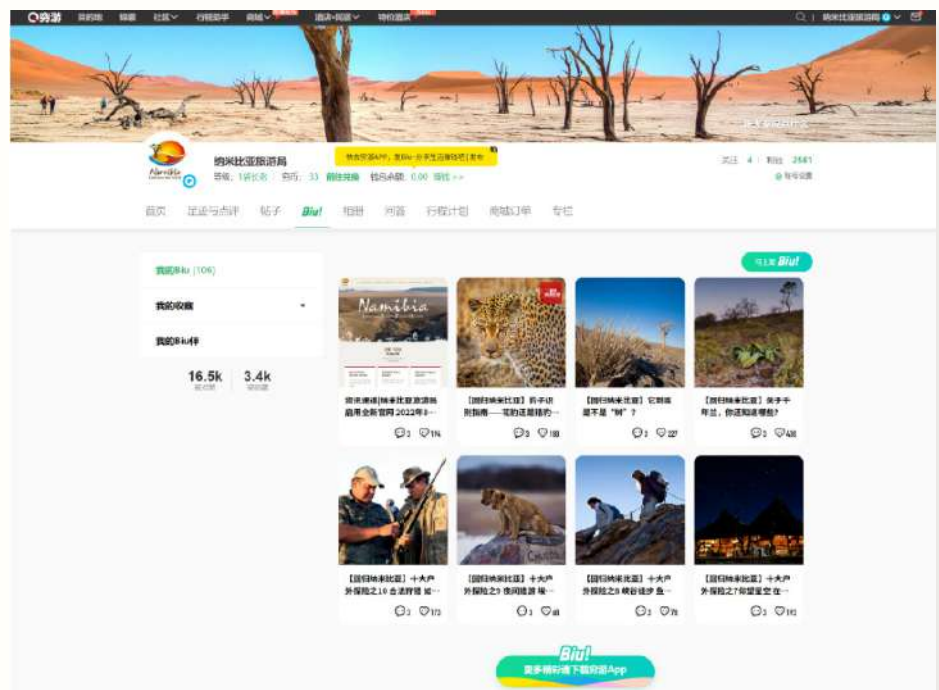


Consumer Campaign: Namibia, Travel in the Future

NTB promoted Namibia on social media focusing on landscape, wildlife, food and music.



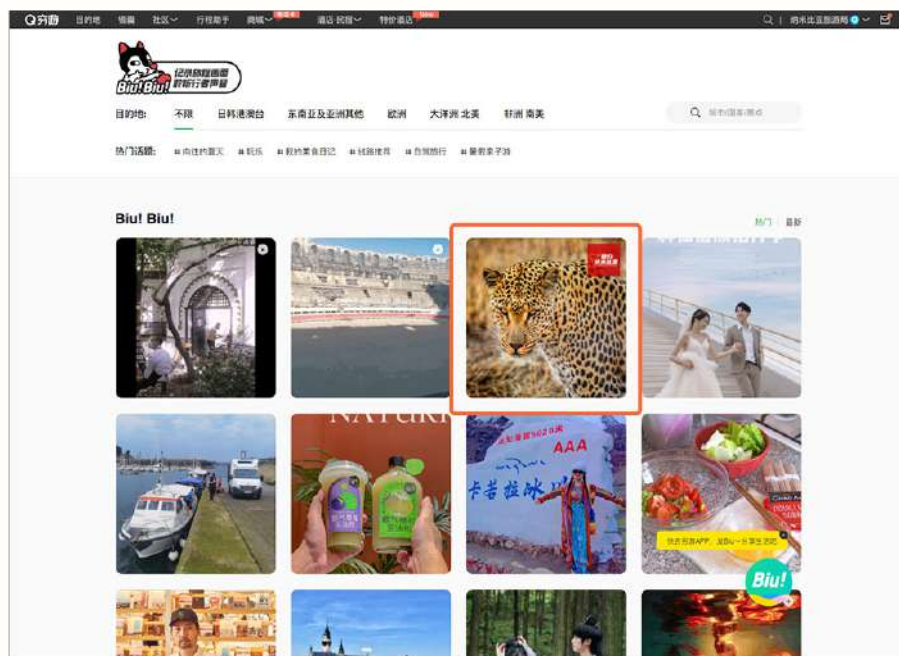
NTB Official Account
Followers: 2,581
No. of Buis: 60
Engagement: 19,900



"Top Buis" Promotion on the Homepage

No.of Buis: 6

Consumer reach: 5,800,000+



Prize-awarding Online Quiz

Consumer reach: 1,103



Livestreaming: Namibia Look Forward to Seeing You Again



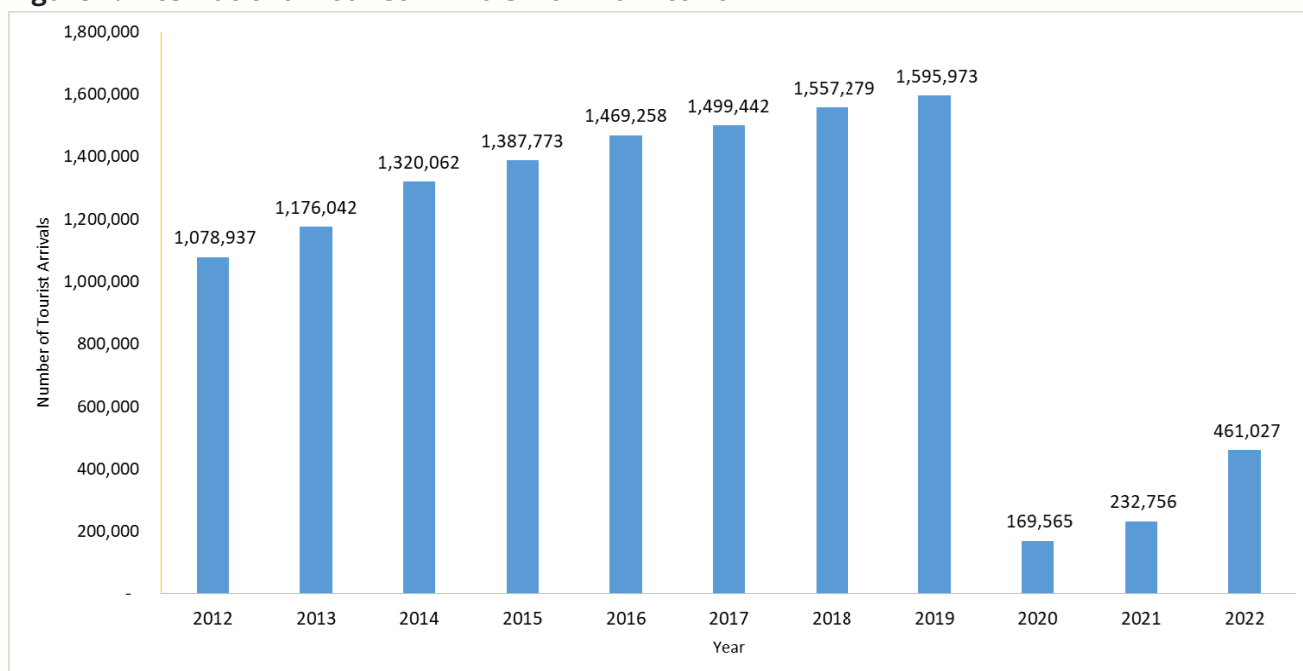


TOURISM SECTOR PERFORMANCE

As the tourism sector continues to recover globally from the COVID-19 pandemic, tourist arrivals to Namibia is also following the curve pattern indicating a 98.1% increase in arrivals from the total international tourist arrivals in 2021.

In total, 461,027 international tourist arrivals visited Namibia in 2022. This suggests that more people are regaining confidence in traveling and exploring new places after they were contained in their immediate surroundings due to the travel restrictions in the last two years, and Namibia as a destination is clearly benefiting from this trend. This recovery is a good indicator that the country can expect an increased economic performance from the tourism sector and its contribution to the national Gross Domestic Product in 2022 and going forward, all factors being equal.

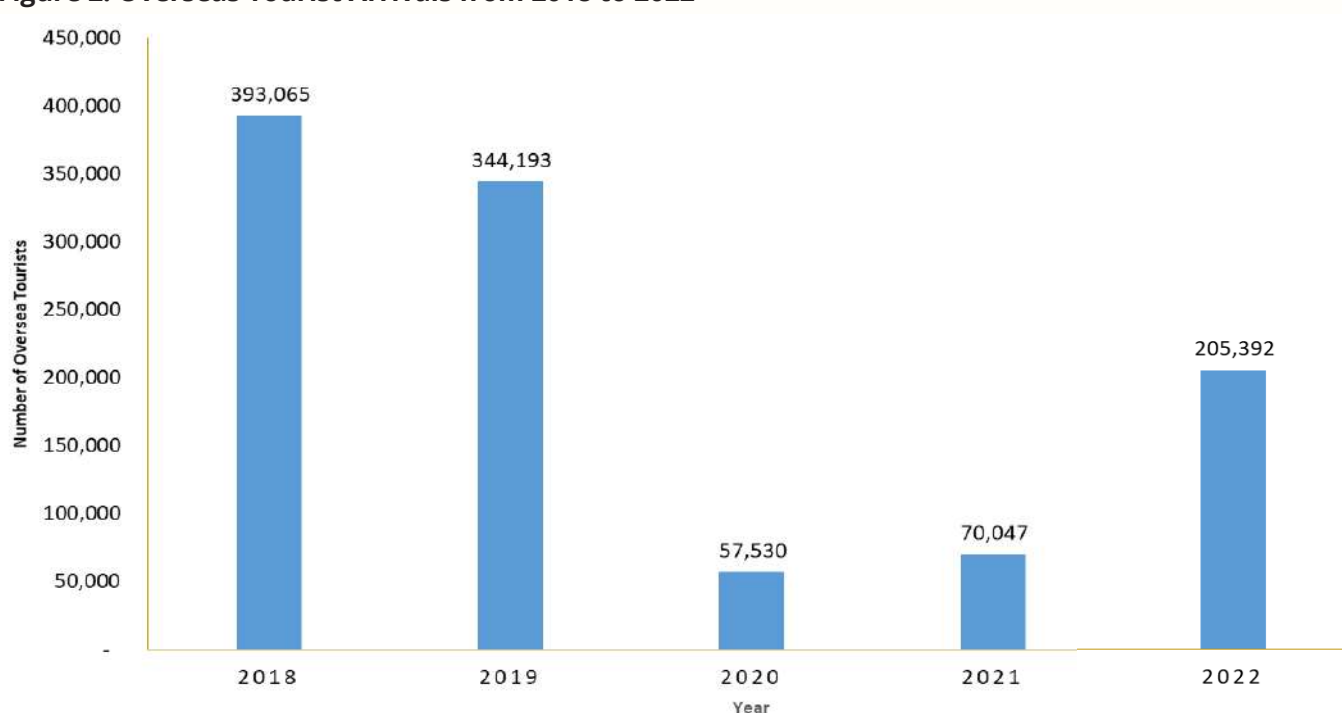
Figure 1: International Tourist Arrivals from 2012 to 2022



Source: Ministry of Environment, Forestry & Tourism 2023

Overseas tourist arrivals grew by 65.9% in 2022 in comparison to 2021 (70,047) which indicates that Namibia's tourism sector continue to attract visitors from various parts of the world. Overseas arrivals made up 44.6% of total tourist arrivals in 2022.

