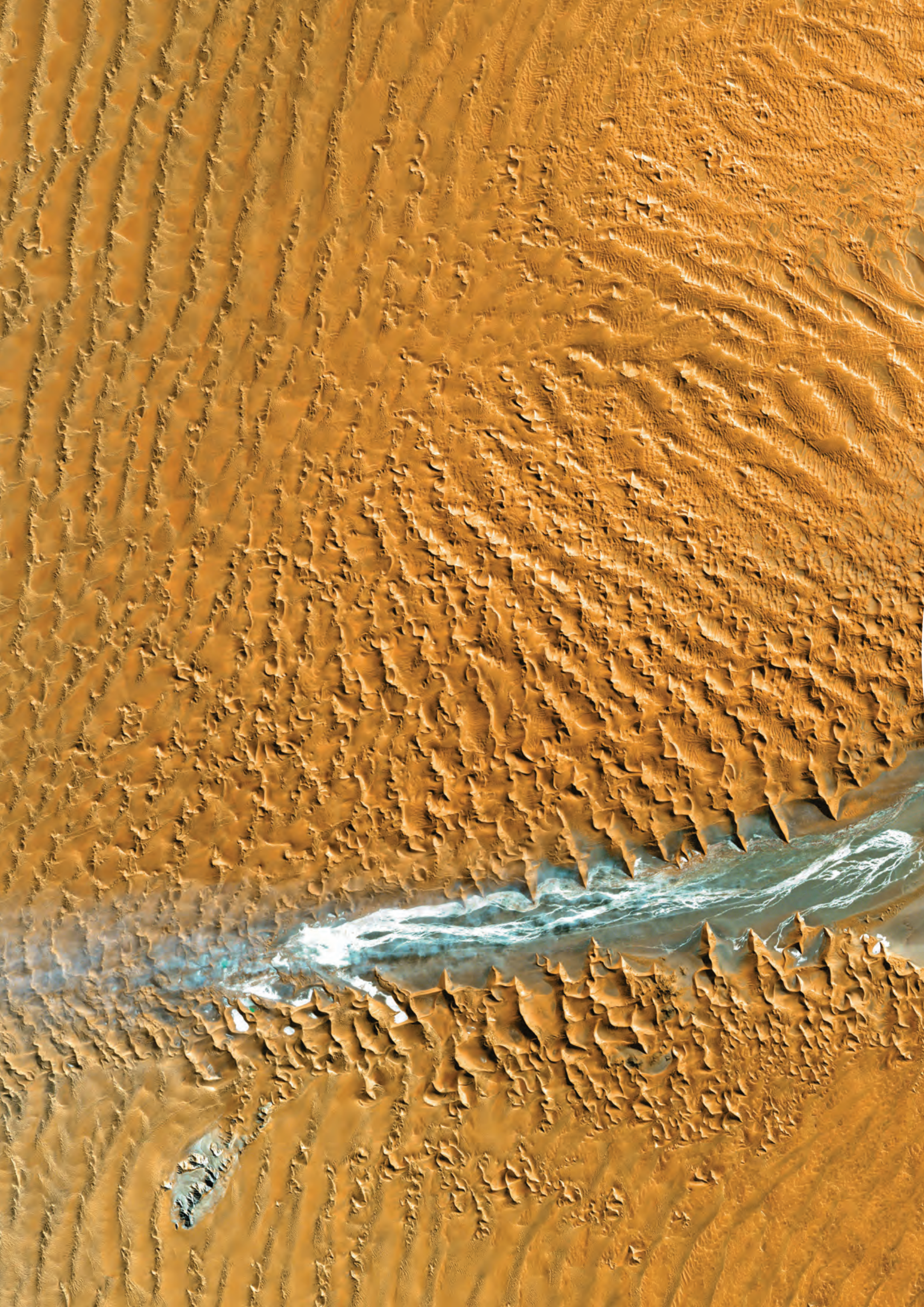
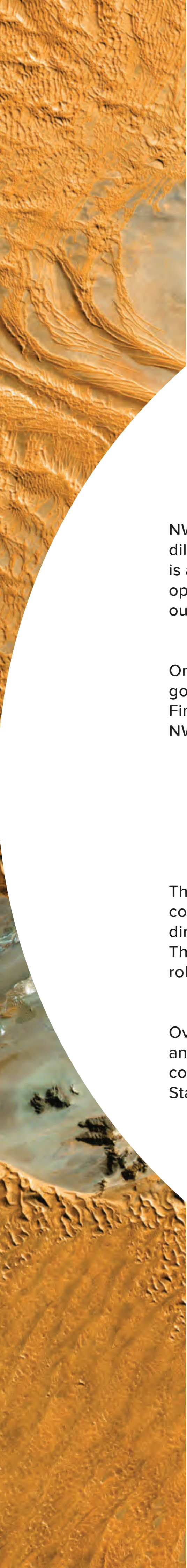
Namibia Wildlife Resorts Limited

INTEGRATED ANNUAL REPORT 2021/22





About our integrated Annual Report

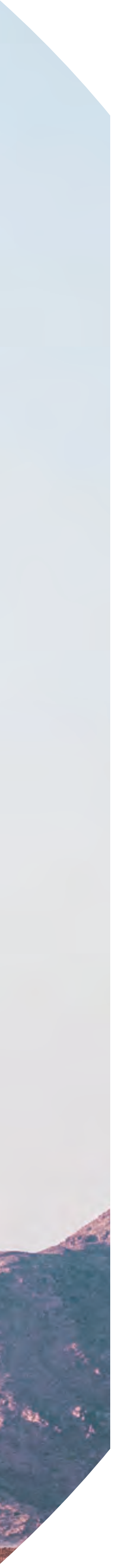
NWR continues to uphold the principles of good governance, accountability and transparency by diligently producing an integrated annual report. The Annual Report for the financial year 2021-2022 is a comprehensive document that provides an overview of our company's financial performance and operational activities throughout the year. The report is an important communication tool that enables our stakeholders, including shareholders, investors, customers, employees, and the broader public, to gain insights into the company's operations, achievements, challenges, and prospects.

One of the key highlights of the report is NWR's commitment to upholding the principles of good governance. The company has ensured that its reporting framework is in compliance with International Financial Reporting Standards (IFRS), Namcode, and King IV. By adhering to these reporting standards, NWR has demonstrated its commitment to transparency, accountability, and ethical conduct in all its business activities.

Our Future

The Annual Report also includes a section on forward-looking statements, which outlines the company's plans and projections for the future. These statements provide insights into our strategic direction, future growth prospects, and potential risks and uncertainties that may impact its operations. The Board Responsibility Statement is a critical component of this section. It highlights the board's role and accountability in ensuring that the company's operations align with its strategic objectives and values.

Overall, NWR's integrated Annual Report for the financial year 2021-2022 provides a comprehensive and transparent overview of the company's financial and operational performance. The report's commitment to good governance, adherence to reporting standards, and Board Responsibility Statement demonstrate NWR's commitment to maintaining high transparency, accountability, and ethical conduct in all its business activities.



CONTENTS

Business Overview

Our Vision

We provide the destination of choice for tourism in Africa

Our Mission

We create memorable experiences in a sustainable way

Our Values

We are guided by the following core values:

Accountability

Integrity

Passion

Excellence

Innovation

Environmental awareness

About NWR 01

Company Profile

Namibia Wildlife Resorts Limited was incorporated in Namibia with interests in conducting wildlife resort and related hospitality services, as mandated through the Namibia Wildlife Resorts Company Act (Act No.3 of 1998). The company was incorporated on 01 January 1999 and obtained its certificate to commence business on the same day. Strategically poised as a commercial public enterprise that provides tourism and hospitality management services in national parks, Namibia Wildlife Resorts Limited (NWR) is the single largest public sector provider of tourism-related services in the protected areas (national parks) of Namibia.

Other legislation pertinent to the operations of NWR include, amongst others, the Namibian Constitution; the Public Enterprise Governance Act (Act 1 of 2019), the Companies Act (Companies Act (Act 28 of 2004), the Public Procurement Act (Act 15 of 2015), State Finance Act, (Act no. 31 of 1991, the Public Private Partnership Act (Act 4 of 2017) and the Labour Act of 2007.

According to its establishing Act, the Namibia Wildlife Resorts Company Act (Act 3 of 1998), the objectives of the company are to conduct a wildlife resorts service, through inter alia:

- Managing, controlling, maintaining, utilising and promoting, in the national interest, the wildlife resort service according to general business principles.
- Promoting and encouraging training and research with a view to increase productivity of the wildlife resorts service.
- Developing commercially viable enterprises or projects concerning the wildlife resorts service or the tourism industry in general, with or without the participation of the private sector.
- Promoting the development of environmentally sustainable tourism with a view to preserving the assets and attractions on which the tourist industry depends, and in particular, safeguard and maintain ecological processes, biodiversity, aesthetic and cultural qualities for the long-term benefit of the tourism industry and the Namibian people.
- The Act directs the Company to exercise its powers with a view of enhancing corporate profit and shareholder return on equity (ROE). This is to be achieved by considering the promotion of an economically prosperous and efficient wildlife resorts service conducted on sound business, conservation and environmental principles.

In addition, the Act further states that the Company may, amongst others:

- Finance or otherwise participate in the development of natural resources.
- Establish subsidiary companies or acquire an interest in any other company, co-operative society or enter into a partnership or joint venture with any person.
- Effect the transfer or assignment of any assets, liabilities, rights or obligations of the Company to any of its subsidiaries.
- Determine the rates and charges to be levied for services rendered by the Company

Message from the outgoing Board Chairperson

The tourism industry is an important contributor to Namibia's economic growth and employment creation. This is, mainly, due to the sector's strong direct and peripheral benefits as a result of its multiplier effect, for instance its reliance on a wide spread of supplies and services in the economy. NWR is committed to provide its clientele with the highest quality hospitality and wildlife experience in the country. As the company is dependent on natural attractions and wildlife, we believe in the importance of preserving and protecting the tourism attractions in Namibia, and we strive to ensure that visitors have a unique and unforgettable experience.

This integrated Annual Report is my last for Namibia Wildlife Resorts Limited (NWR). A term that had good and not-so-good moments. Remember COVID-19? After serving the company for two terms of three years, and one extended year, our term as Board of Directors ended in March 2023. I am happy to report that the company has successfully navigated the COVID-19 storm, and is on its way towards recovery. From the 2022 financial results, noticeable improvements are evident in the overall bottom line, revenue and occupancy levels as well as a significant decrease in liabilities and the operational expenses well-managed. During the year under review, the company managed to cut its operating loss by 66%, from (N$97) million in 2021 to (N$33) million in 2022. Revenue improved by 74%, from N$169 million in 2021 to N$294 million. Even though this is a remarkable recovery, the company still remains in a loss-making situation but I am confident that, if the same improvement trend continues, a profit is certain in the immediate future.

From a statutory compliance and governance point of view, the Governance Agreement and board members' Performance Agreements with the Shareholder as envisaged by the Public Enterprises Governance Act, 2019 (Act No.1 of 2019) are in place. We brought the Annual Financial Statements up to date, and I am happy to report that we achieved an unqualified audit opinion for the 2022 statements. The company is in compliance with the Ministry of Public Enterprises Remuneration Guidelines as well as the Affirmative Action Act 29 of 1998, NamCode and the Public Procurement Act (Act No:15 of 2015). Good governance and ethical leadership were at the forefront of all our decisions.

We believe that Namibia is an amazing place, full of diverse and incredible wildlife. We invite you to join us on this journey and to share in our mission of protecting and preserving Namibia's wildlife for generations to come. As in the years before, we continue to introduce specials and discounts to our domestic market. These initiatives are aimed at encouraging domestic travellers to sign up for, and use, our Namleisure card which entitles Namibians to a 50% discount on accommodation. We were pleased to note that new cardholders for our domestic market continues to grow. In addition, an opportunity is afforded to Namibians to travel, enjoy and get to know, their own country in all its splendour.

In conclusion, I would like to take this opportunity to sincerely thank the following stakeholders:

- The Managing Director, his executive team and the entire NWR employees for their perseverance and in ensuring that the company continues to recover from the most difficult period that the tourism industry has faced. They tried their best, as some companies were not so fortunate to survive the effects of the COVID-19 pandemic.
- To my fellow board members, thank you for always having availed yourselves and for greatly assisting management as well as providing guidance and oversight over the company. Without your support, we would not have managed the myriad of challenges that the company has faced and will continue to face.
- Last but certainly not least, I would like to thank and express my sincere appreciation for the professional support from the shareholder, the Ministry of Public Enterprises and Finance, as well as the Ministry of Environment, Forestry and Tourism for their support, especially during this recovery period in the tourism industry.

Ambassador Leonard N. Ipumbu

Overview by the Managing Director

It is with great pleasure that I present to you our integrated Annual Report for the past year. The Namibian National Development Plan 5 (NDP 5) identifies the Tourism Industry as an important industry contributing to the country's economic growth. The NDP 5 indicates the desired outcome of Namibia having a diversified and competitive tourism sector with an increased number of tourists from 1.4 million in 2015 to 1.8 million by the year 2022. Notwithstanding the impact of COVID-19, especially in the years 2020 to 2021, NWR should, as the biggest state-owned tourism industry player, contribute significantly to this national desired outcome. I am pleased to have noticed an increase in tourism arrivals in 2022. Our average occupancy in 2022 was 39% compared to 22% in 2021.This shows good recovery as we were only 10% points below the pre-Covid levels of 49% occupancy.

We continued introducing innovative ideas, such as web camera, streamed locally and internationally, and group bookings for runners clubs as packages to increase occupancies. It has been a remarkable year for our company, and I am proud to report that we achieved unprecedented success. Our analysis is that if the current trend of improvement continues, the company will be able to make profit by the year 2024. We achieved, and in some instances exceeded, our financial targets. Our growth strategy has enabled us to expand our business and reach new markets. Our 2022 financial results show improved revenue and occupancy levels. We grew revenue by 74%, from N$169 million in 2021 to N$294 million. Operating loss was reduced by 66%, from (N$97) million in 2021 to (N$33) million in 2022. Despite increasing inflation, fuel costs and repo rates during the year under review, operational expenses increased only by 23%, mainly driven by increased spending on repairs, renovations and maintenance of our facilities. We increased spending in repairs and maintenance by 475% or N$23 million [2021: N$4 million]. Clearly, this demonstrates the importance we accord to continuously maintaining our resorts and camps so as to improve customer experience and service delivery.

We have also made significant investments in our operations, technology, and human resources, ensuring that we remain a leader in our industry. In particular, I am pleased with the implementation of our innovative and cost-effective in-house training and development interventions. To be resilient post COVID-19, our staff need to be capacitated to fully respond to the challenges of the 21st Century. These challenges include, but are not limited to, effective customer service delivery. As per its Training and Development Policy 2009, NWR commits itself to provide adequate training, development and capacity building opportunities to all its employees and shall continuously endeavour to provide the facilities necessary for this purpose so as to improve employee performance and achieve its objective. On the other hand, training and development require substantial financial injection. Considering the historical state of the company's finances, now worsened by the effects of COVID-19, we manged to conceptualise and implement an NWR context-specific Middle Management Programme (MDP), specifically tailor-made for NWR employees. It is an intervention by NWR's executive leadership to provide training and capacity building opportunities to its employees, especially those in critical resorts and departments that do not meet the minimum job requirements, in order to improve employee performance and attain organisational objectives.

The Namibia Wildlife Resorts Hospitality Institute (NWR Hi) was registered in line with the Vocational Education and Training Act, and was quality assured in September 2021 by the Namibia Training Authority (NTA). The main underlying objectives for establishing NWR Hi were to:

- Implement one of the objectives of the NWR Act, section 6 (a) – promoting and encouraging training and research with a view to increase productivity in the wildlife resorts service.
- Support national goals (NDP 5, Harambee Prosperity Plan, Tourism Sector Skills Plan 2015) by participating in NTA's Technical Vocational Education Training (TVET) through apprenticeships in order to:
  - contribute to a skilled tourism and hospitality workforce in Namibia
  - improve NWR service delivery and customer service
  - provide succession planning source for the company.

NWR Hi continues to provide the necessary training to ensure a well-capable workforce in the tourism industry. We can attest that vocational training courses have assisted in adding to the job market. NWR Hi has two training centres at Khorixas in Kunene Region and Gross Barmen, outside Okahandja, in Otjozondjupa Region with a combined total of 115 trainees, mostly youth.

NWR, through its competitive procurement plan, continues to support local businesses. As a major economic player in a key industry of the Namibian economy, NWR will continue to give preference to local suppliers in the procurement or evaluation of bids for the procurement of goods, works and services reserved in terms of section 72 of the Act as per the recently introduced code of good practice on preferences. As we continue to renovate some of our resorts in the next financial year, a total of about N$ 30 million was pumped into the economy in 2022 through major and minor renovations, mostly benefitting micro, small, medium enterprises (MSMEs). Renovations were done at eight of our resorts, and we expect to announce more projects in the next financial year.

Finally, allow me to thank all our customers, domestic and foreign tourists, who have kept us afloat. In the same vein, I thank my executive committee (EXCO) team members who – despite difficult years and senior manager resignations – showed sacrifice, resilience and commitment. Also, a word of appreciation to our Board for their guidance, assistance and professionalism at all times. In particular, I extend appreciation to all our outgoing board members for their valuable contributions, dedication and loyalty over the past seven years. It is not always easy to part with superiors or colleagues with whom one has worked for a considerable time. Having worked closely with all of you for the seven years, I hereby express my gratitude for the exceptional working relationship we had. I would also like to thank all our NWR staff members for their sacrifice and resilience. Equally, to the unions for continuous collaboration and engagement. Finally, I would also like to express my sincere gratitude for the professional support from the shareholder, the Ministry of Public Enterprises and Finance, as well as the Ministry of Environment, Forestry and Tourism.

