

PART

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ANNUAL FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS OVERVIEW AS AT 31 DECEMBER 2024

		2024 N\$'000	2023 N\$'000
KEY POINTS			
Net interest income increased from N\$990.52 million in 2023 to N\$1.22 billion in 2024 due to higher average investment balances.	Net interest income	1 224 728	990 520
Total operating expenses increased by N\$148.64 million from N\$592.51 million in 2023 to N\$ 740.46 million in 2024.	Operating expenses	741 153	592 513
Amount available for distribution increased by N\$150.33 million from N\$956.89 million in 2023 to N\$1.11 billion in 2024.	Amount available for distribution	1 107 214	956 889
An amount of N\$720 million will be paid to the Government as dividend for the 2024 financial year compared to N\$511.47 million paid in 2023.	Distribution to the State	720 000	511 470
The Bank's assets increased from N\$61.92 billion in 2023 to N\$71.25 billion in 2024.	Total assets	71 245 684	61 923 798
Notes and coins in circulation increased from N\$5.24 billion in 2023 to N\$5.61 billion in 2024.	Notes and coins in circulation	5 609 944	5 244 027



STATEMENT OF BOARD’S RESPONSIBILITIES

The main statutory provisions relating to the role and duties of members of the Board are covered under Section 9 and 10 of the Bank of Namibia Act no.1 of 2020. We confirm that:

- 1. The Board members are responsible for the preparation of the annual financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and the requirements of the Bank of Namibia Act no. 1 of 2020 and for the judgements used therein.
- 2. The Board has overall responsibility for the system of internal financial control in the Bank which is designed to safeguard the assets of the Bank prevent and detect fraud and other irregularities. To discharge this responsibility an appropriate organizational structure has been established. In this regard the Finance, Risk and Audit Board Committee of the Board meets periodically with Internal and External Auditors and members of Management of the Bank to discuss control issues, financial reporting and related matters. The Internal and External Auditors have full access to the Finance, Risk and Audit Board Committee. Further, the Bank has a comprehensive Risk Management Strategy in place.
- 3. The Board is satisfied that the annual financial statements complies with IFRS as issued by the International Accounting Standards Board and requirements of the Bank of Namibia Act no. 1 of 2020.
- 4. The Board members confirm that they are satisfied that the Bank has adequate resources to continue in business for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

- 5. The Finance, Risk and Audit Board Committee is composed of members who are neither officers nor employees of the Bank and who have the required mix of skills with at least one member being a financial expert. The Committee is therefore qualified to review the Bank's annual financial statements and recommend the annual financial statements for the approval by the Board Members. The Committee has a duty to review the adoption of and changes in accounting principles including risk management issues and makes recommendations on the same for approval. The Board considers and where necessary approves the Finance, Risk and Board Audit Committee recommendations.

The annual financial statements on pages 178 to 216 were approved by the Board and are signed on its behalf by:



CHAIRMAN
J. !Gawaxab
17 March 2025



BOARD MEMBER
R. Pretorius
17 March 2025



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF THE BANK OF NAMIBIA

Opinion

We have audited the financial statements of Bank of Namibia ("Bank") set out on pages 178 to 216 which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and the notes to the financial statements including material accounting policies.

In our opinion the financial statements present fairly in all material respects the financial position of Bank of Namibia as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS®) Accounting Standards as issued by the International Accounting Standards Board (IASB®) and the requirements of the Bank of Namibia Act 2020.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board members are responsible for the other information. The other information comprises the information included in the Bank of Namibia Annual Report which includes the Message from the Governor, Part A (Operations and Affairs of the Bank), Part B (Macroeconomic Review), Part C (Banking Supervision), Financial Statements Overview, Statement of Board's Responsibilities, Statement of profit or loss and other comprehensive income in compliance with the Bank of Namibia Act Part D, Five Year Historical Financial Overview and Income Statement Comparisons 2024-2020, which we obtained prior to the date of this auditors' report. The other information does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not, and will not, express an audit opinion or any form of assurance conclusion thereon. In connection with our audit of the financial statements our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed 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 Board members for the Financial Statements

The Board members are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS®), as issued by the International Accounting Standards Board and the requirements of the Bank of Namibia Act 2020 and for such internal control as the Board members determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or error and to issue an auditors' 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 controls.
- Obtain an understanding of internal controls 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 Bank's internal controls.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE BANK OF NAMIBIA

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board members.
- Conclude on the appropriateness of the Board of 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 Bank'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 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 auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation structure and content of the financial statements including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte & Touche

Deloitte & Touche
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Deloitte Building, Maerua Mall Complex, Jan Jonker Road,
Windhoek
PO Box 47, Windhoek
Registration number 9407
Per: P Parry (Partner)

Directors: M Harrison, G Brand
Partners: J Cronjé, H De Bruin, P Parry
Associate of Deloitte Africa a member of Deloitte Touche
Tohmatsu Limited

28 March 2025

Grand Namibia

Grand Namibia

Registered Accountants and Auditors
Chartered Accountants (Namibia)
09 Axali Doeseb Street Windhoek;
PO Box 24304, Windhoek
Registration number 9424
Per: RN Beukes (Partner)
Partners: RN Beukes (Managing Partner), R Theron,
P Nghipandulwa

28 March 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 N\$'000	2023 N\$'000
Net interest income		1 224 728	990 520
Interest income	2	1 818 540	1 607 243
Interest expense	2	(593 812)	(616 723)
Net other interest income		-	-
Interest from rand investments exchanged	2	1 075 722	1 003 493
Interest paid on BON bills - NamPower and GIPF	2	(1 075 722)	(1 003 493)
Non-interest revenue		527 899	627 130
Rand compensation income	2	490 180	585 689
Dividend income on equity instruments	2	12 478	13 713
Profit on disposal of property, equipment and intangible assets	2	6	15
Other income	2	25 235	27 713
TOTAL INCOME		1 752 627	1 617 650
Total operating expenses	2	(741 153)	(592 513)
Operating expenses	2	(733 672)	(593 304)
Allowance for credit (losses)/reversals - amortised cost instruments	2	(7 481)	791
Operating profit		1 011 474	1 025 137
Foreign exchange and fair value gains		362 921	756 912
Net foreign exchange gains	20	225 918	778 241
Unrealised gains on rand investments exchanged		842 133	464 653
Unrealised losses on BON Bills - NamPower and GIPF		(842 133)	(464 653)
Unrealised gains/(losses) on derivative instruments	24	36 437	(56 000)
Unrealised gains on equity instruments	24	35 354	87 614
Realised foreign exchange gains/(losses) on sale of instruments and FEC's		65 212	(52 943)
PROFIT FOR THE YEAR		1 374 395	1 782 049
Items that will be reclassified subsequently to profit or loss:		(16 194)	361 350
Unrealised (losses)/gains - FVTOCI instruments	24	(16 194)	361 350
Items that will not be reclassified subsequently to profit or loss:		30 528	(15 305)
Allowance for credit loss reversal/(losses) - FVTOCI instruments	4.1	6 557	(1 586)
Actuarial gains/(losses) on post - employment benefits	17	23 971	(13 719)
TOTAL COMPREHENSIVE INCOME		1 388 729	2 128 094
Profits attributable to:			
Foreign currency revaluation reserve	20	225 918	778 241
Investment revaluation reserve	24	55 597	392 964
Amount available for distribution	3	1 107 214	956 889
TOTAL COMPREHENSIVE INCOME		1 388 729	2 128 094

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Notes	2024 N\$'000	2023 N\$'000
ASSETS			
Investments	4	60 668 426	50 582 528
Loans and advances - local banks	5	358 340	850 329
Currency inventory	6	61 480	72 780
Rand deposits	7	12 390	104 496
Other receivables	8	9 574 850	9 824 780
Loans and advances - other	9	163 892	140 315
Investment in associate	10	-	-
Other inventory - stationery and spares	11	5 331	4 979
Property and equipment	12	338 977	300 606
Intangible assets - computer software	13	61 998	42 985
TOTAL ASSETS		71 245 684	61 923 798
LIABILITIES			
Deposits	14	52 016 177	43 985 974
Trade and other payables	15	164 754	129 176
Notes and coins in circulation	16	5 609 944	5 244 027
Provision for post-retirement medical aid benefits	17	134 246	114 760
TOTAL LIABILITIES		57 925 121	49 473 937
CAPITAL AND RESERVES			
Share capital	18	40 000	40 000
General reserve	19	3 662 959	3 347 175
Foreign currency revaluation reserve	20	8 635 844	8 409 926
Training fund reserve	21	30 208	28 007
State revenue fund	3	720 000	511 470
Development fund reserve	22	283 653	284 424
Building fund reserve	23	153 300	83 300
Investment revaluation reserve	24	(205 401)	(254 441)
TOTAL CAPITAL AND RESERVES		13 320 563	12 449 861
TOTAL LIABILITIES, CAPITAL AND RESERVES		71 245 684	61 923 798

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Accumulated profit & loss account	Share capital	General reserve	Foreign currency revaluation reserve	Training fund reserve	State revenue fund	Development fund reserve	Building fund reserve	Investment revaluation reserve	Total N\$'000
N\$'000										
Balance at 01 January 2023	-	40 000	3 010 484	7 631 685	19 279	413 700	184 424	83 300	(648 991)	10 733 881
Profit for the year	1 782 049	-	-	-	-	-	-	-	-	1 782 049
Other comprehensive loss for the year	(15 305)	-	-	-	-	-	-	-	361 350	346 045
Transfer to Revaluation reserve	(778 241)	-	-	778 241	-	-	-	-	-	-
Transfers	-	-	1 272	-	(1 272)	-	-	-	-	-
Allowance for credit losses - FVTOCI	-	-	-	-	-	-	-	-	1 586	1 586
Transfer of unrealised gains on equity and derivative investments to investment revaluation reserve	(31 614)	-	-	-	-	-	-	-	31 614	-
Dividend distribution	-	-	-	-	-	(413 700)	-	-	-	(413 700)
Appropriation of net profit for the year	(956 889)	-	335 419	-	10 000	511 470	100 000	-	-	-
Balance at 31 December 2023	-	40 000	3 347 175	8 409 926	28 007	511 470	284 424	83 300	(254 441)	12 449 861
Profit for the year	1 374 395	-	-	-	-	-	-	-	-	1 374 395
Other comprehensive Income for the year	30 528	-	-	-	-	-	-	-	(16 194)	14 334
Transfer to revaluation reserve	(225 918)	-	-	225 918	-	-	-	-	-	-
Transfers	-	-	8 271	-	(7 500)	-	(771)	-	-	-
Allowance for credit losses - FVTOCI	-	-	-	-	-	-	-	-	(6 557)	(6 557)
Transfer of unrealised gains on equity and derivative investments to investment revaluation reserve	(71 791)	-	-	-	-	-	-	-	71 791	-
Dividend distribution	-	-	-	-	-	(511 470)	-	-	-	(511 470)
Appropriation of net profit for the year	(1 107 214)	-	307 513	-	9 701	720 000	-	70 000	-	-
Balance at 31 December 2024	-	40 000	3 662 959	8 635 844	30 208	720 000	283 653	153 300	(205 401)	13 320 563

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 N\$'000	2023 N\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated by operations	A	253 653	109 570
CASH FLOWS FROM INVESTING ACTIVITIES			
		(108 100)	(66 028)
Interest acquired in associate	10	(428)	(257)
Purchase of property and equipment	12	(59 198)	(37 700)
Disposal of property and equipment	12	299	702
Purchase of intangible assets - computer software	13	(27 272)	(3 881)
Disposal of intangible assets - computer software	13	2 076	-
Increase in loans and advances - other	9	(23 577)	(24 892)
CASH FLOWS FROM FINANCING ACTIVITIES			
		(145 553)	(43 542)
Distribution to the State Revenue Fund	B	(511 470)	(413 700)
Increase in notes and coins in circulation	16	365 917	370 158
Net cash flow	1.16	-	-

NOTE:

A. Reconciliation of profit for the year to cash generated by operations

Operating Profit	1 011 474	1 025 137
Adjusted for:		
Interest from rand investments exchanged	(1 075 722)	(1 003 493)
Interest paid on BON bills - NamPower and GIPF	1 075 722	1 003 493
Depreciation	20 528	5 030
Provision for post-retirement medical aid benefits	43 457	30 000
Amortisation of computer software	6 183	(699)
Currency inventory amortisation costs	47 515	45 563
Expected credit allowance losses/(gains) IFRS 9	7 481	(791)
Impairment of investment in associate	428	257

Operating cash flows before movements in working capital	1 137 066	(1 104 497)
Increase in Investments	(9 746 652)	(5 692 427)
Decrease/(Increase) in Loans and advances - local banks	491 989	(844 236)
Increase in Currency inventory	(36 215)	(37 305)
Decrease in Rand deposits	92 106	55 208
Decrease/(Increase) in Other receivables	249 930	(1 910 800)
Increase in Other inventory-stationery and spares	(352)	(173)
Increase in Deposits	8 030 203	7 394 391
Increase in Trade and other payables	35 578	40 415
	253 653	109 570

B. Distribution to State revenue fund

Opening balances	(511 470)	(413 700)
Appropriations of net profit for the year	(720 000)	(511 470)
Closing balance	720 000	511 470
Paid for the year	(511 470)	(413 700)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

1. ACCOUNTING POLICIES

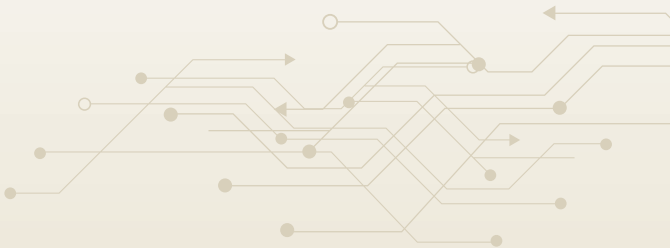
The Bank’s annual financial statements are prepared in accordance with the going concern principle under the historical cost basis except for financial assets and liabilities where the fair value and amortised cost basis of accounting is adopted. The principal accounting policies which have been consistently applied in all material respects are set out below. The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board, requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 1.3. The annual financial statements have been prepared to comply with the requirements of the Bank of Namibia Act 2020, and International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board.