Figure 2: Overseas Tourist Arrivals from 2018 to 2022

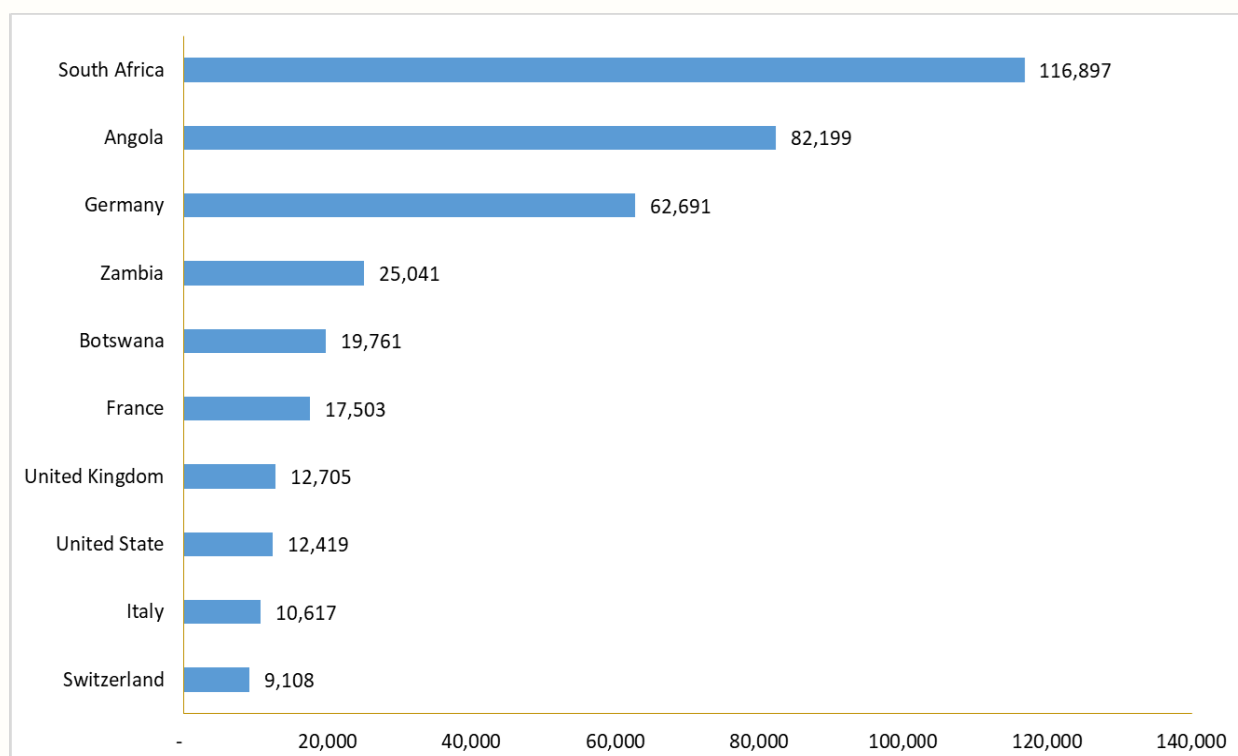


Source: Ministry of Environment, Forestry & Tourism 2023

As for the African regional market, South Africa, Angola and Zambia took the top three spots of the highest African source market contributors to tourist arrivals with a share of 25.4%, 17.8% and 5.4% respectively. As for the Overseas market, Germany, France and United Kingdom were the top three contributors to tourist arrivals with a share of 13.6%, 3.8% and 2.8% respectively.

It is worth to note that the top ten tourist markets accounts for 80% of total tourist arrivals in 2022 tourism season

Figure 3: Top Ten Tourist Markets, 2022

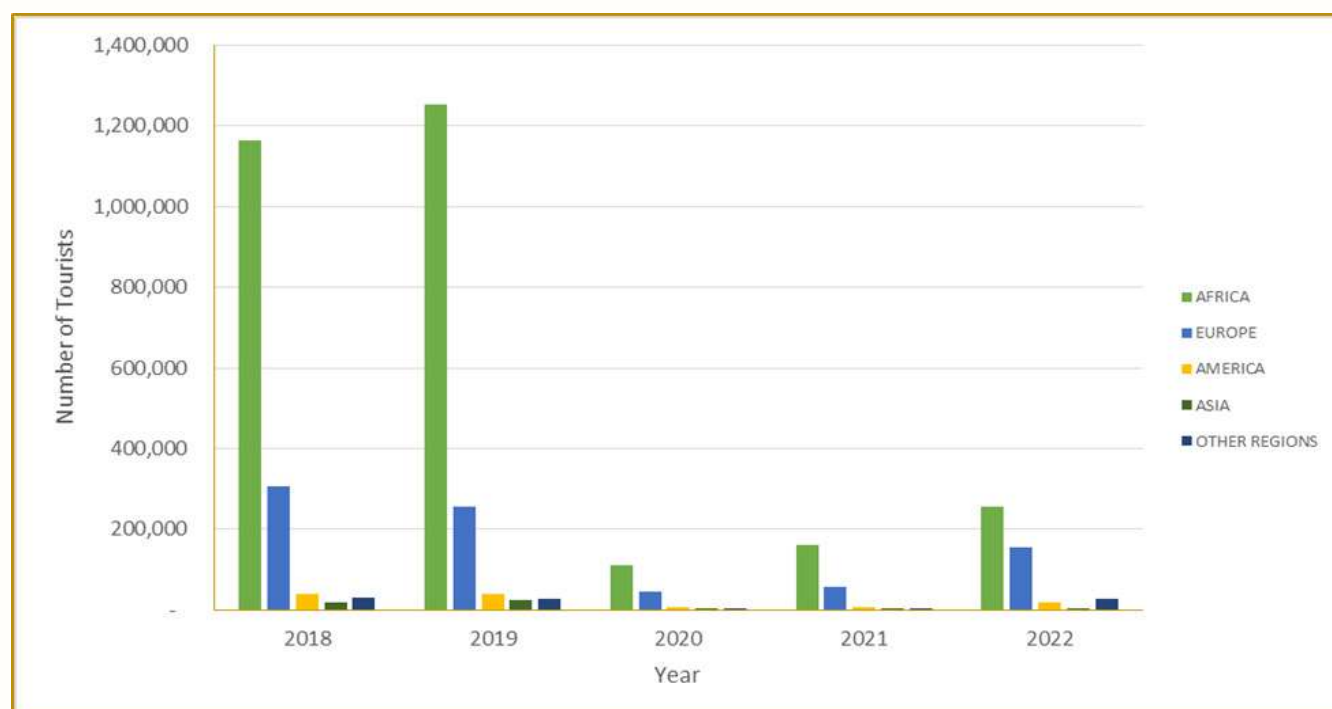


Source: Ministry of Environment, Forestry & Tourism 2023

All global regional markets observed growth from the previous year(2021). The African market grew by 57.0% which demonstrates the appeal of Destination Namibia to neighboring countries and the Africa region as a whole. In addition, the European, Americas, Asian and other markets more than doubled their contribution to the total tourist arrivals in the Country in 2022 as compared to 2021 arrivals.

The growth indicates an increasing demand for Namibia's eco-tourism, natural appeal for wildlife viewing, scenic excursions, variety of cuisines, world heritage sites, culture and warm hospitality of the people.

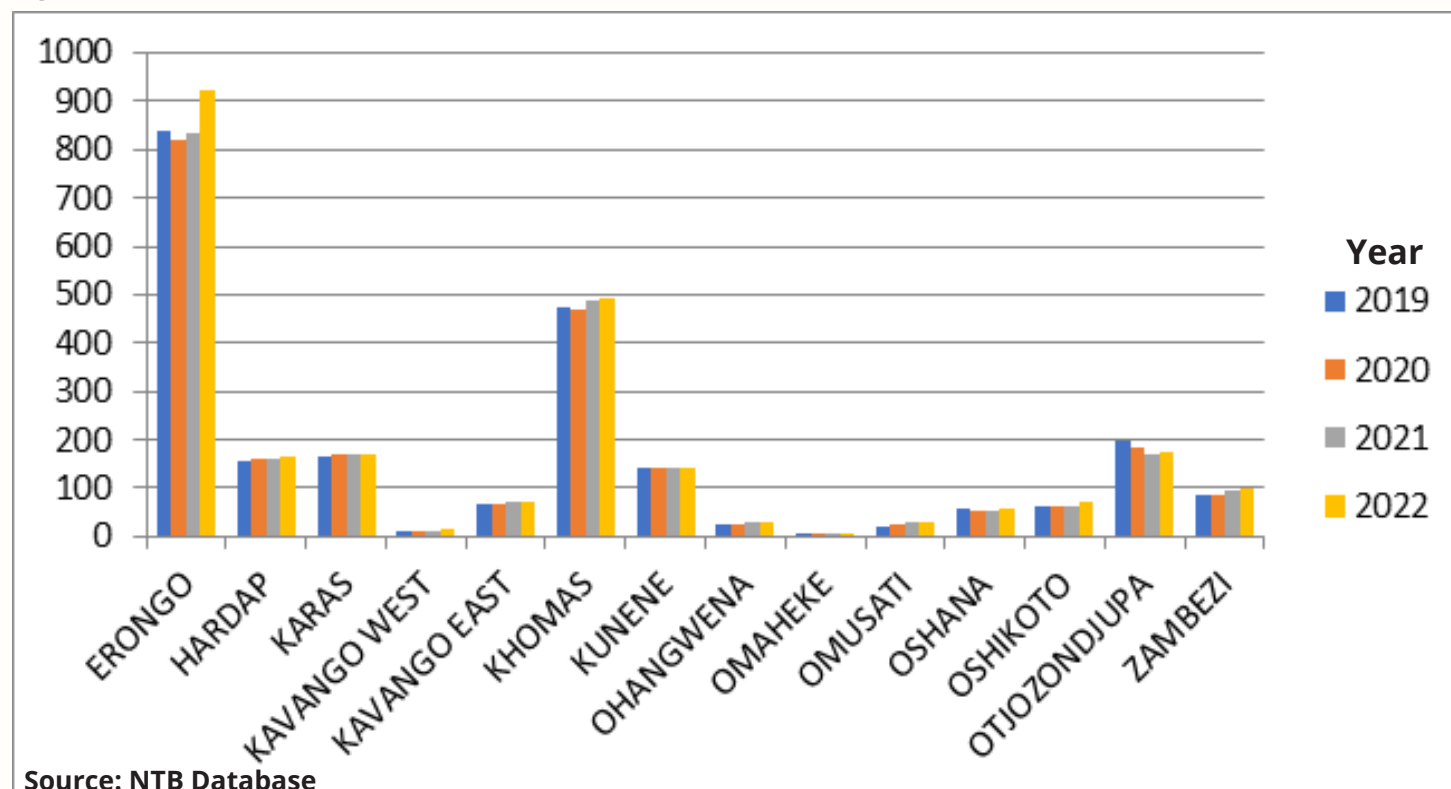
Figure 4: Tourist Arrivals by Global Region from 2018 to 2022



