

NBC in red by N\$42,6 Million

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The Namibian Broadcasting Corporation (NBC) - known for its financial troubles - made a cash loss amounting to N\$42,6 million during the financial year ending 31 March 2012.



This loss excludes depreciation - the annual decrease in value of assets, which means that the deficit is in fact more.

Moreover, Albertus Aochamub, the director general of the NBC, has written to the minister of information and communication, Joel Kaapanda, saying that the NBC additionally needs close to N\$9 million to finance salary increases.

The N\$42,6 million loss came about after the NBC generated N\$63,4 million on its own and government pumped N\$105 million into it, while expenses amounted to N\$211 million.

During the previous year, the loss amounted to about N\$36 million - N\$6,6 million less than this year.

The N\$63,4 million which the NBC raised represents an increase of 9%, Aochamub said on Tuesday [15 May 2012].

During the previous financial year, the revenue increase amounted to 3,5%.

Aochamub announced yesterday [17 May 2012] that income generated from television licenses increased by 17% to N\$16,2 million in the past book year. This, Aochamub said, came despite starting late with its revenue-collection campaign.

Advertising revenue improved by 4% over the past year. A total of N\$41,5 million was generated.

Aochamub added that transmitter rental income increased to over N\$4 million. This represents a 90% increase. He attributed the better performance to improved billing and new clients who came on board.

The DG admitted that cash-flow to fund the NBC's operations remains a concern. "Operational cash-flow remains a serious challenge, but we are meeting this challenge head-on through improved weekly and monthly forecasts."

For the current financial year, the government pumped N\$105 million into the NBC. But, Aochamub said, this is N\$2 million

less than what they received during the previous year.

This decreased subsidy comes in the wake of increased direct operational broadcasting costs. These costs went up by 5% to N\$31,6 million.

Employment-related costs, including salaries, increased to N\$142 million. Aochamub describes this as a marginal increase made possible "because we have been able to effect some savings on overtime payments which offset rises".

Excluding depreciation - the annual decrease in value of assets - the NBC's total expenditure for the past financial period amounted to N\$211 million, representing an increase of 3%. It is important to note that expenses have increased less than the inflation rate of 7%, Aochamub said.

Aochamub said, "We don't want to forever depend on hand-outs. We've decided to just go back and do the basics right. We're not yet even doing anything extraordinary. We are not here to play politics with a small 'p'. We are here to work."

Source: [allAfrica](#)

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