



NATIONAL ART GALLERY OF NAMIBIA
A PLACE FOR PEOPLE, a place for art

ANNUAL REPORT

2021 / 2022

Prepared By:
The NAGN Marketing and Communications Department

David Indongo
Remind Me, 2020
Mixed Media / Pointilism

Table Of Contents

| | | | |
|----------------------|----|-------------------------------------|----|
| Welcome to NAGN | 02 | Human Capital Report | 10 |
| Corporate Philosophy | 03 | Curatorial Report | 11 |
| Governance | 04 | Marketing and Communications Report | 13 |
| Strategic Direction | 05 | NAGN Services | 14 |
| Management Report | 06 | Annual Financial Statements | 15 |
| Leadership | 08 | | |

Welcome to the **National Art Gallery of Namibia (NAGN)**

A state-owned institution situated in central Windhoek, the capital city of Namibia, NAGN's main focus is to establish a systematic programme that informs and inspire the general public about visual art. It further seeks to develop and promote the visual arts fraternity in the country.

CORPORATE PHILOSOPHY

Company Vision

NAGN envisions to be the leading institution for celebrating, collecting, preserving, exhibiting and researching visual art and craft, as a component of national identity, cultural heritage and human connectedness.

Company Mission

NAGN aims to provide a dedicated space and human capacity for the exhibition, appreciation, acquisition, conservation, preservation and research of visual art and craft. We also encourage the formation of a Namibian, African and global consciousness of the value of visual art and craft for the continued development of humankind.



Through the willingness to assist each other and to accept assistance in return, the NAGN exudes the eagerness to contribute towards achieving collective goals and integrate opinions to arrive at workable solutions.

The NAGN endeavours to perform its duties effectively and efficiently to achieve targeted outputs without exception. It continually strives towards reaching higher quality standards, with a zero tolerance of mediocrity from colleagues.

All staff of the NAGN takes ownership of their actions through being responsible, trustworthy, reliable and answerable.

By providing sensible information within reasonable timeframes to enquiries from internal and external stakeholders, the NAGN upholds the value of transparency and a justifiable track record.

All NAGN staff respects themselves and the institution, as well as treat others the same. It tolerates culture, beliefs, values and views of others and value all people as equal human beings.

GOVERNANCE

Board of Trustees

The NAGN Board of Trustees (BOT) is responsible for policy, control and management of the affairs of the Gallery, as well as to provide strategic direction. The BOT determines policy and, together with the NAGN management, sets the strategic direction for the institution.

Moreover, it oversees the management of the Gallery, with the BOT acting as guardians of the public interest. The Board decides on major acquisitions and resource allocations, including representing the NAGN externally. It also monitors the organisation's performance against its agreed objectives.

In August / September 2021, an interim BOT was established. The members are:

1. M'kariko Amagulu (Chairperson)
2. Lynette Diergaardt (Deputy Chairperson)
3. Abius Akwaake
4. Ndapewoshali Ashipala
5. Esther Moombolah /Gaogoses
6. Mzingisi Gqwede
7. Sarah Negumbo
8. Erica Ndalikokule

Strategic Partners

Public Sector - Government:

- Ministry of Education, Arts and Culture (MoEAC)
- Ministry of Public Enterprises
- Ministry of Trade and SME Development (MITSMED)
- Ministry of International Relations and Cooperation (MIRCO)
- National Arts Council of Namibia (NACN)
- College of the Arts (COTA)
- John Muafangejo Arts Centre (JMAC)
- University of Namibia (UNAM)
- Regional Offices and Local Authorities

Public Sector - Associations:

- Franco Namibian Cultural Centre (FNCC)
- Goethe Institut Namibia
- International Council of Museums (ICOM)
- Museums Association of Namibia (MAN)
- Museum of African Art (MAA)
- Namibian Arts Association (NAA)
- United Nations Educational Scientific and Cultural Organisation (UNESCO)

Private Sector - Financial Institutions:

- Bank Windhoek (BWK)
- First National Bank (FNB)
- Rand Merchant Bank (RMB)
- Standard Bank of Namibia (SBN)

Private Sector

- Khan Trucking
- NEO Paints

STRATEGIC INDICATORS

Objectives

- Secure premises and other facilities to accommodate itself, its activities and permanent collections
- Acquire and maintain a permanent collection of a high standard and representative nature
- Establish and manage archives of visual art
- Preserve and protect the Namibian visual art heritage forming part of the gallery's collections and documentation under the gallery's care
- Research, document and publish visual art
- Hold public exhibitions of visual art within or outside Namibia
- Preserve, exhibit and make accessible Namibia's visual art heritage
- Develop public interest in art
- Ensure that works of art are accessible, and exhibited, to the public both for viewing or for study and research
- Promote the public's enjoyment and understanding of visual art and other fine art in all the regions of Namibia
- Encourage the production of works of art in Namibia
- Promote Namibian art and artists
- Promote the exchange of ideas in art on an international level and participation in international exhibitions in art
- Develop education programmes in education activities and collaborate with schools, colleges, other education bodies, museums, libraries and archives in such activities;
- Sustain initiatives consistent with or in support of the objects of the gallery
- Exercise custody over the Government collection
- Research in, document and restore, works of art
- Provide curatorial services in and for Namibia, and
- Inform itself and impart knowledge about international standards and ethics in curation