1.1. NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

International Financial Reporting Standards and amendments, as issued by the International Accounting Standards Board and effective for 31 December 2024 year-end.

The disclosure relating to the IFRS S1 and S2 will be presented in a separate report to be issued subsequent to the annual report. The IFRS 16 standard did not have a material impact on the financial statements of the Bank. We have only disclosed relevant standards that have become effective during the current year.

Standards	Effective Date	Executive Summary
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	1 January 2024	The objective of IFRS S1 is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity.
IFRS S2 Climate -related Disclosures	1 January 2024	The objective of IFRS S2 is to require an entity to disclose information about its climate-related risks and opportunities that is useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity.
IFRS 16 Leases	1 January 2024	Amendments to IFRS 16 will clarify how a seller-lessee subsequently measures sale and leaseback transactions.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

➤ 1. ACCOUNTING POLICIES [CONTINUED]

1.1 NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

International Financial Reporting Standards and amendments, as issued by the International Accounting Standards Board and effective for 31 December 2024 year-end.

The standards listed below did not have a material impact on the financial statements of the Bank. We have only disclosed relevant standards that have become effective during the current year:

Standards	Effective Date	Executive Summary
IAS 1 Presentation of Financial Statements	1 January 2024	Classification of liabilities as Non-current: The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability income or expenses or the information disclosed about those items.
IAS 7 Statement of Cash Flows	1 January 2024	IAS 7 was amended to add disclosure requirements and 'signposts' within existing disclosure requirements that would ask entities to provide qualitative and quantitative information about supplier finance arrangements.
IFRS 7 Financial Instruments: Disclosures	1 January 2024	IFRS 7 was amended to add disclosure requirements and 'signposts' within existing disclosure requirements that would ask entities to provide qualitative and quantitative information about supplier finance arrangements.

1.2. NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS NOT YET EFFECTIVE

International Financial Reporting Standards and amendments, as issued by the International Accounting Standards Board, but not effective for 31 December 2024 year-end.

Management is in the process of reviewing the impact that the Standards listed below will have on the financial statements of the Bank in future periods:

Standards	Effective Date	Executive Summary
IAS 21 amendment Lack of Exchangeability	1 January 2025	The International Accounting Standards Board (IASB) has published 'Lack of Exchangeability (Amendments to IAS 21)' that contains guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements.
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027	IFRS 19 enables subsidiaries to keep only one set of accounting records to meet the needs of both their parent company and the users of their financial statements and reduces disclosure requirements.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

➤ 1. ACCOUNTING POLICIES [CONTINUED]

1.3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. The major areas where management has used its judgement and accounting estimates are set out below:

1. Impairment of financial assets

IFRS 9 requires that financial instruments be tested for impairments on a forward-looking basis. The main aim is to determine whether the credit risk of an instrument has changed materially since the previous reporting period. To make this calculation the IASB requires entities to develop and use an Expected Credit Loss (ECL) model. Generally, it can be summarised that the ECL model aims to anticipate shortfalls of contractual cash flows of financial instruments in the event of a default. Refer to note 1.5 and 4.1 for the ECL accounting policy and disclosure.

2. Provision for post-employment benefits disclosed under note 17

An actuarial valuation is performed annually to determine the Bank's obligation in this regard. The assumptions and judgements used by the actuary were considered by the Bank and were deemed reasonable considering the prevailing and anticipated future economic conditions.

3. Evaluation of useful lives and residual values

The residual value and useful life evaluation exercise is performed by internal staff members who have technical knowledge of specific classes of assets. Market information with regards to pricing is also obtained to ensure the required level of objectivity is maintained in the whole evaluation process.

4. Accounting for off-market loans as disclosed under note 9

Management judgement was applied to determine the average repayment period on the various classes of loans granted by the Bank. Prevailing interest rates at year-end were however applied to determine the impairment charge for the year on new off-market loans.

5. Rand Compensation Income

Rand compensation income is computed per the formula prescribed in article 8 of the Multilateral Monetary Agreement (MMA) which requires the South African government to make compensatory payments for the Rand currency circulating in Namibia. The compensation income (seigniorage) is calculated using the currency in circulation and yields being:

- Averages of Rand currency in circulation in South Africa and NAD currency in circulation in Namibia for the measured year and;
- South African government ten-year bond yield (average of the last 3 months – October/November/December of the measured year).

The compensation is calculated by taking two thirds (2/3) of the last three months' average of the South African government ten-year bond yield: 10.36% (2024) (2023: 11.90%) multiplied by the calculated stock of the Rand currency in circulation in Namibia as per the agreed formula. The actual Rand compensation income realised amounted to N\$490 million (2023: N\$586 million).

6. Acquisition of ZAR portfolios from GIPF and NamPower and issuance of BON bills

The Bank of Namibia entered into asset swaps with the GIPF and NamPower in November 2015 and February 2016, respectively, to bolster the country's foreign exchange reserves pursuant to its powers and functions in sections 4, 62 and 63 of the Bank of Namibia Act, No.1 of 2020. The swapped portfolios are co-managed by South Africa and Namibian registered investment managers and are denominated in the ZAR currency with a weighted overall duration of 14.03 years.

The benchmarks of the mandates swapped with the GIPF predominantly constitute 75 percent SA Inflation Linked Bond Index and 25 percent SA Government Bond 12+ year Index. Accordingly, as at 31 December 2024, the corresponding portfolios comprised of a 74 percent allocation to South African Government Inflation Linked Bonds, with the rest of the holdings spread across South African short-duration floating rate securities, negotiable certificates of deposits and private placements. The mandates swapped with GIPF are managed by Momentum, Trialpha, M&G and Sanlam Investment Managers. The portfolio swapped with NamPower is invested in Stanlib unit trusts with a tilt towards short-term fixed interest corporate paper and benchmarked against the Stefi Composite.

In exchange of the swapped mandates, the Bank of Namibia has issued a Namibian Dollar instrument to each of the institutions to the tune of the nominal capital exchanged. The value of this instrument is aligned to the investment earnings of the swapped portfolios. In the event that the Bank of Namibia requires to liquidate the asset swaps to enable financing of the country's foreign obligations/trade balance, the agreements together with the issued certificates necessitates that the NAD instrument will continue to accrue the benchmarks that are applicable to the GIPF swapped portfolios at the time of liquidation, while the NamPower instrument will continue to accrue the performance of the IJGMM index+150bps.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

➤ 1. ACCOUNTING POLICIES [CONTINUED]

1.3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

The Bank has not only taken legal ownership of the bills but also has substantive control over the ZAR investments premised on the following substantive factors:

- GIPF and NamPower can liquidate these investments at any time. In return they have no claim to the ZAR investments but can receive compensation in NAD, SDR, foreign currency gold and loan funding from e.g. the IMF without liquidating the ZAR investments. Effectively the Bank has the discretion to decide on the form of the Bank of Namibia bills settlement. The Bank of Namibia bills and the ZAR investments are therefore not tied but can be sold/ exchanged/ transferred independently. Furthermore, the Bank manages the ZAR portfolios as part of its foreign currency reserves.
- The initial ZAR portfolio comprised of debt instruments, mainly SA government inflation-linked bonds and collective investment scheme instruments acquired from the counterparties, changed significantly since inception. The investment choices strategy and risk appetite were subject to the Bank's policies, guidance and strategy without any involvement of the counterparties.
- The Bank of Namibia will only liquidate the ZAR investments upon a balance of payments crisis confirming that the duration is long, and the investment is not working capital. In the event of a balance of payments crisis the returns shall link to an index plus a pre-agreed margin. The returns of the Bank of Namibia bills will not be required to return immediately.

1.4 REVENUE RECOGNITION

Interest income is recognised on a time proportioned basis taking account of the principal outstanding and the effective interest rate over the period to maturity. The effective interest rate considers all directly attributable external costs discounts or premiums on the financial assets.

Dividends on equity instruments are recognised in profit or loss in accordance with IFRS 9 unless the dividends clearly represent a recovery of part of the cost of the investment.

Rand compensation income is received from the South African Government as compensation for the Rand currency in circulation in Namibia. The Bank accounts for this income on an accrual basis.

Other income consists of rental received, bank supervision fees and charges as well as sundry income. Other income is recognised at the point in time, to the extent that it is probable that the economic benefit will flow to the Bank and revenue can be reliably measured.

1.5 FINANCIAL INSTRUMENTS

Financial instruments as reflected on the Bank's statement of financial position include all financial assets and financial liabilities. Management determines the appropriate

classification at initial recognition of the financial instrument. Depending on their classification financial instruments are carried at fair value or amortised cost as described below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange or other institution and those prices represent actual and regularly occurring market transactions on an arm's length basis.

In inactive markets the most recent arm's length transactions are the basis of current fair values. Fair value is not the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distressed sale.

It is to be noted that the Bank does not invest in financial instruments which are not in an active market. However, should our investment philosophy change, valuation techniques such as cash flows models and consideration of financial data of the investees will be used to fair value certain financial instruments for which external market pricing information is not available. Valuation techniques may require assumptions not supported by observable market data. Disclosures will be made in the financial statements if changing any such assumptions to a reasonably possible alternative would result in significantly different profit income, total assets or total liabilities.

Cost is the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire an asset at the time of its acquisition and includes transaction costs. Transaction costs are incremental costs that are directly attributable to the acquisition issue or disposal of a financial instrument. An incremental cost is one that would not have been incurred if the transaction had not taken place. Transaction costs do not include debt premiums or discounts financing costs or internal administrative or holding costs.

Amortised cost is the amount at which the financial instrument was recognised at initial recognition less any principal repayments plus accrued interest and for financial assets less any write-down for incurred impairment losses. Accrued interest includes amortisation of transaction costs deferred at initial recognition and of any premium or discount to maturity amount using the effective interest rate method. Accrued interest income and accrued interest expense including both accrued coupon and amortised discount or premium are not presented separately and are included in the carrying values of related statement of financial position items.

The effective interest method is a method of allocating interest income or interest expense over the relevant period so as to achieve a constant periodic rate of interest (effective interest rate on the carrying amount). The effective interest

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

1. ACCOUNTING POLICIES [CONTINUED]

1.5 FINANCIAL INSTRUMENTS (CONTINUED)

rate is the rate that exactly discounts estimated future cash payments or receipts (excluding future credit losses) through the expected life of the financial instrument or a short period if appropriate to the net carrying amount of the financial instrument.

The effective interest rate discounts cash flows of variable interest instruments to the next interest repricing date except for the premium or discount which reflects the credit spread over the floating rate specified in the instrument or other variables that are not reset to market rates. Such premiums or discounts are amortised over the whole expected life of the instrument. The present value calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate.

Recognition

The Bank recognises financial instruments including “regular way” purchases and sales on settlement date and thus applies settlement date accounting to these transactions.

Financial assets and financial liabilities are recognised in the Bank’s statement of financial position when the Bank becomes a party to the contractual provisions of the instrument.

Loans and advances, other receivables and other financial liabilities are recognised on the day they are transferred to the Bank or on the day the funds are advanced.

Measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities as appropriate on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent to initial measurement financial instruments are measured at fair value or amortised cost depending on their classification.

Reclassification

It is a requirement that institutions disclose when it has reclassified a financial asset between one measured at amortised cost FVTOCI or FVTPL. The Bank has not reclassified any of its financial assets during the year under review.

Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value depending on the classification of the financial assets.

1. Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Investment in equity instruments is classified at FVTPL unless designated as equity investment that is not held for trading.

Despite the foregoing the Bank may make the following irrevocable elections/designations at initial recognition of a financial asset:

- The Bank may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

2. Impairment of financial assets

The Bank recognises a loss allowance for expected credit losses on investments in financial assets that are measured at amortised cost or at FVTOCI and trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Bank always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Bank’s historical credit loss experience adjusted for factors that are specific to the debtors general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date including time value of money where appropriate.

For all other financial instruments the Bank recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

➤ 1. ACCOUNTING POLICIES [CONTINUED]

1.5 FINANCIAL INSTRUMENTS (CONTINUED)

since initial recognition the Bank measures the loss allowance for that financial instrument at an amount equal to a 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

2.1 Definitions

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition the Bank compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment the Bank considers both quantitative and qualitative information that is reasonable and supportable including historical experience and forward-looking information that is available without undue cost or effort.

In particular the following information is considered when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating.
- significant deterioration in external market indicators of credit risk for a particular financial instrument e.g. a significant increase in the credit spread the credit default swap prices for the debtor or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost.
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.
- an actual or expected significant deterioration in the operating results of the debtor.
- significant increases in credit risk on other financial instruments of the same debtor.
- an actual or expected significant adverse change in the regulatory economic or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Bank presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due unless the Bank has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing the Bank assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- (1) The financial instrument has a low risk of default
- (2) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term and
- (3) Adverse changes in economic and business conditions in the longer term may but will not necessarily reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Bank considers a financial asset to have low credit risk when the asset has an external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amount.

The Bank regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria can identify a significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Bank considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors including the Bank in full (without considering any collateral held by the Bank).

