



**REPUBLIC OF NAMIBIA**



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE**

# **GOVERNMENT OF NAMIBIA**

**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

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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 Government of Namibia for the financial year ended 31 March 2020 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, JULY 2021**

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

**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**





## Table of Contents

1.	SECTION A: FINANCIAL AUDIT .....	1
1.1	QUALIFIED AUDIT OPINION .....	1
1.2	BASIS FOR QUALIFIED AUDIT OPINION.....	1
1.2.1	Financial Reporting Framework and Accrual Based Accounting .....	1
1.3	KEY AUDIT MATTERS .....	2
1.4	EMPHASIS OF MATTERS.....	2
1.4.1	Suspense accounts .....	2
2.	SECTION B: COMPLIANCE AUDIT AND AUDIT OF PERFORMANCE INFORMATION .....	5
2.1	COMPLIANCE TO LAWS AND REGULATIONS.....	5
2.2	DESCRIPTION OF THE SUBJECT MATTER INFORMATION AND AUDIT SCOPE .....	5
2.3	AUDIT OBJECTIVE .....	5
2.4	AUDIT CRITERIA .....	5
2.5	SUMMARY OF METHODS APPLIED .....	5
2.6	KEY AUDIT FINDINGS .....	6
2.6.1	UNAUTHORISED EXPENDITURE .....	6
2.6.2	Under expenditure .....	7
2.7	QUALIFIED AUDIT OPINION ON THE SUBJECT MATTER .....	7
3.	AUDIT OF PERFORMANCE INFORMATION.....	7
3.1	DESCRIPTION OF THE SUBJECT MATTER INFORMATION AND AUDIT SCOPE .....	8
3.2	AUDIT OBJECTIVE .....	8
3.3	AUDIT CRITERIA .....	8
3.4	SUMMARY OF METHODS APPLIED .....	9
3.5	SELECTED KEY PERFORMANCE INDICATORS .....	9
3.5.1	INLAND REVENUE DEPARTMENT .....	9
3.5.2	DEBT MANAGEMENT DIVISION.....	9
3.5.3	CUSTOMS AND EXCISE DIRECTORATE.....	9
3.6	KEY AUDIT FINDINGS.....	10
3.6.1	INLAND REVENUE DEPARTMENT .....	10
3.6.2	DEBT MANAGEMENT DIVISION.....	10
3.6.3	CUSTOMS AND EXCISE DIRECTORATE.....	11
3.7	CONCLUSION ON THE SUBJECT MATTER .....	11
4	RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS .....	11
5	AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS.....	12
6	GENERAL INFORMATION .....	13
7	ACKNOWLEDGEMENT .....	13
1.	AUDITED FINANCIAL STATEMENTS.....	14
1.1.	STATEMENT OF BALANCE .....	14
1.1.1.	SUMMARY OF THE GENERAL LEDGER .....	14
1.1.2	Bank accounts .....	15
1.2	STATE REVENUE FUND .....	16
1.2.1	Introduction .....	16
1.2.2	Statement of account .....	16
1.3.	EXPENDITURE .....	17
1.3.2	SUMMARY: APPROPRIATION ACCOUNTS .....	17
1.3.3	Summary of standard subdivisions.....	20
1.3.4	Personnel costs .....	23
1.3.5	STANDING APPROPRIATION .....	23
1.3.5.1	Summary .....	23
1.3	REVENUE .....	24
1.4.1	Summary of Revenue .....	24



1.4.2	Notes to the financial statements.....	27
1.4.2.1	Explanation for deviations exceeding N\$ 400 000.....	27
1.5	INVESTMENTS .....	31
2	GENERAL INFORMATION .....	32
2.1	EXPENDITURE VS REVENUE AND PUBLIC DEBT OF THE GOVERNMENT .....	32
2.2	DEBT TO GOVERNMENT .....	36
2.2.1	Loans .....	36
2.3	DEBT OF GOVERNMENT .....	41
2.4	BORROWING COST.....	48
2.5	FINANCIAL GUARANTEES .....	48
2.6	HOUSING GUARANTEES .....	49
2.7	FARMING GUARANTEES .....	49
2.8	SHARES AND DIVIDENDS.....	50
2.9	REVENUE OUTSTANDING.....	54
2.10	REVENUE WRITTEN OFF .....	55
2.11	REFUND OF REVENUE .....	55
3.	COMBINED ANNUAL STATEMENTS FOR O/M/A'S .....	56
3.1	DONATIONS RECEIVED BY GOVERNMENT .....	56
3.3	PETTY CASH ADVANCES .....	56
3.4	COMMERCIAL BANK ACCOUNTS .....	56
3.5	MINISTERIAL DEBTS .....	57
3.6	COMPENSATION PAYMENTS .....	57
3.7	BURSARIES AND STUDY ASSISTANCE .....	58
3.8	FIXED PROPERTY BOUGHT/SOLD .....	58
3.9	EXEMPTION FROM PROCUREMENT PROCEDURES .....	58
3.10	LIVESTOCK .....	59
3.11	ANNUAL STOCKTAKING .....	60
3.12.1	Vehicles (Own fleet) .....	62
3.12.2	Vehicles (Pool).....	63