Dr Matthias M. Ngwangwama
Managing Director

NWR Governance and Management structure

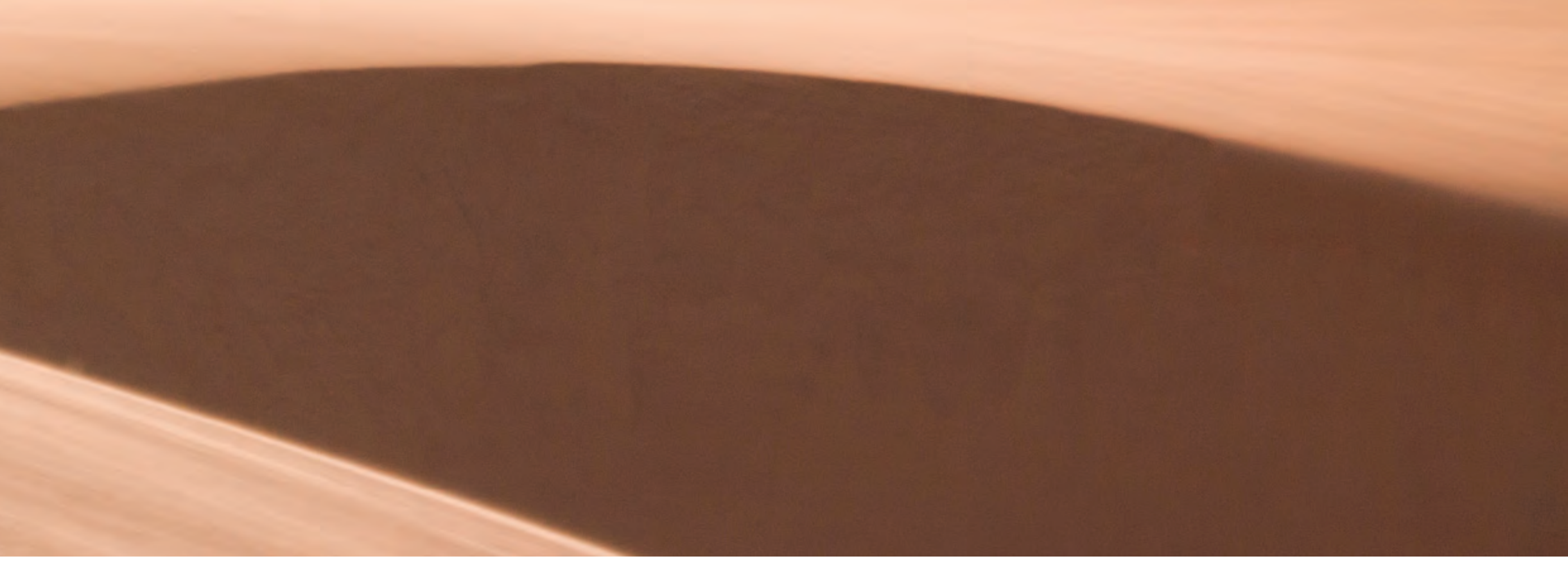
Outgoing Board Members

Ambassador L.N. Iipumbu
Chairperson

Ms. J. Wilson-Moore
Vice Chairperson

Dr. M. M. Ngwangwama
Managing Director

Ms. E.R. Petersen
Director



Ms. E.S. Shifotoka

Director

Mr. R. Putter

Director

Ms. C.R. Williams

Director

Mr. B.T. Schneider

Director

Management Team

Dr. M. M. Ngwangwama
Managing Director

Ms. T. Horn
Chief Financial Officer

Ms. E. Porfirio
Company Secretary/ Legal Advisor

Ms. S. Ntinda
Chief Risk Compliance and Audit Officer

Mr. E. Kasuto
Chief Marketing Officer

Mr. K. Guiseb
Chief Human Capital Officer

02 Introduction

Approach

Our Business Model

INPUT - The Six Capitals

What do we have to put into the mix?

FINANCIAL

Debt funding, shareholder support and internal resources

SOCIAL

Customers, suppliers, joint venture partners, community MEFT

MANUFACTURED

Infrastructure (28 sites in prime tourist attraction areas, 23 self-managed)

INTELLECTUAL

Brand-privileged access to parks

HUMAN

637 Engaged staff members

NATURAL

Mandate to protect energy consumption and water consumption

The Board as at 31 October 2022

Ambassador Ipumbu – Chairperson
Ms J. Wilson-Moore – Vice Chairperson
Dr M. M. Ngwangwama – Managing Director
Ms E.R. Petersen – Director
Ms E.S. Shifotoka – Director
Mr R. Putter – Director
Ms C.R. Williams – Director
Mr B.T. Schneider – Director

New Board as from 14 March 2023

Ambassador H. /Urib (Chairperson)
Dr B.Tjizumaue (Deputy Chairperson),
Dr M. M. Ngwangwama (Managing Director)
Mr C. Coetzee
Dr E.Kavita
Mr S. Januarie
Ms Z.Y. Nambahu

Approved policies

During the period under review, the following policies were approved by the board:

- Compliance Risk Management Policy
- Recruitment and Selection Policy
- Training and Development Policy
- Procurement Policy.

Key decisions taken by the board

- Approval of the maintenance budget, which enabled renovations to be conducted at various NWR resorts.
- Approval of salary increments for the bargaining unit (bands A to D), concluded in November 2022.
- Approval of the vehicle and asset replacement plan.
- Approval of Internal Audit Charter.

Board Meetings

Attendance register for board meetings from 1 October 2021 to 31 November 2022

During the period under review, the Board held five (5) meetings, including an AGM:

Member	9 December 2021	10 March 2022	17 May 2022	31 May 2022	1 September 2022
Amb. L.N. Ipumbu (Chairperson)	✓	✓			✓
Mrs. J. Wilson-Moore (Vice Chairperson)	✓	✓	✓	✓	✓
Ms. E.R. Petersen	✓	✓		✓	✓
Ms. E.S. Shifotoka	✓	✓	✓	✓	✓
Mr. R. Putter	✓	✓	✓	✓	✓
Mr. B.T. Schneider	✓	✓	✓	✓	✓
Ms. C.R. Williams	✓	✓	✓	✓	✓

Our Products

Namibia Wildlife Resorts Limited is a leading provider of hospitality services, accommodation and safari experiences in Namibia. Established in 1999, Namibia Wildlife Resorts Limited has grown to become one of the premier tourism operators in the country, providing guests with an unforgettable and unique experience. The company has developed a portfolio of lodges, camps and safari experiences in some of the country's most pristine wilderness areas and national parks. Each lodge offers its own unique amenities, such as game drives, nature walks, and bird watching, as well as a variety of dining options. With its commitment to providing the highest level of service and hospitality, Namibia Wildlife Resorts Limited is the perfect choice for travellers seeking an authentic safari experience.

Eco Collection

NWR has introduced exclusive products that offer "ultimate relaxation, superior service and comfort which are all within the confines of the most pristine wilderness areas of Namibia." Eco Collection refers to those facilities with a strong focus on environmental sustainability and compliance. Sossus Dune Lodge, inside the Namib Naukluft Park, and Onkoshi, inside Etosha National Park, are the two Eco Resorts, with Dolomite also counted in this category. Popa Falls is also an Eco resort introduced in December 2013.

Services and activities offered at the various Eco Collection facilities:

Camp / Resort / Lodge	Dolomite	Onkoshi	Sossus Dune Lodge
Accommodation	●	●	●
Camping			
Restaurant	●	●	●
Bar	●	●	●
Kiosk / tourist shop			
Filling station			
Activities / Services			
Birdlife and birdwatching	●	●	●
Bush dining experiences or picnics			●
Conferencing / seminar facilities			
Game drives / nature drives	●	●	●
Hiking trails / nature walks (guided or self-guided)			●
Jacuzzi (outdoor) / private splash pool	●		
River rafting / canoeing / kayaking / cruises			
Spa / wellness centre / massages			
Stargazing		●	●
Swimming pool		●	
Waterholes / floodlit waterholes / hides	●		

Classic Collection

The Classic Collection includes all other popular establishments inside the Parks, among them /Ai-/Ais Hot Springs Spa at the end of the Fish River Canyon, the Waterberg, Hardap as well as Halali, Namutoni and Okaukuejo inside Etosha National Park and Gross Barmen.

Services and activities offered at the various Classic Collection facilities:

Camp / Resort / Lodge	/Ai-/Ais Hot Springs Spa	Gross Barmen	Halali	Hardap	Namutoni	Okaukuejo	Waterberg	Popa Falls
Accommodation	●	●	●	●	●	●	●	●
Camping	●	●	●	●	●	●	●	●
Restaurant	●	●	●	●	●	●	●	●
Bar	●	●	●	●	●	●	●	●
Kiosk / tourist shop	●	●	●		●	●	●	●
Filling station	●	●	●		●	●	●	
Activities / Services								
Angling / fly-fishing / watersport				●				
Birdlife and birdwatching	●		●	●	●	●	●	●
Bush dining experiences or picnics	●	●	●		●			
Caves / rock climbing	●	●						
Conferencing / seminar facilities				●	●	●	●	●
Fossils		●	●				●	
Game drives / nature drives	●		●	●	●	●	●	
Hiking trails / nature walks (guided or self-guided)	●	●	●	●	●		●	●
Historic / heritage / archaeological sites					●		●	
Jacuzzi (outdoor) / private splash pool	●		●					
Natural hot springs	●						●	
Research focus / game breeding							●	
River rafting / canoeing / kayaking / cruises				●				●
Rock art	●							
Spa / wellness centre / massages	●	●						
Swimming pool		●	●	●	●		●	
Waterholes / floodlit waterholes / hides			●		●	●		

Adventure Collection

Adventure Collection: The Adventure Collection has a strong focus on tourism and leisure activities. There is a variety to choose from depending on what type of retreat one is looking for. Resorts falling into this category include Khorixas Camp, Terrace Bay, Torra Bay, Sesriem Campsite, Shark Island, Naukluft, Hobas, Olifantsrus and Duwisib Castle.

Services and activities offered at the various Adventure-Collection facilities:

Camp / Resort / Lodge	Duwisib Castle	Hobas	Khorixas	Naukluft	Olifantsrus	Sesriem	Shark Island	Terrace Bay	Torra Bay
Accommodation	●	●	●	●			●	●	
Camping	●	●	●	●	●	●	●	●	●
Restaurant	●	●	●	●		●		●	●
Bar	●	●	●			●		●	
Kiosk / tourist shop		●			●			●	●
Filling station		●				●		●	
Activities / Services									
4x4 trails / quad biking / off-road biking				●				●	
Angling / fly-fishing / watersport								●	●
Beach-related activities							●	●	●
Birdlife and birdwatching				●					
Conferencing / seminar facilities			●						
Fly-ins / helicopter rides / soaring								●	
Game drives / nature drives		●		●	●			●	
Hiking trails / nature walks (guided or self-guided)		●		●		●			
Historic / heritage / archaeological sites	●				●		●		
Mountain biking		●							
Swimming pool		●	●			●			
Waterholes / floodlit waterholes / hides					●				

NWR has the following seasonal campsites at the coast:
- Mile 108, Jakkalsputz and Mile 72.

In addition, NWR has three office centres, namely:
- Windhoek (Head Office and Reservation Office)
- Swakopmund (Reservation Office)
- Cape Town (Reservation Office).

From our Shareholder
(The Government of the Republic of Namibia)

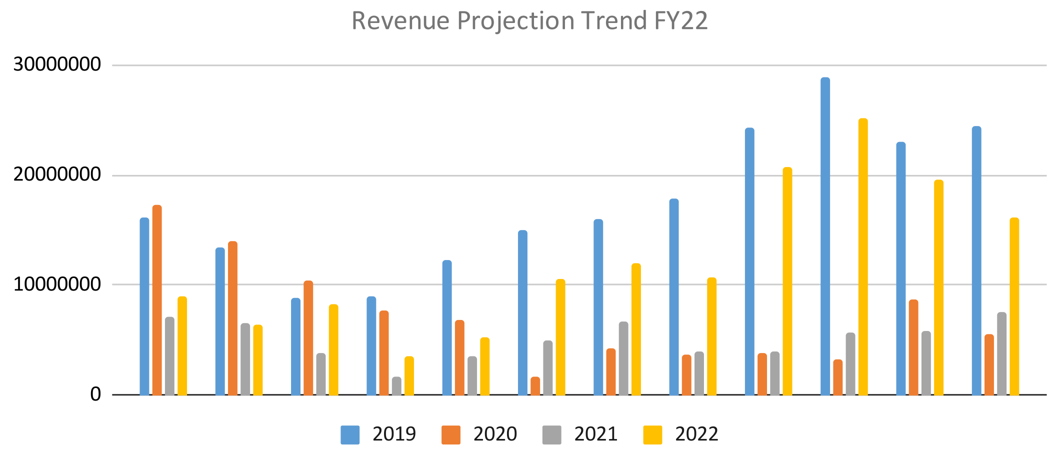
The impact of the COVID-19 pandemic on the tourism industry in Namibia has been severe. The Namibian Tourism Board (NTB) reported that tourism arrivals in the country declined by 67.5% in 2020 compared to 2019. International arrivals decreased by 80.9% while domestic arrivals declined by 57.6%. The tourism sector was one of the hardest hit sectors in Namibia, with an estimated loss of over N$2.2 billion in revenue.

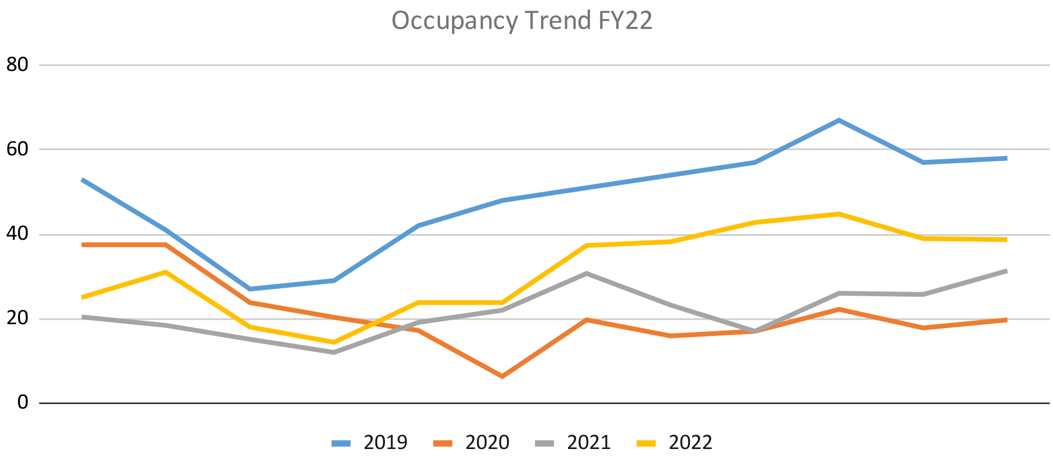
The impact of the pandemic has been felt across all sectors of the tourism industry in Namibia. Hotels, restaurants, tour operators, travel agents, and other tourism-related businesses have been hit hard, leading to layoffs and reduced income for many. The pandemic has also led to a decrease in the number of international tourists to Namibia, resulting in fewer people visiting the country's attractions and natural sites.

The Namibian government has implemented several measures to help the tourism sector recover from the pandemic. These include introducing tax relief for businesses, implementing the Namibia Tourism Stimulus Fund, and establishing the National Tourism Revival Task Team. These measures have been designed to help the industry recover and create new jobs.

The long-term impact of the pandemic on the tourism industry in Namibia remains to be seen. However, the NTB is optimistic that the sector will recover in 2022 and beyond, as the government continues to implement measures to support the industry. We at NWR are optimistic.

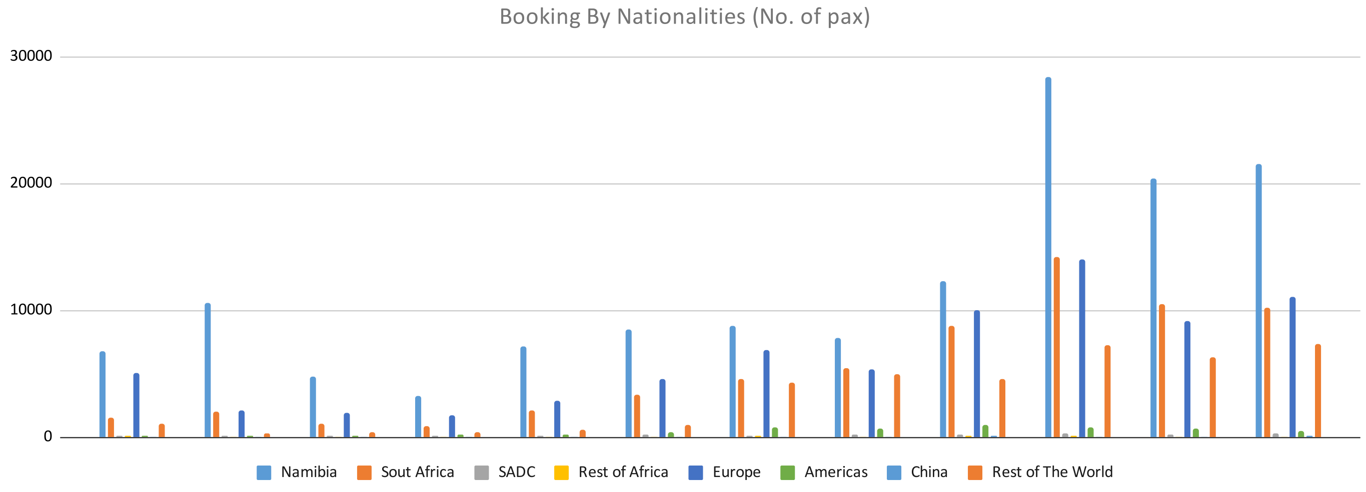
Our marketing performance for the year





The average occupancy for the year (FY22) ended at 39% compared to 22% achieved for the FY21 – an increase of 17% in average occupancy. Accommodation revenue increased by N$ 86m to N$ 147m compared to N$ 61m achieved in FY21 (140% growth).

