



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

OFFICE OF THE PRESIDENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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REPUBLIC OF NAMIBIA



TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY

I have the honour to submit herewith my report on the accounts of the Office of the President for the financial year ended 31 March 2024 in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honourable Minister of Finance in terms of Section 27(1) of the State Finance Act, 1991 (Act 31 of 1991) to be laid upon the Table of the National Assembly in terms of Section 27(4) of the Act.

WINDHOEK, MARCH 2025

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

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

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DEFINITIONS

Treasury:	Financial authority in public service. (The department of Government that has control over the collection, management and disbursement of public revenue).
Vote:	Represents an Office/Ministry/Agency.
Appropriation Act:	Estimate of expenditure and revenue for a particular financial year presented to the National Assembly, the Act passed by Parliament.
Appropriation Account:	Government Income and Expenditure statement, showing on receipt side the estimated budgeted amounts and on expenditure side the actual expenditure amounts and the difference thereof.
Standard sub-division:	Government Balance account, showing balances incurred on each account/activity.
Suspension:	Reduction on budget (Treasury may from time to time withhold or suspend any amount in an estimate of expenditure).
Virement:	Moving of budgeted funds from one account to another account within the same budget of the same office/ministry/agency. The utilization of a saving under one main division/sub division of a vote to defray an excess under another existing division of the same vote.
Unauthorised Expenditure:	Expenditure that exceeds the amount appropriated (budgeted) for a vote, main division or subdivision.
Underexpenditure:	Saving on the budget.
Miscellaneous Revenue:	All revenue collected and not having a specified revenue code.
Commitments:	Funds reserved to acquire goods or services from a supplier.
Suspense accounts:	Is an account opened in the books of Government that records movement of transactions of a temporarily nature, for example salary deductions of housing instalments.
S&T Advance Suspense Account:	A suspense account reflecting the outstanding subsistence and travel advances.
Rejection Account:	A suspense account reflecting names and balances of all persons/companies that owe the money to the State.
Budget:	Is an estimation of the revenue and expenses over a specified future period of time.
Subsistence Advance:	Payment given in advance to an employee to reimburse accommodation, meal and incidental expenses, while on an official assignment.
Performance Information:	Measurement of an individual, group, organization, system or component which is collected, analysed and reported. (Includes Strategic plans, annual plans, performance agreements and personal development plans).
Key performance indicator (KPI):	A measurable value used to monitor and demonstrates how effectively an organization is achieving key business objectives.

International Standards of Supreme Audit Institutions (ISSAI):	Professional standards and best practice guidelines for public sector auditors, officially authorised and endorsed by the International Organisation of Supreme Audit Institutions (INTOSAI).
Materiality:	Is a concept or convention relating to the importance or significance of an amount, transaction, or discrepancy that affects the decision of the user.
OMA:	Office/Ministry/Agency
Types of Audit Opinions:	<p>Unqualified Opinion. In an unqualified report, the auditors conclude that the financial statements of your O/M/A's present fairly its affairs in all material aspects.</p> <p>Qualified Opinion. An auditor's report is qualified when there is either a limitation of scope in the auditor's work, or when there is a disagreement with management regarding application, acceptability or adequacy of accounting policies.</p> <p>Disclaimer Opinion. Auditors do not express an opinion on the financial position of a firm because they have not completed an examination of its accounts or the examination is not broad enough in scope to enable them to form an opinion.</p> <p>Adverse Opinion. The Financial statements of an O/M/A's do not fairly present its actual financial position and the required information was either not disclosed, or (if disclosed) was inadequately disclosed or was inaccurate.</p>

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF
THE OFFICE OF THE PRESIDENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

1. SECTION A: FINANCIAL AUDIT

1.1 QUALIFIED AUDIT OPINION

I have audited the financial statements of the Office of the President for the financial year ended 31 March 2024 provided by the Accounting Officer as attached in Annexure A. These financial statements comprise the Appropriation account, Standard subdivisions, Departmental revenue, notes to the financial statements and general information for the year then ended.