Key Indicators

- National recognition for namibian artists
- Education and research
- Appreciation of arts for all
- Strategic alliances
- Creating opportunities
- Unique gallery experience
- Curatorial expertise
- A competent workforce
- Collections management
- A conducive working experience
- Artists information management
- Effective financial management
- Promotions and event management
- Good governance

MESSAGE FROM THE CHAIRPERSON

CRAFTING SOLUTIONS, DELIVERING SUCCESS

With the inception of the interim NAGN Board of Trustees (BOT), the institution has made great strides towards realising its strategic objectives whilst navigating a thunderous internal landscape. It continues to experience infrastructural, capital, and human resource challenges, however, the NAGN is resilient and works to grow and develop in calibration with its key indicators.



Despite dealing with the socio-economic effects of Covid-19, NAGN remained focused and managed to implement planned programmes.

Additionally, the incoming BOT needed to determine its tone and plan of action to rehabilitate several internal and external matters of concern and catapult the Gallery back to a position of stability and national standing.

The BOT continued to work towards filling key positions at the NAGN in an effort towards realising a skilled and qualified staff complement. It further worked towards establishing a plan for income generation geared towards the survival of the institution and its sustainability.

In the absence of an optimal strategic plan for the period underway, an operational plan has been conceptualised to embody artist facilitation, artwork appreciation, stakeholder engagement, and income generation. The BOT further looks to review policies to ensure improved processes, but also underscore a conducive working environment.

In conclusion and on behalf of the Board, I would like to extend our sincere appreciation to the CEO and NAGN team, who remained resilient and committed to ensuring the roll-out of the NAGN programmes. Our heartfelt appreciation is further extended towards the loyal visitors of the Gallery, art lovers, the Namibian public and our regional, national and international partners and stakeholders.

M'kariko Amagulu

Chairperson of the Interim NAGN
Board of Trustees



MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

CELEBRATING TWO DECADES OF ART FACILITATION

En route to celebrating its 22nd anniversary, the National Art Gallery of Namibia (NAGN) celebrates two decades since its inception with the promulgation of the National Art Gallery of Namibia Act 14 of 2000. The past 22 years have been a journey of continuous improvement, growth and development for the Gallery, which a concerted effort towards redefining the institution's strategic direction.



NAGN has remained dedicated towards showcasing Namibia's visual art achievements and to date, is a National Art Museum that houses the Heritage Art Collections, contemporary and collections exhibitions, and avails its spaces for special events such as book launches, art talks and art workshops.

During the year under review, NAGN continues to cultivate its projects and programs, while the effects of Covid-19 loom overhead. The Gallery has slowly been welcoming the return of its visitors and continues to pursue hybrid models of meetings, as well as exhibition openings and workshops to accommodate both the in-house and at-home audience.

With the appointment of an interim Board of Trustees, the institution has been able to facilitate and execute still-standing projects, while steadying its position as a national institution.

Together with strategic partnerships and a committed NAGN team, the NAGN undertakes programmes that focusses on sectoral artist development and promotion, engagements and innovative means of facilitating its mandate.

The continuous financial support from the shareholders and strategic partners, aided the implementation of planned projects and activities. As we enter into a new decade, we remain steadfast in our mandate and journey to become a beacon of excellence. The NAGN remains appreciative towards the public for their unwavering support and interest in the Namibian visual art and crafts.

Snobia Kaputu
NAGN CEO



LEADERSHIP BOARD OF TRUSTEES



M'kariko Amagulu
Chairperson



Lynette Diergaardt
Deputy Chairperson



Abius Akwaake
Trustee



Ndapewoshali Ashipala
Trustee



Esther Moombolah /Gaogoses
Trustee



Mizingisi Gqwede
Trustee



Sarah Negumbo
Trustee



Erica Ndalikokule
Trustee



Snobia Kaputu
CEO

LEADERSHIP NAGN MANAGEMENT



Snobia Kaputu
CEO



Ndeenda Shivute-Nakapunda
Chief Curator



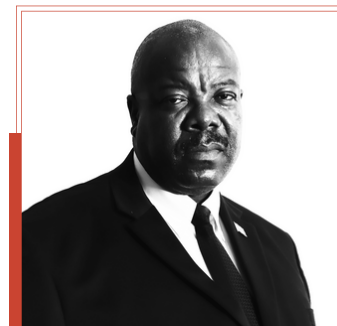
Linus Kabuku
Senior HR Officer



Benard Karaerua
Senior Accountant



Noah Nikanor
Senior Technician



Charles #Neib
Logistics Coordinator



Beau-Ann Ferris
Marketing and
Communications Officer

DEPARTMENTAL REPORTS

HUMAN CAPITAL

CREATING AN EFFECTIVE AND HARMONIOUS ORGANIZATIONAL CULTURE

Since the role of human resources management in any entity looks towards developing, reinforcing and changing the culture of an organisation, this function of the NAGN continues to be heavily underscored. With the induction of four newly appointed staff members, the NAGN continues to pursue sound governance in terms of its organisational structure and division of labour.