With aggressive marketing and a strategy focusing on local markets, NWR was able to generate revenue and show strong resilience through testing times. Initiatives such as Black Friday and My Friends Are Cooler Than Yours allowed NWR to meet some of its financial targets. NWR hopes to fully recover and return to its profit-making days through targeted marketing efforts. This can be achieved through strong marketing and strong customer experience initiatives.



The above graph depicts nationalities in absolute numbers (individual guests).

Nationalities have been segregated as per regions per month (1-12 Month & 1 being November 2021) with the exception of Namibia and South Africa for ease of reference.

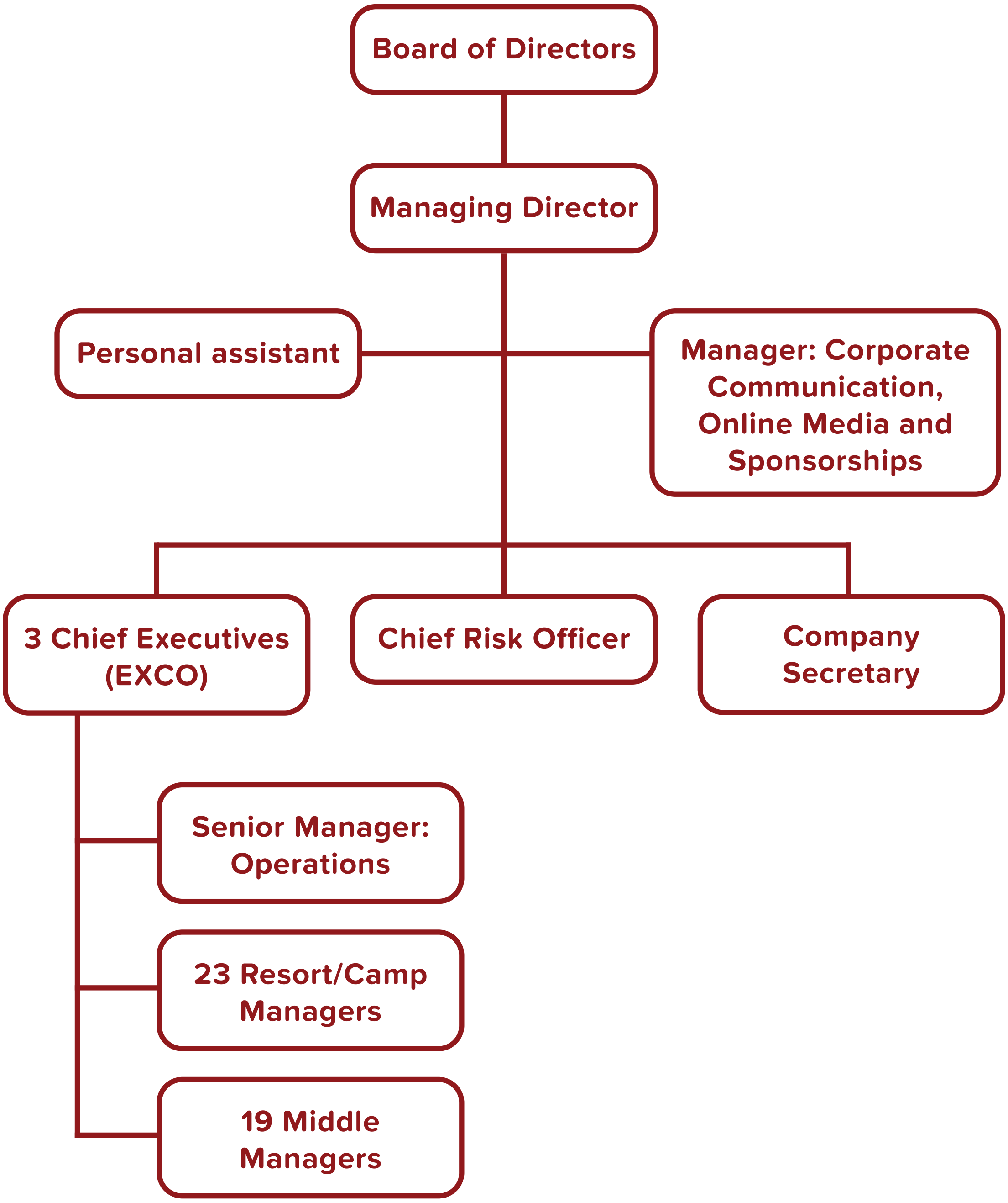
As can be seen from the graph, there has been a significant increase in the number of guests from Europe, the rest of the world, and the Americas. European travellers here include Germany which is a key international market for Namibia and NWR. Our strategy in the next financial year is tap into other markets that NWR has not reached as of yet

NWR, through its commitment, takes tourism to local and international trade shows to market our products and services. NWR, in this regard, attended the Europe Roadshow to capture the international markets. This tour involved five European countries.

Our Staff, Our Assets

Workforce and structure overview

The present governance and management structure at board, EXCO and middle management levels, is as per the figure below:



Employee Care and Development

At NWR, we recognise that our employees are our most important asset and we are committed to their growth and development.

Our employees demonstrated exceptional commitment and courage during this challenging time, ensuring the sustainability of NWR by delivering service excellence and transforming their work practices. We invested in talent development programmes, such as the Management Development Program (MDP) for middle managers, which was a resounding success. The MDP comprised 25 middle managers from various departments at Gross Barmen, who were grouped into three teams to develop tangible value propositions that would increase and improve NWR's revenue stream in 2023.

We also continued to invest in our NWR Hospitality Institute (Hi), which provides training for apprenticeships and TVET students at our Gross Barmen and Khorixas resorts. This investment ensures that the required skills are harnessed for the tourism and hospitality sector, and more specifically, for our organisation's business continuity in terms of human capital skills development.

In regards to compliance, NWR continued to comply with the Affirmative Action (Employment) Act (No. 29 of 1998) requirements. We ensured that all our policies and practices were aligned with affirmative action requirements and guidelines, and we consistently implemented our current three-year Employment Equity Plan (2021–2023). In 2022, we met or exceeded our employment equity targets in several instances.

We implemented a performance management system using the balanced scorecard (BSC) approach to ensure high performance and accountability. All Senior Management Team (EXCO), Resort Management and Middle Management employees signed individual performance agreements, and quarterly performance review sessions were conducted throughout the organisation.

To support the well-being of our employees, we initiated wellness programmes geared toward their responsive needs. These programmes included access to medical benefits and sessions with the wellness team, which provided personal advice on financial management, retirement planning, and healthy lifestyle practices.

Looking ahead, our focus for the coming year will be to align our organisational structure with our future strategic direction and build a diverse, equitable, and inclusive workforce. We will also capacitate our employees to fortify high-quality customer service and culinary arts to provide service excellence to our esteemed customers. Our final focus area will be on a culture change initiative that drives ethics and employee morale, enhancing performance and productivity to maintain NWR's status as the employer of choice in the hospitality and tourism sector in Namibia and beyond.

NWR Hi

The NWR Hospitality Institute (NWR Hi) was founded to ensure long-term talent development for sustainable organisational success. In addition, the main NWR founding business activities as per section 6 of Namibia Wildlife Resort Act (Act 3 of 1998) makes provision for promoting and encouraging training and research with a view to increase productivity in wildlife resorts service. The strategy of the institute further supports The Harambee Prosperity Plan [HPP] which is a targeted Action Plan to accelerate development in clearly defined priority areas, which lay the basis for attaining prosperity in Namibia. It aims to improve performance and service delivery through competence training under the first pillar of HPP "Effective Governance".

The NWR Hi educational promises include:

- Upholding a critical thinking teaching methodology
- Enriching the national curriculum
- Delivering industry specialisation standards
- Effectively integrating theoretical and practical learning competence
- Integrating the digital education curriculum and upskilling collaboration.

Corporate Social Responsibility

Giving back to the nation

Being a major player in the economy, NWR is at the forefront of ensuring giving back to the community. NWR takes great pride in Social Investment. As a leading provider of hospitality services in Namibia, it is our responsibility to play a critical role in improving the quality of life for Namibia's previously underprivileged communities.

Giving hope to the girl child

Menstruation shouldn't get in the way of the girl child. In collaboration with the University of Namibia's 4th year law students, NWR launched an initiative to provide dignity pads to school girls in the Hardap Region.

This project was done to curb the high rates of menstruation-related absenteeism among junior and senior high schools in deprived communities. Pads to the value of N$ 30 000 were distributed.

Giving hope through sports

Sport could be a potent vehicle for individuals to help them escape the poverty trap. Unfortunately, often confronted with the lack of adequate opportunities, individuals suffering from poverty only sometimes have the chance to practise sports.

NWR is proud to be affiliated with the Namibia Annual Sports Awards.

Internship programmes

Over the years, NWR has offered internship programmes, and for the year 2022, NWR took in around 100 interns from different institutions. This programme allows students and recent graduates to gain real-world work experience in the tourism industry. Internships range in duration and are typically assigned based on the student/graduate's field of study.

NWR is also in the process of starting a gardens project for different schools in Namibia, particularly the schools' neighbouring facilities where they operate. This programme aims to assist the government in its school feeding programme, and we hope it will develop into something big and sustainable.

Responsible Tourism

Namibia is an incredible destination for responsible tourism. It is a country with a wealth of wildlife, stunning landscapes, and vibrant cultures. The Namibian government is committed to promoting responsible tourism and protecting the environment for future generations. The Ministry of Environment and Tourism has implemented a number of initiatives to support responsible tourism, such as the Responsible Tourism Charter and the Responsible Tourism Guidelines. These initiatives are designed to ensure that visitors respect the local culture and environment, while also enjoying the amazing experiences that Namibia has to offer.

Namibia also has several projects and programmes in place to promote responsible tourism. The Namibia Tourism Board (NTB) runs a number of campaigns to promote responsible tourism, such as the 'Be Responsible' campaign and the 'Responsible Tourism Award'. The NTB also works with local communities to ensure that tourism benefits local economies and that visitors respect local culture and customs.

Namibia is also taking steps to reduce its carbon footprint and promote sustainable development. The government has committed to investing in renewable energy sources, such as solar and wind energy, and is working to improve energy consumption efficiency. The country has also implemented measures to reduce the amount of waste produced by tourists, such as promoting the use of reusable water bottles and encouraging visitors to reduce their water consumption.

Our Stakeholders

At Namibia Wildlife Resorts Limited, we recognise the importance of stakeholder engagement in achieving our mission of promoting Namibia's tourism industry while preserving the country's natural resources. Throughout the financial year 2021-22, we conducted various stakeholder engagement activities to ensure that we continue to meet the needs of our stakeholders.

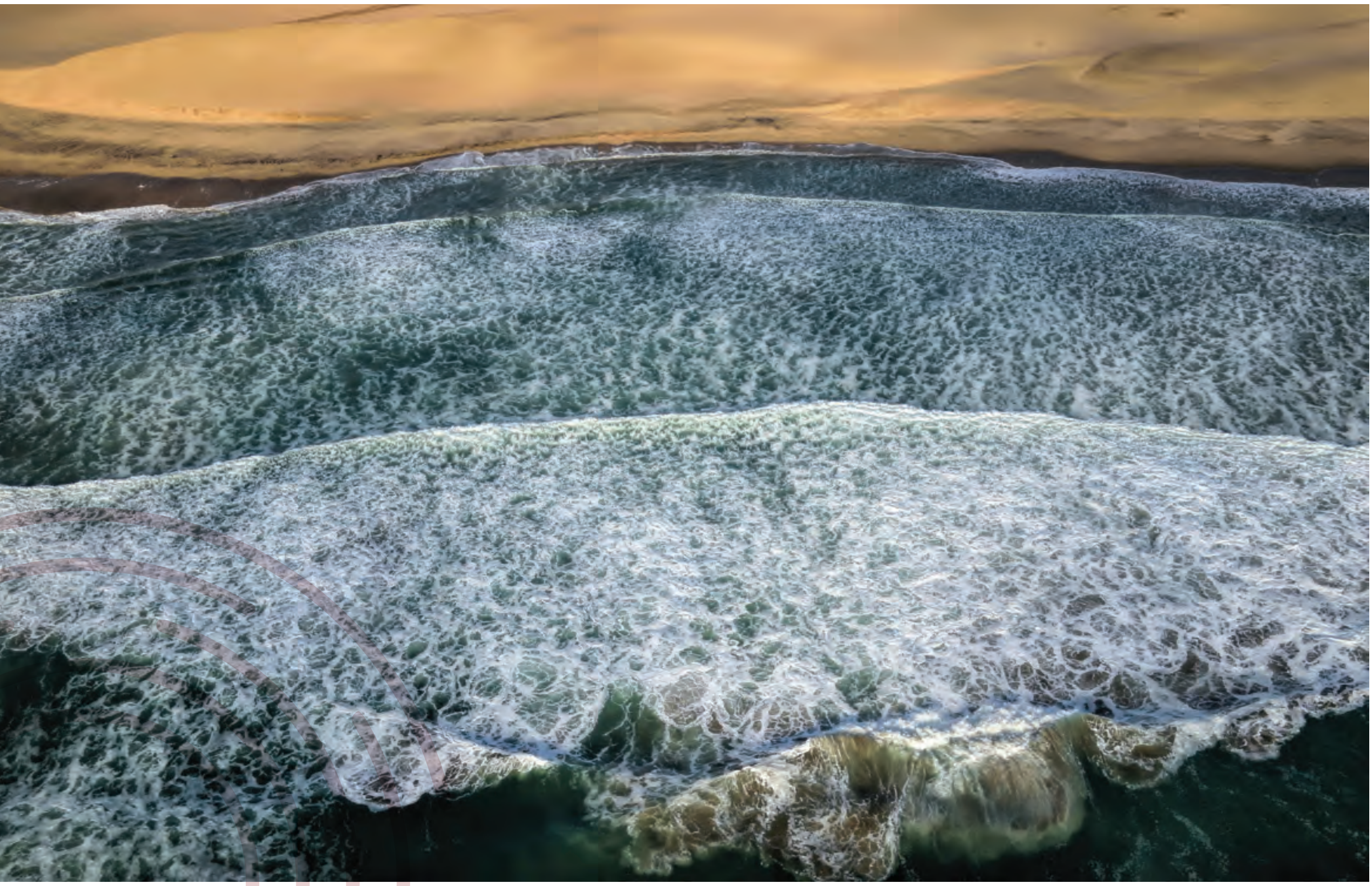
One of our significant engagements during the year was meeting with newly appointed diplomats posted to different missions around the world. We took this opportunity to showcase Namibia's unique tourism attractions, highlighting our accommodation facilities and services. We also discussed our conservation efforts and how we contribute to the country's sustainable tourism practices.

We also held our Annual Tour Operators meeting, which allowed us to receive feedback from tour operators about our services. This feedback is crucial as it helps us to identify areas where we need to improve our services and products. We take this feedback seriously and use it to enhance our customer experience and satisfaction.

The Managing Director had quarterly meetings with the Ministry of Environment, Forestry and Tourism, where we discussed our progress, challenges, and future plans. These meetings were vital in ensuring that we align our activities with the government's policies and priorities.

In addition to these engagements, the media played a pivotal role in ensuring that news and updates about Namibia Wildlife Resorts Limited were disseminated to the public. We regularly provided the media with updates on our new projects, events, and any other relevant news. This helped us to create awareness about our brand and to reach a broader audience.

We appreciate the invaluable support of our stakeholders, and we remain committed to engaging with them regularly to ensure that we continue to deliver world-class services and products. We will continue to seek feedback from our stakeholders and use it to improve our operations and contribute to Namibia's tourism industry's growth and development.



Continuing the COVID-19 recovery

One of our main future priorities is to revamp, renovate and maintain most of our resorts to ensure they meet the highest standards of comfort and luxury. We recognise that our guests have high expectations when it comes to accommodation, and we are committed to exceeding those expectations at every opportunity. To achieve this goal, we will be investing in upgrades to our existing properties and exploring new opportunities for expansion.

In addition to revamping our resorts, we will also be updating our menus with the assistance of leading hospitality institutes. We understand that food is a key component of any memorable travel experience, and we are committed to offering the very best in culinary delights to our guests. By working with top chefs and culinary experts, we hope to create menus that showcase the best of Namibian cuisine, while also incorporating international flavours and trends.

Of course, our ultimate goal is to enhance the customer experience at every touchpoint. Whether our guests are enjoying a meal at one of our restaurants, taking a guided tour of the surrounding wildlife, or simply relaxing in their rooms, we want to ensure that they feel valued and cared for every step of the way. To achieve this goal, we will be investing in staff training programmes, implementing new technologies, and creating more opportunities for guest feedback and engagement.

Finally, with the refinement of our strategic plan, we are excited to announce that NWR will be recategorising most of our resorts to offer high-quality service. Our strategy sets out a sharpened strategic positioning of NWR which aims to grow the business and ensure profitability and financial sustainability. A sharpened focus on the unique requirements of each segment, with each resort in its portfolio distinctly positioned as premier lodge, leisure resort, conference and events resort, and camping sites. A clear and distinct market positioning, product offering and pricing approach to each of these categories, supported by a unique value proposition for each individual resort. We believe that our guests deserve nothing but the best, and we are committed to providing it. By offering a range of high-end accommodations and amenities, we hope to become the go-to destination for luxury travel in Namibia.

In conclusion, we are confident that these future plans will help us achieve our goals of providing exceptional experiences for our guests, while also preserving the natural beauty of Namibia. We look forward to welcoming visitors from around the world to experience the magic of NWR in the years to come.