Source: Ministry of Environment, Forestry & Tourism 2023

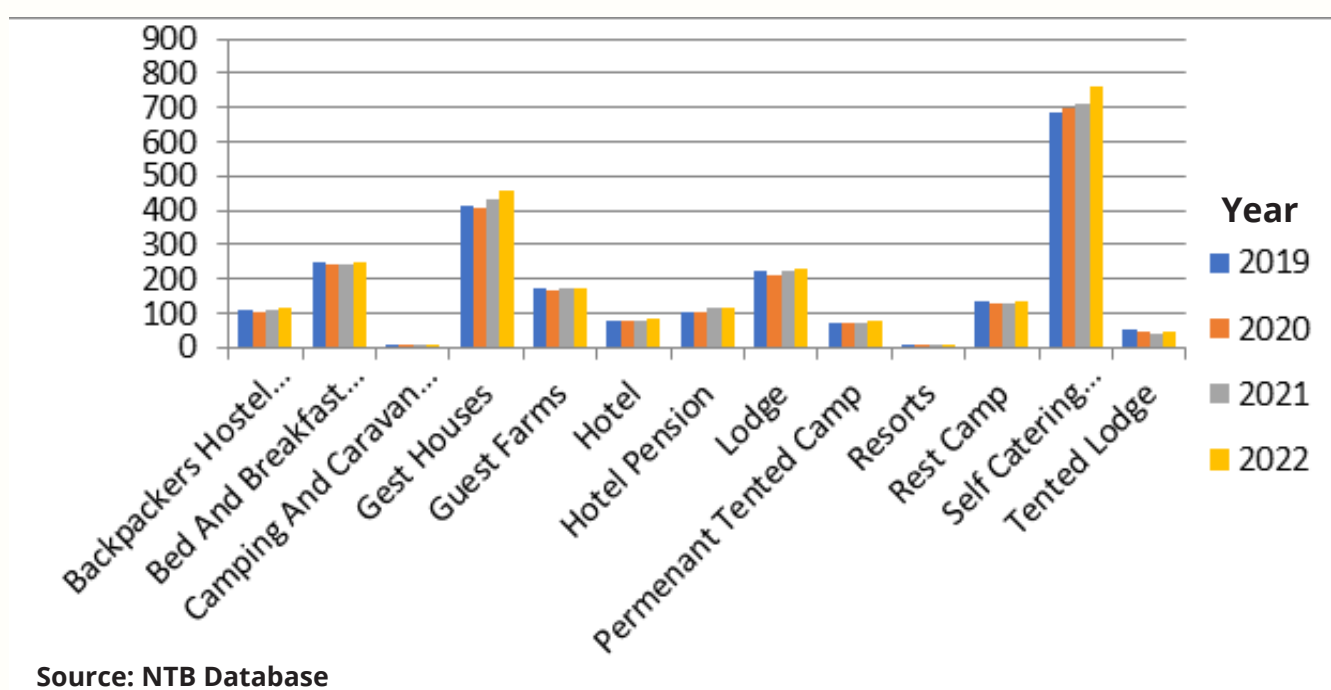
ACCOMMODATION AND REGULATED BUSINESS SECTOR PERFORMANCE

Figure 5: FOUR-YEAR TREND OF TOTAL REGISTERED TOURISM BUSINESSES ACROSS REGIONS IN NAMIBIA



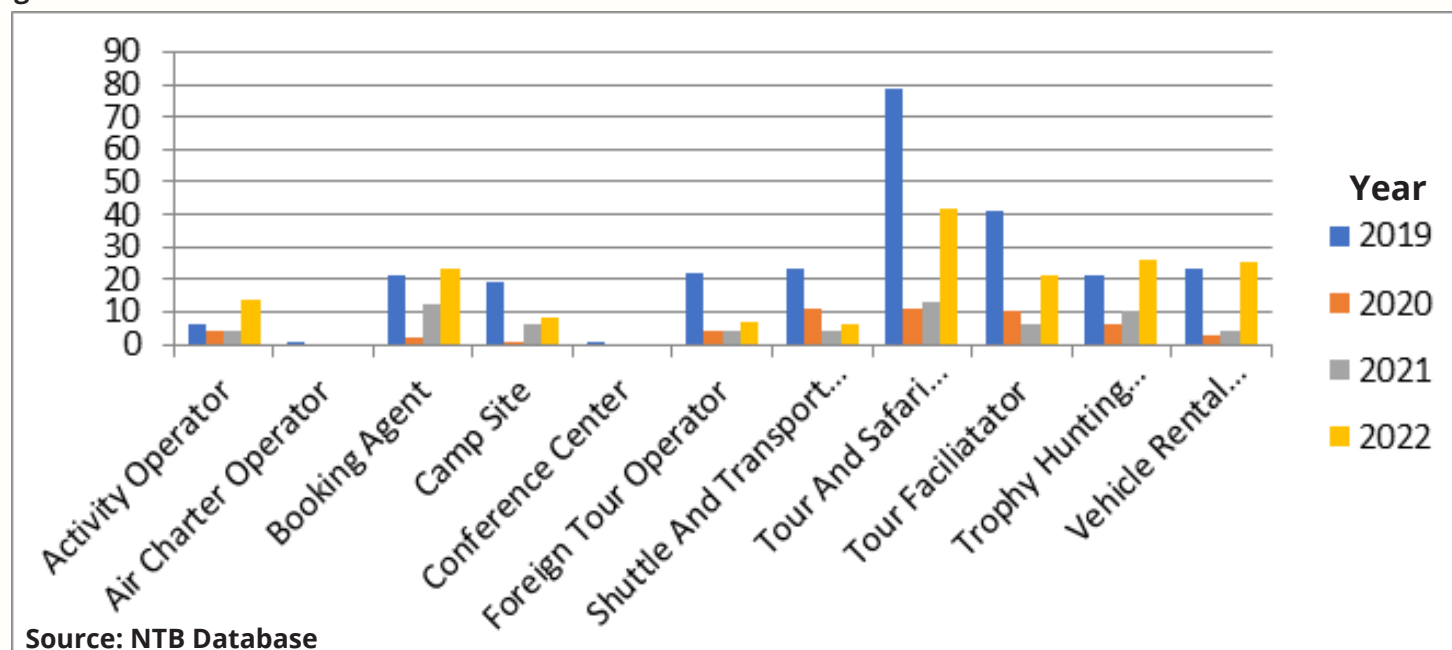
NOTE: Overall tourism operations are skewed and more centred in the Erongo, Khomas and Otjozondjupa Regions. Hardap, //Karas and Kunene Regions are showing some takeoff. This phenomenon can be explained that a large number of tourist attractions and highlights are found mainly in these regions.

Figure 6: FOUR-YEAR TREND OF REGISTERED ACCOMMODATION ESTABLISHMENTS PER CLASSIFICATION CATEGORY



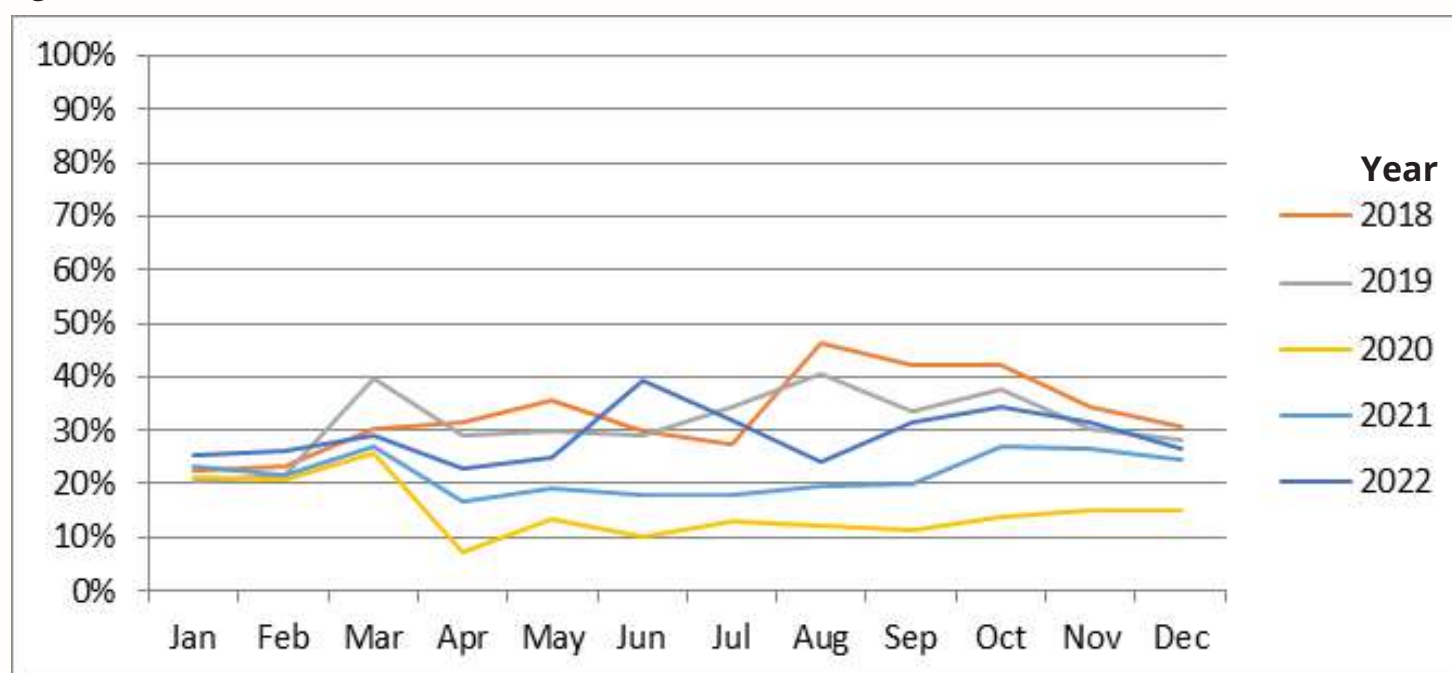
NOTE: More investment is made in starting up B&Bs, Guesthouses and Self-Catering Accommodation establishments which are more market-entry products and require less capital outlay. But there is also significant investment in Lodges and Guestfarms.