01. JMAC

Since 2018, negotiations to integrate the JMAC project which is also under the Ministry of Education, Arts and Culture, into the NAGN, have been ongoing. The integration process became successful in 2020 and a temporary agreement pending a permanent solution, is underway.

03. Staff Turnover

During the reporting period, staff turnover stabilised and, coupled with sound progress through its policy on internships, NAGN has been able to steer and accomplish the implementation of exhibitions and their associated activities. The Internship Policy is for purposes of assisting the Namibian scholars to gain much needed industrial and practical knowledge in their fields of choice.

02. Labour Relations

As the internal labour relations continue, the NAGN has been at the receiving end of reputation variables. The institution is nevertheless waging this matter to pursue a healthy working environment. A deep dive into the company's policies has also commenced and is hoped to bring about additional stability.

04. Training and Development

The NAGN is considering the implementation of training programmes geared towards public procurement and the wholistic understanding of the Public Procurement Act of Namibia. It also is continuously concerned with activities centred on improving the organizational culture of the institution.

DEPARTMENTAL REPORTS

CURATORIAL

COLLECTING, INTERPRETING, MAINTAINING AND EXHIBITING OF ART

| Exhibition Title | No. of Artworks | No. of Artists |
|--|-----------------|----------------|
| Bank Windhoek Triennial 2020 22 April - 31 July 2021 | 159 | 92 |
| Reflect: Serbia Version 25 August - 25 September 2021 | 20 | 18 |
| New Beginnings 07 October - 06 November 2021 | 58 | 11 |
| Craft 1 Exhibition 21 October - 16 December 2021 | 36 | 16 |

CURATORIAL CONT...

| Exhibition Title | No. of Artworks | No. of Artists |
|--|-----------------|----------------|
| Craft 2 Exhibition 02 November - 16 December 2021 | 30 | 9 |
| The Zambians are Coming Group Exhibition 18 November - 18 December 2021 | 33 | 7 |
| The Imbalance Phenomenon of Economy, Pop-up Exhibition 10 November - 10 November 2021 | 14 | 1 |
| Proverbs and Parables: Wild Animal Metaphors 27 January - 05 March 2022 | 31 | 1 |
| Artsplash 03 March - 16 April 2022 | 159 | 27 |

DEPARTMENTAL REPORTS

MARKETING AND COMMUNICATIONS

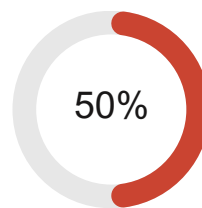
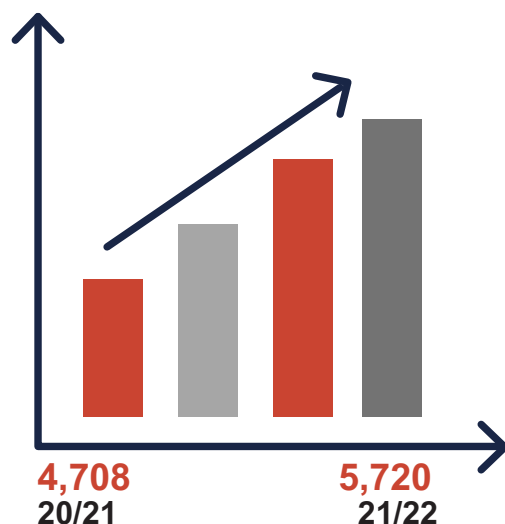
A LIAISON BETWEEN ART, ARTISTS AND THE PUBLIC

The marketing of art, while greatly compared to the boundaries and commonalities of the general principles of commercial marketing, remains a vital support function to the curatorial department of the Gallery. The main idea is to match the capabilities of the NAGN and the demands of the artists and art lovers in order to achieve a return on investment for all parties involved. Therefore, the needs of the artist and the audience should form an integral part of marketing and communication of art.

NAGN continues to pursue methodologies, which seek to serve the Gallery's stakeholders, project partners and media in the areas of interactive media, communications, stakeholder relations, event management and brand marketing and management. Through the incorporation of traditional and digital media platforms, the Gallery has been able to ensure awareness and visibility of the institutions' mandate for the Namibian people, as well as regional and international art fraternities.

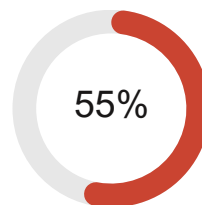
Visitor Statistics

As an institution that is concerned with the physical interaction of visitors, artists and stakeholders, the Covid-19 regulations continued to disrupt the day-to-day operations of the Gallery. Nevertheless, NAGN reported **5,720** visitors for the period, a staggering 1,012 more visitors than the last year.