Compliance and Audit

Governance of Risk – Creating a Risk Management Culture

The Board, through the Finance, Risk and Audit Committee, continued to protect existing value and create new value through oversight over the management of risk and opportunity recognition. The reporting of risk management to the board improved, while the risk culture was also enhanced.

Risk management had become entrenched as a strategic outcome with an account of the activities undertaken during the year to further reinforce and embed a positive risk culture throughout the organisation.

All the organisation's departments and resorts have their own Risk Registers in place and appointed Risk Champions that were trained to assist Risk Owners in managing risk within their business units. Constant Risk Management Awareness were done via the organization's internal communication platforms. The top ten risk register was drafted and implemented for EXCO to manage, mitigate and monitor the top key organisation risk.

Internal Auditing – Internal Controls

The Board of Directors bears overall responsibility for the organisation's system of internal controls and is accountable for reviewing their effectiveness through, amongst others, the Internal Audit Department. Internal controls are designed to manage risks within the organisation rather than to eliminate the potential failure to achieving the organisation's objectives. The internal auditing function can only provide reasonable, rather than absolute, assurance. As a consequence, the board is extremely conscious of the importance of the organisation's system of internal controls and priorities monitoring effectiveness and development in line with the best practice.

The Finance, Risk and Audit Committee exercises oversight over the internal audit function of the organisation. NWR has an independent Internal Audit Department that reports directly to the Finance, Risk and Audit Committee. The Chief Risk, Compliance and Internal Audit (CRCIA) officer reports functionary to the chairperson of the Finance, Risk and Audit Committee and administratively to the Managing Director. The CRCIA have unrestricted access to the Chairperson of the committee. In line with sound governance best practice, the Internal Audit Department continues to provide objective and relevant assurance to the Board, through the Finance, Risk and Audit Committee, that the organisation's risk management, governance and internal control processes are operating effectively.

Internal audit reports for the 2021/2022 financial year showed that there were few identified shortcomings in the internal control systems of the organisation and such have been attended to by management upon identification. The purpose of identifying control weaknesses for corrective action will serve to enhance and improve the effectiveness of internal control systems and the control environment at large All the control weaknesses identified by internal and external audits are reported to the Finance, Risk and Audit Committee and tracked for resolution. The tracking reports are part of the quarterly reports presented to the Finance, Risk and Audit Committee by the Internal Audit Department. The annual Internal Audit Plan is based on the risk-based method in line with the Institute of Internal Auditor's International Standards for Professional Practice for Internal Auditing (IIA Standards). Informing the Internal Audit Plan are the significant risks identified and/or extracted from the organisation's risks identified as well as the inputs by executive management and the Finance, Risk and Audit Committee.

The NWR continued to apply the combined assurance Model, on providing holistic assurance to the board on the effectiveness of risk management and internal control systems by co-ordinating assurance activities from various sources of assurance. The model is built on the following three lines of defence:

- First line of defence: Risk owners/Management responsible for ensuring the management of the risk. This line of defence has direct involvement, as the executing leg, and therefore offers broader assurance coverage. Management is the first line of defence.
- Second line of defence: Independent assurance providers' activities/functions such as internal audit.
- Third line of defence: External assurance providers such as external auditors and valuators.

Audit cure rate
All the control weaknesses identified by internal and external audits are reported to management as well as the Finance, Risk and Audit Committee, and tracked for resolution (cure rate). The cure rate is a quantified yardstick to assess the resolution of audit findings and risks identified. A corporate cure rate of 65% was achieved for the year.

Compliance Risk Management
The Board through its Finance, Risk and Audit Committee implemented a Compliance Risk Management policy for the organisation during the financial year under review. The policy was drafted in line with the Compliance Institute of Southern Africa' (CISA's) framework. The aim of the Compliance Risk Management policy is to ensure that management takes responsibility and accountability for all issues of compliance within the organisation and makes sure that related compliance and regulatory risk are being managed, monitored and mitigated by all responsible employees and management across the entire organisation. A Compliance Risk Register has been formulated accordingly.

Adding Value to our Service

We are pleased to present the Annual Report for the Financial Year 2021-2022 for our company, highlighting our commitment to providing an updated new look and value for money to our clients.

As a company, we understand the importance of meeting the changing needs and expectations of our clients. Therefore, in the financial year 2021-2022, we focused on revamping our facilities to provide a modern and updated look while ensuring that our services continue to offer excellent value for money. Through our major renovation initiative, we invested more than **N$ 16** million to modernise and update our aging infrastructure. This initiative involved renovating most of our resorts, including Onkoshi and Sossus Dune Lodge, where we completely changed the decks and roofing types. We also refurbished other resorts such as Ai-Ais, Waterberg, and Hardap Dam Resort. These renovations have not only improved the overall look and feel of our facilities, but they have also enhanced the customer experience by providing more comfortable and enjoyable accommodations.

In addition to the renovation initiative, we also introduced new value-added services to provide our clients with more value for their money. For instance, we expanded our range of activities and tours, giving our guests more opportunities to explore and discover the beauty of Namibia. We also improved our food and beverage offerings, ensuring that our clients have access to quality meals at affordable prices.

Furthermore, we invested in our staff to ensure that they continue to provide excellent customer service. We provided them with additional training to enhance their skills and improve their overall performance. Our staff members are the backbone of our business, and we believe that investing in them is crucial to our success.

Overall, we are proud of the progress we have made in the financial year 2021-2022. Our commitment to providing an updated new look and value for money to our clients has resulted in improved facilities, expanded services, and excellent customer service. We believe that these initiatives have helped us to better meet the needs and expectations of our clients and position us for continued success in the future.

Namibia Wildlife Resorts Limited

(Registration number 99/001)

ANNUAL FINANCIAL STATEMENTS

for the year ended 31 October 2022

General Information

Country of incorporation and domicile	Namibia
Nature of business and principal activities	Conduct wildlife resort and related hospitality services, as mandated by the Namibia Wildlife Resorts Company Act (Act No.3 of 1998)
Directors	Ambassador H. /Urib (Chairperson) B. Tjizumaue (Deputy Chariperson) Dr. M.M. Ngwangwama (Managing Director) C. Coetzee E. Kavita S. Januarie Z.Y. Nambahu
Registered office	Gathemann Building, Independence Avenue Windhoek, Namibia
Business address	Gathemann Building, Independence Avenue Windhoek , Namibia
Postal address	Private Bag 13378, Windhoek, Namibia
Sole sharehoder	Government of the Republic of Namibia
Bankers	First National Bank of Namibia Standard Bank Namibia Nampost
Auditors	PKF-FCS Auditors Registered Accountants and Auditors Chartered Accountants (Namibia)
Secretary	Elsa Porfirio
Legal advisors	GF Kopplinger Legal Practitioners
Company registration number	99/001

CONTENTS

The following supplementary information does not form part of the annual financial statements and is unaudited:

Directors' Responsibilities and Approval

The directors are responsible for the preparation of the annual financial statements of Namibia Wildlife Resorts Limited, comprising of the statement of financial position at 31 October 2022, the statements of comprehensive income, changes in equity and cash flows for the year then ended, significant accounting policies, notes to the financial statements and the directors' report.

The directors are required in terms of the Namibian Companies Act 28 of 2004, as amended 2007 and Namibia wildllife Resort Company Act (Act No 3 of 1998) to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual 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 judgements and estimates.

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

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

The directors have reviewed the company’s cash flow forecast for the year to 31 October 2023 together with the Government Grant awarded as per the Minister of Finance budget speech for the 2023 /2024 National Budget and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 38 to 39.

The annual financial statements set out on pages 40 to 100, which have been prepared on the going concern basis, were approved by the board of directors on 4 April 2023 and were signed on their behalf by:

Approval of financial statements

Ambassador H. /Urib (Chairperson)

Dr. M.M. Ngwangwama (Managing Director)

4 April 2023

Windhoek

PKF FCS Auditors

Member Practice: 20601

Partners:
J.P. Kouwenhoven
Jeanine Du Toit
Patterson Tjipueja
Uwe Wolff

128 6th Street, P.O. Box 4440, Walvis Bay
+264 64 215 100 | auditorswvb@pkf-fcs.com

3 Kerby Street, P.O. Box 9779, Windhoek
+264 61 387 800 I auditorswhk@pkf-fcs.com

pkf.com; fcsnam.com

Independent Auditor's Report

To the Shareholder of Namibia Wildlife Resorts Limited

Opinion

We have audited the annual financial statements of Namibia Wildlife Resorts Limited (the company) set out on pages 40 to 95, which comprise the statement of financial position as at 31 October 2022, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies and the directors' report

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Namibia Wildlife Resorts Limited as at 31 October 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Namibian Companies Act 28 of 2004, as amended 2007.

Basis for Opinion

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Namibia Wildlife Resort Limited annual financial statements for the year ended 31 October 2022", which includes the supplementary information (detailed income statement and schedule of properties) as set out on pages 96 to 100. The other information does not include the annual financial statements and our auditor's report thereon.

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

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this audit report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Namibian Companies Act 28 of 2004, as amended 2007, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

PKF-FCS Auditors
Registered Accountants and Auditors
Chartered Accountants (Namibia)

Per: U Wolff
Partner

21 April 2023
Windhoek

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Namibia Wildlife Resorts Limited for the year ended 31 October 2022.

1. Incorporation

The company was incorporated on 01 January 1999 and obtained its certificate to commence business on the same day. The company is domiciled in Namibia where it is incorporated as a company limited by shares under the Namibian Companies Act 28 of 2004, as amended 2007. The address of the registered office is set out on page 34.

2. Nature of business

Namibia Wildlife Resorts Limited was incorporated in Namibia with interests in conducting wildlife resort and related hospitality services, as mandated through the Namibia Wildlife Resorts Company Act (Act No.3 of 1998). The company operates in Namibia

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

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Namibian Companies Act 28 of 2004, as amended 2007. The accounting policies have been applied consistently compared to the prior year, except for the adoption of new or revised accounting standards as set out in note 2.

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

4. Share capital

			2022	2021
Authorised			**Number of shares**	
Ordinary shares @ N$ 1.00 each			150,000,000	150,000,000
	2022	**2021**	**2022**	**2021**
Issued	**N$**	**N$**	**Number of shares**	
Ordinary shares @ N$ 1.00 each	100,006,000	100,006,000	100,006,000	100,006,000

There have been no changes to the authorised or issued share capital during the year under review (refer to note 12 to the annual financial statements for details).

5. Dividends

Given the current state of the global economic environment, the board of directors believes that it would be more appropriate for the company to conserve cash and maintain adequate debt headroom to ensure that the company is best placed to withstand any prolonged adverse economic conditions. Therefore the board of directors has resolved not to declare a dividend for the financial year ended 31 October 2022.

The board of directors do not recommend the declaration of a dividend for the year (2021:NIL).

6. Directorate

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

Directors	Nationality	Changes
Ambassador H. /Urib (Chairperson)	Namibian	Appointed 14 March 2023
Ambassador L.N. Iipumbu (Chairperson)	Namibian	Resigned 14 March 2023
B. Tjizumaue (Deputy Chariperson)	Namibian	Appointed 14 March 2023
J.A. Wilson-Moore (Deputy Chairperson)	Namibian	Resigned 14 March 2023
Dr. M.M. Ngwangwama (Managing Director)	Namibian	
R. Putter (Audit and Risk Committee Chairperson)	Namibian	Resigned 14 March 2023
B.T. Schneider	Namibian	Resigned 14 March 2023
C.R. Williams	Namibian	Resigned 14 March 2023
E.R. Petersen	Namibian	Resigned 14 March 2023
E.S. Shifotoka	Namibian	Resigned 14 March 2023
C. Coetzee	Namibian	Appointed 14 March 2023
E. Kavita	Namibian	Appointed 14 March 2023
S. Januarie	Namibian	Appointed 14 March 2023
Z.Y. Nambahu	Namibian	Appointed 14 March 2023

Directors, other than the managing director, were appointed on 15 June 2019 for a further 3 year term, which ended 15 June 2022.

The term of the outgoing directorate has been extended twice by the Minister of Finance and now ends at 14 March 2023.

7. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company.

8. Property, plant and equipment

At 31 October 2022 the company's investment in property, plant and equipment amounted to N$579,522,289 (2021: N$ 609,440,071), of which N$6,538,850 (N$4,488,358) was added in the current year through additions.

As at 31 October 2022 and 31 October 2021, the company's investment in investment property amounted to N$9,670,294 (2021: N$9,869,340), and the property amounting to N$ NIL (2021: N$187,000) was disposed for the year ended 2022.

9. Shareholder

The company's shareholder is the Government of the Republic of Namibia.

10. Events after the reporting period

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

Subsequent to year end, the board of directors were informed that NamRA waived / reversed / wrote off all interest and penalties due to NamRA in accordance with the tax amnesty / modified electronic filing tax relief program at 4 April 2023 – refer to note 19 to the annual financial statements for details.

11. Going concern

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

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

Please refer to note 32 for the disclosure regarding the going concern.

12. Litigation statement

The company becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business.

Refer to note 29, Contingent Liabilities for a brief description of the most significant matters.

13. Secretary

The company secretary position is held by Elsa Porfirio.

Postal address: Private Bag 13378, Windhoek, Namibia
Business address: Gathemann Building, 344 Independence Avenue, Windhoek, Namibia

14. Statement of disclosure to the company's auditors

With respect to each person who is a director on the day that this report is approved:

- there is, so far as the person is aware, no relevant audit information of which the company's auditors are unaware; and
- the person has taken all the steps that he/she ought to have taken as a director to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

15. Auditor

PKF-FCS Auditors were re-appointed as the auditors for the company for 2022 at the AGM in April 2022.

16. Public Private Partnership agreements

The company has commenced action to review certain agreements signed with Sun Karros. The action is based on the signature of the agreements being done without following due Board approval processes, and to address concepts within the agreements that are vague. The outcome of the action relates to future profits, and is targeted to be beneficial for both parties.

These joint venture type of agrreements relate to property developments, shared responsibilities, obligations and profits. Refer to note 29 on Contingent Liabilities in these financial statements.

Statement of Financial Position as at 31 October 2022

Figures in Namibia Dollar	Note(s)	2022	2021

Assets

Non-Current Assets			
Property, plant and equipment	4	579,522,289	609,440,071
Right-of-use assets	6	14,032,386	17,463,205
Investment property	5	9,670,294	9,869,340
Lease income in advance	7	55,776,374	52,066,268
		659,001,343	**688,838,884**
Current Assets			
Inventories	8	4,771,075	3,795,285
Trade and other receivables	9	10,087,102	12,529,035
Property held for disposal	10	-	187,000
Cash and cash equivalents	11	93,776,253	34,429,559
		108,634,430	**50,940,879**
Total Assets		**767,635,773**	**739,779,763**

Equity and Liabilities

Equity			
Share capital	12	1,122,863,662	1,122,863,662
Capital contribution	13	358,125,000	103,645,002
Accumulated loss		(947,281,728)	(911,557,918)
		533,706,934	**314,950,746**

Liabilities

Non-Current Liabilities			
Development Bank of Namibia (DBN) loan	14	44,826,160	67,581,204
Lease liabilities	6	12,131,623	13,469,071
Grant liability	16	4,861,782	5,137,842
Severance pay provision	17	6,268,000	6,915,828
Trade and other payables	19	-	77,703,324
		68,087,565	**170,807,269**
Current Liabilities			
Trade and other payables	19	68,002,146	58,724,384
Development Bank of Namibia (DBN) loan	14	27,897,545	28,583,896
First National Bank of Namibia (FNB) loan	15	-	80,000,000
Lease liabilities	6	5,724,642	8,156,909
Contract liability	20	64,216,942	65,017,353
Bank overdraft	11	-	13,539,206
		165,841,275	**254,021,748**

Total Liabilities	**233,928,840**	**424,829,017**
Total Equity and Liabilities	**767,635,773**	**739,779,763**

Statement of Profit or Loss and Other Comprehensive Income

Figures in Namibia Dollar	Note(s)	2022	2021
Revenue from contracts with customers and other sources of revenue	21	294,309,347	169,327,995
Cost of sales	22	(41,959,514)	(24,955,654)
Gross profit		**252,349,833**	**144,372,341**
Other operating gains		356,347	127,351
Other operating expenses		(272,716,961)	(221,932,265)
Operating loss	23	**(20,010,781)**	**(77,432,573)**
Investment income	24	1,107,069	606,673
Finance costs	25	(16,148,174)	(18,776,129)
Loss before taxation		**(35,051,886)**	**(95,602,029)**
Taxation	26	-	-
Loss for the year		**(35,051,886)**	**(95,602,029)**
Other comprehensive income / (loss): **Items that will not be reclassified to profit or (loss)**			
Remeasurements on net defined benefit liability/asset		1,598,828	(1,311,080)
Other comprehensive income for the year net of taxation		**1,598,828**	**(1,311,080)**
Total comprehensive loss for the year		**(33,453,058)**	**(96,913,109)**

Statement of Changes in Equity

Figures in Namibia Dollar	Share capital	Share premium	Total share capital	Capital contribution	Accumulated loss	Total equity
Balance at 01 November 2020	**100,006,000**	**1,022,857,662**	**1,122,863,662**	**-**	**(814,644,809)**	**308,218,853**
Loss for the year	-	-	-	-	(95,602,029)	(95,602,029)
Other comprehensive loss					(1,311,080)	(1,311,080)
Total comprehensive Loss for the year					**(96,913,109)**	**(96,913,109)**
Capital contribution	-	-	-	103,645,000	-	103,645,000
Total contributions by and distributions to owners of company recognised directly in equity				**103,645,000**		**103,645,000**
Balance at 01 November 2021	**100,006,000**	**1,022,857,662**	**1,122,863,662**	**103,645,000**	**(911,557,917)**	**314,950,745**
Loss for the year					(35,051,886)	(35,051,886)
Other comprehensive income					1,598,828	1,598,828
Total comprehensive Loss for the year					**(33,453,058)**	**(33,453,058)**
Capital contribution				254,480,000		254,480,000
Prior year OCI movement					(2,270,753)	(2,270,753)
Total contributions by and distributions to owners of company recognised directly in equity				**254,480,000**		**254,480,000**
Balance at 31 October 2022	**100,006,000**	**1,022,857,662**	**1,122,863,662**	**358,125,000**	**(947,281,728)**	**533,706,934**
Note(s)	12	12	12	13		

Statement of Cash Flows

Figures in Namibia Dollar	Note(s)	2022	2021
Cash flows from operating activities			
Cash used in operations	27	(56,411,309)	(107,005,142)
Interest income		1,107,069	606,673
Finance costs		(16,148,174)	(12,722,034)
Net cash from operating activities		**(71,452,414)**	**(119,120,503)**
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(6,538,850)	(4,488,358)
Sale of property, plant and equipment		3,608,275	895,488
Net cash from investing activities		**(2,930,575)**	**(3,592,870)**
Cash flows from financing activities			
Capital contribution	13	252,421,281	103,645,000
Proceeds from FNB loan		-	80,000,000
Repayment of FNB loan		(80,000,000)	-
Repayment DBN Loan		(23,441,395)	-
Payment on lease liabilities		(3,769,715)	(3,282,618)
Net cash from financing activities		**147,268,890**	**180,362,382**
Cash flows from financing activities			
Total cash movement for the year		72,885,901	57,649,008
Cash at the beginning of the year		20,890,352	(36,758,656)
Total cash at end of the year	11	**93,776,253**	**20,890,352**

Accounting Policies

Corporate information

Namibia Wildlife Resorts Limited is a 100% state owned limited company incorporated and domiciled in Namibia, enacted through the Namibia Wildlife Resorts Company Act (Act No 3 of 1998).