Irrespective of the above analysis the Bank considers that default has occurred when a financial asset is more than 90 days past due unless the Bank has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower.
- (b) a breach of contract such as a default or past due event (see (ii) above).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

➤ 1. ACCOUNTING POLICIES [CONTINUED]

1.5 FINANCIAL INSTRUMENTS (CONTINUED)

- (c) the lender(s) of the borrower for economic or contractual reasons relating to the borrower's financial difficulty having granted the borrower a concession(s) that the lender(s) would not otherwise consider.
- (d) it is becoming probable that the borrower will enter bankruptcy or another financial re-organization; or;
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

3. Write-off policy

The Bank writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery e.g. when the debtor has been placed under liquidation or has entered bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Bank's recovery procedures considering legal advice where appropriate. Any recoveries made are recognised in profit or loss.

4. Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

As for the exposure at default for financial assets this is represented by the assets' gross carrying amount at the reporting date.

For financial assets the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Bank in accordance with the contract and all the cash flows that the Bank expects to receive discounted at the original effective interest rate.

If the Bank has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met the Bank measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Bank recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account except for investments in financial assets that are measured at FVTOCI for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve and does not reduce the carrying amount of the financial asset in the statement of financial position.

5. Derecognition of financial assets

The Bank derecognises a financial asset only when the contractual rights to the cash flow 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 entity.

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

On derecognition of a financial asset measured at amortised cost the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI the cumulative gain or loss previously accumulated in the investment's revaluation reserve is reclassified to profit or loss.

The Bank did not transfer financial assets in such a way that part of the assets did not qualify for derecognition.

Financial liabilities

These are measured at amortised cost. Amounts due to the Government bankers' reserve and current accounts are stated at cost as these accounts do not have fixed maturity dates.

Notes and coins issued are measured at face value as this liability does not have a fixed maturity date.

Accounts payable are stated at cost as this approximates fair value due to the short-term nature of such obligations.

1.6 GENERAL RESERVE

The general reserve is established in terms of Section 72 of the Bank of Namibia Act no.1 of 2020 and may only be used for the purpose specified below:

- increase the paid-up capital of the Bank.
- offset losses sustained by the Bank during a financial year.
- fund a Development Reserve Account; and
- redeem any securities issued by the Bank.

The amount maintained in this account relates to the annual appropriation of distributable profits determined by Section 71 of the Bank of Namibia Act, 2020. The Act prescribes that not less than 25% of the net profits of the Bank for a financial year be transferred to the General Reserve Account.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

➤ 1. ACCOUNTING POLICIES [CONTINUED]

1.7 FOREIGN CURRENCY ACTIVITIES AND REVALUATION RESERVE

The Revaluation Reserve has been created in accordance with Section 64 of the Bank of Namibia Act no.1 of 2020 and is used to accommodate any net gains or losses in any financial year of the Bank arising from any change in the book value or realised/unrealised value of the Bank's assets or liabilities denominated in currencies or units of account other than the Domestic Currency such as gold special drawing rights and foreign currencies. Any change in the value of such currencies or units of account in terms of the currency of Namibia shall be credited to the Revaluation Reserve Account before any appropriation to any other reserve.

Assets and liabilities in foreign currencies are translated to Namibia Dollars at year-end exchange rates. In terms of Section 64 of the Bank of Namibia Act no.1 of 2020 exchange gains and losses of the Bank are for the account of the Government and are consequently transferred to the Revaluation Reserve Account before appropriation of profits.

1.8 BUILDING FUND RESERVE

The reserve is to fund the modernization and extension of the head office building and potentially build a satellite office in Lüderitz. The renovation aims to enhance operational efficiency, to support future growth and enable our strategic objectives. Annual profits will be appropriated to the reserve and on completion of the construction the reserve so created will be released to the General Reserve.

1.9 DEVELOPMENT FUND RESERVE

This reserve was established under section 73(1)(a) of the Bank of Namibia Act no.1 of 2020 for the purpose of promoting or financing economic development in Namibia. The reserve will be released to the General Reserve.

1.10 PROPERTY AND EQUIPMENT

Property and equipment are stated at cost less accumulated depreciation and accumulated impairments losses and are depreciated on the straight-line method over their estimated useful lives. The estimated useful lives, residual values and depreciation methods are reviewed regularly with the effect of any changes in estimate accounted for on a prospective basis. The revised useful life in years is as detailed below:

Freehold buildings	50 years
Computer hardware	4-10 years
Motor vehicles	6-16 years
Furniture, fittings and equipment	1-37 years

The residual value on the building is benchmarked to similar structures in the country and did not call for any adjustment in residual value both in the previous year and the current year. Subsequent costs are included in the assets carrying value only

when it is probable that future economic benefits associated with the assets will accrue to the Bank. All other repairs and maintenance costs are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they are incurred.

1.11. INTANGIBLE ASSETS – COMPUTER SOFTWARE

On acquisition the software is capitalised at purchase price and amortised on a straight-line basis with zero residual value. The estimated useful lives, residual values and amortisation methods are reviewed at each year end with the effect of any changes in the estimate accounted for on a prospective basis. The Bank reassesses the residual value and useful life of Computer software on an annual basis and the useful life has been set to range between 1 and 8 years. Refer to note 13 for disclosure.

1.12. INVENTORY

Currency Costs

The costs of new Namibia bank notes and coins are capitalised and amortised on the earlier of issue of the currency or over five years. Cost comprises of printing and minting costs, carriage insurance and freight landed at the Bank's premises or designated port of consignment arrival. Currency is issued using the weighted average cost.

Stationery and spares

Stationery and spares inventory are capitalised and stated at the lower of cost and net realisable value. Cost comprises of purchase price as well as applicable freight for imported spare parts. Inventory is issued using the weighted average cost.

1.13. PENSION FUND

It is the policy of the Bank to contribute to the retirement benefits for employees. The Bank operates a defined contribution pension fund. Contributions to the Bank of Namibia Provident Fund are charged against income in the year in which they become payable.

1.14. IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amount of the assets of the Bank are reviewed at each statement of financial position date to determine whether there is any indication of impairment in which case their recoverable amounts are estimated.

An impairment loss is recognised in the Statement of Profit or Loss and Other Comprehensive Income whenever the carrying amount of an asset exceeds its recoverable amount. A previously expensed impairment loss will be reversed if the recoverable amount increases as a result of a change in the estimates used previously to determine the recoverable amount but not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognised.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

➤ 1. ACCOUNTING POLICIES [CONTINUED]

1.15. EMPLOYEE BENEFITS

(a) Post-Retirement Medical Benefits

The Bank provides post-retirement medical benefits in the form of a medical aid scheme for eligible employees and pensioners. The cost of providing benefits is determined using the projected unit credit method. The liability for the Bank's contribution to the scheme is in respect of current and future pensioners provided for by means of a financial liability. The magnitude of the liability is based on an actuarial valuation. Actuarial gains and losses on the post-retirement medical benefits are accounted for in the year in which they arise.

(b) Annual Leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave that are expected to be settled wholly within 12 months, are recognised and measured at the amounts expected to be paid when the liabilities are settled.

(c) Severance Pay

Severance pay is an amount paid to an employee on the early termination of a contract. Severance pay is equal to 1 week's remuneration for every 12 months of continuous employment with the same employer. The Bank makes provision for severance pay for employees in terms of section 35 (1) of the Labour Act.

1.16. STATEMENT OF CASH FLOWS

Cash as defined in IAS 7 is not wholly appropriate to the Bank due to its role in the creation and withdrawal of currency. The Bank has no cash balances on its statement of financial position.

1.17. PROVISIONS

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.18. TRANSACTIONS ON BEHALF OF GOVERNMENT

The Bank undertakes numerous transactions on behalf of the Government which include among other payments and receipts, opening and maintenance of accounts for donor-funded projects and the maintenance of accounts for line ministries. All such accounts opened are pre-funded with the funds received invested and the corresponding liability recorded in the books of the Bank. The transactions where the Bank only acts as an agent as well as the assets and liabilities arising from such transactions are not reflected in the annual financial statements of the Bank. Refer to note 31 for disclosure.

1.19. BORROWING COSTS

Borrowing costs are primarily interest and other costs incurred by the Bank in connection with the borrowing of funds. Borrowing costs are recognised on a time proportioned basis taking account of the principal outstanding and the effective interest rate over the period of the loan and are expensed accordingly.

1.20. ACCOUNTING FOR IMF – SPECIAL DRAWING RIGHTS (SDR)

The SDR is an international reserve asset created by the International Monetary Fund (IMF) in 1969 to supplement the existing official reserves of its member countries. SDRs are allocated to member countries in proportion to their IMF quotas. The SDR also serves as the unit of account of the IMF and some other international organisations. The SDR is defined in terms of a basket of currencies. Its value is determined as the weighted sum of exchange rates of the five major currencies (Euro, Japanese yen, Pound sterling, US dollar and Chinese renminbi). In as far as Namibia is concerned the total allocation of SDR by the IMF is classified in the books of the Bank as an asset under "Other Receivables" and as a liability under "Deposits" classification.

1.21. NOTES AND COINS IN CIRCULATION

One of the primary functions of the Bank is the printing and minting of Namibia Dollar currency and issuance thereof into circulation. The costs of printing and minting the currency are capitalised and amortised based on issuance of the currency into circulation.

New currency notes and coins are issued to the Commercial Banks at face value which then flows into circulation through the monetary and financial systems operational in the country. Once issued into circulation the notes and coins are reflected in the books of the Bank as a liability and the liability is only extinguished when the currency is no longer in circulation.

1.22. LENT-OUT SECURITIES

The Bank derives income from securities lending activity. The counterparties involved in these transactions are highly rated institutions and cash collateral is deposited by the counterparty with the custodians as a guarantee for the lent-out securities. Our custodians are responsible for the administration and management of this activity. The income generated from the lent-out securities activities are recorded in the books of the Bank accordingly.

1.23. INVESTMENT REVALUATION RESERVE

The Reserve has been created to retain unrealised gains and losses on the Bank's portfolio investments that are measured at fair value through other comprehensive income (FVTOCI) and fair value through profit and loss as per IFRS 9 until they are realised. Unrealised gains when realised become available for distribution and unrealised losses when realised are charged to the Statement of Profit or Loss and Other Comprehensive Income.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

2. RESULTS FOR THE YEAR

	2024	2023
	N\$'000	N\$'000
Profit for the year is arrived at after taking the following items into account:		
Interest Income		
Namibia Dollar & Rand Currency	1 085 041	906 536
Debt securities and money market instruments	1 085 041	906 536
Other currencies	725 956	694 955
Debt securities	646 353	603 305
Money market instruments	79 603	91 650
Unwinding of present value adjustments (staff loans)	7 543	5 752
	1 818 540	1 607 243
Interest Expense		
BON Bills	28 228	95 977
SDR	293 209	303 806
Commercial banks	141 208	142 597
Customer Foreign Currency (CFC)	131 167	74 343
	593 812	616 723
Rand Currency		
Interest income from rand investments exchanged	1 075 722	1 003 493
Namibia Dollar Currency		
Interest paid on liabilities to NamPower and GIPF	1 075 722	1 003 493
Rand compensation income	490 180	585 689
Sundry Income		
Profit on disposal of property, equipment and intangible assets	6	15
Dividend income on equity instruments	12 478	13 713
Other income	25 235	27 713
	37 719	41 441

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

2. RESULTS FOR THE YEAR [CONTINUED]

	2024	2023
	N\$'000	N\$'000
Operating Expenses		
Depreciation	20 528	5 030
Amortisation of computer software	6 183	(699)
Currency inventory amortisation costs	47 515	45 563
Salaries and related personnel costs	390 689	328 459
Post-retirement medical benefit expenses	43 457	30 000
Staff training and development	14 912	8 445
Social responsibility	6 972	1 628
Board members' fees - for services as board members	1 932	1 299
Auditors' remuneration - audit fees	3 044	2 233
Auditors' remuneration - non-audit fees	92	65
Membership fees	2 077	1 650
Building, Information Technology and other maintenance costs	31 350	24 627
Amortisation of pre-paid long-term employee benefits	7 543	5 752
Expected credit allowance losses/(reversals) - IFRS 9	7 481	(791)
Share of loss from associate	428	257
Asset management fees	12 590	13 575
Municipal accounts	11 402	11 413
Subscription	12 213	8 541
Research expenses: growth strategy	-	12 710
Travel Subsistence & Accommodation	9 602	8 266
Consultants Fees	11 247	8 284
Project Management fees	15 420	1 770
Other expenditure	84 476	74 436
Total operational expenditure	741 153	592 513
Number of employees	349	339

Interest income relates to interest earned on investments which are invested in the Rand, Euro and USD money and capital markets as well as interest earned in NAD on the commercial banks' settlement accounts repurchase agreements and staff loans.