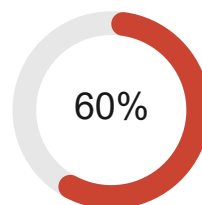
Product Innovation

The NAGN pursued a YouTube Channel and Tok-tok account, as well as hosting hybrid events.



Promotion

The NAGN remains committed to ensuring all relevant partners are kept up to date with its endeavours.



Brand Commitment

Improved brand management is required to escalate relevance, presence and mandate of institutions and its mandate.

NAGN SERVICES

PASHUKA READING CORNER

The Pashuka Reading Corner is open to the public during NAGN's opening hours. Members of the public and artists are invited to browse interesting art catalogues, art history books and Namibian art publications while surrounded by art! The public is encouraged to donate any art books or art materials for the reading corner.

FRAMING WORKSHOP

NAGN offers framing services at its workshop at the Gallery House in Robert Mugabe Avenue. This framing service is an income generating project for the National Art Gallery. Artworks, photographs and corporate portraits are framed at competitive rates.

EVENT SPACE FOR RENT

The NAGN Boardroom, Pashuka Multipurpose Area and exhibition spaces (main, upper and lower galleries, as well as the foyer) are facilities that can be utilised for events and functions depending on their availability and the NAGN discretion.

PASHUKA READING CORNER

The Pashuka Artist Corner is open to the public during NAGN's opening hours. Artists are invited to utilise one of the two computers for research purposes or drafting of important documentation.

CURATORIAL SERVICES

The NAGN has a qualified curatorial team who, besides providing curatorial work for artists exhibiting at the Gallery, also develops public interest in art through ensuring accessibility to the public for both viewing and research purposes. The curatorial team also promotes public enjoyment and the understanding of visual and fine art, as well provide curatorial advice to institutions or individuals on request.

ANNUAL FINANCIAL STATEMENTS 2021/2022

General Information

| | | |
|--|--|--|
| Country of incorporation and domicile | Namibia | |
| Nature of business and principal activities | The organisation is primarily involved in the promotion of Namibian art, artist and public interest in art. | |
| Trustees | Ms M'kariko Amagulu | Chairperson |
| | Ms Lynette Diergaardt | Vice-Chairperson |
| | Ms Esther Moombolah-/Goagoses | Director |
| | Ms Sarah Negumbo | Director |
| | Mr Mzingisi Gqwede | Director |
| | Ms Erica Ndalikokule | Director |
| | Ms Ndapewashali Ashipala | Acting Director/Operations Manager |
| | Mr Abuis Akwaake | Director |
| | Ms. Snobia Kaputu | CEO |
| | There have been no changes to the board of Trustees for the period under review. | |
| Business address | c/o John Meinert & Robert Mugabe Windhoek Namibia | |
| Postal address | P O Box 994 Windhoek 10005 Namibia | |
| Bankers | Bank Windhoek | |
| Auditors | Grand Namibia Chartered Accountants and Registered Auditors Chartered Accountants (Namibia) Registered Accountants and Auditors | |
| Secretary | Victorine Hanstein | |

Independent Auditor's Report

To the shareholder of the National Art Gallery of Namibia

Opinion

We have audited the financial statements of National Art Gallery of Namibia (the Gallery) set out on pages 8 to 22, which comprise the statement of financial position as at 31 March 2022, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of National Art Gallery of Namibia as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with Namibian Generally Accepted Accounting Practice - NAC 001: Namibian Statement on Financial Reporting for Small and Medium Sized Entities and the requirements of the National Art Gallery of Namibia Act.

Basis for opinion

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the document titled "National Art Gallery of Namibia financial statements for the year ended 31 March 2022", which includes the Trustees' Report as required by the National Art Gallery of Namibia Act. The other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the trustees for the Financial Statements

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with Namibian Generally Accepted Accounting Practice - NAC 001: Namibian Statement on Financial Reporting for Small and Medium Sized Entities and the requirements of the National Art Gallery of Namibia Act, and for such internal control as the trustees 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 trustees are responsible for assessing the Gallery'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 trustees either intend to liquidate the Gallery or to cease operations, or have no realistic alternative but to do so.

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

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment 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 control.

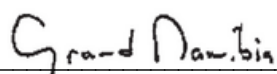
Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Gallery's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Conclude on the appropriateness of the trustees' 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 Gallery'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 auditor's report. However, future events or conditions may cause the Gallery 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 trustees 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.



Grand Namibia
Registered Accountants
Per: Ronald Beukes
Partner
Windhoek
27 April 2023

Trustees Report

The trustees have pleasure in submitting their report on the financial statements of National Art Gallery of Namibia for the year ended 31 March 2022.