1. Significant 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 Namibian Companies Act 28 of 2004, as amended 2007.

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 Dollars, which is the company's functional currency.

These accounting policies are consist with the previous period, except for the adoption of new or revised accounting standards as set out in note 2.

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

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Allowance for slow moving, damaged and obsolete inventory

Management assesses whether inventory is impaired by comparing its cost to its estimated net realisable value. Where an impairment is necessary, inventory items are written down to net realisable value. The write down is included in cost of sales.

Lease classification - As lessor and as lessee

The company is party to leasing arrangements, both as a lessee and as a lessor. The treatment of leasing transactions in the financial statements is mainly determined by whether the lease is considered to be an operating lease or a finance lease. In making this assessment, management considers the substance of the lease, as well as the legal form, and makes a judgement about whether substantially all of the risks and rewards of ownership are transferred.

Critical judgements in determining the lease term - As lessor and as lessee

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option: or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). During the current year, no adjustments were made for potential extension of lease terms.

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee. During the current financial year, no adjustments were required to reflect extension or termination options.

Estimation uncertainty arising from variable lease payments - As lessor

Some property leases contain variable payment terms that are linked to sales or profits generated. Variable lease payments that depend on sales or profits are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

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 company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company'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.

Fair value estimation
The carrying value less impairment provision of trade receivables, and payables, are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

Impairment testing
The company 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.

In accordance with IFRS 9, the company recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date. Refer to note 1.5 for the full description of impairments, including judgements applied in estimating the loss allowance.

Useful lives of property, plant and equipment
Management assess the appropriateness of the useful lives of property and equipment at the end of each reporting period. The useful lives of motor vehicles, furniture and computer equipment are determined based on the company's assessment of useful econcomic life 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.

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.

Provisions
Provisions are inherently based on assumptions and estimates using the best information available. Additional disclosure of these estimates of provisions are included in the financial statements.

Allowance for slow moving, damaged and obsolete inventory
Management assesses whether inventory is impaired by comparing its cost to its estimated net realisable value. Where an impairment is necessary, inventory items are written down to net realisable value. The write down is included in cost of sales.

1.3 Investment property

Cost model
Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Investment property is subsequently carried at cost less accumulated depreciation and impairment losses.

Depreciation is charged to profit or loss using a method that best reflects the pattern in which the economic benefits are consumed by the company. Depreciation is provided to write down the cost, less estimated residual value and useful life of the property, which is as follows:

Item	Useful life
Land	Indefinite
Buildings	45 years

The useful lives of items of investment property are assessed on an annual basis.

1.4 Property, plant and equipment

Property are tangible assets and software which the company holds for its own use which are expected to be used for more than one year.

An item of property is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially recognised 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.

Costs incurred are capitalized to assets under construction, until it is ready for use, at which time it is transferred to property.

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

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

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.

Depreciation of an asset commences when the asset is available for use as intended by management. 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. 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 company. 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 have been assessed as follows, and remain unchanged from the prior period:

Item	Depreciation method	Average useful life
Buildings	Straight line	45 years
Land	N/A	indefinite
Plant and machinery	Straight line	1 to 10 years
Furniture and fixtures	Straight line	5 to 10 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	3 to 12 years
IT equipment	Straight line	3 years
Computer software	Straight line	3 years
Other minor ass	Straight line	5 to 10 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.

1.5 Financial instruments

Financial instruments held by the company are classified in accordance with the provisions of IFRS 9 Financial Instruments. Broadly, the classification possibilities, which are adopted by the company, as applicable, are as follows:

Financial assets which are debt instruments

- Amortised cost.

This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows.

Financial liabilities:

- Amortised cost.

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis.

Note 3 “Financial instruments and risk management” presents the financial instruments held by the company based on their specific classifications.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the company 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 company’s business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognised when the company 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.

Impairment

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

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

Measurement and recognition of expected credit losses

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. Details of the provision matrix is presented in note 9.

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 company 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 company recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Any gains or losses arising on the derecognition of trade and other receivables is included in profit or loss in the derecognition gains (losses) on financial assets at amortised cost line item.

Loans and borrowings

Classification
Borrowings are classified financial liabilitiies at amortised cost.

Recognition and measurement
Borrowings and loans from related parties are recognised when the company 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.

Borrowings expose the company to liquidity risk and interest rate risk. Refer to note 3 for details of risk exposure and management thereof.

Borrowings and loans from related parties

Classification
Loans from related parties, loans from shareholders and borrowings are classified as financial liabilities subsequently measured at amortised cost.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs.

Derecognition
Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Trade and other payables

Classification
Trade and other payables - short term, excluding VAT and amounts received in advance, are classified as financial liabilities at amortised cost, using the effective interest method.

Recognition and measurement
They are recognised when the company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

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.

Derecognition
Refer to the “derecognition” section of the accounting policy for the policies and processes related to derecognition.

Risk
Trade and other payables expose the company to liquidity risk and possibly to interest rate risk. Refer to note 3 for details of risk exposure and management thereof.

Fair value of trade and other payables
The fair value of trade and other payables approximates their carrying amounts.

Cash and cash equivalents
Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Cash and cash equivalents are classified as financial assets at amortised cost.

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially recognised at fair value and subsequently at amortised cost.

Bank overdrafts
Bank overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

Bank overdrafts are classified as financial liabilities at amortised cost.

Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the company's accounting policy for borrowing costs.

Derecognition

Financial assets
The company 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 company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities
The company derecognises financial liabilities when, and only when, the company obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Reclassification

Financial assets
The company only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities
Financial liabilities are not reclassified.

1.6 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.7 Leases

The company 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 company 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.

Company 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 company is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the company recognises the lease payments as an operating expense 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).

However as an exception to the preceding paragraph, the company has elected not to separate the non-lease components for leases of land and buildings.

Details of leasing arrangements where the company is a lessee are presented in note 6 Leases (company as lessee).

Lease liability

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 date;
- the amount expected to be payable by the company under residual value guarantees;
- the exercise price of purchase options, if the company is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the company 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.

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 company remeasures the lease liability, when applicable, in accordance with the following table:

Lease liability remeasurement scenario	Lease liability remeasurement methodology
Change to the lease term.	• discounting the revised lease payments using a revised discount rate.
Change in the assessment of whether the company will exercise a purchase, termination or extension option.	• discounting the revised lease payments using a revised discount rate.
Change to the lease payments as a result of a change in an index or a rate.	• 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).
Change in expected payment under a residual value guarantee.	• discounting the revised lease payments using the initial discount rate.
Lease contract has been modified and the lease modification is not accounted for as a separate lease.	• discounting the revised payments using a revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-ofuse 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

Lease payments included in the measurement of the lease liability 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;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the company incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

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 transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the company 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 presented in the following table:

Item	Average useful life
Solar plant	15 years
Buildings	45 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 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.

Company as lessor

Leases for which the company 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.

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 form 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.

Finance leases

Amounts due from lessees are recognised from commencement date at an amount equal to the company net investment in the lease. They are presented as lease income in advance on the statement of financial position.

The interest rate implicit in the lease is used to meausure the net investment in the lease.

The interest rate implicit in the lease is defined in a manner which causes the initial direct costs to be included in the initial measurement of the net investment in the lease.

Lease payments included in the measurement of the net investment in the lease comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives payable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be receivable by the company from the lessee, a party related to the lessee or a third party unrelated to the company under residual value guarantees (to the extent of third parties, this amount is only included if the party is financially capable of discharging the obligations under the guarantee);
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the option;
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

The company recognises finance income over the lease term, based on a pattern that reflects a constant periodic rate of return on the net investment in the lease. Finance income recognised on finance leases is included in investment income in profit or loss.

The company applies the impairment provisions of IFRS 9 to lease receivables. Refer to the accounting policy for trade and other receivables as lease receivables are impaired on a consistent basis with that accounting policy.

1.8 Inventories

Inventories are measured at the lower of cost and net realisable value on the weighted average basis.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.9 Impairment of non-financial assets

The company 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 company estimates the recoverable amount.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If not posssible to 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 units is 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.

An entity assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amount of those assets are estimated.

The increased carrying amount of an asset other than goodwill 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 the prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss.

1.10 Impairment of assets

The company 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 company 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.

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.

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.

An impairment loss of assets carried 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.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss.

1.11 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are classified as equity.

Ordinary shares are recognised at par value and classified as ‘share capital’ in equity. Any amounts received from the issue of shares in excess of par value is classified as ‘share premium’ in equity. Dividends are recognised as a liability in the company in which they are declared.

1.12 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 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.

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

Payments made to industry-managed (or state plans) retirement benefit schemes (i.e. GIPF) are dealt with as defined contribution plans where the company's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

In either case, where employees have elected to participate in a pension plan, they contribute 7% (2021: 7%) of basic salary, and the employer contributes 16% (2021: 16%) of basic salary (or, where applicable, the entire contribution of 23% (2021:23%) is funded out of the total cost to company).

Participation in state pension plan
Contributions to the Government Institution Pension Fund (GIPF) are accounted for as contribution to a multi-employer plan. As sufficient information is not available to use defined benefit accounting for this multi-employer defined benefit plan, the company accounts for the pension benefits for those staff on this plan, as a defined contribution plan.

The company is not required to guarantee and fund any benefit fund shortages which might accrue on resignation, retirement or death of an employee who is a member of Government Institutions Pension Fund, nor does the company have an allocation of surplus/deficit on winding up of the fund or exiting the fund.

Severance pay provision

The severance pay provision is determined using the projected unit credit method.

Actuarial valuations are conducted every 2 years by independent actuaries.

Income and service cost are recognised in profit or loss on the year in which they occur.

Actuarial gains and losses are recognised in the year in which they arise, in other comprehensive income.

The amount recognised in the statement of financial position represents the present value of the severance pay obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs.

1.13 Provisions and contingencies

Provisions are recognised when:
- the company 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 entity 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 losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:
- has a detailed formal plan for the restructuring, identifying at least:
  - the business or part of a business concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for terminating their services;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 30.

1.14 Revenue

Turnover
Turnover comprises of sales to customers and service rendered to customers. Turnover is stated at the invoice amount and is exclusive of value added taxation.

Revenue
Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and value added tax.

Revenue comprises revenue from contracts with customers and other income.

Revenue from contracts with customers
- The company earns revenue in the form of accommodation related services, banqueting and venue hire, and sundry revenues.
- Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.
- Rooms revenue is recognised over time due to the nature of accommodation being consumed by customers over a period of time. The customer simultaneously receives and consumes the benefits provided as a provision of a room is made to the customer.
- Revenue from food, beverage, activities such as game drives and tourist shop sales is recognised at a point in time.
- Banqueting, venue hire and hotel sundry revenues are recognised over time as the customer receives and consumes the economic benefits.
- No element of financing is deemed present as the sales customer payments are generally made in cash received in advance, or at the time the performance obligation is fulfilled, or negotiated credit terms of 30 days. The company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. The company does not have significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers as the revenues mentioned above are all based on standalone selling prices and pre-determined settlement dates.

The company's Namleasure card allows our guests to enjoy discounts as and when they use the card. There is no element of deferring sales/points to be redeemed on future transactions. Revenue from the sale of Namleisure cards are recognised over the period of validity (one year) of the card. Revenue from the sale of these discount cards, has been included as other revenue as it do not represent a material revenue stream for the company.

1.15 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in cost of sales in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in in cost of sales the period in which the reversal occurs.

1.16 Borrowing costs

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

1.17 Contribution from shareholder

Government contributions are recognised as capital contributions from the shareholder in the statement of changes in equity and forms part of equity. If shares are issued to the Government of the Republic of Namibia, in return for these contributions received, then the equivalent amount is transferred from contributions to issued share capital, in the statement of changes in equity.

1.18 Contract liabilities

The company derives accommodation revenue over time, and recognises food and beverage revenue at a point in time. The revenue accounting policy is detailed in note 1.14. When the company receives payment in advance, these Advance Deposits are recognised as a liability (contra Notes to the Annual Financial Statements ct liabilities) as disclosedon the face of the balance sheet, until such time as the accommodation and related services are delivered, at which time it is recognised as revenue. Or, if the reservation is cancelled and deposit forfeit rules are applied, then the set percentage forfeiture is recognised as revenue, and the balance refunded.

1.19 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups are classified as held for distribution to owners when the entity is committed to distribute the asset or disposal group to the owners. This condition is regarded as met only when the distribution is highly probable and the asset (or disposal group) is available for immediate distribution in its present condition, provided the distribution is expected to be completed within one year from the classification date.

Non-current assets (or disposal groups) held for sale (distribution to owners) are measured at the lower of their carrying amount and fair value less costs to sell (distribute).

A non-current asset is not depreciated (or amortised) while it is classified as held for sale (held for distribution to owners), or while it is part of a disposal group classified as such.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale (distribution to owners) are recognised in profit or loss.

Notes to the Annual Financial Statements

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 4	01 January 2021	The impact of the amendments is not material.
Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 7	01 January 2021	The impact of the amendments is not material.
Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9	01 January 2021	The impact of the amendments is not material.
Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 16	01 January 2021	The impact of the amendments is not material.
Interest Rate Benchmark Reform - Phase 2: Amendments to IAS 39	01 January 2021	The impact of the amendments is not material.

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 November 2022 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	01 January 2099	Unlikely there will be a material impact
Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2023	Unlikely there will be a material impact
IFRS 17 Insurance Contracts	01 January 2023	Unlikely there will be a material impact
Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1	01 January 2022	Unlikely there will be a material impact
Reference to the Conceptual Framework: Amendments to IFRS 3	01 January 2022	Unlikely there will be a material impact
Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9	01 January 2022	Unlikely there will be a material impact
Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16	01 January 2022	Unlikely there will be a material impact
Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37	01 January 2022	Unlikely there will be a material impact
Annual Improvement to IFRS Standards 2018-2020: Amendments to IAS 41	01 January 2022	Unlikely there will be a material impact

3. Financial instruments and risk management

Overview

The board of directors has overall responsibility for the establishment and oversight of the company's risk management framework. The board has established the risk committee, which is responsible for developing and monitoring the company's risk management policies. The committee reports quarterly to the board of directors on its activities.

The company's risk management policies are established to identify and analyse the risks faced by the company, 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 company's activities.

The company 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 company. 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 Finance, Risk and Audit Committee.

Credit risk

Credit risk for exposures other than those arising on cash and cash equivalents, are managed by making use of credit approvals, limits and monitoring. The company only deals with reputable counterparties with consistent payment histories. Sufficient collateral or guarantees are also obtained when necessary. Each counterparty is analysed individually for creditworthiness before terms and conditions are offered. The analysis involves making use of information submitted by the counterparties. Counterparty credit limits are in place and are reviewed and approved by management. The exposure to credit risk and the creditworthiness of counterparties is continuously monitored.

Credit loss allowances for expected credit losses are recognised for all debt instruments, but excluding those measured at fair value through profit or loss. Credit loss allowances are also recognised for loan commitments and financial guarantee contracts.

In order to calculate credit loss allowances, management determine 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 losses. If not, then the loss allowance is based on 12 month expected credit losses. 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.

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 losses. 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 losses 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 losses 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 losses. Management have chosen as an accounting policy, to make use of lifetime expected credit losses. 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.

Amounts are presented at amortised cost or fair value depending on the accounting treatment of the item presented. The gross carrying amount for debt instruments at fair value through other comprehensive income is equal to the fair value because the credit loss allowance does not reduce the carrying amount. The credit loss allowance is only shown for disclosure purposes.

Debt instruments at fair value through profit or loss do not include a loss allowance. The fair value is therefore equal to the gross carrying amount.

Liquidity risk

The company 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.

The sole shareholder has provided guarantees for the debt of DBN and FNB. The debt of FNB has been fully repaid in the current year under review.