## **ABBREVIATIONS**

MOF	Ministry of Finance
IFMS	Integrated Financial Management System
ISSAI	International Standards of Supreme Audit Institutions
INTOSAI	International Organisation of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
PMS	Performance Management System
OMA's	Offices/Ministries/Agencies
KPI	Key Performance Indicators
EFT	Electronic Funds Transfers
ITAS	Integrated Tax Administration System
SACU	Southern African Customs Union



<b>ISSAI: International Standards of Supreme Audit Institutions</b>	Professional standards and best practice guidelines for public sector auditors, officially authorised and endorsed by the International Organisation of Supreme Audit Institutions (INTOSAI).
<b>Types of Audit Opinions:</b>	<p><b>Unqualified Opinion.</b> 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><b>Qualified Opinion.</b> 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><b>Disclaimer Opinion.</b> 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><b>Adverse Opinion.</b> 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>
<b>Reasonable Assurance</b>	It is when the audit conclusion is expressed positively, conveying that, in the auditor's opinion, the subject matter is or is not compliant in all material respects or, where relevant, that the subject matter information provides a true and fair view, in accordance with the applicable criteria.
<b>Limited Assurance</b>	It is when the audit conclusion states that, based on the procedures performed; nothing has come to the auditor's attention to cause the auditor to believe that the subject matter is not in compliance with the criteria.
<b>Direct reporting engagement</b>	It is when an auditor measures or evaluates the subject matter against the criteria. The auditor is responsible for producing the subject matter information. The auditor selects the subject matter and criteria, taking into consideration risk and materiality. By measuring the subject matter evidence against the criteria, the auditor is able to form a conclusion.
<b>Attestation engagement</b>	It is when a responsible party (the entity) measures the subject matter against the criteria and presents the subject matter information, on which you, the auditor, then gather sufficient and appropriate audit evidence to provide a reasonable basis for forming a conclusion.
<b>Subject matter</b>	Refers to the information, condition or activity that is measured or evaluated against certain criteria.



## DEFINITIONS

<b>Treasury:</b>	Financial authority in public service. (The department of Government that has control over the collection, management and disbursement of public revenue).
<b>Vote:</b>	Represents an Office/Ministry/Agency.
<b>Appropriation Act:</b>	An Act that authorizes the expenditure of government funds for a particular financial year presented to the National Assembly, the Act passed by Parliament.
<b>Appropriation Account:</b>	An account that shows the funds a government department has been credited with, showing on receipt side the estimated budgeted amounts and on expenditure side the actual expenditure amounts and the difference thereof.
<b>Standard sub-division:</b>	Government Balance account, showing balances incurred on each account/activity.
<b>Suspension:</b>	Reduction on budget (Treasury may from time to time withhold or suspend any amount in an estimate of expenditure).
<b>Virement:</b>	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.
<b>Unauthorised Expenditure:</b>	Expenditure that exceeds the amount appropriated (budgeted) for a vote, main division or subdivision.
<b>Under expenditure:</b>	Saving on the budget.
<b>Commitments:</b>	Funds reserved to acquire goods or services from a supplier.
<b>Suspense accounts:</b>	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.
<b>S&amp;T Advance Suspense Account:</b>	A suspense account reflecting the outstanding subsistence and travel advances.
<b>Rejection Account:</b>	A suspense account reflecting names and balances of all persons/companies that owe the money to the State.
<b>Bills Payable Suspense Account:</b>	It is an account that shows the amount owed for goods and services received on credit (meaning not paid at the time that the goods or services were received).
<b>Budget:</b>	Is an estimation of the revenue and expenses over a specified future period of time.
<b>Performance Information:</b>	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).
<b>Key performance indicator (KPI):</b>	A measurable value used to monitor and demonstrates how effectively an organization is achieving key business objectives.