1. Review of financial results and activities

The financial statements have been prepared in accordance with Namibian Generally Accepted Accounting Practice - NAC001. Namibian Statement on Financial Reporting for Small and Medium Sized Entities and the requirements of the National Art Gallery of Namibia Act. The accounting policies have been applied consistently compared to the prior year.

The operating result and state of affairs of the Gallery are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

2. Trustees

The trustees of the trust at the end of the financial year and at the date of this report are as stated under General Information on page 2.

3. Property, plant and equipment

Property, plant and equipment and permanent art collection were acquired to the cost of N\$ 158 000 (2021: N\$ 476 187) respectively. There have been no changes in the policy of their use.

4. Events after the reporting period

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

5. Going concern

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

6. Secretary

The gallery secretary is Victorine Hanstein.

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6. Secretary

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7. Dispute with the Arts Association of Namibia on ownership of artwork Background

Sometimes after 21 March 1990, when Namibia gained its independence, the Art Association of Namibia ('the AAN'), currently referred to as the Namibia Arts Association ('the NAA'), operated as the National Art Gallery of the Namibia ('the NAGN'), until the NAGN Act, Act 14 of 2000 came into being. During the period under review, the AAN received funding from the Government of the Republic of Namibia ('the GRN') through the Ministry of Education for the operation of the AAN and the acquisition of artworks which form part of a collection currently under dispute. That is, according to the NAA and/or the Arts Association Heritage Trust ('the AAHT'), the aforementioned collection was acquired through private funding and donations and not the aforementioned GRN funding.

The decision to conduct forensic audit:

Subsequent to numerous unsuccessful engagement between the NAGN and/or (the NAA)/AAHT to resolve the dispute and the NAGN obtaining a legal opinion from the office of the Attorney-General of Namibia, in order to reach an amicable solution to the dispute, the National Art Gallery of Namibia Board of the Trustees and the board of the Namibia Arts Association respectively resolved to appoint forensic investigators to perform a forensic audit to:

determine the ownership of the collection under dispute; and

to provide its finding and/or recommendations regards the ownership of the collection, with specific focus on the GRN funding granted to the NAGN during the period under review and how the same was spent and donations received.

The two parties also agreed to share the cost of the forensic audit equally as well as to be bound by the outcome of the forensic audit.

Current and previous years Accounting Treatment of the Disputed Assets in the Annual Financial Statement of the NAGN

There is an art collection with an unknown value that is not disclosed in the Annual Financial Statements for the financial year ended 31 March 2022 due to the forensic audit in progress to establish the ownership thereof.

Statement of Financial Position

| Figures in Namibian Dollar | Note(s) | 2022 | 2021 |
|-------------------------------------|---------|--------------------------|--------------------------|
| Assets | | | |
| Permanent Art Collection | 2 | 6,542,000 | 6,542,000 |
| Property, plant and equipment | 3 | <u>709,715</u> | <u>845,323</u> |
| | | 7,251,715 | 7,357,823 |
| Current Assets | | | |
| Inventories | 5 | 150,791 | 158,481 |
| Trade and other receivables | 4 | 77,545 | 70,685 |
| Cash and Cash Equivalents | 6 | <u>3,859,511</u> | <u>6,045,711</u> |
| | | 4,087,847 | 6,274,876 |
| TOTAL ASSETS | | <u>11,339,562</u> | <u>13,632,700</u> |
| Equity and Liabilities | | | |
| Equity | | | |
| Accumulated Profit | | <u>5,992,708</u> | <u>8,180,057</u> |
| | | 5,992,708 | 8,180,057 |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| Deferred Income | 8 | <u>5,044,866</u> | <u>5,064,063</u> |
| | | 5,044,866 | 5,064,063 |
| Current Liabilities | | | |
| Trade and other Payables | 7 | 54,264 | 195,657 |
| Deferred Income | 8 | 2,180 | 2,548 |
| Provisions | 9 | <u>245,543</u> | <u>190,375</u> |
| | | 301,987 | 388,580 |
| Total Liabilities | | 5,346,854 | 5,452,643 |
| TOTAL EQUITY AND LIABILITIES | | <u>11,339,562</u> | <u>13,632,700</u> |