Categories of financial instruments

Categories of financial assets					
2022	**Note(s)**	**Amortised cost**	**Leases**	**Total**	**Fair value**
Trade and other receivables	9	8,625,284	-	8,625,284	8,625,284
Cash and cash equivalents	11	93,776,253	-	93,776,253	93,776,253
Lease income received in advance	7	55,776,374	-	55,776,374	55,776,374
		158,177,911	**-**	**158,177,911**	**158,177,911**

2021	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other receivables	9	10,806,631	-	10,806,631	10,806,631
Cash and cash equivalents	11	34,429,559	-	34,429,559	34,429,559
Lease income in advance	7	52,066,268	-	52,066,268	52,066,268
		97,302,458	**-**	**97,302,458**	**97,302,458**

Categories of financial liabilities					
2022	**Note(s)**	**Amortised cost**	**Leases**	**Total**	**Fair value**
Trade and other payables	19	29,113,004	-	29,113,004	29,113,004
Borrowings	14	72,723,705	-	72,723,705	72,723,705
Lease liabilities	6	-	17,856,265	17,856,265	17,856,265
Contract liability	20	64,216,942	-	69,216,942	69,216,942
		166,053,651	**17,856,265**	**183,909,916**	**183,909,916**

2021	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other payables - long term	19	77,701,324	-	77,701,324	77,701,324
Trade and other payables - short term	19	42,768,411	-	42,768,411	42,768,411
Lease liabilities	14	-	21,625,980	21,625,980	21,625,980
Development Bank of Namibia (DBN) loan	6	96,165,100	-	96,165,100	96,165,100
Contract liability	20	65,017,353	-	65,017,353	65,017,353
Other financial liabilities at amortised cost - FNB Loan	15	80,000,000	-	80,000,000	80,000,000
Bank overdraft	11	13,539,207	-	13,539,207	13,539,207
		375,193,395	**21,625,980**	**396,819,375**	**396,819,375**

Pre tax gains and losses on financial instruments

Gains and losses on financial assets

	Note(s)	Amortised cost	Total
2022			
Recognised in profit or loss:			
Interest income	25	1,107,069	1,107,069
Increase in credit loss allowance	9	(3,947,885)	(3,947,885)
Net gains (losses)		**(2,840,816)**	**(2,840,816)**
2021			
Recognised in profit or loss:			
Interest income	25	606,673	606,673
Decrease in credit loss allowance	9	15,003,260	15,003,260
Net gains (losses)		**15,609,933**	**15,609,933**

Gains and losses on financial liabilities

2022

Recognised in profit or loss:			
Finance costs	26	(16,148,174)	(16,148,174)

2021

Recognised in profit or loss:			
Finance costs	26	(18,776,129)	(18,776,129)

Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the company consists of debt, which includes the borrowings, cash and cash equivalents, trade and other payables as disclosed in the notes referenced below and equity as disclosed in the statement of financial position. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to the shareholder, return capital to shareholder, raise capital contributions from the shareholder, or issue new shares.

The capital structure and gearing ratio of the company at the reporting date was as follows:

Figures in Namibia Dollar	Note(s)	2022	2021
Development Bank of Namibia (DBN) loan	14	72,723,705	96,165,100
First National Bank (FNB) loan	15	-	80,000,000
Lease liabilities	6	17,856,265	21,625,980
Trade and other payables - long term	19	-	77,703,324
Trade and other payables - short term	19	68,002,146	58,724,384
Total borrowings		**158,582,116**	**334,218,788**
Cash and cash equivalents	11	(93,776,253)	(20,890,352)
Net borrowings		**64,805,863**	**313,328,436**
Equity		533,706,933	314,950,745
Gearing ratio		12 %	99 %

Financial risk management

Overview

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

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

Credit risk

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

The company is exposed to credit risk on trade and other receivables, lease receivables and cash and cash equivalents. Credit risk exposure arising on cash and cash equivalents is managed by the company through dealing with well established financial institutions with high credit ratings.

The maximum exposure to credit risk is presented in the table below:

	Note(s)	2022			2021		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Lease income in advance	7	55,776,374	-	55,776,374	52,066,268	-	52,066,268
Trade and other receivables	9	25,555,274	(15,468,172)	10,087,102	24,049,322	(11,520,287)	12,529,035
Cash and cash equivalents	11	94,329,116	-	94,329,116	34,430,357	-	34,430,357
		175,660,764	**(15,468,172)**	**160,192,592**	**110,545,947**	**(11,520,287)**	**99,025,660**

Refer to the notes specific to the exposures in the table above, for additional information concerning credit risk.

Liquidity risk

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

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the company maintains flexibility in funding by maintaining availability under committed credit lines.

The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The maturity profile of contractual cash flows of non-derivative financial liabilities are presented in the following table. The cash flows are undiscounted contractual amounts. Other than the DBN loan and finance lease liabilities balance due within 12 months equal their carrying value as the impact of discounting is not significant.

2022	Note(s)	Less than 1 year	2 to 5 years	Over 5 years	Total	Carrying amount
Non-current liabilities						
Development Bank of Namibia (DBN) loan	14	-	40,010,298	4,815,862	44,826,160	44,826,160
Lease liabilities	6	-	985,053	11,146,570	12,131,623	12,131,623
Current liabilities						
Trade and other payables	19	67,260,085	-	-	67,260,085	67,260,085
Development Bank of Namibia (DBN) loan	14	27,897,545	-	-	27,897,545	27,897,545
Lease liabilities	6	5,724,643	-	-	5,724,643	5,724,643
		113,013,895	**41,086,351**	**15,962,432**	**157,840,055**	**157,840,055**

2021	Note(s)	Less than 1 year	2 to 5 years	Over 5 years	Total	Carrying amount
Non-current liabilities						
Development Bank of Namibia (DBN) loan	14	-	57,898,659	9,682,545	67,581,204	67,581,204
Lease liabilities	6	-	1,812,647	11,656,423	13,469,070	13,469,070
Current liabilities						
First National Bank Namibia (FNB) loan	15	80,000,000	-	-	80,000,000	80,000,000
Trade and other payables	19	42,768,411	-	-	42,768,411	42,768,411
Development Bank of Namibia (DBN) loan	14	28,583,896	-	-	28,583,896	28,583,896
Lease liabilities	6	8,156,909	-	-	8,156,909	8,156,909
Bank overdraft	11	13,539,207	-	-	13,539,207	13,539,207
		173,048,423	**59,711,306**	**21,338,968**	**254,088,697**	**254,088,697**

Interest rate risk

As the company has no significant interest-bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates.

The company's interest rate risk arises from long-term borrowings and the prior years VAT and PAYE labilities.

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

Borrowings issued at variable rates expose the company to cash flow interest rate risk. During the year, the company's borrowings at variable rate were denominated in the Namibia Dollar.

At 31 October 2022, if interest rates on Namibia Dollar-denominated borrowings had been 1% - 2% higher/lower with all other variables held constant, post-tax profit for the year would have been between N$0.7 million and N$1.4 million (2021: N$1.7 million and N$3.5 million) higher/lower, mainly as a result of higher/lower interest expense on floating rate borrowings.

Interest rate swaps

2022	Current interest rate	Due in less than a year	Due in one to ten years
Development Bank of Namibia (DBN) loan	10.00%	27,897,545	44,826,160

2021	Current interest rate	Due in less than a year	Due in one to ten years
Overdraft facilities	9.50%	13,539,206	-
Development Bank of Namibia (DBN) loan	7.50%	28,583,896	67,581,204

4. Property, plant and equipment

	2022			2021		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	38,560,477	-	38,560,477	38,560,477	-	38,560,477
Buildings	868,599,253	(346,176,916)	522,422,337	865,575,699	(320,971,946)	544,603,753
Plant and machinery	17,483,191	(15,358,286)	2,124,905	17,224,387	(12,748,586)	4,475,801
Furniture and fixtures	32,645,592	(25,478,751)	7,166,841	32,243,116	(23,095,459)	9,147,657
Motor vehicles	47,919,184	(40,101,306)	7,817,878	47,253,153	(37,897,098)	9,356,055
Office equipment	208,234	(199,141)	9,093	207,824	(197,927)	9,897
IT equipment	10,142,327	(9,496,462)	645,865	9,677,241	(9,083,331)	593,910
Computer software	2,757,437	(2,757,437)	-	2,757,437	(2,744,914)	12,523
Other minor assets	2,464,890	(2,085,843)	379,047	2,277,553	(1,956,887)	320,666
Asset under construction	395,846	-	395,846	2,359,332	-	2,359,332
Total	**1,021,176,431**	**(441,654,142)**	**579,522,289**	**1,018,136,219**	**(408,696,148)**	**609,440,071**

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Depreciation	Total
Land	38,560,477	-	-	-	38,560,477
Buildings	544,603,753	3,023,555	-	(25,204,971)	522,422,337
Plant and machinery	4,475,802	285,303	-	(2,636,200)	2,124,905
Furniture and fixtures	9,147,657	402,475	-	(2,383,291)	7,166,841
Motor vehicles	9,356,055	1,080,361	(41,374)	(2,577,164)	7,817,878
Office equipment	9,897	-	-	(804)	9,093
IT equipment	593,910	499,731	-	(447,776)	645,865
Computer software	12,523	-	-	(12,523)	-
Other minor assets	320,666	187,357	-	(128,976)	379,047
Asset under construction	2,359,332	1,060,068	(3,023,554)	-	395,846
	609,440,072	**6,538,850**	**(3,064,928)**	**(33,391,705)**	**579,522,289**

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Disposals	Transfers (refer to note 10)	Depreciation	Total
Land	36,910,475	-	-	1,650,002	-	38,560,477
Buildings	560,050,579	1,504,662	-	8,400,454	(25,351,942)	544,603,753
Plant and machinery	5,618,480	161,036	-	-	(1,303,714)	4,475,802
Furniture and fixtures	11,546,290	41,385	(45,357)	-	(2,394,661)	9,147,657
Motor vehicles	14,023,063	406,437	(722,780)	-	(4,350,665)	9,356,055
Office equipment	11,385	-	-	-	(1,488)	9,897
IT equipment	779,733	310,715	-	-	(496,538)	593,910
Computer software	133,490	-	-	-	(120,967)	12,523
Other minor assets	455,218	53,338	-	-	(187,890)	320,666
Asset under construction	348,547	2,010,785	-	-	-	2,359,332
	629,877,260	**4,488,358**	**(768,137)**	**10,050,456**	**(34,207,865)**	**609,440,072**

Property, plant and equipment encumbered as security

There are no assets that have been encumbered as security for secured long-term borrowings.

The register containing a description of the land and buildings, disclosing the location, date of transfer, cost at date of transfer and subsequent additions thereto, is available for inspection at the company's head office, in terms of section 120 of the Companies Act.

Most properties were last valued on 31 July 2017. Properties were valued by The Trust & Estate Co (Pty) Ltd.

Because the Namibia Wildlife Resorts Company Act (Act No. 3 of 1998) restricts the disposal of properties, and because the cost of obtaining new valuations for all properties far outweighs the benefits of obtaining regular values, properties are not regularly valued, and are carried at historical cost.

Transfer of Certain Fixed Assets to Namibia Wildlife Resorts:

In terms of Section 8(4) of the Namibia Wildlife Resorts Company Act (Act No. 3 of 1998), and an agreement dated 8 December 2008, with effect from 15 March 2011 in terms of Government Notice No. 30 of 2011, the immovable properties were transferred to Namibia Wildlife Resorts Limited, following approval by the Ministry of Finance (Ref 20/11/1/23) in terms of the State Finance Act and cabinet approval (meeting reference 3rd /23.02.2010/006). The process of registering the transfers at the deeds office is in progress.

Right of use assets

Solar power generation equipment included under machinery and equipment were purchased by way of lease, as disclosed under note 6.

5. Investment property

	2022			2021		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	5,004,800		5,004,800	5,004,800		5,004,800
Buildings	8,133,787	(3,468,293)	4,665,494	8,133,787	(3,269,247)	4,864,540
Total	**13,138,587**	**(3,468,293)**	**9,670,294**	**13,138,587**	**(3,269,247)**	**9,869,340**

Reconciliation of investment property - 2022

	Opening balance	Depreciation	Total
Investment property	9,869,340	(199,046)	9,670,294

Reconciliation of investment property - 2021

	Opening balance	Total
Investment property	9,869,340	9,869,340

Refer to note 24 for disclosure of the income and expenses related to these properties.

Daan Viljoen, Mile 14, and Von Bach properties are subject to rental agreements (with fixed and variable components), which expire in June 2038, February 2048 and July 2058 respectively, subject to the extension clauses in the respective contracts.

Registers with details of land and buildings are available for inspection by shareholders or their duly authorised representatives at the registered office of the company.

Because the Namibia Wildlife Resorts Company Act (Act No. 3 of 1998) restricts the disposal of properties, and because the cost of obtaining new valuations for all properties far outweighs the benefits of obtaining regular values, properties are not regularly valued, and are carried at historical cost.

Most properties were last valued for disclosure purposes on 31 July 2017. Properties were valued by The Trust & Estate Co (Pty) Ltd.

Future minimum lease payments

	2022	2021
Within one year	2,160,834	982,197
In second to fifth year inclusive	11,031,274	8,948,014
later than five years	166,354,321	169,517,998
	179,546,429	**179,448,209**

6. Right of use asset and Lease Liability

The company leases three properties and plant for use in its business operations.

Net carrying amounts of right-of-use assets

	2022	2021
Buildings	1,000,122	4,000,488
Solar plant	13,032,264	13,462,717
	14,032,386	**17,463,205**

Reconciliation of right to use assets

Reconconciliation of right to use assets - 2022	Opening balance	Depreciation	Total
Buildings	4,000,488	(854,459)	3,146,029
Solar plant	13,462,716	(1,291,448)	12,171,268
	17,463,204	**(2,145,907)**	**15,317,297**

Reconconciliation of right to use assets - 2021	Opening balance	Depreciation	Total
Buildings	7,377,591	(3,377,103)	4,000,488
Solar plant	14,108,394	(645,678)	13,462,716
	21,485,985	**(4,022,781)**	**17,463,204**

Other disclosures

	2022	2021
Interest expense on lease liabilities	4,519,270	4,836,803

Lease liabilities have been included in the interest bearing loans and borrowings line item of the statement of financial position.

Depreciation recognised on each class of right-of-use asset is presented above. This includes depreciation which has been expensed in the total depreciation charge in profit and loss.

Lease liabilities

	2022	2021
Lease liability relating to right-of-use: Building	1,389,928	5,301,278
Lease liability relating to right-of-use: Solar plant	16,466,338	16,324,702
	17,856,266	**21,625,980**
Current liabilities	5,724,643	8,156,910
Non-current liabilities	12,131,623	13,469,070
	17,856,266	**21,625,980**

Lease liability relating to right-of-use asset: Solar plant

The maturiy analysis of these lease liabilities relating to the capital asset is as follows:

	2022	2021
Payable within 1 year	4,334,715	4,245,558
Payable two to five years	22,138,279	22,603,183
Payable five plus years	46,135,377	42,964,001
Less: finance charges component	(56,142,033)	(53,488,040)
	16,466,338	**16,324,702**

The finance charges includes an element of service cost. But, because the service element is not seperable in accordance with the requirements of IFRS 16, it is included in the implicit interest rate as prescribed by the standard.

	2022	2021
Non-current liabilities	12,131,623	12,079,143
Current liabilities	4,334,715	4,245,559
	16,466,338	**16,324,702**

Lease liability releating to right-of-use-asset: Building

The maturity analzysis of these lease liabilities is as follows:

	2022	2021
Payable within 1 year	1,389,928	4,043,425
Payable two to five years	-	1,389,927
Less finance charges component	-	(132,074)
	1,389,928	**5,301,278**
Non-current liabilities		1,389,927
Current liabilities	1,389,928	3,911,351
	1,389,928	**5,301,278**

Note:

28 - Refer to note on Changes in liabilities arising from financing activities for details of the movement in the borrowings during the reporting period.

3 - Refer to note on Financial instruments and financial risk management for the fair value of borrowings.

3 - Refer to note on Financial instruments and financial risk management for details of liquidity, currency and interest rate risk management for borrowings.

The fair value of interest bearing borrowings approximates their carrying amounts.

7. Lease income in advance

	2022	2021
Opening balance	52,066,268	48,356,162
Lease income recognised for the year	4,770,850	4,884,125
Lease payments received	(1,060,744)	(1,174,019)
	55,776,374	**52,066,268**

The three investment properties (as stated under note 5), are subject to rental agreements with fixed escalation clauses. These rental contracts expire in June 2038, February 2048, and July 2058 respectively.

These lease agreements were assessed for credit risk.

The leases were assessed for impairment during the current year. Due to the long term nature of these leases, and the assessment of the temporary nature of non-compliance with payment terms (due to COVID in 2021), the impact of the impairment is not material.

8. Inventories

	2022	2021
Food and Beverages stock	3,323,361	3,690,284
Sundry stock	1,447,714	105,001
	4,771,075	**3,795,285**

No inventory is subject to any pledge or collateral arrangements.

9. Trade and other receivables

Financial instruments:

	2022	2021
Trade receivables	24,093,456	22,326,218
Provision for doubtful debts	(15,468,172)	(11,520,287)
Trade receivables at amortised cost	**8,625,284**	**10,805,931**
Other receivables	-	700

Non-financial instruments:

	2022	2021
Employee costs in advance	109,303	144,063
Prepayments	1,352,515	1,578,341
Total trade and other receivables	**10,087,102**	**12,529,035**

Categorisation of trade and other receivables

Trade and other receivables are categorised as follows in accordance with IFRS 9: Financial Instruments:

	2022	2021
At amortised cost	8,625,284	10,806,631
Non-financial instruments	1,461,818	1,722,404
	10,087,102	**12,529,035**

Exposure to credit risk

Trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if customers fail to make payments as they fall due.