In my opinion, except for the effects of the matter described in the Basis of Qualified Opinion paragraph, the financial statements of the Office of the President as at 31 March 2024 are prepared in all material respects in accordance with Section 12 and 13 of the State Finance Act, 1991 (Act 31 of 1991) and relevant legislation.

1.2 BASIS OF QUALIFIED AUDIT OPINION

I conducted the audit in accordance with International Standards for Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of the audit report. I am independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to the audit of the financial statements in Namibia and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion. The Qualified Audit opinion is being expressed due to the following:

1.2.1 Credit cards

1.2.1.1 Use of funds as gratuity for Security and Protocol team

The internal memo dated 01 December 2018 requires a request for the withdrawal of cash for foreign currency purchases in certain instances for gratuity payments, and due to the absence of credit card systems in certain countries.

- a) However, during the following official missions, funds were withdrawn/ used to the amount of N\$ 93 180.00 on the credit card. As per the expenditure report, the funds have been used as gratuity for the Security and Protocol team that was attached to H.E, the President and delegation on the instruction of the private office. It is observed that there is only a list of names of people and no proof/signatures of individuals who receive gratuity to determine the authenticity and validity of these names and payments, and to substantiate the withdrawal of funds for gratuity. Furthermore, it is observed that the Accounting Officer only approved for the withdrawal of funds used for gratuity payments on the 10 April 2024 when all these trips

were undertaken in June, July, August and November 2023. This state of affairs is permitted by lack of a policy/guideline to regulate the use of credit cards.

- b) In addition to the above, it is observed that the credit card holder was provided with an amount of US\$ 5 000.00 from the first trip to Russia and only spent US\$ 4 000.00, leaving an amount of US\$ 1 000 (N\$ 17 970) not utilized. No prove of deposit was provided during the audit.

1.2.1.2 Payments made on quotation

The audit found that an amount of N\$ 24 227.56 paid for the accommodation for certain suppliers on 24 August 2023 was paid on a quotation and no actual invoice was provided for this payment as well as no proof of payment was provided.

1.2.1.3 Unauthorised payment for non - Government employee

The audit found that during the trip undertaken from 14–17 September 2023 to Paris, France, a non-government employee's, accommodation and meal expenses were paid from the Office's credit card. Furthermore, a double payment of N\$ 998 288.17 appears to have been made.

1.3 KEY AUDIT MATTERS

Key audit matters are those matters that in my professional judgment were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole and in forming the audit opinion thereon and I do not provide a separate audit opinion on these matters. I have nothing to report in this regard.

1.4 EMPHASIS OF MATTERS

Attention is drawn to the management on the following matters that relate to my responsibility in the audit of the financial statements, as disclosed by the Office of the President in the financial statements. My opinion is not modified in respect of these matters:

1.4.1 Outstanding subsistence advances

The audit found that, contrary to Treasury HB 0505 - 0506, subsistence and travel advances amounting to N\$ 299 957.10 remained outstanding. The claims submitted were less than the advances provided, yet no immediate recovery of the differences was made at the time of the writing this report.

Furthermore, it was observed that some staff members, whose outstanding subsistence and travel are not paid immediately, wait until the next trip is undertaken and they do not get the full subsistence and travel allowance for that trip as per the statement of accounts, hence reducing the balance, which is contrary to Treasury Instructions.

1.4.2 Electronic Fund Transfer (EFT) suspense account

The Electronic Fund Transfer (EFT) suspense account had an unexplained credit balance of N\$ 328 676.66 as at 31 March 2024 while this suspense account balance should have had been cleared at year-end.