Interest expense mainly relates to interest expense incurred on Bank of Namibia bills issued to commercial banks, interest expense incurred on commercial banks' settlement accounts, Special Drawing Rights allocations by the IMF and interest on bills issued to GIPF and NamPower.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

3. APPROPRIATION OF PROFITS IN TERMS OF THE BANK OF NAMIBIA ACT NO.1 OF 2020

	Notes	2024 N\$'000	2023 N\$'000
Total Comprehensive Income for the Year		1 388 729	2 128 094
Unrealised gains transferred to the investment revaluation reserve	24	(55 597)	(392 964)
Exchange rate gains transferred to the revaluation reserve	20	(225 918)	(778 241)
Amount available for distribution		1 107 214	956 889
Appropriation of Profits		1 107 214	956 889
General reserve	19	307 513	335 419
Building fund reserve	23	70 000	-
Training fund reserve	21	9 701	10 000
Development fund reserve	22	-	100 000
State revenue fund		720 000	511 470

The net foreign exchange gain reflected on the Statement of Profit or Loss and Other Comprehensive Income includes the translation gain for the year that has been charged to the Statement of Profit or Loss and Other Comprehensive Income to comply with the requirements of IAS 21 – “The Effects of changes in Foreign Exchange Rates”. In terms of section 64 of the Bank of Namibia Act 2020 gains and losses arising based on changes in the book or realised value of assets or liabilities denominated in currencies other than the domestic currency are to be transferred to the revaluation reserve. The net profit for the year in line with the compliance requirements of the Bank of Namibia Act 2020 would therefore amount to N\$1.11 billion (2023: N\$956.89 million). Appropriations of profits are based on this net profit figure.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

4. INVESTMENTS

	2024	2023
	N\$'000	N\$'000
RAND CURRENCY		
Fair value through profit or loss		
Debt securities and money market investments	21 117 866	20 783 886
Fair value through other comprehensive income		
Debt securities	2 699 050	2 977 005
Amortised cost		
Money market instruments	8 334 278	6 597 679
	32 151 194	30 358 570
OTHER CURRENCIES		
Fair value through profit and loss		
Equity instruments	701 689	651 418
Derivative instruments	36 437	-
Debt securities & money market investments	2 372 584	906 142
Fair value through other comprehensive income		
Debt securities & money market investments	14 796 894	9 030 578
Amortised cost		
Money market instruments	10 625 024	9 643 719
	28 532 628	20 231 857
Total Gross investments	60 683 822	50 590 427
Less: Rand currency allowance for credit losses - amortised cost (refer to 4.1)	(14 970)	(7 236)
Less: Other currency allowance for credit losses - amortised cost (refer to 4.1)	(426)	(663)
Total Net investments	60 668 426	50 582 528

The fair value of the certificates of deposit within the Rand currency instruments class, accounted for at amortized cost, was ascertained by referencing the prices provided in the custodian report. The fair value is determined to be N\$ 2.04 billion (2023: N\$950.246 million). All other instruments are considered short term therefore the carrying amount approximates fair value.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

4. INVESTMENTS [CONTINUED]

4.1 MOVEMENT IN EXPECTED CREDIT LOSSES

The following table shows the movement in expected credit losses that has been recognised for the respective investments.

Classification	Measured At FVTOCI			Measured At Amortised Cost	Total
	Internally Managed bonds	Externally Managed bonds	Allowance for credit losses – FVTOCI instruments	Internally managed money market instruments	
	N\$'000	N\$'000	N\$'000	N\$'000	N\$'000
Balance at 1 January 2024	18 822	1 766	20 588	7 899	28 487
Net (Decrease)/increase in ECL	(6 498)	(59)	(6 557)	7 497	940
Increase/(decrease): 12-month ECL	151	44	195	(237)	(42)
(Decrease)/increase: Lifetime ECL	(6 649)	(103)	(6 752)	7 734	982
Balance at 31 December 2024	12 324	1 707	14 031*	15 396	29 427

Classification	Measured At FVTOCI			Measured At Amortised Cost	Total
	Internally Managed bonds	Externally Managed bonds	Allowance for credit losses – FVTOCI instruments	Internally managed money market instruments	
	N\$'000	N\$'000	N\$'000	N\$'000	N\$'000
Balance at 1 January 2023	17 180	1 822	19 002	8 709	27 711
Net Increase/ (decrease) in ECL	1 642	(56)	1 586	(810)	776
(Decrease)/increase: 12-month ECL	(685)	169	(516)	385	(131)
Increase/(decrease): Lifetime ECL	2 327	(225)	2 102	(1 195)	907
Balance at 31 December 2023	18 822	1 766	20 588*	7 899	28 487

IFRS 9.5.5.2 prescribes that the allowance for credit losses for financial assets measured at FVTOCI of N\$14.0 million (2023: N\$20.6 million) shall be recognised in other comprehensive income and shall not reduce the carrying amount of the financial asset in the statement of financial position. The movement in the loss allowance is included in the investment revaluation reserve.

*The total allowance for credit losses at FVTOCI is presented in the Investment revaluation reserve under equity.

4.2 LENT - OUT SECURITIES

At 31 December 2024 the nominal value of lent-out securities from our investment portfolio managed by our custodians amounted to USD 17.5 million; NAD equivalent 328.86 million (2023: USD 28.9 million; NAD equivalent 535.63 million). The counterparties involved in these transactions are investment grade rated institutions and cash collateral has been deposited with the custodians as a guarantee for the lent-out securities. The income generated from the lent-out securities activity has been recorded in the books of the Bank accordingly.

4.3 FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The levels of hierarchy used to determine the fair value of financial instruments is as detailed below:

Fair value of instruments that fall in the Level 1 category would be based on the unadjusted quoted prices in an active market for identical assets or liabilities. Level 2 category would be based on quoted prices that are observable for the asset or liability either directly as prices or indirectly as derived from prices. Level 3 category would be based on inputs for the asset or liability that are not based on observable market data.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

4. INVESTMENTS (CONTINUED)

4.3 FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Level 1

The fair value of the Bank's financial instruments traded in active markets are based on the quoted prices obtained from the custodian at the statement of the financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange dealer, broker or pricing services and the prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2

The fair value of financial instruments not traded in an active market is determined using available observable market data and rely as little as possible on entity specific estimates. Some of the techniques used include market prices for similar instruments and discounted cash flows where future cash flows are discounted using a market related interest rate.

At 31 December 2024 the fair value of financial instruments that were classified under the various hierarchies is detailed in the tables below:

At 31 December 2024

	Level 1	Level 2	Level 3	Total
	N\$'000	N\$'000	N\$'000	N\$'000
Rand and other currencies investments at fair value through other comprehensive income	3 876 893	37 109 501	-	40 986 394
Other currencies - derivative investments at fair value through profit or loss	-	36 437	-	36 437
Other currencies - equity investments at fair value through profit or loss	701 689	-	-	701 689
	4 578 582	37 145 938	-	41 724 520

At 31 December 2023

	Level 1	Level 2	Level 3	Total
	N\$'000	N\$'000	N\$'000	N\$'000
Rand and other currencies investments at fair value through other comprehensive income	3 565 921	30 131 690	-	33 697 611
Other currencies - equity investments at fair value through profit or loss	651 418	-	-	651 418
	4 217 339	30 131 690	-	34 349 029

The value of the amortised cost instruments not included above amounts to N\$18.96 billion excluding the allowance for credit losses of N\$15.40 million (2023: N\$16.24 billion excluding the allowance for credit losses of N\$7.90 million).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

5. LOANS AND ADVANCES - LOCAL BANKS

	2024	2023
	N\$'000	N\$'000
Loans to local banks	358 343	351 543
Less: Allowance for credit losses	(3)	(19)
Repurchase Agreements-local banks	-	498 805
Closing balance	358 340	850 329

The loans to local banks are for the COVID-19 SME Loan Scheme where the commercial banks further on-lent the funds to eligible SME's as COVID-19 Loans. These loans are unsecured and accrue interest at the repo rate of which the obligation to pay interest and capital is deferred for the first six months after the first drawn down.

The loans to the local banks have a fair value of N\$316.397 million (2023: N\$299.885 million). The fair value was determined by discounting the loans using the prevailing prime rate of 10.75% (2023: 11.50%) plus 300bp over a 5-year period.

Repurchase agreements-local banks are overnight and seven-day loans (Repo's) to commercial banks to cover temporary liquidity shortages offered by the Bank at repo rate. The loans are short-term in nature and fair value approximates the carrying amount.

6. CURRENCY INVENTORY

	2024	2023
	N\$'000	N\$'000
Opening balance	72 780	81 038
Purchases current year	36 215	44 509
Currency revaluation	(200)	(7 204)
Currency amortisation	(47 315)	(45 563)
Closing balance	61 480	72 780

7. RAND DEPOSITS

	2024	2023
	N\$'000	N\$'000
Closing balance	12 390	104 496

Rand deposits is the value of Rand bank notes and coins held by the Bank of Namibia. Commercial banks deposit the Rand bank notes collected at their various branches at the Bank of Namibia. The Bank of Namibia in turn repatriates the Rand bank notes to the South African Reserve Bank based on predetermined currency values. During 2024 financial year R300 million (2023 : R225 million) was repatriated. Upon repatriation the South African Reserve Bank then credits the Namibian reserves on deposit with an amount equal to the value of the Rand bank notes repatriated. The carrying amount of Rand deposits or cash is a reasonable approximation of its fair value.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

8. OTHER RECEIVABLES

	2024	2023
	N\$'000	N\$'000
Other receivables	239 221	86 942
Less: Allowance for credit losses	-	-
Net other receivables	239 221	86 942
Rand compensation receivable	489 376	585 049
IMF - Quota	4 691 354	4 700 035
Receivable - Financial Intelligence Centre (FIC)	-	29 000
IMF - Special Drawing Rights (SDR) holdings	4 154 899	4 423 754
Total other receivables	9 574 850	9 824 780

The SDR is an international reserve asset created by the International Monetary Fund (IMF) to supplement the existing official reserves of member countries. SDRs are allocated to member countries in proportion to their IMF quotas. The SDR holdings of the Bank comprises of 172 378 387 (2023: 177 866 792) units of SDR currency.

Other receivables balances consist mainly of prepayments and VAT receivables which are non-financial instruments.

No allowance for credit losses has been recognised on any of the Other receivables as the counterparties predominantly include the IMF, South African Government's Treasury and the FIC which are public corporations and government agencies which have high ratings and/ or creditworthiness.

The SDR holdings account is additional reserves for the Bank that are accessible immediately. The cost approximates the fair value due to its liquid nature. All other receivables are short-term in nature and its cost approximate their fair value.

9. LOANS AND ADVANCES - OTHER

	2024	2023
	N\$'000	N\$'000
Staff loans	165 710	142 011
Less: Present value adjustment for off - market loans	(72 334)	(56 502)
Opening balance - 1 January	(50 750)	(40 186)
Current year fair value adjustment of new loans	(14 041)	(10 564)
Amortised to income statement	(7 543)	(5 752)
Add: Staff long-term fringe benefits	72 334	56 502
Opening balance - 1 January	50 750	40 186
Current year fair value adjustment of new loans	14 041	10 564
Amortised to income statement	7 543	5 752
Net staff loans	165 710	142 011
Lifetime expected credit loss allowance	(1 818)	(1 696)
Closing balance	163 892	140 315

Loans and other advances constitute loans to staff members. The loans are issued at discounted rates (3%) which is below the market rates as a condition of employment.

The fair value of the staff loans as at 31 December 2024 is determined by discounting the loans and advances using the prevailing prime rate of 10.75% (2023: 11.50%) plus 300bp over the loan term. The loans have a fair value of N\$91.237 million (2023: N\$81.573 million).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

10. INVESTMENT IN ASSOCIATE

	2024	2023
	N\$ '000	N\$ '000
Carrying value of investment - 1 January	-	-
Increase in investment	428	257
Share of loss in associate	(428)	(257)
Total investment in associate - 31 December	-	-

The Bank holds a 49% interest in the Central Securities Depository Ltd (CSD). The company is incorporated in Namibia and the interest is equity - accounted for. The principal activity of the CSD is to provide central securities depository services to the Namibian market.

Below is a summary of the financial information:

	2024	2023
	N\$ '000	N\$ '000
Total Income	-	-
Total Expenses	(2 028)	(1 369)
Net loss for the year	(2 028)	(1 369)
Total Assets	2	2
Total Liabilities	(10 428)	(8 478)
Equity	(10 426)	(8 476)
Share of Loss in Associate recognised	428	257
Cumulative unrecognised share of loss	1 568	990

The Bank has subordinated its debt of N\$4.6 million (2023: N\$3.8 million) in favour of other creditors of the CSD both present and future and the Bank will not call its claims against the CSD before 1 January 2026. The debt has been fully impaired in the books of the Bank.

11. OTHER INVENTORY - STATIONERY AND SPARES

	2024	2023
	N\$ '000	N\$ '000
Opening balance	4 979	4 806
Purchases current year	935	811
Issues current year	(515)	(638)
Adjustments	(68)	-
Closing balance	5 331	4 979

The cost of inventories recognised as an expense during the year was N\$ 2.42 million (2023: N\$ 2.08 million). There was no write-down of inventory to net realisable value.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

12. PROPERTY AND EQUIPMENT

2024 Cost	Freehold Land and Buildings	Computer Hardware	Furniture, Fittings & Equipment	Motor Vehicles	Assets under construction (AUC)	Total
	N\$'000	N\$'000	N\$'000	N\$'000	N\$'000	N\$'000
At 1 January 2024	345 319	24 794	105 207	17 073	24 163	516 556
Additions	-	12 261	18 577	3 720	25 416	59 974
AUC transfer	9 072	-	-	-	(9 072)	-
Adjustment	(132)	-	-	-	(644)	(776)
Disposals	-	(5 891)	(15 351)	-	-	(21 242)
At 31 December 2024	354 259	31 164	108 433	20 793	39 863	554 512
Accumulated depreciation						
At 1 January 2024	109 163	13 515	83 821	9 451	-	215 950
Current year charge	8 842	4 566	6 473	2 083	-	21 964
Disposals	-	(5 679)	(15 264)	-	-	(20 943)
Useful life change adjustment	(19)	(41)	(211)	(274)	-	(545)
Writeback Adjustment*	-	(49)	(687)	(155)	-	(891)
At 31 December 2024	117 986	12 312	74 132	11 105	-	215 535
Carrying value						
At 1 January 2024	236 156	11 279	21 386	7 622	24 163	300 606
At 31 December 2024	236 273	18 852	34 301	9 688	39 863	338 977
2023 Cost	Freehold Land and Buildings	Computer Hardware	Furniture, Fittings & Equipment	Motor Vehicles	Assets under construction (AUC)	Total
	N\$'000	N\$'000	N\$'000	N\$'000	N\$'000	N\$'000
At 1 January 2023	345 466	35 989	124 504	12 954	4 641	523 554
Additions	1 082	8 518	2 917	5 417	19 766	37 700
AUC transfer	244	-	-	-	(244)	-
Disposals	(1 473)	(19 713)	(22 214)	(1 298)	-	(44 698)
At 31 December 2023	345 319	24 794	105 207	17 073	24 163	516 556
Accumulated depreciation						
At 1 January 2023	102 399	33 175	106 898	12 444	-	254 916
Current year charge	8 645	5 693	7 371	1 020	-	22 729
Disposals	(1 248)	(19 341)	(22 109)	(1 298)	-	(43 996)
Useful life change adjustment	-	(2 374)	(292)	(337)	-	(3 003)
Writeback Adjustment*	(633)	(3 638)	(8 047)	(2 378)	-	(14 696)
At 31 December 2023	109 163	13 515	83 821	9 451	-	215 950
Carrying value						
At 1 January 2023	243 067	2 814	17 606	510	4 641	268 638
At 31 December 2023	236 156	11 279	21 386	7 622	24 163	300 606

A register containing details of land and buildings is available for inspection at the registered office of the Bank. The Bank conducted a useful life assessment in the current year, resulting in the extension of the useful life of assets. This extension decreased depreciation for the year by N\$545 000. The effect on future periods is an increase in the total depreciation expense of N\$545 000.