Figure 7: FOUR-YEAR TREND OF TOTAL REGISTERED REGULATED BUSINESSES BY CLASSIFICATION TYPE PER ANNUM



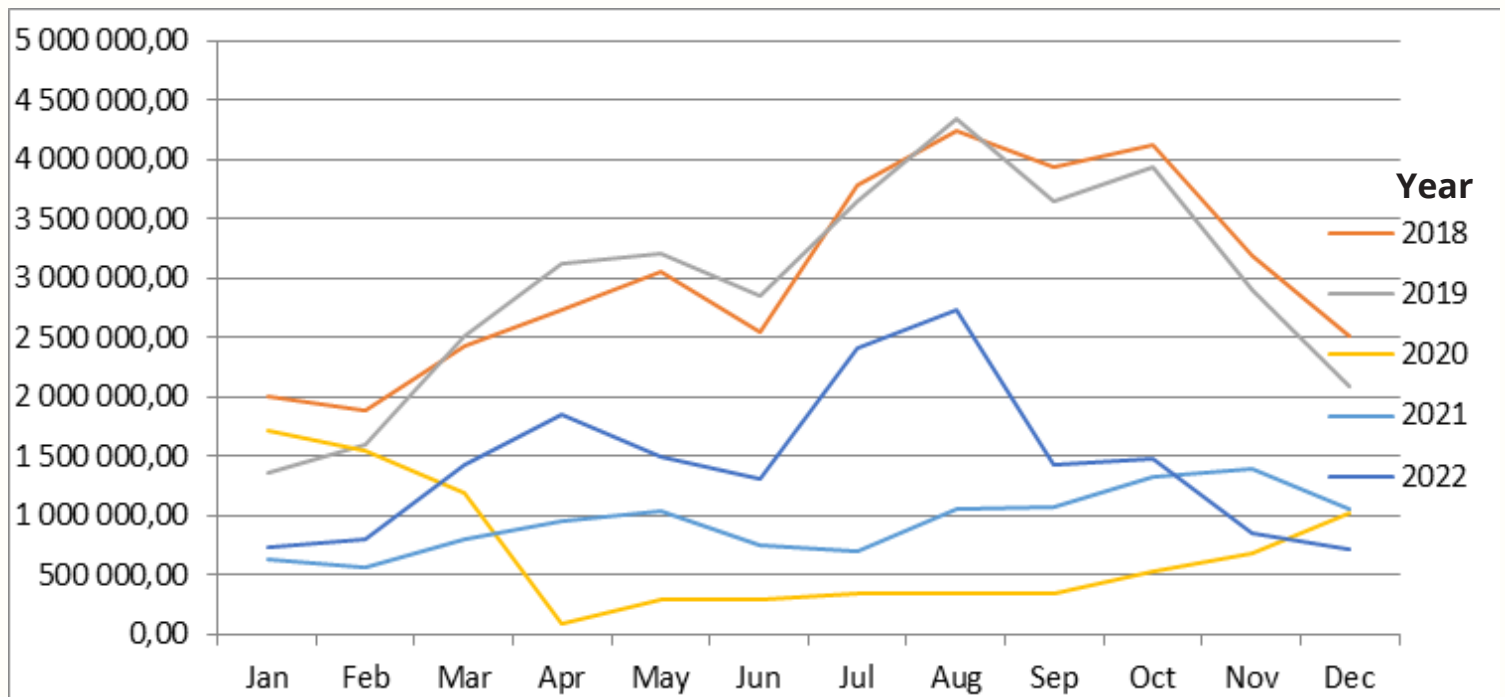
NOTE: A large proportion of businesses fall within Shuttle and Transport Services, Tour and Safari, Tour Facilitators and Trophy Hunting Operators. There is a decline in Shuttle and Transport Services, Tour and Safari business ventures created in 2022. More investment is required in standalone conference centres.

Figure 8: FIVE-YEAR ROOM OCCUPANCY TRENDS



Source: NTB Database

NOTE: There is a dramatic downturn in 2020 due to COVID-19 as low as below 10% at times. This was predominantly sustained by domestic tourism and special offers made by the industry to sustain their business operations. In 2021 signs of tourism recovery were noted with October month hovering around 28%. Further recovery is also noted in 2022 where occupancy rates are averaging 32%, but this is a long journey to recoup losses of COVID-19.

Figure 9: FIVE-YEAR TREND IN LEVY COLLECTIONS

Source: NTB Database

NOTE: Levy collection has improved over the years but there was a drastic decrease in 2020 due to COVID-19 as of April 2020, when the world witnessed a complete shutdown. In 2021 due to recovery efforts, there was some positive upward movement; which continued to be sustained in 2022 when the borders were opened worldwide and more flights increased to Namibia.

QUALITY ASSURANCE AND INDUSTRY DEVELOPMENT

Figure 10: NTB Confirmed Star Graded

	1 Star	2 Star	3 Star	4 Star	5 Star
Karas					
Hardap					
Khomas			1	3	
Erongo		1		2	
Omaheke					
Kunene					
Omusati					
Oshana					
Oshikoto			1		
Ohangwena					
Otjozondjupa			2		
Kavango West					
Kavango East					
Zambezi					

NOTE: Only 10 accommodation establishments applied for star grading. NTB needs to conduct more aggressive marketing and awareness to gain more interest.

Figure 11: REGULATORY MANDATE

Classes/Categories of Tourism Business	Number of registered businesses by March 2022	Newly registered businesses by March 2023	Total
Accommodations establishments	2625	64	2689
Regulated businesses	2684	50	2734
Total	5 309	114	5423

Notes: It is important to note that due to COVID-19, it is possible that more businesses closed/suspended operations and NTB was not notified therefore these registration profile figures are subject to change.

- (a) A total of **64** new accommodation businesses were registered.
- (b) A total of **50** new regulated businesses were registered.

Figure 12: INSPECTION CONDUCTED

Levy/ Routine Inspections Conducted	New Registration Inspections	Closures
766	114	68

NOTE: 114 new businesses were registered and only 68 businesses were reported closed.

Staffing Issues

(a) Wellness

- I. Staff wellness day conducted onsite cancer screening by the Cancer Association of Namibia (CAN).
- II. Staff counselling was conducted onsite by Eureka Psychology.
- III. Celebrated women's day by booking lunch at Country Club for our female employees.

(b) Recruitment

Five (5) vacancies were filled

Executive	Middle Management	Junior	Disability
2	1	2	1

The Financial System Controller and Manager Market Support positions that were advertised were still vacant.

(c) Training

- I. Ongoing Procurement for the Procurement training offered by NUST Officer.
- II. HoD BDO was trained on star grading and assessment in Scotland in November 2022.
- III. Six Tourism Inspectors were trained in Star Grading during the month of March 2023.



BOARD ACCOUNTABILITY

GOVERNANCE STATEMENT

THE BOARD

The Namibia Tourism Board is an entity established under the Namibia Tourism Board Act, of 2000.

The Namibia Tourism Board is governed by a Board appointed by the Minister of Environment and Tourism. All decisions relating to the operation of the Namibia Tourism Board are made by, or under the authority of, the Board by the Namibia Tourism Board Act 2000.

In accordance with the Namibia Tourism Board Act 2000, the Board must have five members. The Minister's formal line of accountability with the Namibia Tourism Board is through the Board's Chair. Board appointments are generally for three years, with reappointment possible. The composition of the Board reflects a balance of tourism industry and commercial expertise.

The Board meets at least four times a year, including a one-day meeting to review the organisation's ongoing strategic direction. This strategy meeting for now focused on the development of the five-year strategic plan but going forward it shall initiate the business planning process which should inform the preparation of the annual Statement of Intent.

DELEGATION

The Board delegates day-to-day management of NTB to the Chief Executive Officer who is directly accountable to the Board through the Chairman. The Namibia Tourism Board's Delegated Authorities Policy is set by the Board and reviewed from time to time.

BOARD INDUCTION AND DEVELOPMENT

The Namibia Tourism Board introduces each new Board member to the organisation through an induction process, which includes presentations by the executive management team on the activities of their respective departments at Board meetings or time spent with senior executives who are responsible for providing strategic input to the Audit Committee, Marketing Advisory Committee, Standards and Industry Human resources Advisory Committee. Members are also encouraged, where appropriate, to attend tourism and industry-related events such as international trade fairs, networking events and other industry events.

FINANCIAL PERFORMANCE

REPUBLIC OF NAMIBIA



TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY

I have the honour to submit herewith my report on the accounts of the Namibia Tourism Board for the financial year ended 31 March 2023, in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honourable Minister of Finance and Public Enterprises in terms of Section 27(1) of the State Finance Act, 1991, (Act 31 of 1991) to be laid upon the Table of the National Assembly in terms of Section 17(3) of the Act.

WINDHOEK, May 2024

A handwritten signature in black ink, appearing to read 'Junias Etuna Kandjeke'.

JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE NAMIBIA TOURISM BOARD FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

SECTION A: FINANCIAL AUDIT

1. QUALIFIED AUDIT OPINION

I have audited the financial statements of Namibia Tourism Board for the year ended 31 March 2023. The financial statements comprise the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flow and notes to the financial statements.

In my opinion, except for the effects of the matter described in the Basis for Qualified Audit Opinion paragraph, the financial statements present fairly in all material respects the financial position of Namibia Tourism Board as at 31 March 2023, its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS).

2. BASIS FOR QUALIFIED AUDIT OPINION

I conducted my audit in accordance with International Standards for Supreme Audit Institutions. My responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of my report. I am independent of the entity in accordance with the code of ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the code of ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

A qualified audit opinion is expressed due to the following:

2.1. RESERVES

The Board's reserves include two suspense accounts that is general ledger account 5320: Levy suspense account amounting to N\$ 52,512,112 and general ledger account 5337: Suspense account Standard Bank amounting to N\$ 1,000,091. These balances represent receipts which are unallocated due to insufficient bank references or outstanding/ incomplete levy forms. These suspense accounts should have been classified as liabilities instead of reserves thus liabilities may be materially misstated with regards to the assertions of completeness and accuracy.

It is recommended that the Board clears all its suspense accounts, regularly reconciles its trade receivables and correctly accounts for unallocated receipts.

2.2. JOURNALS PROCESSED IN THE FINANCIAL STATEMENTS

Transactions amounting to N\$ 18 347 847 included in the levy income for the year were only processed in the financial statements and not in the trial balance and the general ledger. The transactions arose from journals processed in the financial statements to clear general ledger account 5320: Levy suspense account. Furthermore, the Board could not provide supporting documentation for the journal processed. Thus, the completeness, existence and accuracy of the revenue and the related financial statement areas could not be verified due to a lack of sufficient appropriate audit evidence.

It is recommended that the Board processes all its transactions through its accounting system and ensure that all relevant supporting documents are provided for audit purposes.

3. KEY AUDIT MATTERS

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming an audit opinion thereon, and I do not provide a separate opinion on these matters. I have determined that there are no key audit matters identified in respect of the financial statement for Namibia Tourism Board.