1.5 RECURRING MATTERS

The following issues were reported in the 2022/2023 audit report, however, these matters were still not addressed by the Accounting Officer during the financial year under review and requires immediate corrective actions to prevent non-compliance and enhance operational efficiency:

1.5.1 Unauthorised expenditure

The audit found that for the second consecutive year, entertainment allowances were incorrectly paid from the Daily Subsistence Allowance (DSA) subdivision. The auditors were also not provided with an explanation why the First Lady's entertainment allowance is paid from the DSA subdivision through staff members' DSA allowances.

Furthermore, it was also observed that items paid under entertainment allowances are not actually for entertainment.

In addition, the auditors were not provided with a policy guideline that authorizes for the payment of entertainment allowance to the (former) First Ladies. The auditors were also not provided with an explanation why the former First Lady's entertainment allowance is paid from the DSA subdivision through staff members' DSA allowances. With regard to the payment of entertainment allowance of the former First Lady's to a staff member, the Accounting indicated during the 2022/2023 financial year audit that the Office is in agreement with the finding and will ensure that the reallocation journal will be compiled after the trip to charge the correct account. However, audit found that the practice remains the same.

1.5.2 Disaster Recovery Policy and Plan

The audit found that the Office does not have a disaster recovery policy and plan in place to provide information and guidance on the strategies that should be followed to ensure continuity and service delivery in the event of disaster.

A disaster recovery plan is an integral part of the overall risk management of an Office to ensure since risks are timely addressed when it occurs. A disaster recovery plan assist management to prepare for potentially disruptive events. This process is critical for risk management as it provides detailed strategies on how the Office will address interruptions in event of disaster or disruptions.

During the 2022/2023 financial year, the Accounting Officer's response on the same finding that the Accounting Officer agrees that the Office does not have a disaster recovery policy and plan, but has a disaster recovery site in place and will benchmark with other OMAs and prepare the said plan and policy to be done during the 2024/2025 financial year.

1.6 OTHER INFORMATION

The Management is responsible for the other information. My audit opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with the audit of the financial statements my responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the audit or otherwise appears to be materially misstated.

2. AUDIT OF PERFORMANCE INFORMATION

I have audited the performance information of the Office of the President for the financial year ended 31 March 2024.

2.1 DESCRIPTION OF THE SUBJECT MATTER INFORMATION AND AUDIT SCOPE

A Performance Management System (PMS) is as a systematic process for achievement and improvement in obtaining results from an organization and its staff members by managing performance within an agreed framework consisting of objectives, outputs key performance indicators (KPIs) and timeliness.

The primary function of the PMS is to enable Offices Ministries and Agencies (OMAs) to achieve success in National Development Plans (NDP) and provide improvements in service delivery to the public.

The scoping of the key performance indicators were performed by looking at the high-level statements which are indicated in the Mandate of the Office of the President and 2023-2025 Strategic Plan. Key performance indicators selected based on what would be significant to the intended users and their usefulness in assessing the entity's achievements in terms of its service performance objectives.

The audit was performed on the KPIs of the projects for the strategic objectives listed below:

No	Strategic objective	Project	Key performance indicator(s)	Target	Actual
1.	Strengthen stakeholder engagement and communication	Civic Engagements	Number of civic engagements	14	14
2.	Attract private sector investment into the Green and Blue Economy	Southern Corridor Development Initiative: Green Hydrogen programme	Amount of foreign direct investments	N\$ 5 billion	N\$ 5 billion

2.2 AUDIT OBJECTIVE

The objective of the Key Performance Indicator (KPI) audit is to provide assurance on whether the reported performance information measured against key performance indicators is useful, reliable and evidence-based. Key performance indicators also provide the basis for the (OMAs) to inform the Parliament the public and other stakeholders on its strategic priorities programs and projects.

Additional objective of this audit is also to provide reasonable assurance to Parliament members of the public and other relevant stakeholders whether the reported actual performance has actually occurred and based on the selected criteria.

2.3 AUDIT CRITERIA

In this audit, the performance information against the following selected criteria was tested:

- Compliance with legislative requirements;
- Usefulness;
- Reliability;
- Existence;
- Timeliness;
- Presentation;
- Measurability;
- Relevance;
- Consistency;
- Validity;
- Accuracy; and
- Completeness.