Impact of change in Accounting Estimates

Depreciation based on new useful life estimates

Depreciation based on previous estimates

Net effect of change on current year depreciation

2024	2023
N\$'000	N\$'000
813	10 234
1 358	11 214
545	980

*During the useful life assessment, the Bank identified assets with nil book values that are still in use. A writeback of depreciation totaling N\$891,000 (2023: N\$14.696 million) was performed on these identified assets. The writeback indicates an immaterial error. The impact was recorded in the current financial year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

13. INTANGIBLE ASSETS - COMPUTER SOFTWARE

2024 Cost

	Computer Software	Assets under construction (AUC)	Total
	N\$'000	N\$'000	N\$'000
At 1 January 2024	78 516	-	78 516
Additions	10 171	17 101	27 272
Disposals	(8 029)	-	(8 029)
At 31 December 2024	80 658	17 101	97 759

Accumulated depreciation

At 1 January 2024	35 531	-	35 531
Current year charge	7 178	-	7 178
Disposals	(5 953)	-	(5 953)
Useful life change adjustment	(20)	-	(20)
Asset Writeback Adjustment	(975)	-	(975)
At 31 December 2024	35 761	-	35 761

Carrying value

At 1 January 2024	42 985	-	42 985
At 31 December 2024	44 897	17 101	61 998

2023 Cost

	Computer Software	Assets under construction (AUC)	Total
	N\$'000	N\$'000	N\$'000
At 1 January 2023	110 300	-	110 300
Additions	3 881	-	3 881
AUC transfers	-	-	-
Disposals	(35 665)	-	(35 665)
At 31 December 2023	78 516	-	78 516

Accumulated depreciation

At 1 January 2023	71 895	-	71 895
Current year charge	13 419	-	13 419
Disposals	(35 665)	-	(35 665)
Useful life change adjustment	(8 122)	-	(8 122)
Writeback Adjustment*	(5 996)	-	(5 996)
At 31 December 2023	35 531	-	35 531

Carrying value

At 1 January 2023	38 405	-	38 405
At 31 December 2023	42 985	-	42 985

A register containing details of computer software is available for inspection at the registered office of the Bank.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

13. INTANGIBLE ASSETS - COMPUTER SOFTWARE (CONTINUED)

The Bank conducted a useful life assessment in the current year, resulting in the extension of the useful life of the intangible assets. This extension decreased amortisation for the year by N\$20,000. The effect on future periods is an increase in the total amortisation expense of N\$20,000.

Impact of change in Accounting Estimates

Amortisation based on new useful life estimates

Amortisation based on previous estimates

Net effect of change on current year amortisation

2024	2023
N\$'000	N\$'000
22	2 085
42	9 172
20	7 087

*During the useful life assessment, the Bank identified intangible assets with nil book values that are still in use. A writeback of amortisation totaling N\$975 000 (2023: N\$ 5.996 million) was performed on these identified assets. The writeback indicates an immaterial error, the impact of which was recorded in the current financial year.

14. DEPOSITS

Government of the Republic of Namibia

Domestic bankers' reserve account

Domestic bankers' settlement account

SDR allocation account

IMF securities account

BON Bill

Bank of Namibia Bill - GIPF

Bank of Namibia Bill - NamPower

Foreign currency placements

Other - pre-funded donor funds at cost

Total Deposits

2024	2023
N\$'000	N\$'000
8 742 400	2 917 212
1 612 784	1 526 443
4 293 695	2 693 781
7 573 625	7 838 702
4 691 354	4 700 035
-	368 477
20 382 002	18 783 126
735 864	847 997
3 926 808	4 179 965
57 645	130 236
52 016 177	43 985 974

Domestic bankers' reserve account balances have no fixed maturity and attract no interest. The settlement account, however, attracts interest at the prevailing rate as determined by the Bank of Namibia.

Pursuant to sections 45 and 47 of the Bank of Namibia Act no.1 of 2020 the Government may take up short-term loans from the Bank which shall have a maturity of less than six months. The Government may without prior notification utilise an overdraft facility from the Bank not exceeding N\$2.5 billion. The Government shall pay interest to the Bank on debit balances at a rate equivalent to the 91-day treasury bill rate plus 50 basis points. Any request by Government for credit from the Bank exceeding N\$2.5 billion shall be referred to the Board of Directors of the Bank for consideration and approval or not.

The IMF securities account represents long-term Government deposits.

The Government Institutions Pension Fund (GIPF) and Namibia Power Corporation (Proprietary) Limited (NamPower) purchase agreements were concluded in November 2015 and February 2016 respectively to enhance Namibia's foreign reserve stocks. NamPower and GIPF transferred their ZAR investments to the Bank in exchange for an investment in NAD Instruments issued by the Bank. The Bank has created and issued Bank of Namibia Bills to the two corporate investors in terms of Section 7(2) of the Bank of Namibia Act 2020.

Other deposits are mainly made up of foreign currency denominated call deposit facilities provided to commercial banks and call account facilities extended to specific local institutions.

The pre-funded donor funds at cost are monies received on behalf of the Government for various donor funded projects being undertaken in Namibia. These funds have no maturity dates and attract no interest.

SDR allocation account has no fixed repayment terms. Its cost approximates its fair value.

All other deposits are available on demand thus classified as short-term deposits. Short-term deposits are deemed to approximate fair value.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

15. TRADE AND OTHER PAYABLES

	2024	2023
	N\$'000	N\$'000
Sundry creditors	92 147	88 478
Payable - Namibia Deposit Guarantee Authority (NDGA)	31 018	23 580
Payable - Financial Intelligence Centre (FIC)	41 589	17 118
Total trade and other payables	164 754	129 176

Due to the short-term nature of the sundry creditors their carrying amount is considered to approximate fair value.

Namibia Deposit Guarantee Authority (NDGA) and Financial Intelligence Centre (FIC) payable consist of funds invested in money market instrument and call accounts. The interest received on the money market instruments and Corporation for Public Deposits (CPD) investments are capitalized to the balance. The fair value of the NDGA and FIC payable at year end is determined to be N\$ 31.02 million (2023: N\$ 23.58 million) and N\$ 41.59 million (2023: N\$ 17.12 million) respectively.

16. NOTES AND COINS IN CIRCULATION

	2024	2023
	N\$'000	N\$'000
Namibian notes in circulation	5 321 206	4 968 085
Namibian coins in circulation	288 738	275 942
Total notes and coins in circulation	5 609 944	5 244 027

Issued notes and coins go into circulation and are recorded as a liability. The liability is extinguished when the notes and coins are removed from circulation.

17. PROVISION FOR POST-RETIREMENT MEDICAL AID BENEFITS

The Bank provides post-retirement medical aid benefits to retired staff members who joined the Bank prior to 1 January 2006. A provision for the liability has been determined based on the Projected Unit Credit Method. The independent actuarial valuation was performed for the year ended 31 December 2024. The actuarial valuation was performed by 3ONE Consulting Actuaries a member of the Actuarial Society of South Africa ("ASSA"). The prior year valuation was performed by ARCH Actuarial consulting.

	2024	2023			
	N\$'000	N\$'000			
Opening liability	114 760	71 041			
Interest cost	17 032	7 999			
Current service cost	2 413	1 145			
Benefit payments	(6 556)	(3 540)			
Estimate adjustment*	30 568	24 396			
Actuarial (gains)/losses	(23 971)	13 719			
Closing liability	134 246	114 760			
Number of members	163	172			
Key Assumptions	2024	2023			
Discount rate	11.92% p.a	12.02% p.a.			
Medical inflation	8.09% p.a	7.77% p. a.			
Valuation date	31.12.2024	31.12.2023			
The effect of a 1% movement in the assumed medical cost trend rate is as follows:	Increase	Decrease			
	N\$'000	N\$'000			
Aggregate of the current service cost and interest cost	21 895	17 364			
Defined benefit obligation closing liability	150 087	120 821			
At 31 December	2024	2023	2022	2021	2020
	N\$'000	N\$'000	N\$'000	N\$'000	N\$'000
Present value of post-retirement benefit obligation	134 246	114 760	71 041	69 098	64 957

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

17. PROVISION FOR POST-RETIREMENT MEDICAL AID BENEFITS (CONTINUED)

The Bank's post-retirement medical aid plan is unfunded.

The discount rates were deduced from the interest rate data obtained from the Johannesburg Stock Exchange after the market closed at year end.

A health care cost inflation rate of 8.09% (2023: 7.77%) has been assumed. This is 1.50% (2023: 1.50%) in excess of expected CPI inflation over the expected term of the liability namely 6.59% (2023: 6.27%).

*The estimate adjustment is a result of the change in the medical aid premium subsidy rate from 60% to 100% for all members.

18. SHARE CAPITAL

2024	2023
N\$'000	N\$'000
Authorised share capital	
100 000 000 ordinary shares of N\$1 each	100 000
Issued share capital	
40 000 000 ordinary shares of N\$1 each	40 000

The share capital is the amount subscribed by the Government in accordance with Section 8 of the Bank of Namibia Act 2020. The Bank is not subject to any externally imposed capital requirements however the annual appropriation of profits is approved by the Government which requires that a minimum percentage of the annual profits is transferred to the general reserve which forms part of the Bank's capital.

19. GENERAL RESERVE

2024	2023
N\$'000	N\$'000
Opening balance	3 347 175
Transfer from training fund reserve/development fund reserve	8 271
Appropriation of net profit for the year	307 513
Closing balance	3 662 959

The General Reserve is a Statutory Reserve that can be utilised for increasing the paid-up capital of the Bank, offset losses incurred, fund the Development Reserve and redeem any securities issued by the Bank.

20. FOREIGN CURRENCY REVALUATION RESERVE

2024	2023
N\$'000	N\$'000
Opening balance	8 409 926
Net foreign exchange gains	225 918
Closing balance	8 635 844

The foreign currency revaluation reserve has been created in accordance with Section 64 of the Bank of Namibia Act 2020. The Act requires that both realised and unrealised gains and losses be transferred to the revaluation reserve account.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

21. TRAINING FUND RESERVE

	2024	2023
	N\$'000	N\$'000
Opening balance	28 007	19 279
Transfer to general reserve	(7 500)	(1 272)
Appropriation of net profit for the year	9 701	10 000
Closing balance	30 208	28 007

The training fund reserve has been created to provide funds to up-skill the Bank's human capacity in order to meet challenges of the rapidly changing and complex financial environment in which the Bank operates. The transfer of N\$7.5 million was for the executive leadership training conducted during 2024 financial year.

22. DEVELOPMENT FUND RESERVE

	2024	2023
	N\$'000	N\$'000
Opening balance	284 424	184 424
Transfer to general reserve	(771)	-
Appropriation of net profit for the year	-	100 000
Closing balance	283 653	284 424

This reserve was established under section 73(1)(a) of the Bank of Namibia Act 2020 for the purpose of promoting or financing economic development in Namibia. The transfer of N\$771,000 was utilized for the public consultation on the Consumer Credit Bill.

23. BUILDING FUND RESERVE

	2024	2023
	N\$'000	N\$'000
Opening balance	83 300	83 300
Appropriation of net profit for the year	70 000	-
Closing balance	153 300	83 300

This reserve was established under section 73(1)(a) of the Bank of Namibia Act 2020 for the purpose of accumulating funds for building projects that the Bank intends to embark upon in the future.

24. INVESTMENT REVALUATION RESERVE

	2024	2023
	N\$'000	N\$'000
Opening balance	(254 441)	(648 991)
Transfers to investment revaluation reserve for the year (FVTPL)	71 791	31 614
Transfers to investment revaluation reserve for the year (FVTOCI)	(16 194)	361 350
Allowance for expected credit losses	(6 557)	1 586
Closing balance	(205 401)	(254 441)

The reserve has been created to retain unrealised gains and losses on the Bank's portfolio investments that are measured at fair value through other comprehensive income (FVTOCI) and fair value through profit and loss (FVTPL) per IFRS 9 until they are realised. Unrealised gains when realised become available for distribution and unrealised losses when realised are charged to the Statement of Profit or Loss and Other Comprehensive Income.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

25. RETIREMENT FUND

Retirement benefits are provided for employees by a separate provident fund known as the Bank of Namibia Provident Fund to which the Bank contributes. The provident fund is administered under the Pension Fund Act 1956 (No. 24 of 1956). The Fund was converted from a defined benefit pension fund to a defined contribution provident fund as at 1 March 2000. All employees contribute to the Fund. The Bank's total contributions for 2024 amounted to N\$33 517 442 (31 December 2023: N\$29 908 837).