The company's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is determined as follows:

Expected credit loss rate:	2022			2021		
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Net gross carrying amount at default	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Net gross carrying amount at default
Not past due	-	-	-	-	-	-
Less than 30 days past due	3,107,519	-	3,107,519	3,810,495	-	3,810,495
31 - 60 days past due	2,059,368	-	2,059,368	2,973,723	166,711	1,924,982
61 - 90 days past due	2,973,723	-	2,973,723	435,470	20,538	414,933
91 - 120 days past due	1,204,674	720,000	484,674	2,115,651	1,460,744	654,907
More than 120 days past due	14,748,172	14,748,172	-	13,872,909	9,872,294	4,000,615
Total	**24,093,456**	**15,468,172**	**8,625,284**	**22,326,218**	**11,520,287**	**10,805,931**
Related parties	8,746,002	1,312,965	7,433,037	199,046	167,240	31,806
Other	15,347,454	14,155,207	1,192,247	22,127,172	11,353,047	10,774,125
Total	**24,093,456**	**15,468,172**	**8,625,284**	**22,326,218**	**11,520,287**	**10,805,931**
Debtors impaired	17,765,437	15,468,172	2,297,265	18,515,723	11,520,287	10,805,931
Debtors not impaired	6,328,019	-	6,328,019	3,810,495	-	-
Total	**24,093,456**	**15,468,172**	**8,625,284**	**22,326,218**	**11,520,287**	**10,805,931**

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for lease receivables:

	2022	2021
Opening balance	**(11,520,287)**	**(26,532,547)**
Provision raised on new trade receivables	(3,947,885)	-
Provisions reversed on settled trade receivables	-	15,012,260
Closing Balance	**(15,468,172)**	**(11,520,287)**

Other balances owing are spread over a wide range of guests, travel agents and corporates, with no distinctive concentration in any one geographical origin / location.

The creation and release of provision for impaired receivables have been included in operating expenses in profit or loss.

Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The company does not hold any collateral as security.

Average age in days

Days	11	59

Fair value of trade and other receivables

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

10. Property held for disposal

Included in assets held for disposal is the Lüderitz Office - Erf 626, Lüderitz Town, with a carrying value of N$ NIL (2021: N$ 187 000). During 2018, the company entered into proceedings to dispose the property to its shareholder and this transfer was only completed during 2022.

Assets and liabilities

Assets of disposal groups

	2022	2021
Investment property	-	187,000

Following correspondence with relevant authorities, the carrying value of the property at year end was assessed, but no impairment was required.

A board decision dated 29 November 2018, commits the company irrevocably to the disposal of the Reho Spa property to Rehoboth Town Council via the shareholder.

Appropriate Ministerial approvals are in process.

The board is committed to its decision to dispose of the relevant properties and has re-assessed the disclosure as property held for disposal to be appropriate and applicable to 2022.

	Opening balance	Disposal	Total
2022			
Land	187,000	(187,000)	-
2021			
Land	1,837,002	(1,650,002)	187,000
Buildings	8,400,454	(8,400,454)	-
	10,237,456	**(10,050,456)**	**187,000**

11. Cash and cash equivalents

Cash and cash equivalents consist of:

	2022	2021
Cash on hand	111,559	59,695
Bank balances	93,664,694	34,369,865
Bank overdraft	-	(13,539,207)
	93,776,253	**20,890,353**
Current assets	93,776,253	34,429,560
Current liabilities	-	(13,539,207)
	93,776,253	**20,890,353**

The company has an overdraft facility of N$ 14.15 million (2021: N$15 million) which is reviewed annually. Current negotiations with the bank are focused around the extent of, security for, and pricing of the overdraft facility.

Other facilities:

- First card facility: N$ 10,000
- Wesbank facility: N$ 750,000
- Vehicle asset finance: N$ 535,000
- Short-term direct facility: N$ 7,650,000
- Shadow limit overdraft facility: N$ 6,500,000
- Long term direct facility: N$ 40,000,000
- N$ 100,000,000 guarantee by the Government of the Republic of Namibia (MOF)

Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

	2022	2021
First National Bank of Namibia (Ba1)	85,722,668	29,850,094
Standard Bank Namibia Limited (Ba1)	3,800,319	1,963,055
Nampost (i)	4,141,707	2,556,715
First National Bank of Namibia (Ba1) - Overdraft	-	(13,539,206)
	93,664,694	**20,830,658**

(i) - There have been no past losses, nor other indicators of credit risk for Nampost Limited.

12. Share capital

Authorised

	2022	2021
150,000,000 Ordinary shares of N$1 each	150,000,000	150,000,000

Reconciliation of number of shares issued:

	2022	2021
Reported as at 01 November	100,006,000	100,006,000

The unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.

Issued and fully paid

	2022	2021
Ordinary	100,006,000	100,006,000
Share premium	1,022,857,662	1,022,857,662
	1,122,863,662	**1,122,863,662**

13. Capital Contribution

Reconciliation

	2022	2021
Opening balance	103,645,000	-
Capital contributions received - shareholder	254,480,000	103,645,000
	358,125,000	**103,645,000**

Refer to the note 33 on Going Concern, for detail on the shareholder's contribution towards the company's sustainability, in light of the COVID-19 pandemic.

14. Development Bank of Namibia (DBN) loan

Held at amortised cost

	2022	2021
Bank loan	72,723,705	96,165,100

Split between non-current and current portions

	2022	2021
Non-current liabilities	44,826,160	67,581,204
Current liabilities	27,897,545	28,583,896
	72,723,705	**96,165,100**

The capital is repayable in annual instalments, and interest payable twice a year, with last instalment in March 2028. The loan bears interest at prime rate (2021: interest at prime rate). The loan is secured by a guarantee from the Government of the Republic of Namibia, of N$ 91.5m, issued on 20 January 2011.

Refer to note 29 Changes in liabilities arising from financing activities for details of the movement in the borrowings during the reporting period and note 3 Financial instruments and financial risk management for the fair value of borrowings.

Exposure to liquidity risk

Refer to note 3 Financial instruments and financial risk management for details of liquidity risk exposure and management.

15. First National Bank of Namibia (FNB) loan

At amortised cost

	2022	2021
First National Bank of Namibia	-	80,000,000

During 2021, the capital repayment was renegiotated to be payable in tranches of which N$ 20m was repaid in 2021 financial reporting period with the balance repayable in equal installments in April 2022 (N$ 40,000,000) and September 2022 (N$ 40,000,000). The loan carried interest at Prime Rate (2021: Prime Rate). The loan was fully repaid during 2022.

Split between non-current and current portions

	2022	2021
Current liabilities	-	80,000,000

16. Grant liability

	2022	2021
Non-current liabilities	4,861,782	5,137,842

The liability relates to funding received for the rehabilitation of the Shark Island lighthouse and entrance way to the resort in Lüderitz. The project rehabilitation has commenced during March 2021 and was completed in April 2022.

The liability will be released to the income statement over the same period as the related asset will be depreciated.

17. Severance pay provision

The Labour Act states that a benefit of at least one week's pay for each continuous year of services is payable on the cessation of employment due to dismissal (except if due to misconduct or poor performance), death or resignation / retirement at age 65. The Act is silent on retirement due to ill-health on retirement before or after age of 65 years. The company has a policy that allows for early retirement from age 55, which entitles the employee to severance pay. The severance liability was valued by an independent actuary, Mr D. Sauber, as at 31 October 2022, with a projected liability as at 31 October 2023. No separate assets are held to meet the severance pay liability.

The previous valuation was preformed by Mr D Sauber as at 31 October 2020 with a pojected liability as at 31 October 2021.

As disclosed in note 19 under trade and other payables, the company has provided for a voluntary separation programme during the prior year. The process of exiting the affected individuals took place during 2021, and that difference between the actuarial estimates based on past experience for active staff members at year end, and actual experience for the committed voluntary separation programme, is reflected in the actuarial (gain)/ loss.

	2022	2021
Number of employees	644	686
Average age (years)	43	42
Average service (years)	11	11
Discount rate	11.9%	10.1%
Inflation rate	7.6%	6.2%
Severance pay provision	**6,268,000**	**6,915,828**

Reconciliation

	2022	2021
Opening balance	6,915,828	4,891,681
Interest cost	707,000	630,173
Current service cost	558,000	497,371
Benefit payment	(379,000)	(414,476)
- Actuarial loss / (gains)	(1,598,828)	1,311,079
Past service cost	65,000	-
	6,268,000	**6,915,828**

Sensitivity analysis (interest rate)

The below table show that the financial position of the severance pay liability is not overly sensitive to change In the financial assumptions.

	2022			2021		
	5.3%	4.3% (valuation based)	6.8%	4.9%	3.9% (valuation based)	2.9%
Accrued liability	5,891,060	6,268,000	6,692,000	4,584,825	4,891,681	7,850,000
Change	-6.0%	0.0%	6.8%	-6.3%	0.0%	7.6%
Service cost	422,000	453,000	488,000	514,938	554,549	599,818
Interest cost	695,000	740,000	790,000	658,291	702,617	752,602
Total	**1,117,000**	**1,193,000**	**1,278,000**	**1,173,229**	**1,257,166**	**1,352,420**
Change	-6.4%	0.0%	7.1%	-6.7%	0.0%	7.6%

Demographic assumptions

The most important demographic assumption is the withdrawal rate. The table below sets out the financial impact of assuming a 50% lower withdrawal rate.

	2022		2021	
Withdrawals (N$)	**Valuation basis**	**50% lower**	**Valuation basis**	**50% lower**
Accrued liability	6,268,000	7,062,000	6,915,828	5,205,404
Service cost	453,000	536,000	514,938	663,950
Interest cost	740,000	834,000	658,291	793,156
Total	**7,461,000**	**8,432,000**	**8,089,057**	**6,662,510**
Change	0%	14.8%	0%	24.2%

18. Deferred tax

Reconciliation of deferred tax asset / (liability)

Unrecognised deferred tax asset consists of:

	2022	2021
Estimated taxable loss carried forward	(811,267,913)	(785,318,801)
Unrecognised deferred tax asset at 32%	(259,605,732)	(251,302,016)

A deferred tax asset has not been recognised in the current financial year due to uncertainty whether there will be sufficient taxable profits in the foreseeable future against which the estimated tax loss can be utilised.

19. Trade and other payables

Financial instruments:

	2022	2021
Trade payables	21,070,018	26,904,134
Other payables	4,451,098	2,300,890
Other payroll related liabilities and accrued expenses	3,092,562	4,527,122
Accrued expenses	499,327	9,036,264

Non-financial instruments:

	2022	2021
Amounts received in advance	10,390	-
PAYE	18,137,835	5,176,150
VAT	5,964,733	(2,279,795)
Transaction levies - Namibia Tourism Board	1,130,054	603,083
Leave pay accrual	13,646,129	12,456,534
	68,002,146	**58,724,382**

Voluntary Separation severance provision

	2022	2021
Opening balance	-	34,769,035
Increase / (Release) of provision	-	(34,769,035)
	-	-

During the FY20 year, the Board approved, and announced to staff, a voluntary separation program which had an objective to reduce total staff complement by 270. The provision was calculated using average salary data for package, notice pay and leave pay elements contained in the offer to staff. Staff was encouraged to apply for voluntary separation, which was subject to an individual approval process which was not yet complete by year end.

During FY21, of the 270 target staff compliment, only 130 staff members had made use of the offer. The Board approved a decision to suspend all further voluntary seperation or retrenchment action, and will continue to monitor early retirement and natural attrition in order to reach an efficient and effective staff compliment level that will improve future company operating efficiency and profitability.

Provision for penalties and interest

	2022	2021
Opening balance	-	6,000,000
Creation / (Utilisation) of provision	-	(6,000,000)
	-	-

Non-financial liabilities

Long-term	2022	2021
VAT: Capital balance	-	32,115,271
VAT: Penalties and interest	-	18,536,678
PAYE: Capital balance	-	11,930,851
PAYE: Penalties and interest	-	15,118,524
	-	**77,701,324**

In accordance with the repayment agreement concluded with Ministry of Finance during FY18, the long outstanding VAT and PAYE balance carried over, was to be repaid at a minimum of N$ 1,000,000 per month, until the debt is settled through repayment or, settled through repayment and the successful completion of the penalties and interest waiver application process.

Following the impact of COVID the company ceased the repayment of the monthly instalments of N$ 1 million during FY20, but commenced with renegotiated terms by repaying N$0.5m per month during the latter half of FY21.

During FY21, the company commenced with renegotiated terms by repaying NS 0.5m per month, and as a result, the balance payable after 12 months is reflected as a long term liability in FY21. The company had formally applied for the amnesty program. During FY22, the company successfully concluded its amnesty application.

The company fully repaid the capital VAT and PAYE balances during the current year under review. The outcome of negotiations underway with NamRA will determine the final interest and penalty liability to be settled. No adjustment in this respect have been accounted for.

Subsequent to year end, NamRA waived / reversed / wrote off all interest and penalties due to NamRA in accordance with the tax amnesty / modified electronic filing tax relief program at 4 April 2023 (action date on ITAS system). The tax status report drawn on 19 April 2023 discloses no penalties and interest due to NamRA for all active accounts at NamRA.

20. Contract liability

	2022	2021
Advance deposits on hand for future bookings	39,653,798	45,720,140
Unallocated receipts	24,563,144	19,297,213
	64,216,942	**65,017,353**
Opening balance	65,015,708	70,857,217
Total deposits received in advance for obligation related to reservations	243,088,904	88,924,984
Total deposits applied to obligations for current year reservation	(243,887,670)	(94,764,848)
	64,216,942	**65,017,353**

Advance deposits are for reservations with arrival dates within the next 12 months.

All deposits on hand at previous year end was utilized or forfeited in line with the cancellation policy of the company.

Unallocated receipts relate to deposits received over the last three years, for which no fixed reservations have been made. This includes deferral to unspecified future dates, as result of the interruptions to travel caused by the COVID-19 pandemic.

21. Revenue

Revenue from contracts with customers

	2022	2021
Accommodation revenue	146,551,914	58,900,175
Namleisure membership	908,309	754,322
Tuition fees	1,076,658	937,580
Tourist shop	70,496	47,248
	148,607,377	**60,639,325**

Revenue recognised at a point in time

	2022	2021
Food and beverage revenue	102,496,670	61,878,779
Conference fees	18,355,128	5,769,330
Deposit forfeited	5,013,324	10,041,901
Game drives	-	511,034
General income	8,928,307	8,015,811

Revenue other than from contracts with customers

	2022	2021
Administration and management fees received	18,037	196,261
Rental income	10,890,504	12,275,554
COVID-19 insurance claim	-	10,000,000
	145,701,970	**108,688,670**
	294,309,347	**169,327,995**

22. Cost of sales

	2022	2021
Food, beverage and other	41,959,514	24,955,654

23. Operating profit (loss)

Operating loss for the year is stated after charging (crediting) the following, amongst others:

Auditor’s remuneration - external

	2022	2021
Audit fees	1,190,150	1,278,982

Remuneration, other than to employees

	2022	2021
Consulting and professional services	4,828,121	6,098,861

Employee costs

	2022	2021
Salaries, wages, bonuses and other benefits	98,472,536	86,794,040

Employees of the company are members in near equal numbers for the following pension funds:

- Orion Pension Fund (a defined contribution fund)
- Government Institutions Pension Fund (a defined benefit fund)

Contributions are fixed at 7% (2021: 7%) employee contributions, and 16% (2021: 16%) employer contributions.

Leases

	2022	2021
Premises - operating lease - premises	2,770,971	(159,307)

Operating lease income

	2022	2021
Straight lined lease income from investment properties	4,884,125	4,884,125
Expenses for investment properties - depreciation	(199,046)	-
	4,685,079	**4,884,125**

For commitments of leases, refer to note 3: Financial instruments and risk management

Depreciation and amortisation

	2022	2021
Depreciation of investment property on the cost model	199,046	-
Depreciation of property and equipment (including right of use asset)	36,797,486	34,207,867
	36,996,532	**34,207,867**

Expenses by nature

	2022	2021
Employee costs	96,873,708	86,794,040
Operating lease charges and operating equipment and rentals	405,743	3,254,223
Depreciation and amortisation (including right of use asset)	36,996,532	34,207,867
Other expenses	34,867,205	39,841,271
Motor vehicle expenses	15,196,025	9,246,869
Municipal expenses	39,595,750	33,586,565
Repairs and maintenance	22,908,132	3,628,314
Movement in expected credit losses - increase / (release)	3,947,885	(15,003,260)
Bad debts provision movement	15,048,920	26,691,244

For a detailed list / analysis of material expenses incurred refer to the detailed income statement presented on pages 96 to 97.

24. Investment income

Interest income Investments in financial assets:

	2022	2021
Bank and other cash	1,107,069	606,673

25. Finance costs

	2022	2021
Current borrowings	-	5,212,483
Interest paid	16,148,174	13,563,646
Total finance costs	**16,148,174**	**18,776,129**

26. Taxation

Reconciliation of the tax expense

Reconciliation between accounting profit and tax expense.

	2022	2021
Accounting loss	(35,051,886)	(95,602,029)
Tax at the applicable tax rate of 32% (2021: 32%)	(11,216,604)	(30,592,649)

Tax effect of adjustments on taxable income

	2022	2021
Non taxable income and non deductible expenses	2,912,888	(411,981)
Utilisation of unrecognised deferred tax asset	8,303,716	31,004,630
Total	NIL	NIL

No provision has been made for 2022 tax as the company has no taxable income. The estimated tax loss available for set off against future taxable income is N$ 811,267,913 (2021: N$ 785,318,801).