2.4 SUMMARY OF METHODS APPLIED

The auditor reviewed the annual plan and the directorate quarterly reviews to confirm whether the Strategic Plan objectives targets and key performance indicators (KPIs) have been correctly cascaded to the Annual Plan and the selected key performance indicators (KPIs) for the year under review are reported in the Directorate/Divisions quarterly reports and Annual Plan Review Report.

Furthermore, the auditor conducted interviews and reviewed documents to obtain information that pertains to the selected key performance indicators (KPIs).

2.5 KEY AUDIT FINDINGS

The Office of the President did not provide evidence to substantiate the performance information related to the achieved targets, such as reports produced and investments made, as indicated in the memorandum of the audited Directorate and the selected Key Performance Indicators (KPIs). While the audit revealed satisfactory outcomes

in terms of presentation and accuracy (as performance indicators were quantifiable), there were deficiencies in the timeliness, disclosure, relevance, validity, and completeness of performance information. Consequently, the reported performance information could not be considered as reliable, as the actual outputs for the selected KPIs were not available for audit purposes.

The lack of substantiating evidence for reported performance information increases the risk of misrepresentation or inaccuracies in reporting, which undermines the credibility of the Office of the President. This can lead to a loss of trust among stakeholders, reduced transparency, and potential challenges in demonstrating accountability to the general public and stakeholders.

2.6 CONCLUSION ON THE SUBJECT MATTER

The absence of evidence to substantiate the reported performance information, renders the outputs unreliable, and might not be useful to the general public and stakeholders. Immediate corrective actions are required to address gaps in documentation, and ensure alignment with performance reporting standards.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Section 12 and 13 of the State Finance Act, 1991 (Act 31 of 1991) and legislation and for such internal control as management determines 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 management is responsible for assessing the entity'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 management either intends to liquidate the entity or to cease operations or has no realistic alternative but to do so. Those charged with governance are responsible of overseeing the entity's financial reporting process.

The management is also responsible for ensuring adherence to the Appropriation Act, 2023 (Act 1 of 2023), Appropriation Amendment Act, 2023 (Act 16 of 2023), State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions and Public Procurement Regulations and to ensure that effective and efficient internal controls are implemented to enable compliance to the law that governs the performance information.

4. AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My objectives are to obtain reasonable assurance whether the financial statements as a whole are free from material misstatement whether due to fraud or error and to issue a auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 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.

My powers and duties towards auditing and reporting on the financial statements and compliance to the subject matter are outlined under Section 25 (1) (c) Section 26 (1) and Section 27 (3) of the State Finance Act, 1991 (Act 31 of 1991).

As part of an audit in accordance with the International Standards for Supreme Audit Institutions, I exercise professional skepticism throughout the audit I also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion forgery intentional omissions misrepresentations or the override of internal controls;
- 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 Entity's internal control;
- Evaluate the appropriateness of accounting policies uses and the reasonableness of accounting estimates and related disclosures made by management;
- Evaluate the overall presentation structure and content of the financial statements including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- I communicate with those charged with governance regarding among other matters the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that I identify during my audit;
- I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable related safeguards; and
- From the matters communicated with those charged with governance I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

5. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The accounts were timeously submitted by the Accounting Officer in terms of Section 12 & 13 of the State Finance Act, 1991 (Act 31 of 1991).

5.1 Unauthorized expenditure

The following unauthorised expenditure occurred during the financial year and is hereby reported as such in terms of Section 27(6)(a) of the State Finance Act, 1991 (Act 31 of 1991):

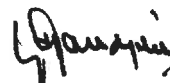
- (i) One (1) main division was exceeded with a total amount of N\$ 273 273.30. This excess amount is unauthorised in terms of Section 6(a)(ii) of the Act; and
- (ii) Although Treasury authorization was obtained to utilise certain expected savings for the defrayal of expenditure by way of virements during the year, thirteen (13) operational subdivisions were exceeded by a total amount of N\$ 131 880 201.08. This excess is unauthorised in terms of Section 6(a)(iii) of the Act.