Statement of Comprehensive Income

| Figures in Namibian Dollar | Note(s) | 2022 | 2021 |
|--|---------|--------------------|------------------|
| Revenue | 12 | 155,966 | 49,137 |
| Cost of Sales | 13 5 | (231,657) | (138,574) |
| Opening Stock | | 158,481 | 150,598 |
| Purchases | 5 | 223,967 | 146,457 |
| Closing Stock | | (150,791) | (158,481) |
| Gross Loss | 14 | (75,691) | (89,436) |
| | | 8,510,194 | 9,193,825 |
| Other Income | | 8,348,000 | 8,347,500 |
| Government Grants | | 7,482 | 13,971 |
| Insurance Claims | | 144,711 | 500,000 |
| John Muafangejo Art Project | | - | 150,000 |
| NACN - Covid 19 Fund | | 10,000 | 182,355 |
| Projects Funds | | | |
| Gross Income | | 8,434,502 | 9,104,389 |
| Operating Expenses | | 10,621,851 | 9,858,541 |
| Accounting Fees | | 144,370 | 139,120 |
| Advertising | | 470,635 | 490,521 |
| Bank Charges | | 35,566 | 40,243 |
| Cleaning | | 24,822 | 31,384 |
| Computer Expenses | | 198,530 | 225,099 |
| Consulting and Professional Fees | | 169,387 | 205,802 |
| Covid 19 Expenses | 3 | 10,121 | 53,072 |
| Curatorial Expenses | 15 | 3,037 | 307,148 |
| Depreciation, amortisation and impairments | | 264,109 | 225,827 |
| Employee Costs | | 5,636,210 | 5,918,459 |
| Entertainment | | 81,660 | 85,009 |
| Insurance | | 106,022 | 109,422 |
| John Muafangejo Art Project Expenses | | 315,289 | 317,303 |
| Legal Expenses | | 1,808,184 | 334,002 |
| License Fees | | 70,442 | 43,795 |
| Motor Vehicle Expenses | | 27,503 | 18,900 |
| Municipal Expenses | | 258,439 | 176,628 |
| NACN - Covid 19 Expenses | | - | 150,000 |
| Ovizire Somgu Projects Expenses | | - | 6,520 |
| Petrol and Oil | | 11,980 | 9,349 |
| Printing and Stationery | | 65,746 | 140,215 |
| Project Expenses | | 221,365 | 232,085 |
| Recruitment Expenses | | 15,304 | - |
| Repairs and Maintenance | | 109,694 | 88,820 |
| Security | | 179,846 | 171,881 |
| Staff Uniform | | 6,331 | 19,328 |
| Subscriptions | | 20,000 | 5,400 |
| Telephone and Fax | | 73,606 | 74,069 |
| Training | | 81,578 | - |
| Transport and Freight | | 36,337 | 169,363 |
| Travel - Local | | 175,741 | 69,775 |
| | | (2,187,348) | (754,152) |
| Operating Loss before Investment Income | | - | - |
| Investment Income | | (2,187,348) | (754,152) |
| Loss for the year | | (2,187,348) | (754,152) |
| Other Comprehensive Income | | - | - |
| Total Comprehensive Loss for the year | | (2,187,348) | (754,152) |

Statement of Changes in Funds

Figures in Namibian Dollar

| | Accumulated Profit | Total Equity |
|--------------------------------|--------------------|------------------|
| Balance at 31 March2020 | 8,934,209 | 8,934,209 |
| Net loss for the year | (754,152) | (754,152) |
| Balance at 31 March2021 | 8,180,057 | 8,180,057 |
| Net loss for the year | (2,187,348) | (2,187,348) |
| Balance at 31 March2022 | 5,992,708 | 5,992,708 |

Statement of Cash Flows

| Figures in Namibian Dollar | Note(s) | 2022 | 2021 |
|---|---------|---------------------------|-------------------------|
| Cash flows from operating activities | | | |
| Cash receipts from customers | | 8,659,299 | 9,240,873 |
| Cash paid to suppliers and employees | | (10,687,499) | (9,380,626) |
| Cash utilised to operations | 10 | <u>(2,028,200)</u> | <u>(139,753)</u> |
| Net finance costs | | - | - |
| Net cash from operating activities | | <u><u>(2,028,200)</u></u> | <u><u>(139,753)</u></u> |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 3 | (128,500) | (315,627) |
| Purchase of permanent art collection | 2 | (29,500) | (160,560) |
| Net cash outflow from investing activities | | <u><u>(158,000)</u></u> | <u><u>(476,187)</u></u> |
| Total cash movement for the year | | (2,186,200) | (615,940) |
| Cash at the beginning of the year | | 6,045,711 | 6,661,651 |
| Total cash at end of the year | | <u><u>3,859,511</u></u> | <u><u>6,045,711</u></u> |

Notes to the Annual Financial Statements

Figures in Namibian Dollar

2 Permanent Art Collection

| | 2022 | | | 2021 | | |
|--------------------------|------------------|--------------------------|------------------|------------------|--------------------------|------------------|
| | Cost | Accumulated Depreciation | Carrying Value | Cost | Accumulated Depreciation | Carrying Value |
| Permanent Art Collection | 6,542,000 | - | 6,542,000 | 6,512,500 | - | 6,512,500 |
| | 6,542,000 | - | 6,542,000 | 6,512,500 | - | 6,512,500 |

Reconciliation of permanent art collection - 2022

| | Opening Balance | Additions | Additions through donations | Depreciation | Total |
|--------------------------|------------------|---------------|-----------------------------|--------------|------------------|
| Permanent Art Collection | 6,512,500 | 29,500 | - | - | 6,542,000 |
| | 6,512,500 | 29,500 | - | - | 6,542,000 |

Reconciliation of permanent art collection - 2021

| | Opening Balance | Additions | Additions through donations | Depreciation | Total |
|--------------------------|------------------|----------------|-----------------------------|--------------|------------------|
| Permanent Art Collection | 6,351,941 | 160,560 | - | - | 6,512,500 |
| | 6,351,941 | 160,560 | - | - | 6,512,500 |

Dispute with the Arts Association of Namibia on ownership of artwork.