4. OTHER INFORMATION

My qualified opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with the audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact. I have nothing to report in this regard.

5. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards suitable reporting framework and the requirements of the Namibia Tourism Board Act, No. 21 of 2000 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 board'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 management either intend to liquidate the board or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible of overseeing the Board's financial reporting process.

6. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

As part of an audit in accordance with International Standards for Supreme Audit Institutions, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- I conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the board to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

- I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable related safeguards.

From the matters communicated with those charged with governance I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The financial statements were submitted to the Office of the Auditor-General by the Accounting Officer in compliance with Section 15 (3) of the Namibia Tourism Board Act, (Act 21 of 2000), except that they were only submitted on the 21st August 2023, instead of three months after year-end as required by the Act.

8. SECTION B: AUDIT OF PERFORMANCE INFORMATION

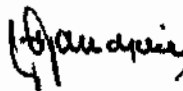
8.1. AUDIT OF PERFORMANCE INFORMATION

No audit was conducted on the performance information of the Namibia Tourism Board for the financial year ended 31 March 2023. The audit of the Board was outsourced to Inspire Registered Accountants and Auditors and this audit did not form part of their terms of reference. As a result, I have nothing to report.

9. ACKNOWLEDGEMENT

The co-operation and assistance by the management and staff of Namibia Tourism Board during the audit is appreciated.

WINDHOEK, May 2024


JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL

**NAMIBIA TOURISM BOARD
GENERAL INFORMATION
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

Country of incorporation and domicile	Namibia
Nature of business	Regulator of tourism establishments in Namibia
Board members	Madelein /Goagoses (Chairperson) Terence Makari Isolde Kollnitz Silas Kishi Shakumu Janette Fourie
Business address	C/O Haddy & Sam Nujoma Drive Windhoek Namibia
Postal address	Private Bag 13244 Windhoek Namibia
Ultimate owner	The Government of the Republic of Namibia
Bankers	First National Bank Namibia Standard Bank Namibia
Auditors	Auditor General of Namibia

NAMIBIA TOURISM BOARD

DIRECTORS RESPONSIBILITIES AND APPROVAL

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

The directors are required by the Namibia Tourism Board Act, No 21 of 2000, 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 Board 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 International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the Board's financial statements.

The Namibia Tourism Board's (Board) financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial controls established by the Board 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 controls 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 Board and all employees are required to maintain the highest ethical standards in ensuring the Board's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Board is on identifying, assessing, managing, and monitoring all known forms of risk across the Board. While operating risk cannot be fully eliminated, the board 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 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 Board's cash flow forecast for the year to 31 March 2024 and, in the light of this review and the current financial position, they are satisfied that the Board has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the Board's annual financial statements. The annual financial statements have been examined by the Board's external auditors and their report is presented on pages 1 to 3.

The annual financial statements set out on pages 6 to 40, which have been prepared on the going concern basis, were approved by the board of directors on 26 July 2023 and were signed on its behalf by:

Board Chairperson

Audit Committee Chairperson

ANNEXURE A**NAMIBIA TOURISM BOARD****BOARD OF DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023**

The Board members have pleasure in submitting their report on the annual financial statements of Namibia Tourism Board for the year ended 31 March 2023.

1. REVIEW OF THE FINANCIAL RESULTS AND ACTIVITIES

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Namibia Tourism Board Act, No 21 of 2000. 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 Board are set out in these annual financial statements.

2. BOARD MEMBERS

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

Board member	Nationality	Designation	Status
Madelein /Goagoses	Namibian	Non- executive	No change
Terence Makari	Namibian	Non- executive	No change
Silas Kishi Shakumu	Namibian	Non- executive	No change
Isolde Kollnitz	Namibian	Non- executive	No change
Janette Fourie	Namibian	Non- executive	No change

3. PROPERTY, PLANT AND EQUIPMENT

There was no change in the nature of the property, plant and equipment of the Board or in the policy regarding their use. At 31 March 2023 the Board's investment in property, plant and equipment amounted to N\$ 39,794,582 (2022: N\$ 40,921,785), of which N\$ 256,596 (2022: N\$ 32,011) was added in the current year through additions.

4. EVENTS AFTER THE REPORTING DATE

Other than what is disclosed, there were no material events after the reporting date and up to the date of approval of these financial statements that required adjustment or disclosure in the Board's financial statements for the year ended 31 March 2023.

4.1 LITIGATIONS

On 28 July 2020, the Tax Tribunal, in an arbitration case between the Commissioner of NamRA (formerly Inland Revenue of Namibia) and the Board, ruled in favour of the Board in terms of which the NamRA has been ordered to repay the full amount previously garnished from the banking accounts of the Board. The total monies garnished amounted to N\$ 11 399 800 of which N\$ 9 472 800 is for Board while N\$ 1 927 000 is for the account of the Ministry of Environment and Tourism that is managed by the Board. On 12 May 2020, an amount of N\$ 2 610 807 was received from the NamRA but with no clarity as what it was for.

The N\$ 9 472 800 had been recognised as a receivable and the N\$ 2 610 807 was applied to reduce the said receivable to N\$ 6 861 993 reflected as at the reporting dates until 31 March 2022. However, legally the NTB is pursuing the refund of the full N\$ 11 399 800 from NamRA.

During the 2023 financial year, NamRA initially appealed the ruling of the Tax Tribunal but filed a notice of the withdrawal of the action in the Special Court for hearing income tax and VAT appeals on 18 November 2022. On 2 December 2022, the High Court passed a default judgment against the respondents and ordered the following:

- The Commissioner of NamRA and Minister of Finance were ordered to pay a sum of N\$ 8 788 993 jointly and severally, the one paying and the other to be absolved;
- The interest of the aforesaid of 15% per annum calculated from 13 May 2020 to date of final payment and;
- The cost of the suit to include the costs of one instructing and two instructed counsel.

The amount of (N\$ 8 788 993) matches the balance of the claim of N\$ 11 399 800 after taking into account the N\$ 2 610 807 paid on 12 May 2020. On 30 December 2022, NamRA paid N\$ 8 111 032 leaving a balance of N\$ 677 962 without providing an explanation for the shortfall. As at the date of approval of these financial statements, the Board is still pursuing outstanding amount composed of the portion of the principal amount, interest and recoverable legal costs.

The transactions of the Court order and subsequent payment were accounted for in these financial statements as follows:

- N\$ 6 861 993 of the payment received during the year was applied to pay-off NamRA's debt in the books of NTB while N\$ 1 249 039 was allocated to MET account.
- Outstanding interest amounting to N\$ 2 710 017 was recognised in these financial statements.
- As at 5 July 2023, legal costs amounted to N\$ 637 250 and the exact amount to be recovered are yet to be determined (taxed) by the Court therefore not included in these financial statements.

4.2 GOING CONCERN

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

When managing its cash and banking resources, the Board's objectives are to safeguard its ability to continue as a going concern and strive to create long-term value for stakeholders through strategic clarity, capital allocation, financial discipline, operational excellence, and strict cash utilisation.

The Board of Directors have reviewed the NTB's cash flow forecast for the year to 31 March 2024 and, in light of this review and the current financial position, they are satisfied that it has or has access to adequate resources to continue in operational existence for the foreseeable future.

ANNEXURE B

NAMIBIA TOURISM BOARD

STATEMENT OF FINANCIAL POSITION AS 31 MARCH

ASSETS	Note	2023 N\$	2022 N\$
Non-current assets		42 974 371	41 584 767
Property, plant and equipment	2	39 794 584	40 921 785
Intangible assets	3	353 411	550 984
Right-of-use-assets	4	2 826 376	111 998
Current assets		31 981 140	17 111 816
Trade and other receivables	5	3 191 695	7 416 122
Cash and cash equivalents	6	28 789 445	9 695 694
TOTAL ASSETS		74 955 511	58 696 583
EQUITY AND LIABILITIES			
Equity			
Retained earnings		59 033 952	45 698 334
Non-current liabilities		6 984 530	7 399 969
Long term portion of loans	7	4 670 047	7 340 017
Long term portion of lease liabilities	8	2 314 483	59 952
Current liabilities		8 937 029	5 598 280
Current portion of borrowings	7	2 714 587	2 560 173
Current portion of lease liabilities	8	948 846	67 063
Trade and other payables	9	4 141 335	2 025 515
Provisions	10	1 132 261	945 529
TOTAL EQUITY AND LIABILITIES		74 955 511	58 696 583

ANNEXURE C

NAMIBIA TOURISM BOARD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH

	Note	2023 N\$	2022 N\$
Revenue	11	45 954 897	20 439 504
Other Income	12	5 228 863	3 453 925
Government grant		3 100 000	10 800 000
		54 283 760	34 693 429
Operating expenses		(40 668 709)	(36 812 611)
Operating (deficit) before investment income and finance costs		13 615 051	(2 119 182)
Investment income		410 899	222 183
Finance costs	15	(690 332)	(655 850)
Surplus/(Deficit) for the year		13 335 618	(2 552 849)

ANNEXURE D

NAMIBIA TOURISM BOARD

STATEMENT OF MOVEMENT IN EQUITY FOR THE YEAR ENDED 31 MARCH

	Note	Retained earnings 2023 N\$	Total equity 2023 N\$
Balance as at 31 March 2021		48 251 183	48 251 183
Deficit for the year		(2 552 849)	(2 552 849)
Balance as at 31 March 2022		45 698 334	45 698 334
Surplus for the year		13 335 618	13 335 617
Balance as at 31 March 2023		59 033 952	59 033 951

ANNEXURE E

NAMIBIA TOURISM BOARD

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED

	Note	2023 N\$	2022 N\$
Cash flow from operating activities			
Cash receipts from customers		54 384 158	24 514 830
Cash paid to suppliers and employees		(34 636 781)	(32 752 278)
Cash generated / (utilised) by operations	16	19 747 377	(8 237 458)
Investment income		410 899	222 183
Government grant		3 100 000	10 800 000
Finance costs		(690 332)	(655 850)
Net cash flow from operating activities		22 567 944	2 128 875
Cash flow from investing activities			
Purchase of property, plant, and equipment		(256 596)	(32 011)
Proceeds from sale of property, plant and equipment		-	172 859
Purchase of intangible assets		(6 900)	(601 067)
Net cash flow from investing activities		(263 496)	(460 219)
Cash flow from financing activities			
Repayment of borrowings		(2 515 556)	(2 424 616)
Repayment of lease liabilities		(695 143)	(837 724)
Net cash flow from financing activities		(3 210 699)	(3 262 340)
Total cash movement for the year		19 093 749	(1 593 684)
Cash at the beginning of the year		9 695 694	11 289 378
Total cash at the end of the year		28 789 445	9 695 694

ANNEXURE F

NAMIBIA TOURISM BOARD
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

1.1. Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these annual financial statements and the Namibia Tourism Board Act, No 21 of 2000.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Namibia Dollar, which is the Board's functional currency. These accounting policies are consistent with the previous period.