6. GENERAL INFORMATION

The financial statements, notes to the financial statements and general information provided by the Accounting Officer are attached as Annexure A.

7. ACKNOWLEDGEMENT

The co-operation and assistance by the management and staff of the Office of the President is highly appreciated.



WINDHOEK, MARCH 2025

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

ANNEXURE A

1. AUDITED FINANCIAL STATEMENTS

1.1 Appropriation account

2023/2024						2022/2023
Service		Authorised expenditure	Actual expenditure	Variations		Actual expenditure
				Under- expenditure/ (Excess)	Percen- tage	
	N\$	N\$	N\$	N\$	%	N\$
01. Office of the President:						
Original budget	116 014 000					
Additional budget	13 000 000					
Plus: Virement	9 546 970	138 560 970	133 081 856.61	5 479 113.39	3.95	114 008 692.54
02. Administrative:						
Original budget	474 046 000					
Additional budget	2 000 000					
Plus: Virement	6 084 030					
Less: Suspension	(5 709 000)	476 421 030	473 691 228.73	2 729 801.27	0.57	431 143 984.94
03. Office of the Former Presidents:						
Original budget	17 291 000					
Plus: Virement	50 000	17 341 000	14 952 166.32	2 388 833. 68	13.78	12 776 204.46
04. Vice President:						
Original budget	11 507 000					
Plus: Virement	422 000	11 929 000	10 652 200.62	1 276 799.38	10.70	11 462 950.09
05. Trade Investment Board:						
Original budget	120 450 000					
Additional budget	5 000 000					
Plus: Virement	4 000 000	129 450 000	129 450 000.00	-	-	135 000 000.00
06. Government Air Transport Services:						
Original budget	162 452 000					
Less: Virement	(13 150 000)	149 302 000	142 178 746.44	7 123 253.56	4.77	-
07. Governors:						
Original budget	54 820 000					
Less: Virement	(6 953 000)	47 867 000	48 140 273.30	(273 273.30)	(0.57)	-
Total		970 871 000	952 146 472.02	18 724 527.98	1.93	704 391 832.03