26. TAXATION

No provision for taxation has been made in the annual financial statements as the Bank is exempted from taxation in terms of Section 74 of the Bank of Namibia Act 2020.

27. FINANCIAL INTELLIGENCE CENTRE (FIC)

The Bank continues to render administrative support to the Financial Intelligence Centre (FIC). The FIC was established in terms of the Financial Intelligence Act 2007 (No 3 of 2007). This Act was repealed in 2012 and replaced by the Financial Intelligence Act of 2012 which came into effect in December 2012. The Act prescribes that the Bank of Namibia shall host the FIC and will be responsible and accountable for all its operational and administrative activities. During 2016 the FIC financials were separated from those of the Bank. The intercompany accounts are used to determine and settle transactions between the FIC and the Bank. As at 31 December 2024 the Bank owes the FIC N\$41 589 000 (2023: Payable: N\$17 117 804) which is reflected on the intercompany account in Notes 8,15 and 31.

28. NAMIBIA DEPOSIT GUARANTEE AUTHORITY (NDGA)

The Bank renders administrative support to the Namibia Deposit Guarantee Authority (NDGA). The NDGA was established in terms of the Deposit Guarantee Act (No. 16 of 2018). The Act prescribes that the Bank of Namibia shall host the NDGA and will be responsible and accountable for all its operational and administrative activities. The intercompany accounts are used to determine and settle transactions between the NDGA and the Bank. As at 31 December 2024 the Bank owes the NDGA N\$ 31 018 000 (2023: N\$23 579 366) which is reflected on the intercompany account in Note 15 and 31.

29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The foreign exchange reserve activities of the Bank of Namibia are exposed to various types of risks. These include financial risks in the form of market, credit, currency and liquidity risk. The Bank views risk management as an integral part of the reserves management process and an essential element of good corporate governance. Due to its unique role and functions, the Bank's risk management and control is not only based on the institutional risk and return considerations, but also takes into account the national interest, in line with its statutory responsibilities prescribed in the Bank of Namibia (2020) Act.

To support the effective and efficient risk management system, foreign exchange reserves are managed in a three-tier governance structure consisting of the Board of Directors, the Investment Committee (IC) and the Financial Markets Department (FMD). To further strengthen the role of managing foreign reserves, a Credit Risk Committee was established acting as a function of the FMD and consists of members from outside the department with financial risk expertise.

The highest hierarchy, namely the Board defines the investment policy of the Bank, which guides the management and risk appetite of the foreign exchange reserves. The Board authority is delegated to the IC to ensure compliance with the investment mandate. The FMD is responsible for managing the reserves and within the FMD, there is a Risk & Analytics section that proactively monitors compliance of investments to assigned risk parameters daily.

In order to best achieve the multiple investment objectives, the Bank divides the reserves into three tranches namely: working capital liquidity and investment tranche.

Tranche	Horizon	Objective
Working capital	0-3 Months	Provide liquidity. No negative returns allowed on any period (100% Cash).
Liquidity	1 Year	Maximise returns subject to avoiding negative returns at 99% confidence (as measured on an annual basis).
Investment	1 Year	Maximise returns subject to a negative return of 100 bps with 95% probability (as measured on an annual basis).

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29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT [CONTINUED]

The different types of risks that the foreign exchange reserves are exposed to and the Bank's risk management approaches are stated below:

29.1 MARKET RISK

Market risk is the potential for adverse changes in the fair value or future cash flows of the Bank's foreign reserve assets due to changes in the level of volatility of market variables such as interest rates and foreign exchange rates. The Bank employs duration management, diversification, hedging, correlation analysis and risk budgeting to manage market risk. In managing the foreign exchange reserves, the Bank follows an enhanced indexation approach which aims to outperform traditional passive portfolio management techniques by investing in a defined benchmark as well as employing an active management strategy to enhance investment returns on appropriate portfolios.

Sensitivity analysis on currency risk

The Bank of Namibia follows an Asset-Liability Management Approach to determine its currency composition (an exercise which is undertaken annually during the Strategic Asset Allocation review). To manage the Bank's exposure to foreign-denominated liabilities the foreign reserve assets are matched to these liabilities yet some exposure to currency risk remains. Refer to note 29.3.

To demonstrate the sensitivity of our foreign currency investments to foreign exchange market changes we elected to stress the foreign currency investments with a reasonably possible variable of 10% in line with the requirements of IFRS 7 Financial Instruments: Disclosures.

	2024		2023	
	Total Assets NAD'000	(Increase)/ decrease 10%change	Total Assets NAD'000	(Increase)/ decrease 10%change
Assets				
USD	25 585 382	(2 558 538)	18 289 820	(1 828 982)
EURO	1 998 140	(199 814)	1 099 846	(109 985)
SDR	8 820 128	(882 013)	9 123 791	(912 379)
OTHER CURRENCIES	949 009	(94 901)	914 119	(91 412)
Balance at 31 December 2024	37 352 659	(3 735 266)	29 427 576	(2 942 758)
% Impact on assets		5%		5%
Liabilities				
USD	(3 627 532)	362 753	(4 210 102)	421 010
EUROS	(356 919)	35 692	(100 099)	10 010
SDR	(12 238 852)	1 223 885	(12 538 736)	1 253 874
Balance at 31 December 2024	(16 223 303)	1 622 330	(16 848 937)	1 684 894
% Impact on liabilities		3%		4%

Excluded from the above table is the Rand and Namibian currency denominated assets and liabilities totaling N\$33.379 billion (2023: N\$32.075 billion) and N\$35.932 billion (2023: N\$27.266 billion) respectively.

29.2 INTEREST RATE RISK

Interest rate risk is the risk arising from changes in market interest rates that adversely affect the value of foreign exchange reserve assets. The Bank's exposure to fair-value interest rate risk arises mainly through its investment in foreign exchange reserves. A substantial portion of the foreign exchange reserves are invested in global sovereign bonds. Hence, the value of these instruments is affected by changes in interest rates in these countries, which in turn affects earnings. To analyse this impact, the Dollar Duration measure (DV01) is a commonly used measure which considers the interest rate sensitivity of investments.

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29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT [CONTINUED]

29.2 INTEREST RATE RISK (CONTINUED)

The following table summarises the Bank's interest rate exposure using this methodology and applies a 1 percent interest rate shock. The table can therefore be used as a basis for an assessment of the sensitivity of the Bank's income to interest rate movements.

Sensitivity analysis on interest rate risk

To demonstrate the sensitivity of our investments to interest rate changes we elected to stress the investments with a reasonably possible variable of 100 bps i.e. 1%. This variable is supported by the spate of interest rate changes in financial markets over the last two years. The elected variable is in line with the requirements of IFRS 7 Financial Instruments: Disclosures.

IMPACT OF INTEREST RATE CHANGE ON EUR PORTFOLIO – 2024

Instrument	Amount invested €'000	Actual Portfolio Weight (%)	Interest Rate %	Duration (Yrs)	Estimated Loss Assuming 1% Change ('000)	Amount invested NAD'000	Estimated Loss Assuming 1% Change ('000)
Working capital	3 191	7	3.63	-	-	62 368	-
Liquidity tranche	25 457	57	2.77	0.32	81	497 608	1 590
Investment tranche	16 022	36	-	0.03	4	313 179	95
	44 670	100			85	873 155	1 685

IMPACT OF INTEREST RATE CHANGE ON USD PORTFOLIO – 2024

Instrument	Amount invested US\$'000	Actual Portfolio Weight (%)	Interest Rate %	Duration (Yrs)	Estimated Loss Assuming 1% Change ('000)	Amount invested NAD'000	Estimated Loss Assuming 1% Change ('000)
Working capital	15 961	1	4.24	0.00	0	299 910	8
Liquidity tranche	105 749	8	4.54	0.23	241	1 987 048	4 522
Investment Tranche	75 364	6	3.09	2.68	2 018	1 416 099	37 919
Externally Managed Portfolios	467 778	37	2.36	3.19	14 916	8 789 633	280 288
Customer Foreign Currency	201 342	16	4.37	0.00	7	3 783 257	129
Sinking Fund	404 863	32	4.39	0.29	1 164	7 607 449	21 873
	1 271 057	100			18 346	23 883 396	344 739

IMPACT OF INTEREST RATE CHANGE ON ZAR PORTFOLIO – 2024

Instrument	Amount invested R'000	Actual Portfolio Weight (%)	Interest Rate %	Duration (Yrs)	Estimated Loss Assuming 1% Change ('000)	Amount invested NAD'000	Estimated Loss Assuming 1% Change ('000)
Working capital	5 655 512	52	7.75	0.00	155	5 655 512	155
Liquidity tranche	1 810 802	16	8.12	0.20	3 547	1 810 802	3 547
Investment Tranche	3 490 354	32	8.26	0.24	8 479	3 490 354	8 479
BoN Bill	-	-	-	-	-	-	-
	10 956 668	100			12 181	10 956 668	12 181

IMPACT OF INTEREST RATE CHANGE ON SDR PORTFOLIO – 2024

Instrument	Amount invested '000	Actual Portfolio Weight (%)	Interest Rate %	Duration (Yrs)	Estimated Loss Assuming 1% Change ('000)	Amount invested NAD'000	Estimated Loss Assuming 1% Change ('000)
SDR	172 378	54	3.2	-	-	4 173 811	-
CNY	161 620	5	1.7	0.07	121	416 331	312
EUR	57 538	14	3.03	0.48	275	1 124 686	5 380
GBP	13 301	4	5.28	0.11	15	313 809	360
JPY	1 600 220	2	0	-	-	192 612	-
USD	90 652	21	5.33	0.22	200	1 703 368	3 758
		100			611	7 924 617	9 810

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29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT [CONTINUED]

29.2 INTEREST RATE RISK (CONTINUED)

IMPACT OF INTEREST RATE CHANGE ON EUR PORTFOLIO - 2023

Instrument	Amount invested €'000	Actual Portfolio Weight (%)	Interest Rate %	Duration (Yrs)	Estimated Loss Assuming 1% Change ('000)	Amount invested NAD'000	Estimated Loss Assuming 1% Change ('000)
Working capital	763	100	3.40	-	-	15 671	-
	763	100		-	-	15 671	-

IMPACT OF INTEREST RATE CHANGE ON USD PORTFOLIO - 2023

Instrument	Amount invested US\$'000	Actual Portfolio Weight (%)	Interest Rate %	Duration (Yrs)	Estimated Loss Assuming 1% Change ('000)	Amount invested NAD'000	Estimated Loss Assuming 1% Change ('000)
Working capital	15 905	2	5.28	0.00	0	295 225	8
Liquidity tranche	68 787	8	5.70	0.12	80	1 276 781	1 479
Investment Tranche	72 186	9	1.90	2.62	1 894	1 339 886	35 161
Externally Managed Portfolios	447 224	53	2.50	3.38	15 127	8 301 148	280 785
Customer Foreign Currency	234 015	28	5.29	0.10	230	4 343 672	4 271
	838 117	100			17 331	15 556 712	321 704

IMPACT OF INTEREST RATE CHANGE ON ZAR PORTFOLIO - 2023

Instrument	Amount invested R'000	Actual Portfolio Weight (%)	Interest Rate %	Duration (Yrs)	Estimated Loss Assuming 1% Change ('000)	Amount invested NAD'000	Estimated Loss Assuming 1% Change ('000)
Working capital	3 922 144	41	8.25	0.00	0	3 922 144	0
Liquidity tranche	1 726 807	18	8.44	0.16	3 186	1 726 807	3 186
Investment Tranche	3 561 432	37	8.64	0.43	15 374	3 561 432	15 374
BoN Bill	401 065	4	8.25	0.00	0.00	401 065	0
	9 611 448	100			18 560	9 611 448	18 560

IMPACT OF INTEREST RATE CHANGE ON SDR PORTFOLIO - 2023

Instrument	Amount invested '000	Actual Portfolio Weight (%)	Interest Rate %	Duration (Yrs)	Estimated Loss Assuming 1% Change ('000)	Amount invested NAD'000	Estimated Loss Assuming 1% Change ('000)
SDR	176 336	55	0.00	0.00	-	4 408 398	-
CNY	163 736	5	2.30	0.18	296	428 181	774
EUR	55 648	13	4.10	0.54	300	1 143 063	6 168
GBP	12 614	4	5.47	0.42	53	298 230	1 251
JPY	1 600 220	2	0.00	0.00	-	210 040	-
USD	85 636	21	5.88	0.36	312	1 589 540	5 794
		100			961	8 077 452	13 987

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT [CONTINUED]

29.2 INTEREST RATE RISK (CONTINUED)

INTEREST RATE REPRICING PROFILE

The following table summarizes the Bank's interest rate exposure in the form of an interest rate re-pricing table. This shows when the interest rate earned or charged on assets and liabilities are expected to change based on the various maturities. The table can therefore be used as the basis for an assessment of the sensitivity of the Bank's net income to interest rate movements.