27. Cash used in operations

	2022	2021
Loss before taxation	(35,051,886)	(95,602,029)
Adjustments for:		
Depreciation and amortisation	36,996,532	38,230,648
Gains on disposals, scrappings and settlements of assets and liabilities	(356,347)	(127,351)
Interest income	(1,107,069)	(606,673)
Finance costs	16,148,174	18,776,130
Remeasurement of net defined benefit	(2,270,752)	-
Movements in operating lease assets and accruals	(3,710,106)	(3,710,106)
Movements in retirement benefit assets and liabilities	951,000	713,068
Contract liability	(800,411)	(5,839,863)
Impairment	-	(15,003,260)
Grant liability	(276,060)	312,378
Other non-cash items	25,035	-
Changes in working capital:		
Inventories	(975,790)	(253,655)
Trade and other receivables	2,441,933	23,238,134
Trade and other payables	(68,425,503)	(67,132,563)
	(56,411,309)	**(107,005,142)**

28. Changes in liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities - 2022

	Opening balance	Interest	Total non-cash movements	Cash flows	Closing balance
Development Bank of Namibia (DBN) loan	96,165,100	5,142,501	5,142,501	(28,583,896)	72,723,705
First National Bank Namibia (FNB) loan	80,000,000	-	-	(80,000,000)	-
Lease liabilities	21,625,980	4,519,268	4,519,268	(8,288,983)	17,856,265
	197,791,080	**9,661,769**	**9,661,769**	**(116,872,879)**	**90,579,970**
Total liabilities from financing activities	**197,791,080**	**9,661,769**	**9,661,769**	**(116,872,879)**	**90,579,970**

Reconciliation of liabilities arising from financing activities - 2021

	Opening balance	Interest	New Loans	Total movements	Cash flows	Closing balance
Development Bank of Namibia (DBN) loan	90,111,004	6,054,096	-	6,054,096	-	96,165,100
First National Bank Namibia (FNB) loan	-	5,212,483	100,000,000	105,212,483	(25,212,483)	80,000,000
Lease liabilities	24,908,598	4,836,803	-	4,836,803	(8,119,421)	21,625,980
	115,019,602	**16,103,382**	**100,000,000**	**116,103,382**	**(33,331,905)**	**197,791,080**
Total liabilities from financing activities	**115,019,602**	**16,103,382**	**100,000,000**	**116,103,382**	**(33,331,905)**	**197,791,080**

29. Contingent liabilities

1 Litigation by previous managing director

Following the conclusion of her 5 year contract with the company, the previous managing director has instituted various legal actions against the company, it's directors, and it's shareholder. The company has filed its intention to defend the current claims of N$7.5 million and N$5.9million.

2 Deadvlei & Mile 14

Following the signature of two Joint Venture type arrangements by the former MD, Sun Karros, the other party to the agreement is suing NWR for N$45million for Dead Valley lodge and an amount yet to be determined for Mile 14.

3 Hobas Construction payment

Following a dispute between the contractor Sun Karros, and a sub contractor, for a construction project for NWR dating back to 2017, NWR had paid the final payment into the trust account of Richard Mueller, pending dispute resolution. The attorney's trust account was allegedly misappropriated, and Sun Karros is now suing NWR for the N$ 1 million paid into the attorney;s trust account.

4 Labour related matters

A number of different cases have been made against the company, which the company is defending. The most significant of these, relates to a case by a former senior executive who is suing the company for payment of leave deducted, and purported performance bonuses. The amount has not been quantified by the former employee.

30. Related parties

Relationships

Shareholder	Government of the Republic of Namibia
Post employment benefit plan for employees	Government Institution Pension Fund
Fellow state owned entity	Development Bank of Namibia (DBN)

Related party balances

Loan accounts - Owing (to) by related parties

	2022	2021
Loan accounts - Owing (to) by related parties		
Development Bank of Namibia (DBN) loan	72,723,705	96,165,100
Amounts included in Trade receivable (Trade Payable) regarding related parties		
Goverment and other related entities - receivables	8,746,002	5,664,238
Government and other related entities - payables	(2,701,725)	(11,060,509)

Related party transactions

	2022	2021
Pension fund contributions		
Government Institution Pension Fund	8,350,697	11,790,445
Interest paid to (received from) related parties		
Development Bank of Namibia (DBN)	5,142,501	4,836,803
Amounts included in Revenue and Purchases regarding related parties		
Government and other related entities - sales	33,138,489	39,306,567
Government and other related entities - purchases	(23,701,788)	(58,865,286)
Compensation to directors and other key management		
Short-term employee benefits	2,352,586	2,099,876

31. Directors' emoluments

Directors' emoluments	Emoluments	Total
2022		
Services as director or prescribed officer		
Directors	866,082	866,082
2021		
Services as director or prescribed officer		
Directors	700,950	700,950

32. Going concern and subsequent events

On 15 March 2020, the President of the Republic of Namibia declared a state of emergency in response to the global pandemic, referred to as COVID-19 (Coronavirus). The resulting lockdown and travel restrictions commencing on 27 March 2020 severely impacted on the operating activities of the company, from which we are recovering.

In addition to management's response plan as discussed below, the Government of the Republic of Namibia, as the shareholder of the company, had assisted during the last two years, by providing financial support through the National budgetary allocation process, to the value of N$252,209,245 (2021: N$103,645,000) in disbursements throughout the year, and a further N$50,000,000 allocation to NWR announced in the budget speech of March 2023. Furthermore, the shareholder had provided a guarantee of N$100,000,000 to the company's bankers, in support of a short-term loan (refer note 15) which the shareholder had repaid in full by 31 October 2022. The company settled all interest on the loan, as it fell due.

In brief, Management's response plan had incorporated the following long term and short-term actions:

NamRA Interest and Penalty write off

Subsequent to year end, NamRA waived / reversed / wrote off all interest and penalties due to NamRA in accordance with the tax amnesty / modified electronic filing tax relief program at 4 April 2023 – refer to note 19 for details.

Financing:

- A loan agreement of N$100m concluded during FY2021, for bridging finance, was secured with the support of a payment guarantee of N$ 100m from the Government of the Republic of Namibia. This loan was settled in full during FY2022.
- Negotiated payment holidays from financiers and major suppliers during FY20, the bulk of whom was settled during FY21. The company has managed to bring supplier payments back to normal trading terms and conditions during FY22.
- Various requests for fiscal support from the shareholder, as described above. These budgetary allocations are applied as per shareholder's directives, towards the settlement of salaries & wages, utilities, and payment of trade suppliers.

Operations:

- Deferral/cancellation of discretionary expenditure during FY20, which was relaxed towards the end of FY21. During FY22, as business started recovering, we prioritised repairs and maintenance expenditure levels.
- Encouraging postponement of reservations with no penalty clause, and avoiding refunding of advance deposits, during FY20 and FY21.
- The momentum from our aggressive marketing campaigns and pricing strategies for local tourism in FY20 and FY21 continues and is supplemented with campaigns targeted once again at the international market.
- Temporary closure of low occupancy resorts, of which only one resort remains closed as at FY22 year end.

Human capital:

- Paid leave during lockdown, and the accumulated leave liability continues to be managed on a downward trend.
- No increment for the last two years. The company recently concluded a annual increment agreement with the Union, with effect from November 2022, which will see an effective 5% increase in the fixed wage bill.
- Overtime and paid Sunday time was suspended until 1 November 2022, and strictly managed in accordance with company policy since being reintroduced.
- Voluntary separation of 130 employees was concluded during FY21.
- Salary cut for members of senior management and Board members, which was only lifted during FY22.

With reference to the 2019 financial year, the financial performance of the company had improved significantly compared to previous years. Not only did the company manage to remain technically solvent, but its current ratio had also improved, and most notably, the company had earned a profit for the first time for the 2019 financial year.

2020 unfortunately saw the closure of several industry players, and the company suffered great financial loss in a scenario of hard domestic and international lock downs.

2021 saw a slight improvement in average occupancy to 28%, and the loss was nearly halved to N$94m. As forecast, 2022 showed a slow recovery for the company in occupancy at 40%. and reducing the loss even further to N$33m.

FY23 is forecasting a further recovery with occupancy forecast at 43%, and operational breakeven.

Furthermore, following constructive feedback received from our shareholder on our integrated strategic business plan, we have revised and finetuned our targets and strategic objectives for the next three years which will see us improve on our FY23 budget, and embark on a plan that will reset the company's long term sustainability at new heights through enhanced customer experience, modernising our business model and new product development.

Balance sheet management

Strict fiscal discipline and continued support from the shareholder, coupled with our marketing efforts to capture a fair share of the recovering market, put the company in position to settle its pre-2018 tax debts out of operational funds, which in turn allowed the company to benefit from Inland Revenue's tax amnesty program. Furthermore, the company was also able to catch up its repayment of the DBN loan to the point it would have been had COVID not interrupted its ability to repay the loan.

Conclusion

In FY2020, there was significant uncertainty about the company's ability to continue as a going concern given the uncertainty brought about by COVID-19. That uncertainty abated to some extent during FY21 as it became evident that the company's plans carried it through the worst of the pandemic, and the remaining uncertainty has reduced even more as the impact of a slowly recovering industry began to take hold in FY22. The company's approved budget is conservative it its assessment of recovering tourist arrivals; realistic in its cost management and we expect to at an operational breakeven point for the year ahead. It remains the intention of the company and the shareholder, to continue as a going concern.

Detailed Income Statement

Figures in Namibia Dollar	Note(s)	2022	2021
Revenue			
Accomodation revenue		146,551,914	58,900,175
Administration fees received		18,037	196,261
Conference fees		18,355,128	5,769,330
Deposits forfeited		5,013,324	10,041,901
Food & beverage revenue		102,496,670	61,878,779
Game drives		-	511,034
General income		8,928,307	8,015,811
Rental income		10,890,504	12,275,554
Namleisure membership		908,309	754,322
COVID 19 Insurance claim		-	10,000,000
Tuition fees		1,076,658	937,580
Tourist shop		70,496	47,248
	21	**294,309,347**	**169,327,995**
Cost of sales			
Opening stock		(3,795,285)	(3,541,630)
Purchases		(42,935,304)	(25,209,309)
Closing stock		4,771,075	3,795,285
	22	**(41,959,514)**	**(24,955,654)**
Gross Profit		**252,349,833**	**144,372,341**
Other operating gains / (losses)			
Gains on disposal of assets or settlement of liabilities		356,347	127,351
Expenses (Refer to page 97)		**(272,716,961)**	**(221,932,265)**
Operating loss	24	**(20,010,781)**	**(77,432,573)**
Investment income	25	1,107,069	606,673
Finance costs	26	(16,148,174)	(18,776,129)
Loss for the year		**(35,051,886)**	**(95,602,029)**

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

Figures in Namibia Dollar	Note(s)	2022	2021
Other operating expenses			
Advertising		(889,974)	(1,193,299)
Auditor's remuneration - external audit	24	(1,190,150)	(1,278,982)
Bad debts		3,360,936	(11,687,984)
Bank charges		(2,061,552)	(2,061,337)
Cleaning		(9,096,156)	(4,992,012)
Commission paid		(3,404,289)	(1,976,606)
Complimentary food & accommodation		(97,368)	(72,317)
Computer maintenance, support, training and internet data / mailband lease		(3,906,155)	(4,607,808)
Consulting fees		(1,448,750)	(3,206,881)
Depreciation and amortisation		(36,996,532)	(38,230,648)
Donations		-	(30,000)
Employee costs		(98,472,536)	(86,794,040)
Entertainment		(43,405)	(60,270)
Equipment hire and rental		(4,057,743)	(3,411,226)
Fines and penalties		-	6,000,000
First Aid and fire fighting		(364,582)	(379,094)
Game drive expenses		(4,892,765)	(2,887,166)
General expenses		(1,129,690)	78,925
Insurance		(3,052,277)	(4,405,329)
Legal fees		(3,379,371)	(2,891,980)
Licensing fees		(4,558,345)	(2,826,123)
MD's Functions		(85,350)	(34,948)
Motor vehicle expenses		(15,196,025)	(9,246,869)
Municipal expenses		(39,595,750)	(33,586,566)
Packaging		(406,886)	(239,052)
Pest control		(624,776)	(714,204)
Plants and decorations		(7,381)	(8,563)
Pool cleaning		(734,868)	(580,615)
Postage and courier		(507,526)	(299,791)
Printing and stationery		(626,713)	(577,850)
Promotions - Trade fairs		(308,837)	(2,304)
Property rental		229,386	159,307
Repairs and maintenance		(22,908,132)	(3,628,314)
Security		(6,040,533)	(6,518,494)
Staff meals and staf welfare		(2,179,998)	(957,929)
Subscriptions (2021: reversal of prior year provision)		(5,557,702)	3,192,202
Subsistence and travel - local		(211,214)	(33,557)
Telephone and fax		(1,742,502)	(1,648,461)
Training and levies		(198,070)	(292,080)
Travel - overseas		(333,380)	-
		(272,716,961)	**(221,932,265)**

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Schedule of Properties

Owner occupied properties

Land held	Situated	Size	Title Deed	Land	Improvements
Ai-Ais	Registration Division V, Karas Region	99,4131 Ha	Transferred, not yet registered at Deed Office	10,000,000	170,000,000
Dolomite	Registration Division A, Etosha	Not valued	Transferred, not yet registered at Deed Office	30,000,000	36,000,000
Duwiseb Castle - Portion 1 of Farm Duwiseb No.84	Registration Divison B, Hardap Region	50,3873 Ha	T34/2009	800,000	12,200,000
Gross Barmen - Portion 6 of Portion D of the Farm Gross Barmen NO.7	Registration Divison J, Okahandja District, Otjozondjupa region	98,4668 Ha	T34/2009	Not valued	Not valued
Gross Barmen - Portion A of the Farm Gross Barmen No.7	Registration Divison J, Okahandja District, Otjozondjupa region	1,5343 Ha	T34/2009	Not valued	Not valued
Gross Barmen - Portion 1 of Gross Barmen No.7	Registration Divison J, Okahandja District, Otjozondjupa region	1,523 square meters	T34/2009	Not valued	Not valued
Halali - Farm Halali No.1378	Registration Division B, Kunene Region	68.0485	T4501/2010	51,400,000	92,600,000
Hardap - Farm Hardap Resort No 693	Registration Division R, Hardap Region	242.49780 Ha	T1263/1967, T898/1978 and T1154/1975 Transferred, not yet registered at Deed Office	24,000,000	16,600,000
Hobas - Farm Hobas No.374	Registration V, Karas Region	181,0896 Ha	T1055/2011	15,000,000	30,000,000
Jakkalsputz - The Farm, Jakkalsputz No 242	Registration Division G, Erongo Region	100.0146 Ha	T1505/80 & T2862/74 Transferred, not yet registered at Deed Office	10,150,000	950,000
Khorixas - Portion of Khorixas Town Lands No.884	Town of Khorixas		PTO 49/1754	1,700,000	6,300,000
Mile 108 - Consolidated farm Mile 108 No 240	Registration Division C, Erongo Region	160.8914 Ha	Transferred, not yet registered at Deed Office	2,450,000	950,000
Mile 72 - Portion 3 of the farm Kap Cross No 143 (comprising of 1 and 2)	Registration Division C, Erongo Region	560.2801 Ha	Transferred, not yet registered at Deed Office	8,500,000	500,000
Namutoni - Farm Namutoni No.1379	Registration Division B, Etosha	63,6290 Ha	T4500/2010	47,000,000	119,000,000

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Land held	Situated	Size	Title Deed	Land	Improvements
Naukluft - Portion 1 of the farm Naukluft No.9	Registration Divison P,Maltahohe District	55,0932 Ha	T4506/2010	1,000,000	17,000,000
Okaukuejo - Farm Okaukuejo New No.1107 (Comprising 1 and 2)	Registration Divison A, Etosha	99,4129 Ha	T4506/2010	77,000,000	173,000,000
Olifantsrus	Registration Division A, Etosha			1,000,000	12,000,000
Onkoshi - Farm Onkoshi No 2040	Registration Division B, Etosha	100,9295 Ha	Transferred, not yet registered at Deed Office	78,000,000	42,000,000
Popa Falls - Portion of Popa Game Park No.1155	Okavango District , Division B	25,2049 Ha	T761/2009	4,700,000	46,300,000
Sesriem - Portion 1 (a Portion of portion 1) of the farm, Sesriem No.137	Registration Division P, Hardap Region	245,9491 Ha	T4499/2010	20,000,000	48,000,000
Shark Island - Erf No.209, Luderitz Town	Registration N, Municipality of Luderitz, Karas Region	2424 square meters	T34/2009	2,070,000	4,330,000
Sossus Dune Lodge - Farm Sesriem Portion 3 of No.137	Registration Division P, Maltahohe District	161,0461 Ha	T1057/2011	12,800,000	67,200,000
Terrace Bay - Farm Terrace Bay No.1016	Registration Divison A, Kunene Region	687,0566 Ha	T4505/2010	19,000,000	41,000,000
Torra Bay - Farm Torra Bay No 1017	Registration Divison A, Kunene Region	54,4677 Ha	T4504/2010	1,700,000	6,300,000
Waterberg - Portion 7 of the Farm Rodenstein No 307	Registration Division D, Otjozondjupa Region	398.3705 Ha	T2557/69 & T977/72. Transferred, not yet registered at Deed Office	14,800,000	165,200,000
Windhoek erf	Registration Division K, Khomas Region Erf: 1030 & 1034	1807 square meters and 2958 square meters	T6090/2009	Not valued	Not valued
				440,070,000	**1,116,430,000**

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

Investment properties

Land held	Situated	Size	Title Deed	Land	Improvements
Daan viljoen - Portion 14 (a portion of portion 7) of the Consolidated Farm Augeigas No 34	Registration K, Khomas Region	112,9511 Ha	T4498/2010	16,000,000	94,000,000
Mile 14 - Consolidated farm Mile 14 No 240	Registration Division G, Erongo Region	323.8756 Ha	Transferred, not yet registered at Deed Office	16,200,000	14,800,000
Von Bach - Portion A of Farm Osoina Commonage No 65	Registration Division J, Otjozondjupa Region	470.0504 Ha	Transferred, not yet registered at Deed Office	37,000,000	53,000,000
				69,200,000	**161,800,000**
				509,270,000	**1,278,230,000**

Because the NWR act restricts the disposal of properties, and because the cost of obtaining new valuations for all properties far.

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

NWR
namibia wildlife resorts