Background

Sometimes after 21 March 1990, when Namibia gained its independence, the Art Association of Namibia ('the AAN'), currently referred to as the Namibia Arts Association ('the NAA'), operated as the National Art Gallery of the Namibia ('the NAGN'), until the NAGN Act, Act 14 of 2000 came into being. During the period under review, the AAN received funding from the Government of the Republic of Namibia ('the GRN') through the Ministry of Education for the operation of the AAN and the acquisition of artworks which form part of a collection currently under dispute. That is, according to the NAA and/or the Arts Association Heritage Trust ('the AAHT'), the aforementioned collection was acquired through private funding and donations and not the aforementioned GRN funding.

The decision to contact forensic audit

Subsequent to numerous unsuccessful engagement between the NAGN and/or (the NAA)/AAHT to resolve the dispute and the NAGN obtaining a legal opinion from the office of the Attorney-General of Namibia, in order to reach an amicable solution to the dispute, the National Art Gallery of Namibia Board of the Trustees and the board of the Namibia Arts Association respective resolved to appoint forensic investigators to perform a forensic audit to:

1. determine the ownership of the collection under dispute; and
 2. to provide its finding and/or recommendations regards the ownership of the collection, with specific focus on the GRN funding granted to the NAGN during the period under review and how the same was spent and donations received.
- The two parties also agreed to share the cost of the forensic audit equally as well as to be bound by the outcome of the forensic audit.

Current and previous years Accounting Treatment of the Disputed Assets in the Annual Financial Statement of the NAGN

There is an art collection with an unknown value that is not disclosed in the Annual Financial Statements for the financial year ended 31 March 2022 due to the forensic audit in progress to establish the ownership thereof.

Notes to the Annual Financial Statements

Figures in Namibian Dollar

Note(s) **2022** **2021**

3 Property, plant and equipment

| | 2022 | | | 2021 | | |
|---------------------------|------------------|--------------------------|----------------|------------------|--------------------------|----------------|
| | Cost | Accumulated Depreciation | Carrying Value | Cost | Accumulated Depreciation | Carrying Value |
| Mobile exhibition systems | 51,504 | 51,504 | - | 51,504 | 51,504 | - |
| Furniture and fixtures | 513,296 | 448,078 | 65,219 | 474,196 | 401,138 | 73,059 |
| Motor vehicles | 765,974 | 624,524 | 141,450 | 765,974 | 530,332 | 235,643 |
| Office equipment | 854,290 | 630,385 | 223,905 | 820,368 | 585,010 | 235,358 |
| Arts Library | 212,012 | 38,872 | 173,141 | 212,012 | 18,363 | 193,649 |
| Framing equipment | 177,437 | 168,682 | 8,754 | 177,437 | 164,115 | 13,322 |
| Computer equipment | 617,863 | 520,617 | 97,246 | 562,384 | 468,092 | 94,292 |
| | 3,192,377 | 2,482,662 | 709,715 | 3,063,876 | 2,218,554 | 845,323 |

Reconciliation of Property, plant and equipment - 2022

| | Opening Balance | Additions | Depreciation | Disposals | Total |
|---------------------------|-----------------|----------------|--------------|----------------|----------------|
| Mobile exhibition systems | - | - | - | - | - |
| Furniture and fixtures | 73,059 | 39,100 | - | 46,940 | 65,219 |
| Motor vehicles | 235,643 | - | - | 94,193 | 141,450 |
| Office equipment | 235,359 | 33,922 | - | 45,375 | 223,905 |
| Arts Library | 193,650 | - | - | 20,509 | 173,141 |
| Framing equipment | 13,322 | - | - | 4,568 | 8,754 |
| Computer equipment | 94,291 | 55,479 | - | 52,525 | 97,246 |
| | 845,323 | 128,500 | - | 264,109 | 709,715 |

Reconciliation of Property, plant and equipment - 2021

| | Opening Balance | Additions | Depreciation | Disposals | Total |
|---------------------------|-----------------|----------------|------------------|-----------|----------------|
| Mobile exhibition systems | 1 | - | (1) | - | - |
| Furniture and fixtures | 96,025 | 10,962 | (33,928) | - | 73,059 |
| Motor vehicles | 329,840 | - | (94,197) | - | 235,643 |
| Office equipment | 235,846 | 42,654 | (43,141) | - | 235,359 |
| Arts Library | 13,299 | 184,047 | (3,696) | - | 193,650 |
| Framing equipment | 17,889 | - | (4,567) | - | 13,322 |
| Computer equipment | 62,623 | 77,965 | (46,296) | - | 94,291 |
| | 755,523 | 315,627 | (225,827) | - | 845,323 |