AS AT YEAR ENDED 31 DECEMBER 2024

N\$'000	0 – 3 Months	3 – 12 Months	1 – 5 Years	More than 5 years	Non-Interest bearing	Total
Assets						
Investments	23 972 854	6 677 778	6 342 720	22 758 354	916 720	60 668 426
Loans and advances - local banks	-	-	358 340	-	-	358 340
Rand deposits	12 390	-	-	-	-	12 390
Other receivables	4 154 901	-	-	-	5 419 949	9 574 850
Loans and advances - other	-	-	163 892	-	-	163 892
Total Financial Assets	28 140 145	6 677 778	6 864 952	22 758 354	6 336 669	70 777 898
Liabilities						
Deposits	15 794 129	-	-	21 117 866	15 104 182	52 016 177
Trade and other payables	-	-	-	-	164 754	164 754
Total Financial Liabilities	15 794 129	-	-	21 117 866	15 268 936	52 180 931
Interest rate repricing gap	12 346 016	6 677 778	6 864 952	1 640 488	(8 932 267)	18 596 967

AS AT YEAR ENDED 31 DECEMBER 2023

N\$'000	0 – 3 Months	3 – 12 Months	1 – 5 Years	More than 5 years	Non-Interest bearing	Total
Assets						
Investments	14 160 789	8 934 785	6 092 298	21 184 399	210 257	50 582 528
Loans and advances - local banks	498 805	-	351 524	-	-	850 329
Rand deposits	104 496	-	-	-	-	104 496
Other receivables	4 423 754	-	-	-	5 401 026	9 824 780
Loans and advances - other	-	-	140 315	-	-	140 315
Total Financial Assets	19 187 844	8 934 785	6 584 137	21 184 399	5 611 283	61 502 448
Liabilities						
Deposits	15 181 023	-	-	19 631 123	9 173 828	43 985 974
Trade and other payables	-	-	-	-	129 176	129 176
Total Financial Liabilities	15 181 023	-	-	19 631 123	9 303 004	44 115 150
Interest rate repricing gap	4 006 821	8 934 785	6 584 137	1 553 276	(3 691 721)	17 387 298

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT [CONTINUED]

29.3 CURRENCY RISK

In terms of the Investment Policy and Guidelines foreign exchange risk is managed on a risk neutral basis through a currency composition (benchmark) that provides a natural hedge against potential liabilities. The currency composition of the foreign exchange reserves reflects the currency distribution of the country's short-term external debt imports and other contingent liabilities. The Bank's foreign reserve tranches are further composed of its various reserve currencies. The currency composition of reserves is determined using an Asset Liability approach whereby the potential calls on the reserves form the basis for the respective currency allocations. For the year 2024 the foreign reserves tranches were managed in-line with the currency exposure limits as shown below.

Instruments	ZAR Portfolio	USD Portfolio
Working capital	500mil – 2.5bn	10mil – 20mil
Liquidity tranche	1.0 bn – 4.5bn	20mil – 125mil
Investment tranche (%)	70	30

Risk - return preferences per tranche

Instruments	Horizon	Objective
Working capital	0-3 Mzonths	Provide Liquidity. No negative returns allowed on any period (100% Cash).
Liquidity	1 Year	Maximise returns subject to avoiding negative returns at 99% confidence (as measured on an annual basis).
Investment	1 Year	Maximise returns subject to a negative return of 100 bps with 95% probability (as measured on an annual basis).

The effect of the Namibia dollar exchange rates against the foreign currencies can have an impact on the level of foreign currency reserves when reported in local currency (NAD). The weakening of the NAD against the USD as well as other major currencies will favourably affect the reserve position when reported in NAD. The opposite effect holds when the NAD appreciates against these currencies. The NAD is pegged to the ZAR at a one-to-one parity and hence there is no currency risk on the portion of foreign reserves invested in that currency.

AT 31 DECEMBER 2024 THE BANK HAD THE FOLLOWING CURRENCY POSITION EXPOSURES

N\$'000	N\$ '000	ZAR '000	Euro '000	US\$ '000	Other '000	Total N\$'000
Assets						
Investments	430 685	31 705 210	1 998 140	25 585 382	949 009	60 668 426
Loans and advances - local banks	358 340	-	-	-	-	358 340
Rand deposits	-	12 390	-	-	-	12 390
Other receivables	239 220	489 376	-	-	8 846 254	9 574 850
Loans and advances - other	163 892	-	-	-	-	163 892
Total Financial Assets	1 192 137	32 206 976	1 998 140	25 585 382	9 795 263	70 777 898
Liabilities						
Deposits	14 648 880	21 117 866	356 919	3 627 532	12 264 980	52 016 177
Trade and other payables	164 754	-	-	-	-	164 754
Total Financial Liabilities	14 813 634	21 117 866	356 919	3 627 532	12 264 980	52 180 931
Net financial instruments	(13 621 467)	11 089 110	1 641 221	21 957 850	(2 469 717)	18 596 967

AT 31 DECEMBER 2023 THE BANK HAD THE FOLLOWING CURRENCY POSITION EXPOSURES

N\$'000	N\$ '000	ZAR '000	Euro '000	US\$ '000	Other '000	Total N\$'000
Assets						
Investments	154 489	30 124 254	1 099 846	18 289 820	914 119	50 582 528
Loans and advances - local banks	850 329	-	-	-	-	850 329
Rand deposits	-	104 496	-	-	-	104 496
Other receivables	115 940	585 049	-	-	9 123 791	9 824 780
Loans and advances - other	140 315	-	-	-	-	140 315
Total Financial Assets	1 261 073	30 813 799	1 099 846	18 289 820	10 037 910	61 502 448
Liabilities						
Deposits	7 505 914	19 631 123	100 099	4 210 102	12 538 736	43 985 974
Trade and other payables	129 176	-	-	-	-	129 176
Total Financial Liabilities	7 635 090	19 631 123	100 099	4 210 102	12 538 736	44 115 150
Net financial instruments	(6 374 017)	11 182 676	999 747	14 079 718	(2 500 826)	17 387 298

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT [CONTINUED]

29.4 LIQUIDITY RISK

Liquidity risk is the risk that the Bank will be unable to meet its financial obligations as they fall due or the possibility that the Bank will incur sub-substantial capital losses when it disposes its securities in the secondary market. Liquidity is the second most important foreign exchange re-serves management objective after capital preservation. The Bank seeks to maintain sufficient liquidity by investing in money market instruments and securities with an active secondary market. At 31 December 2024 43.7% (2023:47.3%) of total assets could be liquidated at no cost within two working days reflecting the high liquidity nature of the portfolio. The remaining 56.3% remains highly liquid with varying minimal cost of liquidation. The Bank seeks to maintain sufficient liquidity by investing in money market instruments and securities with an active secondary market.

LIQUIDITY/OBLIGATIONS RISK ANALYSIS STATEMENT AS AT 31 DECEMBER 2024

N\$'000	0 – 3 Months	3 – 12 Months	1 – 5 Years	5 + Years	Total
Assets					
Investments	24 164 811	6 677 777	6 342 720	23 483 118	60 668 426
Loans and advances - local banks	-	-	358 340	-	358 340
Rand deposits	12 390	-	-	-	12 390
Other receivables	728 597	-	-	-	728 597
Loans and advances - other	-	-	163 892	-	163 892
SDR Quota	4 691 354	-	-	-	4 691 354
SDR Holdings - IMF	4 154 899	-	-	-	4 154 899
Total Financial Assets	33 752 051	6 677 777	6 864 952	23 483 118	70 777 898
Liabilities					
Deposits	29 396 013	10 355 185	-	-	39 751 198
Trade and other payables	164 754	-	-	-	164 754
SDR Allocation - IMF*	-	-	-	7 573 625	7 573 625
IMF securities account*	-	-	-	4 691 354	4 691 354
Total Financial Liabilities	29 560 767	10 355 185	-	12 264 979	52 180 931
Liquidity sensitivity gap	4 191 284	(3 677 408)	6 864 952	11 218 139	18 596 967
Cumulative liquidity sensitivity gap	4 191 284	513 876	7 378 828	18 596 967	18 596 967

*Relates to reserves that are held as a result of the Bank's IMF membership. Refer to Note 1.20.

LIQUIDITY/OBLIGATIONS RISK ANALYSIS STATEMENT AS AT 31 DECEMBER 2023

N\$'000	0 – 3 Months	3 – 12 Months	1 – 5 Years	5 + Years	Total
Assets					
Investments	18 792 667	8 936 917	6 092 298	16 760 646	50 582 528
Loans and advances - local banks	498 805	40 085	311 439	-	850 329
Rand deposits	104 496	-	-	-	104 496
Other receivables	672 991	28 000	-	-	700 991
Loans and advances - other	-	-	140 315	-	140 315
SDR Quota	-	-	-	4 700 035	4 700 035
SDR Holdings - IMF	-	-	-	4 423 754	4 423 754
Total Financial Assets	20 068 959	9 005 002	6 544 052	25 884 435	61 502 448
Liabilities					
Deposits	27 003 580	4 443 657	-	-	31 447 237
Trade and other payables	129 176	-	-	-	129 176
SDR Allocation - IMF*	7 838 702	-	-	-	7 838 702
IMF securities account*	4 700 035	-	-	-	4 700 035
Total Financial Liabilities	39 671 493	4 443 657	-	-	44 115 150
Liquidity sensitivity gap	(19 602 534)	4 561 345	6 544 052	25 884 435	17 387 298
Cumulative liquidity sensitivity gap	(19 602 534)	(15 041 189)	(8 497 137)	17 387 298	17 387 298

*Relates to reserves that are held as a result of the Bank's IMF membership. Refer to Note 1.20.

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29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT [CONTINUED]

29.5 CREDIT RISK

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. In order to control the credit risk of the Bank's foreign exchange assets, the Investment Policy and Guidelines as well as the Credit Risk Framework limits exposure to eligible countries, counterparties, issuers, credit ratings and off-benchmark investments.

In terms of the Bank's credit appetite and threshold the Bank is exposed to credit risk through money market instruments issued by counterparties with a minimum short-term credit rating of upper medium grade. Longer-dated fixed income instruments are limited to issuances by countries holding a lower medium credit rating according to the IMF country classification list. South Africa's credit rating is presently below investment grade however exposure to this market is inevitable due to the historic economic relationship between Namibia and South Africa. Accordingly, a special provision has been made to allow for short-term exposure (minimum one year) to liquid instruments issued by the South African Government as well as by the top five commercial banks in South Africa. This is of strategic importance given the peg of the Namibian Dollar to the South African Rand.

Detailed below is a table which presents the Bank's total foreign asset exposure over various regions as well as their credit rating grading:

CREDIT RISK RATING ANALYSIS AS AT 31 DECEMBER 2024

REGIONAL EXPOSURE	CREDIT RATING GRADING 2024*	N\$ '000
United States	High grade	19 495 193
North America (excl. USA)	High grade	913 095
Euro Area	High grade	4 309 813
United Kingdom	High grade	577 466
Japan	Upper medium grade	1 070 920
Other Advanced Economies**	High grade	738 329
China	Upper medium grade	443 276
South Africa	Non-investment grade speculative	32 206 976
Other Emerging Market **	Lower medium grade	246 110
Multilaterals**	Prime	9 584 583
Namibia	Non-investment grade speculative	1 192 137
TOTAL FINANCIAL ASSETS		70 777 898

*Lowest weighted average credit rating applied

**Other Advanced Economies Other Emerging Market and Multilaterals represents countries classified as such as per the International Monetary Fund (IMF) country classification list and these have been grouped together to represent one regional risk exposure.

CREDIT RISK RATING ANALYSIS AS AT 31 DECEMBER 2023

REGIONAL EXPOSURE	CREDIT RATING GRADING 2023*	N\$ '000
United States	High grade	11 551 468
North America (excl. USA)	High grade	661 297
Euro Area	High grade	4 029 141
United Kingdom	High grade	324 360
Japan	Upper medium grade	2 209 291
Other Advanced Economies**	High grade	672 825
China	Upper medium grade	2 013 858
South Africa	Non-investment grade speculative	30 811 354
Other Emerging Market **	Lower medium grade	1 712 645
Multilaterals**	Prime	6 152 771
Namibia	Non-investment grade speculative	1 363 438
TOTAL FINANCIAL ASSETS		61 502 448

*Lowest weighted average credit rating applied

**Other Advanced Economies Other Emerging Market & Developing Economies and Multilaterals represents countries classified as such as per the International Monetary Fund (IMF) country classification list and these have been grouped together to represent one regional risk exposure.

The Bank invests/buys securities in reputable institutions who are rated by rating agencies. The Bank's credit risk exposure has remained static and movements in the fair values of our external portfolio investments were as a result of movements in interest rate risk and foreign exchange risk.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

➤ 29. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT [CONTINUED]

29.6 SETTLEMENT RISK

The Bank is exposed to settlement risk when settling or clearing transactions. This type of risk occurs in an event that the Bank or the counterparty in the dealing contract fails to settle or clear transactions where the exchange of cash securities is not instantaneous. This risk is of particular significance as this could result in penalties interest foregone and consequently affecting the reputation of the Bank. To control this risk the Bank has imposed counterparty and dealer limits so as to limit the bank's exposure to a counterparty at any given time in the deal cycle.

29.7 OPERATIONAL RISK

Like any other institution the Bank is exposed to operational risk which is the risk of financial losses or damage to the Bank's reputation resulting from one or more risk factors such as human factors failed or inadequate processes failed or inadequate systems and external events.

These factors are defined in detail as follows:

29.7.1 Human Factors:

Insufficient personnel lack of knowledge skills or experience inadequate training and development inadequate supervision loss of key personnel inadequate succession planning or lack of integrity or ethical standards.

29.7.2 Failed or inadequate systems:

A process is poorly designed or unsuitable or not properly documented understood implemented followed or enforced. A system is poorly designed, unsuitable or unavailable or does not operate as intended.