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE  
GOVERNMENT OF NAMIBIA  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

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**1. SECTION A: FINANCIAL AUDIT**

**1.1 QUALIFIED AUDIT OPINION**

I have audited the financial statements of the Government of Namibia for the year ended 31 March 2020, provided by the Accounting Officer: Finance as attached in Annexure A. These financial statements comprise the Statement of Balances, Bank accounts, Statement of account (State Revenue Fund), Summary of Appropriation accounts, Summary of Standard subdivisions, Standing appropriations and Revenue for the year then ended, general information for the year then ended and notes to the financial statement.

In my opinion, except for the effects of the matters described in the Basis for Qualified Audit Opinion paragraph, the financial statements of the Government of Namibia as at 31 March 2020 are prepared, in all material respects, in accordance with Section 12 & 13 of the State Finance Act, 1991 (Act 31 of 1991) and relevant legislation.

**1.2 BASIS FOR QUALIFIED AUDIT OPINION**

I conducted my audit in accordance with International Standards for Supreme Audit Institutions. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my 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 my 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. My opinion has been qualified due to the following:

**1.2.1 Financial Reporting Framework and Accrual Based Accounting**

It should be noted that the State Finance Act, Act 31 of 1991 is not a financial reporting framework as it does not prescribe the set of criteria used to determine measurement, recognition, presentation and disclosure of material items appearing in the financial statements. This already warrants for the modification of the audit opinion.

It is recommended that the Central Government should adopt IPSAS/Accrual Based Accounting and move away from Cash Based Accounting. The benefit of Accrual Based Accounting is that revenues are reported on the income statement when it is earned, which often occurs before the cash is received from the customers. Expenses are reported in the income statement in the period when it occurs or when it expires, which is often in a period different from when payment is made.

The IPSAS/Accrual Based Accounting also provide a better picture of an entity's financial position at year-end. The reason is that all assets that were earned are reported and all liabilities that were incurred will be reported.



### **Management comment**

The Accounting Officer: Finance indicated that the Ministry is cognizant about the need to move from the cash basis accounting to the International Public Sector Accounting Standards (IPSAS), such a move requires careful planning to maintain the integrity of the financial information. The adoption of the IPSAS will necessitate a review of the State Finance Act and the Treasury Instructions as the legislative authority of the government's fiscal system. Ongoing reforms such as the formulation of the Public Finance Management Bill and the re-engineering of the IFMS are aimed towards setting a foundation for the adoption of IPSAS.

### **1.3 KEY AUDIT MATTERS**

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. No key audit matter is reported for the year under review.

### **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 Ministry of Finance in the financial statements. My opinion is not modified in respect of these matters:

#### **1.4.1 Suspense accounts**

##### **(i) Bills payable**

The Bills payable suspense account for the following O/M/As reflects debit balances whereas these suspense accounts should have credit balances, which may be an indication that reconciliations may not have been performed:

<b>O/M/A</b>	<b>Amount</b>
	<b>N\$</b>
3. National Assembly	38 664.77
9. Finance	10 304 312.60
10. Education, Arts and Culture	29 129 660.75
11. National Council	199 019.82
12. Gender and Child Welfare	54 903.54
13. Health and Social Services	4 609 258.74
18. Environment and Tourism	381 761.14
20. Agriculture, Water and Forestry	3 287 436.45
21. Judiciary	202 111.80
25. Land Reform	46 856.00
26. National Planning Commission	281 473.13
28. Electoral Commission	5 325 728.30
33. Poverty Eradication and Social Welfare	21 736.73
29. Information and Communication Technology	87 240.70
30. Anti-Corruption Commission	31 430.30
35. Attorney General	5 156.13

It is recommended that the Accounting Officer: Finance should ensure that the respective Accounting Officers conducts reconciliations on a regular basis.

**Management comment**

The Accounting Officer: Finance indicated that remarkable progress has been made by the respective O/M/As towards reconciling the Bills payable Suspense Account. Continuous engagement with respective O/M/As will be undertaken particularly these with high debit balances to reconcile the suspense account.