1.2. Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty**Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Board uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Board's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

ANNEXURE F

NAMIBIA TOURISM BOARD**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****Impairment of financial assets (continued)**

The Board reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine 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.

Useful lives of property, plant and equipment

Management assess the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives of assets are determined based on Board's replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters. When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

Provisions

Provisions are inherently based on assumptions and estimates using the best information available.

1.3. Property, plant and equipment

Property, plant and equipment are tangible assets which the Board holds for its own use or for rental to others and which are expected to be used for more than one year. An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Board, and the cost of the item can be measured reliably. Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Board and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred. Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment loss, except for land which is stated at cost less any accumulated impairment loss.

Depreciation of an asset commences when the asset is available for use as intended by management.

ANNEXURE F

NAMIBIA TOURISM BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Property, plant and equipment (continued)

Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Board. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

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

Item	Depreciation method	Average useful lives
Land	Straight line	Indefinite
Buildings	Straight line	50 years
Furniture and fixtures	Straight line	5 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	5 years
IT equipment	Straight line	3 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset. Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

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

1.4.Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the Board; and
- the cost of the asset can be measured reliably. Intangible assets are initially recognised at cost.

ANNEXURE F

NAMIBIA TOURISM BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Intangible assets (continued)

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred. Intangible assets are carried at cost less any accumulated amortisation and any impairment loss. The amortisation period and the amortisation method for intangible assets are reviewed every period-end. Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result, the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets. Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful lives
Computer software	3 years

1.5. Financial instruments

Financial instruments held by the Board are classified in accordance with the provisions of IFRS 9 Financial Instruments. The Board classifies the financial assets and liabilities as measured at amortised cost. Financial instruments and risk management presents the financial instruments held by the Board based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Board are presented below:

Trade and other receivables**Classification**

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost. They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Board's business model is to collect the contractual cash flows on trade and other receivables.

ANNEXURE F**NAMIBIA TOURISM BOARD****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****Recognition and measurement**

Trade and other receivables are recognised when the Board becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

For receivables which contain a significant financing component, interest income is calculated using the effective interest method, and is included in profit or loss in investment income. The application of the effective interest method to calculate interest income on trade receivables is dependent on the credit risk of the receivable as follows:

- The effective interest rate is applied to the gross carrying amount of the receivable, provided the receivable is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a receivable is purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the receivable, even if it is no longer credit impaired.
- If a receivable was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the receivable in the determination of interest. If, in subsequent periods, the receivable is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Impairment

The Board recognises a loss allowance for expected credit loss on trade and other receivables, excluding VAT and prepayments. The amount of expected credit loss is updated at each reporting date.

The Board measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit loss (lifetime ECL), which represents the expected credit loss that will result from all possible default events over the expected life of the receivable.

ANNEXURE F

NAMIBIA TOURISM BOARD**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****Measurement and recognition of expected credit loss**

The Board makes use of a provision matrix as a practical expedient to the determination of expected credit loss on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance.

Write off policy

The Board writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Board recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Credit risk

Details of credit risk are included in the trade and other receivables note and the financial instruments and risk management, note 20. De-recognition Refer to the de-recognition section of the accounting policy for the policies and processes related to de-recognition. Any gains or loss arising on the de-recognition of trade and other receivables is included in profit or loss in the de-recognition gains/(loss) on financial assets at amortised cost.

Borrowings**Classification**

Borrowings in note 7 are classified as financial liabilities subsequently measured at amortised cost.

ANNEXURE F

NAMIBIA TOURISM BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Recognition and measurement

Borrowings are recognised when the Board becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability. Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs. Borrowings expose the Board to liquidity risk and interest rate risk. Refer to note 20 for the details of the risk exposure and management thereof.

De-recognition

Refer to the de-recognition section of the accounting policy for the policies and processes related to de-recognition.

Trade and other payables**Classification**

Trade and other payables, note 9, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the Board becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs, note 15 Trade and other payables expose the Board to liquidity risk and possibly to interest rate risk. Refer to note 20 for details of risk exposure and management thereof.

ANNEXURE F

NAMIBIA TOURISM BOARD**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****De-recognition**

Refer to the "de-recognition" section of the accounting policy for the policies and processes related to de-recognition.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, bank overdrafts and other short-term highly liquid investments net of outstanding bank overdrafts that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at amortised cost. Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Financial assets

The Board derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Board neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Board recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Board retains substantially all the risks and rewards of ownership of a transferred financial asset, the Board continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

1.6. Tax**Tax expenses**

The Namibia Tourism Board is a Public Board in terms of the Income Tax Act and is consequently exempt from income taxation.

1.7 Leases

The Board assesses whether a contract is, or contains a lease, at the inception of the contract. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the Board has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset. In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

ANNEXURE F**NAMIBIA TOURISM BOARD****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****Board as lessee**

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the Board is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the Board recognises the lease payments as an operating expense, note 13 on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components (where non-lease components exist). Details of leasing arrangements where the Board is a lessee are presented in note 8, Leases (Board as lessee).

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Board uses its incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement
- the amount expected to be payable by the Board under residual value guarantees;
- the exercise price of purchase options, if the Board is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the Board is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right-of-use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses. The lease liability is presented as a separate line item on the Statement of Financial Position.

ANNEXURE F

NAMIBIA TOURISM BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs. The Board re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when:

- there has been a change to the lease term, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate;
- there has been a change in the assessment of whether the Board will exercise a purchase, termination or extension option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is re-measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- there has been a change in expected payment under a residual value guarantee, in which case the lease liability is re-measured by discounting the revised lease payments using the initial discount rate; .
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured by discounting the revised payments using a revised discount rate.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use-assets

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. Lease payments included in the measurement of the lease asset comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- less any lease incentives received.

ANNEXURE F

NAMIBIA TOURISM BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Right-of-use-assets (continued)

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfer's ownership of the underlying asset or the cost of the right-of-use asset reflects that the Board expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

For right-of-use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives. The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately. The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Board as lessor

Leases for which the Board is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease classification is made at inception and is only reassessed if there is a lease modification.

When the Board is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Board applies the exemption described previously, then it classifies the sub-lease as an operating lease. The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated by applying IFRS 15.

Operating leases

Lease payments from operating leases are recognised on a straight-line basis over the term of the relevant lease, or on another systematic basis if that basis is more representative of the pattern in which the benefits from the use of the underlying asset are diminished. Operating lease income is included in other operating income. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and are expensed over the lease term on the same basis as the lease income.

Modifications made to operating leases are accounted for as a new lease from the effective date of the modification. Any prepaid or accrued lease payments relating to the original lease are treated as part of the lease payments of the new lease.

ANNEXURE F

NAMIBIA TOURISM BOARD**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****1.8. Impairment of assets**

The Board assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Board estimates the recoverable amount of the asset. If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease. The Board assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.9. 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 paid vacation leave 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. The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

ANNEXURE F

NAMIBIA TOURISM BOARD
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1.10. Provisions and contingencies

Provisions are recognised when:

- the Board has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation. Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the Board settles the obligation.

The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision. Provisions are not recognised for future operating loss. If a Board has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision. Contingent assets and contingent liabilities are not recognised.

1.11. Government grants

Government grants are recognised when there is reasonable assurance that:

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

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate. A government grant that becomes receivable as compensation for expenses or loss already incurred or for the purpose of giving immediate financial support to the Board with no future related costs is recognised as income of the period in which it becomes receivable. Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants related to income are presented as a credit in the profit or loss (separately). Repayment of a grant related to income is applied first against any un-amortised deferred credit set up in respect of the grant. To the extent that the repayment exceeds any such deferred credit, or where no deferred credit exists, the repayment is recognised immediately as an expense. Repayment of a grant related to an asset is recorded by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognised to date as an expense in the absence of the grant is recognised immediately as an expense.

NAMIBIA TOURISM BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1.12. Revenue recognition

The Board recognises revenue from the following major sources:

- Government grants
- Application fees
- Levies
- Registration fees
- Replacement fees Grading fees
- Participation fees
- Additions renovations and alterations fees

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Board recognises revenue when it transfers control of a product or service to a customer. Statutory revenue comprises of Application fees, Levies, Registration fees, Replacement fees, Participation fees, Grading fees, Additions renovations and alterations fees in terms of Namibia Tourism Board Act, No 21 of 2000. Government grants accounting policy has been included in Note 1.10. Investments income (interest) is recognised, in profit or loss, using the effective interest rate method.

1.13 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the Board on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted. Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. All other borrowing costs are recognised as an expense in the period in which they are incurred.

NAMIBIA TOURISM BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1.14 Translation of foreign currencies

Foreign currency transactions

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

At the end of the reporting period:

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

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

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a nonmonetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss. Cash flows arising from transactions in a foreign currency are recorded in Namibia Dollar by applying to the foreign currency amount the exchange rate between the Namibia Dollar and the foreign currency at the date of the cash flow.

ANNEXURE F

NAMIBIA TOURISM BOARD
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

2. PROPERTY, PLANT AND EQUIPMENT

	2023		2022	
	Cost or revaluation	Accumulated depreciation	Carrying amount	Cost or revaluation
	N\$	N\$	N\$	N\$
Land	1 865 313	-	1 865 313	1 865 313
Building	42 923 342	(5 066 306)	37 857 037	42 710 643
Furniture and fittings	1 770 690	(1 749 886)	20 804	1 759 878
Motor vehicles	3 590 892	(3 590 892)	-	3 590 892
Office equipment	475 937	(463 207)	12 730	473 237
IT equipment	5 788 458	(5 749 757)	38 701	5 760 589
	56 414 632	(16 620 048)	39 794 584	56 160 552
				(15 238 767)
				40 921 785

Reconciliation of property, plant, and equipment - 2023:

	Opening balance	Additions	Revaluation/impairment	Disposal	Depreciation	Total
	N\$	N\$	N\$	N\$	N\$	N\$
Land	1 865 313	-	-	-	-	1 865 313
Building	38 914 530	212 699	-	-	(1 270 193)	37 857 037
Furniture and fittings	31 478	13 327	-	(2 515)	(21 486)	20 804
Office equipment	22 723	2 700	-	-	(12 693)	12 730
IT equipment	87 741	27 869	-	-	(76 909)	38 701
	40 921 785	256 595	-	(2 515)	(1 381 281)	39 794 584

ANNEXURE F

NAMIBIA TOURISM BOARD
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

Reconciliation of property, plant, and equipment - 2022:

	Opening balance N\$	Additions N\$	Depreciation N\$	Total N\$
Land	1 865 313	-	-	1 865 313
Building	40 148 659	32 011	(1 266 140)	38 914 530
Furniture and fittings	80 440	-	(48 962)	31 478
Office equipment	36 353	-	(13 630)	22 723
IT equipment	755 506	-	(667 765)	87 741
	42 886 271	32 011	(1 996 497)	40 921 785

Pledges and security

Land and buildings are encumbered against borrowings as per note 7.