Notes to the Annual Financial Statements

Figures in Namibian Dollar

| | Note(s) | 2022 | 2021 |
|---------------------------------------|---------|------------------|------------------|
| 4 Trade and other receivables | | | |
| Trade Receivables | | 23,214 | 9,177 |
| Deposit (Electricity) | | 11,108 | 19,032 |
| Prepaid Expenses | | 43,223 | 42,475 |
| | 10 | <u>77,545</u> | <u>70,685</u> |
| 5 Inventories | | | |
| Finished Goods | | <u>150,791</u> | <u>158,481</u> |
| 6 Cash and Cash Equivalents | | | |
| | 3 | | |
| | 2 | | |
| Cash and cash equivalents consist of: | | | |
| Cash on hand | | 2,083 | 1,075 |
| Bank Balances | | 3,857,428 | 6,044,636 |
| | | <u>3,859,511</u> | <u>6,045,711</u> |
| 7 Trade and other Payables | | | |
| Trade and other payables | | 54,249 | 164,681 |
| Income Received in Advanced | | 15 | 15 |
| Accruals | | - | 30,961 |
| | | <u>54,264</u> | <u>195,657</u> |
| 8 Deferred Income | | | |
| Government Grants | | 5,047,046 | 5,066,610 |
| | | <u>5,047,046</u> | <u>5,066,610</u> |
| Government Grants | | 5,047,046 | 5,066,610 |
| | | <u>5,047,046</u> | <u>5,066,610</u> |
| Non-Current liabilities | | 5,044,866 | 5,064,063 |
| Current liabilities | | 2,180 | 2,548 |
| | | <u>5,047,046</u> | <u>5,066,610</u> |

Deferred revenue relates to the value of donated assets and is recognized as revenue through the income statement over the period in which the respective assets being depreciation for depreciable assets and sold for permanent art collection assets. Permanent art collection assets are not depreciable and deferred revenue is recognised as revenue through the income statement only when the assets are sold. There have been no permanent art collection assets sold during the year.

Notes to the Annual Financial Statements

Figures in Namibian Dollar

| | Note(s) | 2022 | 2021 |
|------------------------------------|-------------------------------|--------------------|------------------------------------|
| 9 Provisions | | | |
| Provisions for Employee Benefits | | 245,543 | 190,375 |
| 10 Cash utilised operations | | | |
| Loss before taxation | | (2,187,348) | (754,152) |
| Adjustments for: | | | |
| Depreciation | | 264,108 | 225,828 |
| Movement in provisions | | 55,168 | 41,936 |
| Changes in working capital: | | | |
| Inventories | | 7,690 | (7,883) |
| Trade and other receivables | | (6,860) | (2,090) |
| Trade and other payables | | (141,392) | 177,835 |
| Deferred Income | | (19,564) | 178,773 |
| | | <u>(2,028,200)</u> | <u>(139,753)</u> |
| 11 Related parties | | | |
| Relationships | | | |
| Chief Executive | Ms. Snobia Kaputu | | |
| Officer Board of Trustees | Ms M'kariko Amagulu | | Chairperson |
| | Ms Lynette Diergaardt | | Vice-Chairperson |
| | Ms Esther Moombolah-/Goagoses | | Director |
| | Ms Sarah Negumbo | | Director |
| | Mr Mzingisi Gqwede | | Director |
| | Ms Erica Ndalikokule | | Director |
| | Ms Ndapewashali Ashipala | | Acting Director/Operations Manager |
| | Mr Abuis Akwaake | | Director |
| 12 Revenue | | | |
| Sale of goods | | 155,966 | 49,137 |
| 13 Cost of Sales | | | |
| Cost of goods sold | | 231,657 | 138,574 |

Notes to the Annual Financial Statements

Figures in Namibian Dollar

| | Note(s) | 2022 | 2021 |
|--|---------|------------------|------------------|
| 14 Other Income | | | |
| Government Grants | | 8,348,000 | 8,347,500 |
| Insurance Claims | | 7,482 | 13,971 |
| John Muafangejo Art Project | | 144,711 | 500,000 |
| NACN - Covid 19 Fund | | - | 150,000 |
| Projects Funds | | 10,000 | 182,355 |
| | | <u>8,510,194</u> | <u>9,193,825</u> |
| 15 Employee Cost | | | |
| Basic | | 3,589,914 | 3,853,120 |
| Medical Aid - Company contributions | | 543,297 | 499,471 |
| Other payroll Levies | | 1,150,211 | 1,241,258 |
| Post-employment benefits - Pension - Defined contribution plan | | 352,789 | 324,611 |
| | | <u>5,636,210</u> | <u>5,918,459</u> |

MORE ABOUT US

We welcome all enquiries about the institution and its activities. Please visit, call or write to the NAGN.



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