1.2 Standard subdivisions

Subdivision	2023/2024			2022/2023
	Authorised expenditure	Actual expenditure	Under-expenditure/ (excess)	Actual expenditure
	N\$	N\$	N\$	N\$
Operational:				
Current expenditure: Personnel				
001. Remuneration	145 138 030	149 462 135.65	(4 324 105.65)	84 334 566.49
002. Employer's contribution to GIPF	12 352 820	13 207 882.80	(855 062.80)	7 624 723.87
003. Other conditions of service	2 886 150	2 592 782.37	293 367.63	2 117 288.08
005. Employers contribution to social security	342 000	352 464 11	(10 464.11)	209 013.15
Total	160 719 000	165 615 264.93	(4 896 264.93)	94 285 591.59
Current expenditure: Goods and other services				
021. Travel and subsistence expenses	74 872 000	66 334 771.14	8 537 228.86	48 657 077.34
022. Materials and supplies	5 409 000	4 093 309.91	1 315 690.09	3 608 692.16
023. Transport	18 965 000	16 233 670.47	2 731 329.53	7 107 436.30
024. Utilities	30 748 000	29 974 004.51	773 995.49	28 603 201.78
025. Maintenance expenses	108 126 000	101 998 495.00	6 127 505.00	14 773 398.24
026. Property rental and related charges	1 200 000	1 107 430.68	92 569.32	-
027. Other services and expenses	57 155 000	54 983 125.76	2 171 874.24	24 081 158.83
Total	296 475 000	274 724 807.47	21 750 192.53	126 830 964.65
Current expenditure: Membership fees and subscriptions				
041. Membership fees and subscription: International	144 000	141 291.36	2 708.64	119 144.25
Total	144 000	141 291.36	2 708.64	119 144.25
Current expenditure: Subsidies and other current transfers				
043. Government organizations	416 162 000	416 162 000.00	-	426 561 000.00
Total	416 162 000	416 162 000.00	-	426 561 000.00
Total: Current expenditure	873 500 000	856 643 363.76	16 856 636.24	647 796 700.49
Capital expenditure: Acquisition of assets				
101. Furniture and office equipment	1 680 000	1 187 296.55	492 703.45	524 634.16
102. Vehicles	15 200 000	14 282 106.07	917 898.93	-
103. Operational equipment, machinery and plant	200 000	133 736.45	66 263.55	111 250.00
Total: Capital expenditure	17 080 000	15 603 139.07	1 476 860.93	635 884.16
Total: Operational expenditure	890 580 000	872 246 502.83	18 333 497.17	648 432 584.65
Development:				
Capital expenditure: Acquisitions of assets				
111. Furniture and office equipment	-	-	-	12 764 766.00
113. Operational equipment, machinery and plant	5 000 000	5 000 000.00	-	-
115. Feasibility studies, design and supervision	11 291 000	11 290 999.31	0.69	6 000 000.00
117. Construction, renovation and improvements	64 000 000	63 608 969.88	391 030.12	37 194 481.38
Total: Development expenditure	80 291 000	79 899 969.19	391 030.81	55 959 247.38
GRAND TOTAL	970 871 000	952 146 472.02	18 724 527.98	704 391 832.03

ANNEXURE A (continued)**1.3 Departmental revenue**

Revenue for the financial year is as follows:

Revenue head	2023/2024			2022/2023
	Estimate	Actual revenue	More/(Less) than estimated	Actual revenue
	N\$	N\$	N\$	N\$
Private telephone calls	-	-	-	9 220.92
Miscellaneous	200 000	223 907.51	23 907.51	301 311.32
Total	200 000	223 907.51	23 907.51	310 532.24

1.4 Notes to the financial statements**1.4.1 Appropriation account: Explanations of variations exceeding 2% between authorized and actual expenditure****Underexpenditure****Main division 01 - Office of the President (N\$ 5 479 113.39 - 3.95%)**

During the Budget preparation, the Office anticipated that Domestic and Foreign trips would be undertaken during the last quarter, however, it was less than anticipated, thus underexpenditure on DSA. Purchase orders issued to service providers for providing stationery and cartridges as well as repair of vehicles were cancelled, the Office could not pay before service or items were delivered, thus an underexpenditure. Furthermore, the acquiring of office furniture and office equipment was not possible, as funds were only made available in February, coupled with less ceremonial events, this resulted in underutilization of funds on ceremonial events and office furniture.

Main division 03 - Office of the Former President (N\$ 2 388 833.68 – 13.78%)

During the period under review, this main division was allocated an amount of N\$ 17 341 000.00, the actual expenditure of N\$ 14 952 166.32, which represents an underexpenditure of 13.78%, which is attributable to less trips undertaken than anticipated during the budget process. It is worth mentioning that less expenditure was incurred on stationeries and cleaning materials than anticipated as most of the expenditure were defrayed to other main divisions. Finally, the Office over budgeted on personnel expenditure as some of the positions, which were budgeted, could not be filled on time due to the lengthy recruitment process.

Main division 04 - Vice President (N\$ 1 276 799.38 – 10.70%)

During the period under review, this main division was allocated an amount of N\$ 11 929 000.00, the actual expenditure of N\$ 10 652 200.62, which represents an underexpenditure of 10.70%. During the budget process, the Office anticipated the Vice President to travel internationally and domestic, however, these engagements were very minimal.