Details of valuation

Land and Buildings were valued by Pierewiet Wilders Valuations on 31 July 2020. Pierewiet Wilders Valuations, an independent valuer, is not connected to the Board and has adequate experience in the valuation of similar properties.

The valuation was based on the income capitalisation method. The market value of the property was determined to be N\$ 44 460 000.

Land and buildings comprise of Erf 8716, measuring 2 239 square meters, registered under Division "K" Khomas and situated in Windhoek, Namibia.

ANNEXURE F

NAMIBIA TOURISM BOARD
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

3. Intangible assets

	2023		2022	
	Cost or revaluation	Accumulated amortisation	Carrying amount	Cost or revaluation
	N\$	N\$	N\$	N\$
Computer software	12 786 109	(12 432 698)	353 411	12 779 209
				(12 228 225)
				550 984

Reconciliation of intangible assets:

	Opening balance	Additions	Amortisation	Total
	N\$	N\$	N\$	N\$
Computer software - 2023	550 984	6 900	(204 472)	353 411
Computer software - 2022	724 503	601 067	(774 586)	550 984

ANNEXURE F

NAMIBIA TOURISM BOARD
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

4. Right-of-use- assets

	2023			2022		
	Cost or revaluation N\$	Accumulated depreciation N\$	Carrying amount N\$	Cost or revaluation N\$	Accumulated depreciation N\$	Carrying amount N\$
Right-of-use-assets	3 563 458	(737 082)	2 826 376	2 589 680	(2 477 682)	111 998

Reconciliation of right-of-use assets

	Opening balance N\$	Additions N\$	Disposals N\$	Depreciation N\$	Disposal accumulated depreciation N\$	Total N\$
Right-of-use-assets - 2023	111 998	3 371 460	(2 397 681)	(657 082)	2 397 681	2 826 376
Right-of-use-assets - 2022	913 747		(470 381)	(801 749)	470 381	111 998

ANNEXURE F

NAMIBIA TOURISM BOARD
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

	2023	2022
	N\$	N\$
5. TRADE AND OTHER RECEIVABLES		
Financial instruments		
Trade receivables	10 179 363	9 171 173
Accrued income	2 740 017	-
Other receivables	-	6 861 993
Loss allowance	(10 021 438)	(8 994 894)
	2 897 942	7 038 272
Non-financial instrument		
Deposits paid	266 409	266 409
Employee costs in advance	27 344	111 441
Total trade and receivables	3 191 695	7 416 122

Trade receivables inherently expose the Board to credit risk, being the risk that the Board will incur financial loss if customers fail to make payments as they fall due. There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The Board measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit loss on trade receivables. These lifetimes expected credit loss are estimated using a provision matrix. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date. The Board's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit loss is therefore based on past due status without disaggregating into further risk profiles.

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amount.

ANNEXURE F

NAMIBIA TOURISM BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

	2023	2022
	N\$	N\$
6. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents consist of:		
Cash on hand	2 213	3 293
Bank Balances	25 397 962	6 501 106
Short term deposits	3 389 270	3 191 295
	28 789 445	9 695 694

7. BORROWINGS

At amortisation cost		
Long term loan	7 384 634	9 900 190
Non-current liabilities	4 670 047	7 340 017
Current liabilities	2 714 587	2 560 173
	7 384 634	9 900 190

The above long-term loan bears interest at prime lending rate less 1.85% which equates to 7.05% (2022: 5.65%) and is secured by a mortgage bond for N\$ 22 million registered in favour of First National Bank of Namibia, against Erf 8716, Windhoek, Namibia with a carrying amount of N\$ 39 722 349 (2022: N\$ 40 779 843).

Refer to note 17 (Changes in liabilities arising from financing activities for details of the movement in the borrowings) and note 19 (Financial instruments and financial risk management for the fair value of borrowings).

8. LEASE LIABILITIES

At amortisation cost		
Long term loan	3 263 329	127 015
Non-current liabilities	2 314 483	59 952
Current liabilities	948 846	67 063
	3 263 329	127 015

The Board is leasing offices and office equipment and the lease periods range from 3 to 5 years. The Board's borrowing rates applicable ranges from 2% to 7.5% per annum. Lease payments are made monthly.

ANNEXURE F

NAMIBIA TOURISM BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

	2023 N\$	2022 N\$
9. TRADE AND OTHER PAYABLES		
Financial instruments		
Trade payables	3 599 404	1 724 493
Accrued expenses	420 981	180 072
Deposits received	120 950	120 950
	4 141 335	2 025 515

10. PROVISIONS

Provision for leave pay	998 328	808 907
Provision for bonus	133 933	136 622
	1 132 261	945 529

	Opening balance N\$	Utilised in current year N\$	Closing balance N\$
Reconciliation of provisions 2023			
Provision for leave days	808 907	189 421	998 328
Provision of bonuses	136 622	(2 689)	133 933
	945 529	186 732	945 529

Reconciliation of provisions 2022			
Provision for leave days	770 446	38 461	808 907
Provision of bonuses	183 676	(47 054)	136 622
	954 122	(8 593)	945 529

Leave pay is only payable when an employees' employment term comes to an end. Leave pay provision is computed based on the total leave days accumulated at year-end and the daily average Cost to Board "CTC"). Each employee is entitled to 30 days per calendar year, with a cumulative leave day's limit of 40 leave days at the end of every employee's employment term.

Bonus provision is based on one-month basic salaries of employees excluding allowances. Bonuses are paid out in November of each year.

ANNEXURE F

NAMIBIA TOURISM BOARD
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

	2023	2022
	N\$	N\$
11. REVENUE		
Alteration and additions	157 800	37 400
Application fee	531 900	237 450
Grading application fee	46 708	-
Levies charges	41 003 420	19 206 617
Participation fees	3 070 902	-
Penalty fees	61 950	31 600
Registration fees	952 817	923 624
Replacement fees	129 400	2 813
	45 954 897	20 439 504
12. OTHER INCOME		
(Loss)/gain on disposal of property, plant, and equipment	(2 515)	172 859
Rental income	2 052 189	2 052 187
Accrued interest income	2 710 017	-
Sundry income	469 172	1 228 879
	5 228 863	3 453 925
13. OPERATING INCOME/(DEFICIT)		
Operating income/(deficit) for the year is stated after taking into account the following items, amongst others:		
Employee cost	16 361 746	16 247 110
Lease rentals	12	518 150
Depreciation and amortisation	2 242 835	3 572 831
14. INVESTMENT INCOME		
Banking institutions	410 899	222 183
15. FINANCE COSTS		
Long term loan	628 145	635 657
Lease liabilities	62 187	20 193
	690 332	655 850

ANNEXURE F

NAMIBIA TOURISM BOARD
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

	2023 N\$	2022 N\$
16. CASH GENERATED /(UTILISED) IN OPERATIONS		
Surplus/(Deficit) for the year	13 335 617	(2 552 849)
Adjusted for:		
Depreciation and amortisation	2 242 836	3 572 831
Gain on disposal of property plant, and equipment	2 515	(172 859)
Investment income	(410 899)	(222 183)
Finance costs	690 332	655 850
Government grant	(3 100 000)	(10 800 000)
Impairment of assets and credit losses	1 026 545	659 797
Other	-	3 103
Movement in provisions	186 732	(8 593)
Exchange loss	459 996	(7 415)
Change in working capital		
Trade and other receivables	3 197 883	794 250
Trade and other payables	2 115 820	(159 390)
	19 747 377	(8 237 458)

**17. CHANGES IN LIABILITIES ARISING FROM
FINANCIAL ACTIVITIES**

	Opening balance N\$	Cash flows N\$	Non-cash items N\$	Closing balances N\$
Reconciliation of liabilities - 2023				
Borrowings	9 900 190	(2 515 556)	-	7 384 634
Lease liabilities	127 015	(695 143)	3 831 456	3 263 328
	10 027 205	(3 210 699)	3 831 456	10 647 962

	Opening balance N\$	Cash flows N\$	Non-cash items N\$	Closing balances N\$
Reconciliation of liabilities - 2022				
Borrowings	12 324 806	(2 424 616)	-	9 900 190
Lease liabilities	972 154	(837 724)	(7 415)	127 015
	13 296 960	(3 262 340)	(7 415)	10 027 205

ANNEXURE F

NAMIBIA TOURISM BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

18. RELATED PARTIES

Relationship	Related party
Ultimate owner	The Government of the Republic of Namibia
Members of key management	D Naobeb – Chief Executive Officer B Mbidzo – Head of Business Development P Posthuma – Head of Marketing N Xarageb – Head of Finance

Related party transactions

	2023	2022
	N\$	N\$
Government grant – The Government of the Republic of Namibia	3 100 000	10 800 000
Board members' sitting fees	1 374 782	852 383
Compensation to key management	2 509 917	3 622 765
	6 984 699	15 275 148

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

	Amortised cost	Total	Fair value
	N\$	N\$	N\$
Categories of financial assets – 2023			
Trade and other receivables	2 897 942	2 897 942	2 897 942
Cash and cash equivalents	28 789 445	28 789 445	28 789 445
	31 687 387	31 687 387	31 687 387

Categories of financial assets – 2022			
Trade and other receivables	7 038 272	7 038 272	7 038 272
Cash and cash equivalents	9 695 694	9 695 694	9 695 694
	16 733 966	16 733 966	16 733 966

Categories of financial liabilities – 2023			
Trade and other payables	4 141 335	4 141 335	-
Borrowings	7 384 634	7 384 634	-
Lease liabilities	3 263 329	3 263 329	-
	14 789 298	14 789 298	-

Categories of financial liabilities – 2022			
Trade and other payables	2 025 515	2 025 515	-
Borrowings	9 900 190	9 900 190	-

ANNEXURE F

NAMIBIA TOURISM BOARD
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

	2023	2022
	N\$	N\$
Lease liabilities	127 015	127 015
	12 052 720	12 052 720

Overview

The Board is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk and interest rate risk).

The Board has overall responsibility for the establishment and oversight of the Board's risk management framework. The Board is responsible for developing and monitoring the Board's risk management policies. The Board's risk management policies are established to identify and analyse the risks faced by the Board, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Board's activities. The Board audit committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Board. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee and the risk committee.

Credit risk

Credit risk is the risk of financial loss to the Board if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Board is exposed to credit risk on trade and other receivables, and cash and cash equivalents.

Credit risk exposure arising on cash and cash equivalents is managed by the Board through dealing with well-established financial institutions with high credit ratings.

Credit loss allowances for expected credit loss are recognised for trade and other receivables.