29.7.3 External events:

The occurrence of an event having an adverse impact on the Bank but outside its control.

The operational risk at the Bank is managed by having a suitable operational organisational structure with clear segregation of duties as well as defined built-in systematic controls. Bank-wide operations manuals are in place to be followed by staff. The Bank - wide business continuity plans which clearly states effective disaster recovery plans are currently being developed.

For the treasury operations the Bank ensures that dealers and analysts are well trained in the instruments in which they are trading and that the systems they need to operate on are in place. The Bank also makes sure that all investment officers are aware of procedures in place and have access to relevant documents. The Financial Markets Department Director reviews all procedures documentation requirements and the operational practices.

29.8 LEGAL RISK

Legal risk is the risk arising from failure to comply with statutory or regulatory obligations. Legal risk also comes about if the rights and obligations of parties involved in a payment are subject to significant uncertainty, for example if a payment participant declares bankruptcy. Legal disputes that delay or prevent the resolution of payment settlement can cause credit liquidity or reputational risks at individual institutions. Legal risk also results from a financial institution's failure to comply with the bylaws and contractual agreements established with the counterparties with which it participates in processing, clearing and settling payment transactions. The Bank therefore manages this risk by having appropriate documentation and using the market - customary standard master - agreements where possible.

29.9 COLLATERAL

The Bank provides overnight and seven-day loans (Repo's) to commercial banks to cover for temporary liquidity shortages. The commercial banks pledge eligible securities in the form of Government bonds, treasury bills, etc. as collateral for this facility. The Bank is not permitted to sell or re-pledge these securities in the absence of default from the said commercial banks. As at 31 December 2024 the Repo's to commercial banks were N\$ 0 million (2023: N\$498 million).

29.10 CREDIT LOSSES

No expected credit losses have been recognised for the Bank's financial assets other than investments at FVTOCI and investments held at amortised cost (refer to note 4.1). However, when expected credit losses are recognised the Bank records the impairment in a separate impairment account rather than directly reducing the carrying amount of the concerned assets (refer to note 4.1).

29.11 DEFAULTS AND BREACHES

The bank did not default on any of its loan commitments during the current and previous financial year.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

30. CAPITAL COMMITMENTS AND CONTINGENCIES

Capital commitments

	2024	2023
	N\$'000	N\$'000
Approved and contracted	242 000	-
Approved and not contracted	68 000	243 406

The capital commitments were approved by the board for future capital spending.

31. RELATED PARTY INFORMATION

During the year the Bank in its ordinary course of business entered into various transactions. These transactions were undertaken on commercial terms and conditions. The Bank of Namibia Act, 2020 prescribes that the emoluments of the Governor Deputy Governors and Board members be determined by the Minister of Finance. The emoluments of the Board members are primarily sitting fees and the annual stipend.

The Governor and the Deputy Governors' emoluments are all inclusive packages which comprises of salaries, pension contributions, medical aid and leave pay. The gross emoluments of executive, senior management and Board members are detailed below. Transactions with the Namibian Government, sole shareholder of the institution, are detailed in note 1.18 of this report. Notes 25, 27 and 28 provide more information on the Retirement Fund, Financial Intelligence Centre, and Namibia Deposit Guarantee Authority, respectively.

Gross Emoluments	Salaries	Retirement Benefit	Medical Aid Benefit	Total 2024	Total 2023
	N\$'000	N\$'000	N\$'000	N\$' 000	N\$'000
Executive Management					
Governors	9 439	888	224	10 551	9 870
Senior Management	32 280	3 672	1 476	37 428	30 969
Non-Executive Board					
Mr C A Baisako				-	231
Ms C v/d Westhuizen				-	252
Ms S T Haipinge				-	197
Mr E I Meroro				462	332
Mr E Nekwaya				334	-
Dr M Tjirongo				407	-
Mr P Kruger				367	-
Ms R Pretorius				362	287
Total				1 932	1 299

Mr. Titus Ndove is an ex-officio director and is therefore not entitled to any directors' remuneration.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2024

31. RELATED PARTY INFORMATION (CONTINUED)

	2024	2023
	N\$'000	N\$'000
Assets - Government Investments	7 627 791	2 098 188
Liabilities - Government Deposits	8 742 400	2 917 212
Interest paid to Government	-	-
Interest received from Government	3 093	11 773
Payable - Financial Intelligence Centre (FIC)	41 589	17 118
Receivable: Loan to Financial Intelligence Centre (FIC)	-	(29 000)
Payable - Namibia Deposit Guarantee Authority (NDGA)	31 018	23 580
Current year investment in Central Securities Depository (CSD)	428	257
Impairment (I/S) - Investment in Central Securities Depository (CSD)	(428)	(257)
Investment in Central Securities Depository (CSD)	4 625	3 848
Impairment - Investment in Central Securities Depository (CSD)	(4 625)	(3 848)

Sovereign Wealth Fund

The Cabinet through cabinet decision no. 8th/23.06.20/005 approved in principle the establishment of the Sovereign Wealth Fund of Namibia (SWF) also known as the Welwitschia Fund as a reserve account that shall be managed in terms of the sections 72(2) and 73(1) (a) of the Bank of Namibia Act, 2020 (Act. No.1 of 2020). On 12 May 2022 the Minister of Finance and Public Enterprises, Honourable Ipumbu Shiimi, and the Governor of the Bank of Namibia, Mr. Johannes !Gawaxab, signed a Memorandum of Understanding (MoU) to appoint the Bank as the manager of the Sovereign Wealth Fund. The Bank has no equity interest in the Fund and effectively has no voting rights in the governance structures of the SWF. The Bank manages the Fund on behalf of the Ministry of Finance and Public Enterprises. The funds under management at 31 December 2024 were N\$451.72 million (2023: N\$334.62 million).

There were no other related party transactions with either the executive management or non-executive Board members.

32. APPROVAL OF FINANCIAL STATEMENTS

The Annual Financial Statements have been approved by the Board of Directors at the Board meeting held on 17 March 2025.

33. SUBSEQUENT EVENTS

The Bank declared dividends to the State amounting to N\$720 million (2023: N\$511.47 million). The board approved an additional budget provision of N\$80million for the instant payment project.



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024 (IN COMPLIANCE WITH THE BANK OF NAMIBIA ACT 2020)

	Notes	2024 N\$'000	2023 N\$'000
Net interest income		1 224 728	990 520
Interest income	2	1 818 540	1 607 243
Interest expense	2	(593 812)	(616 723)
Net other interest income		-	-
Interest from rand investments exchanged	2	1 075 722	1 003 493
Interest paid on BON bills - NamPower and GIPF	2	(1 075 722)	(1 003 493)
Non-interest revenue		527 899	627 130
Rand compensation income	2	490 180	585 689
Dividend income on equity instruments	2	12 478	13 713
Profit on disposal of property, equipment and intangible assets	2	6	15
Other income	2	25 235	27 713
TOTAL INCOME		1 752 627	1 617 650
Total operating expenses	2	(741 153)	(592 513)
Operating expenses	2	(733 672)	(593 304)
Allowance for credit (losses)/reversals - amortised cost instruments	2	(7 481)	791
Operating profit		1 011 474	1 025 137
Foreign exchange and fair value gains		362 921	756 912
Net foreign exchange gains	20	225 918	778 241
Unrealised gains on rand investments exchanged		842 133	464 653
Unrealised losses on BON Bills - NamPower and GIPF		(842 133)	(464 653)
Unrealised gains/(losses) on derivative instruments	24	36 437	(56 000)
Unrealised gains on equity instruments	24	35 354	87 614
Realised foreign exchange gains/(losses) on sale of instruments and FEC's		65 212	(52 943)
PROFIT FOR THE YEAR		1 374 395	1 782 049
Items that will be reclassified subsequently to profit or loss:		(16 194)	361 350
Unrealised gains - FVTOCI instruments	24	(16 194)	361 350
Items that will not be reclassified subsequently to profit or loss:		30 528	(15 305)
Allowance for credit loss reversal/(losses) - FVTOCI instruments	4.1	6 557	(1 586)
Actuarial gains/(losses) on post - employment benefits	17	23 971	(13 719)
TOTAL COMPREHENSIVE INCOME		1 388 729	2 128 094
Profits attributable to:			
Foreign currency revaluation reserve	20	225 918	778 241
Investment revaluation reserve	24	55 597	392 964
Amount available for distribution	3	1 107 214	956 889
TOTAL COMPREHENSIVE INCOME		1 388 729	2 128 094

FIVE YEAR HISTORICAL FINANCIAL OVERVIEW

TABLE A. 15: STATEMENT OF FINANCIAL POSITION COMPARISONS 2024-2020 - N\$'000

	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21	31-Dec-20
ASSETS					
Investments	60 668 426	50 582 528	43 771 048	39 871 827	31 654 662
Loans and advances - local banks	358 340	850 329	6 093	1 456	1 040 782
Currency inventory	61 480	72 780	81 038	90 100	84 895
Rand deposits	12 390	104 496	159 704	70 014	45 337
Other receivables	9 574 850	9 824 780	7 913 980	7 653 445	5 288 750
Loans and advances - other	163 892	140 315	115 423	112 518	99 582
Investment in associate	-	-	-	-	-
Other inventory - stationery and spares	5 331	4 979	4 806	4 742	4 881
Property and equipment	338 977	300 606	268 638	278 240	284 287
Intangible assets - computer software	61 998	42 985	38 405	40 562	21 483
TOTAL ASSETS	71 245 684	61 923 798	52 359 135	48 122 904	38 524 659
LIABILITIES					
Deposits	52 016 177	43 985 974	36 591 583	32 800 835	24 147 300
Trade and other payables	164 754	129 176	88 761	99 077	110 901
Notes and coins in circulation	5 609 944	5 244 027	4 873 869	4 759 436	4 711 567
Provision for post-retirement medical aid benefits	134 246	114 760	71 041	69 098	64 957
TOTAL LIABILITIES	57 925 121	49 473 937	41 625 254	37 728 446	29 034 725
CAPITAL AND RESERVES					
Share capital	40 000	40 000	40 000	40 000	40 000
General reserve	3 662 959	3 347 175	3 010 484	2 741 385	2 463 986
Foreign currency revaluation reserve	8 635 844	8 409 926	7 631 685	7 002 208	6 200 558
Training fund reserve	30 208	28 007	19 279	16 179	16 179
State revenue fund	720 000	511 470	413 700	413 700	278 198
Development fund reserve	283 653	284 424	184 424	95 986	114 402
Building fund reserve	153 300	83 300	83 300	85 000	85 000
Investment revaluation reserve	(205 401)	(254 441)	(648 991)	-	291 611
TOTAL CAPITAL AND RESERVES	13 320 563	12 449 861	10 733 881	10 394 458	9 489 934
TOTAL LIABILITIES, CAPITAL AND RESERVES	71 245 684	61 923 798	52 359 135	48 122 904	38 524 659

TABLE A.16: INCOME STATEMENT COMPARISONS 2024-2020 - N\$'000

	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21	31-Dec-20
Interest income	1 818 540	1 607 243	740 023	547 330	638 676
Interest expense	(593 812)	(616 723)	(185 477)	(79 063)	(105 011)
NET INTEREST INCOME	1 224 728	990 520	554 546	468 267	533 665
Rand compensation income	490 180	585 689	578 000	505 628	499 787
Dividend income on equity instruments	12 478	13 713	5 025	-	-
Profit on disposal of property, equipment and intangible assets	6	15	36 162	43 237	18 294
Other income	25 235	27 713	-	-	-
TOTAL INCOME	1 752 627	1 617 650	1 173 733	1 017 132	1 051 746
Operating expenses	(741 153)	(592 513)	(522 504)	(432 933)	(514 928)
OPERATING PROFIT	1 011 474	1 025 137	651 229	584 199	536 818
Net foreign exchange translation gains	225 918	778 241	629 477	801 650	88 258
Unrealised gains/(losses) on equity instruments	35 354	87 614	(15 123)	-	-
Unrealised gains/(losses) on derivative instruments	36 437	(56 000)	-	-	-
Realised foreign exchange gains/(losses) on FEC's	65 212	(52 943)	56 599	151 656	(4 345)
PROFIT FOR THE YEAR	1 374 395	1 782 049	1 322 182	1 537 505	620 731
OTHER COMPREHENSIVE INCOME/(LOSSES)	14 334	346 045	(544 428)	(392 450)	238 878
Unrealised (losses)/gains on investment portfolio	(16 194)	361 350	(572 358)	(366 157)	238 878
Allowance for credit loss reversals/(losses) - FVTOCI instruments	6 557	(1 586)	24 631	(20 009)	-
Actuarial gains/(losses) on post - employment benefits	23 971	(13 719)	3 299	(6 284)	-
TOTAL COMPREHENSIVE INCOME	1 388 729	2 128 094	777 754	1 145 055	859 609
Foreign currency revaluation reserve	(225 918)	(778 241)	(629 477)	(801 650)	(88 258)
Investment revaluation reserve	(55 597)	(392 964)	587 481	366 157	(238 878)
Distribution adjustment on unrealised losses	-	-	36 879	(36 879)	-
NET INCOME AVAILABLE FOR DISTRIBUTION	1 107 214	956 889	772 637	672 683	532 473
APPROPRIATIONS:	1 107 214	956 889	772 637	672 683	532 473
General reserve	307 513	335 419	253 937	258 983	251 575
Building fund reserve	70 000	-	-	-	-
Training fund reserve	9 701	10 000	5 000	-	2 700
Development fund reserve	-	100 000	100 000	-	-
State Revenue Fund	720 000	511 470	413 700	413 700	278 198