ANNEXURE A (continued)

Furthermore, the Office under budgeted on personnel expenditure as it could not foresee that additional staff will come with the sitting Vice president from Ministry of International Relations and Cooperation (MIRCO), resulting in an additional cost to the Office personnel expenditure. Finally, less furniture was acquired during the period under review as the variance of the budgeted funds were only released in February, and this made it impossible to execute the funds.

Main division 06 - Government Air Transport Services-(N\$ 7 123 253.56 – 4.77%)

During the period under review, this main division was allocated an amount of N\$ 149 302 000.00, the actual expenditure of N\$ 142 178 746.44, which represents an underexpenditure of 4.77%. This underexpenditure is attributable to aircrafts that were due for maintenance, repairs and service that could not be attended to during the last quarter of the financial year. It is worth mentioning that the early closure of payments on accounts payable for both domestic and foreign payments, had a huge impact as most orders were cancelled, as the Office could not meet the deadline set by Treasury.

2. GENERAL INFORMATION

2.1 Miscellaneous revenue

The Accounting Officer reported miscellaneous revenue in respect of correction journals amounting to N\$ 223 907.51 for the financial year under review.

2.2 Bank accounts

The Accounting Officer reported that the Office operated the following bank account for various programmes at a commercial bank during the financial year under review:

Name of account	Financial institution	Balance as at 31/03/2024
Government Air Transport Services	First National Bank	N\$ 1 065.95

2.3 Exemption from procurement procedures

The Accounting Officer reported exemptions from Procurement procedures in terms of Section 4(2) of the Public Procurement Act, 2015 (Act 15 of 2015) in respect of official accommodation and replacement of the air-condition system amounting to N\$ 99 000 000.00.

2.4 Annual stocktaking

The Accounting Officer reported that stocktaking conducted at sixteen (16) stock points during the financial year under review. Value of stock, worn, obsolete and redundant items is reported as follows:

Description	Amount
	N\$
Value of stock	64 087 220.87
Worn-out and damaged	250 150.01
Obsolete and redundant	11 275.00

2.5 Internal inspections

The Accounting Officer reported internal inspections conducted at sixteen (16) points during the financial year under review.

2.6 Suspense accounts

The following five (5) suspense accounts had balances at 31 March 2024. Four (4) had debit balances and one (1) had credit balance:

Description	Balance as at 31 March 2024 Debit / (Credit)
Petty cash	58 632.84
S&T advance suspense account	2 375 744.43
Rejection account	131 220.48
Bills payable	160 891.82
Electronic Fund Transfer Clearing (EFT)	(328 676.66)

ANNEXURE A (continued)

2.7 Capital projects (Internally funded)

Nature of project	Approved total budget	Total expenditure as at 31 March 2023	Approved appropriation 2023/2024	Actual expenditure 2023/2024	Total expenditure as at 31 March 2024	Expected year of completion
	N\$	N\$	N\$	N\$	N\$	
State Security Infrastructure	2 587 075 766.00	756 732 766.00	31 931 000	31 930 999.31	788 663 765.31	31/03/2026
Chief Hosea Kutako	45 278 698.67	31 278 698.67	48 360 000	47 968 969.88	79 247 396.55	31/03/2026
Total	2 632 354 464.67	788 011 464.67	80 291 000	79 899 969.19	867 911 160.86	

The Accounting Officer reported the following developments projects of the Office for the financial year under review:

2.8 Aircraft

The Accounting Officer reported that expenditure in respect of aircrafts amounts to N\$ 90 342 346.76

2.9 Wellness

The Accounting Officer reported wellness activities to the amount of N\$ 86 870.68.

2.10 Losses and damages

The Accounting Officer reported losses and damages to the amount of N\$ 107 252.50 for the financial year under review.

2.11 Movable Properties

The Accounting Officer reported movable properties to the amount of N\$ 539 691 110.08 for the financial year under review.

WINDHOEK, 15 AUGUST 2024

**AMBASADOR CLAUDIA GRACE UUSHONA
ACCOUNTING OFFICER**