In order to calculate credit loss allowances, management determines whether the loss allowances should be calculated on a 12 month or on a lifetime expected credit loss basis. This determination depends on whether there has been a significant increase in the credit risk since initial recognition. If there has been a significant increase in credit risk, then the loss allowance is calculated based on lifetime expected credit loss. If not, then the loss allowance is based on 12 month expected credit loss. This determination is made at the end of each financial period. Thus the basis of the loss allowance for a specific financial asset could change year on year.

ANNEXURE F

NAMIBIA TOURISM BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Management apply the principle that if a financial asset's credit risk is low at year end, then, by implication, the credit risk has not increased significantly since initial recognition. In all such cases, the loss allowance is based on 12 month expected credit loss. Credit risk is assessed as low if there is a low risk of default (where default is defined as occurring when amounts are 90 days past due). When determining the risk of default, management consider information such as payment history to date, industry in which the customer is employed, period for which the customer has been employed, external credit references etc. In any event, if amounts are 30 days past due, then the credit risk is assumed to have increased significantly since initial recognition. Credit risk is not assessed to be low simply because of the value of collateral associated with a financial instrument. If the instrument would not have a low credit risk in the absence of collateral, then the credit risk is not considered low when taking the collateral into account. Trade receivable and contract assets which do not contain a significant financing component are the exceptions and are discussed below.

Where necessary, the assessment for a significant increase in credit risk is made on a collective basis. Management typically adopt this approach when information relevant to the determination of credit risk is not available on an individual instrument level. Often, the only information available on individual instruments which could indicate an increase in credit risk, is "past due" information. It is typical that more forward-looking information is generally more readily available on a collective basis. Therefore, making the determination on a collective basis, helps to ensure that credit loss allowances are determined on the basis of lifetime expected credit loss before they reach the point of being past due. Forward looking, macro-economic information is applied on a collective basis when it is readily available without undue cost or effort. When loss allowances are determined on a collective basis, management determines the loss allowances by grouping financial instruments on the basis of shared credit risk characteristics.

For trade receivables and contract assets which do not contain a significant financing component, the loss allowance is determined as the lifetime expected credit loss of the instruments. For all other trade receivables, contract assets and lease receivables, IFRS 9 permits the determination of the credit loss allowance by either determining whether there was a significant increase in credit risk since initial recognition or by always making use of lifetime expected credit loss. Management have chosen as an accounting policy, to make use of lifetime expected credit loss. Management does therefore not make the annual assessment of whether the credit risk has increased significantly since initial recognition for trade receivables, contract assets or lease receivables. The maximum exposure to credit risk is presented in the table below:

ANNEXURE F

NAMIBIA TOURISM BOARD
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

	Gross carrying amount	Credit loss allowance	Amortised cost/fair value
	N\$	N\$	N\$
Categories of financial assets – 2023			
Trade and other receivables	12 919 380	(10 021 438)	2 897 942
Cash and cash equivalents	28 787 232	-	28 787 232
	41 706 612	(10 012 438)	31 685 174
Categories of financial assets – 2022			
Trade and other receivables	16 033 166	(8 994 894)	7 038 272
Cash and cash equivalents	9 692 401	-	9 692 401
	25 725 567	(8 994 894)	16 730 673

Liquidity risk

The Board is exposed to liquidity risk, which is the risk that the Board will encounter difficulties in meeting its obligations as they become due.

The Board manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long and short-term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and deposits are held at central banking institutions.

There have been no significant changes in the liquidity risk management policies and processes since the prior reporting period.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

ANNEXURE F

NAMIBIA TOURISM BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Liabilities

	Less than 1 year	2 to 5 years	Total	Carrying amount
	N\$	N\$	N\$	N\$
Liabilities 2023				
Non-current liabilities				
Borrowings	-	4 670 047	4 670 047	4 670 047
Lease liabilities	-	2 314 483	2 314 483	2 314 483
Current liabilities				
Trade and other payables	4 141 335	-	4 141 335	4 141 335
Borrowings	2 714 587	-	2 714 587	2 714 587
Lease liabilities	948 846	-	948 846	948 846
	7 804 768	6 984 530	14 789 298	14 789 297
Liabilities 2022				
Non-current liabilities				
Borrowings	-	7 340 017	7 340 017	7 340 017
Lease liabilities	-	59 952	59 952	59 952
Current liabilities				
Trade and other payables	2 025 515	-	2 025 515	2 025 515
Borrowings	2 560 173	-	2 560 173	2 560 173
Lease liabilities	67 063	-	67 063	67 063
	4 652 751	7 399 969	12 052 720	12 052 720

Foreign currency risk

The Board is exposed to foreign currency risk as a result of certain transactions which are denominated in foreign currencies. Exchange rate exposures are managed within approved policy parameters utilising foreign forward exchange contracts where necessary. The foreign currencies in which the Board deals primarily are US Dollar and Euro.

There have been no significant changes in the foreign currency risk management policies and processes since the prior reporting period.

ANNEXURE F

NAMIBIA TOURISM BOARD
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The maximum exposure to currency risk is presented in the table below

Categories of financial instruments

	2023	2022
	Euro	Euro
Lease liabilities	164 868	

Interest rate risk

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The debt of the Board is comprised of different instruments, which bear interest at either fixed or floating interest rates. The ratio of fixed and floating rate instruments in the loan portfolio is monitored and managed, by incurring either variable rate bank loans or fixed rate bonds as necessary. Interest rate swaps are also used where appropriate, in order to convert borrowings into either variable or fixed, in order to manage the composition of the ratio. Interest rates on all borrowings compare favourably with those rates available in the market.

The Board policy with regards to financial assets, is to invest cash at floating rates of interest and to maintain cash reserves in short-term investments in order to maintain liquidity, while also achieving a satisfactory return for shareholders.

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

Interest rate sensitivity analysis

The sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

ANNEXURE F**NAMIBIA TOURISM BOARD****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH****20. GOING CONCERN**

We draw attention to note 5 of the Directors' Report which indicates that the financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

When managing its cash and banking resources, the Board's objectives are to safeguard its ability to continue as a going concern and strive to create long-term value for stakeholders through strategic clarity, capital allocation, financial discipline, operational excellence, and strict cash utilisation.

The Board of Directors have reviewed the NTB's cash flow forecast for the year to 31 March 2023 and, in light of this review and the current financial position, they are satisfied that it has or has access to adequate resources to continue in operational existence for the foreseeable future.

21. Standards and interpretations not yet effective

At the date of authorisation of the financial statements of the Namibia Tourism Board for the year ended 31 March 2024, the following applicable new or revised financial reporting standards, amendments and interpretations of those standards were in issue but not yet effective. On review of these amendments and interpretations, the impact (if any) has not yet been estimated or is not expected to have a material impact on the Board's financial statements.

Standard or interpretation	Title and details	Effective Date
IFRS 7 Financial Instruments: Disclosures	Supplier Finance Arrangements The amendment supplements existing disclosure requirements by requiring a board to disclose specific information about its supplier finance arrangements that enable users of financial statements to assess the effects of those arrangements on the board's liabilities and cash flows and on the board's exposure to liquidity risk.	1 January 2024

ANNEXURE F

NAMIBIA TOURISM BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

Standard or interpretation	Title and details	Effective Date
IFRS 16 Leases	<p>Lease Liability in a Sale and Leaseback:</p> <p>The narrow-scope amendment requires a seller-lease in a sale and leaseback transaction to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognize any amount of a gain or loss relating to the right of use retained by the seller-lessee. The new requirement does not prevent the seller-lessee from recognizing in profit or loss any gain or loss relating to the partial or full termination of a lease.</p>	1 January 2024
IAS 1 Presentation of Financial Statements	<p>Classification of Liabilities as Current or Non-current:</p> <p>Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current.</p> <p>Disclosure of Accounting Policies:</p> <p>The amendments require entities to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material.</p> <p>Non-current liabilities with Covenants:</p> <p>The amendment clarifies that only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current, with additional guidance to explain how an entity should disclose information in the notes to understand the risk that non-current liabilities with covenants could become repayable within twelve months.</p>	<p>1 January 2024</p> <p>1 January 2023</p> <p>1 January 2024</p>

ANNEXURE F

NAMIBIA TOURISM BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

Standard interpretation	or	Title and details	Effective Date
IAS 8 Accounting Policies, Changes in Accounting Estimates and Error		Definition of Accounting Estimates: The amendments clarify how entities should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. The requirements for recognizing the effect of change in accounting prospectively remain unchanged.	1 January 2023

NAMIBIA TOURISM BOARD

DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	2023 N\$	2022 N\$
REVENUE		
Alteration and additions	157 800	37 400
Application fee	531 900	237 450
Grading application fee	46 708	-
Levies charges	41 003 420	19 206 617
Participation fees	3 070 902	-
Penalty fees on levies	952 817	923 624
Registration fees	61 950	31 600
Replacement fees	129 400	2 813
	45 954 897	20 439 504
OTHER OPERATING INCOME		
Sundry income	5 228 863	3 453 925
Government grants	3 100 000	10 800 000
LESS: OPERATING EXPENSES (refer to page 42)	(40 668 709)	(36 812 611)
Operating surplus/(deficit) before investment income and finance costs	13 615 051	(2 119 182)
Investment income	410 899	222 183
Finance costs	(690 332)	(655 850)
Net surplus/(deficit) for the year	13 335 618	(2 552 849)

NAMIBIA TOURISM BOARD
DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	N\$	N\$
Operating expenses		
Advertising	285 427	25 737
Bad debts	1 026 545	659 797
Bank charges	246 107	139 673
Cleaning	39 044	135 676
Consulting and professional fees	1 202 333	705 241
Consulting and professional fees – legal fees	1 058 480	1 352 078
Consumables	255	1 343
Depreciation and amortisation	2 242 836	3 572 831
Directors' emoluments	1 374 782	852 383
Training	717 536	90 355
Employee cost	16 361 746	16 247 110
Public relations	1 490 046	538 293
E-Marketing	483 120	508 641
Trade fair and road shows	3 151 738	355 691
Represent agencies	1 452 090	2 595 723
Marketing other	460 883	2 723 442
Foreign exchange losses transactions	434 560	99 649
Insurance	269 994	232 913
Computer expenses	1 795 206	1 510 584
Lease rental on operating lease	(12)	518 150
Motor vehicle expenses	10 164	10 116
Municipal expenses	618 889	597 369
Other expenses	330 901	270 015
Printing and stationary	491 625	280 761
Promotions	475 677	184 782
Repairs and maintenance	513 384	644 727
Security	134 280	157 441
Subscriptions	-	5 030
Telephone and fax	941 056	939 776
Transport and freight	296 246	243 870
Travelling and accommodation	2 763 774	613 414
	*(40 668 709)	36 812 611

* A difference of N\$ 3 dollars between the submitted N\$ 40 668 709 and recalculated N\$ 40 668 712

NTB Windhoek - Namibia
Private Bag 132244, Windhoek
Tel: +264 61 290 6032
Fax: +264 61 254 848
Email: info@namibiatourism.com.na
www.namibiatourism.com.na