**(ii) Electronic Funds Transfer (EFT)**

The EFT suspense account for the following O/M/As reflects debit balances whereas these suspense accounts should have credit balances, which may be an indication that reconciliations may not be performed:

O/M/A	Amount
	N\$
3. National Assembly	3 940.00
4. Office of the Auditor-General	66 300.00
9. Finance	482 134.87
13. Health and Social Services	148 323.28
29. Information and Communication Technology	2 860 123.86

It is recommended that the Accounting Officer: Finance should ensure that the reconciliations be performed on a regular basis in order to clear those balances.

**Management comment**

The Accounting Officer: Finance indicated that the Ministry takes note of the findings and will engage the respective O/M/As with balances to reconcile the suspense accounts.

**(ii) Rejection account**

The rejection suspense account for the following O/M/As reflects credit balances whereas these suspense accounts should have debit balances. There is a risk that reconciliations may not have been performed.

O/M/A	Amount
	N\$
02. Office of the Prime Minister	(32 532.81)
03. National Assembly	(438 063.58)
04. Office of the Auditor-General	(17 573.85)
07. International Relations and Cooperation	(538 816.91)
10. Education, Arts and Culture	(158 940.64)
11. National Council	(1.97)
12. Gender and Child Welfare	(13 510.35)
14. Labour	(238 492.64)
15. Mines and Energy	(110 409.44)

O/M/A	Amount
	N\$
16. Justice	(166 305.48)
22. Fisheries	(567.53)
28. Electoral Commission	(16 458.26)
29. Information and Communication Technology	(1 137 687.48)
30. Anti-Corruption Commission	(55 627.10)
32. Higher Education	(117 583.57)
35. Attorney General	(75 106.42)

The Accounting Officer: Finance should ensure that measures are put in place to conduct regular reconciliations in future.

**Management comment**

The Accounting Officer: Finance indicated that the Ministry takes note of the findings and will engage the respective O/M/As with balances to reconcile the suspense accounts.

## **2. SECTION B: COMPLIANCE AUDIT AND AUDIT OF PERFORMANCE INFORMATION**

### **2.1 COMPLIANCE TO LAWS AND REGULATIONS**

#### **SUBJECT MATTER: FINANCIAL PERFORMANCE AND THE USE OF APPROPRIATED FUNDS**

I have audited the financial performance and the use of appropriated funds of the Government of Namibia for the financial year ended 31 March 2020.

### **2.2 DESCRIPTION OF THE SUBJECT MATTER INFORMATION AND AUDIT SCOPE**

The audit aimed to determine whether the Government of Namibia used the appropriated funds in compliance with the Appropriation Act, 2019 (Act 2 of 2019), Appropriation Amendment Act, 2019 (Act 3 of 2019), State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions and the Public Procurement Regulations during the financial year ended 31 March 2020.

### **2.3 AUDIT OBJECTIVE**

The objective of this compliance audit is to verify and assess whether Government of Namibia has complied with all laws and regulations that have an impact on the financial statements in accordance with the ISSAIs. This audit is an attestation engagement where the Government of Namibia presented the subject matter information on which the auditor then gathered sufficient and appropriate audit evidence to provide reasonable assurance in forming an opinion. In forming an opinion, the findings and recommendations are taken into consideration. In addition, the objective of this audit is to verify and assess whether public funds have been used appropriately and lawfully, and to report issues of non-compliance so that corrective action is taken and compliance to laws and regulations is strengthened.

### **2.4 AUDIT CRITERIA**

The audit criteria of this compliance audit are derived from the following laws and regulations stated below:

- Appropriation Act, 2019 (Act 2 of 2019);
- Appropriation Amendment Act, 2019 (Act 3 of 2019);
- State Finance Act, 1991 (Act 31 of 1991);
- Public Procurement Act, 2015 (Act 15 of 2015);
- Treasury Instructions; and
- Public Procurement Regulations.

### **2.5 SUMMARY OF METHODS APPLIED**

I have audited the financial statements for the financial year ended 31 March 2020 submitted by the Accounting Officer: Finance in order to determine whether this information complied with laws and regulations that govern them.

## 2.6 KEY AUDIT FINDINGS

### 2.6.1 Unauthorised expenditure

The State Finance Act, 1991 Section 6(a) (i) to (iii) stipulates that no expenditure shall be incurred during a financial year on services of the State which results in the total amount mentioned in an estimate of expenditure in respect of a vote and a main division of a vote or a subdivision of a main division being exceeded. Section 1 of the Act defines such excess as unauthorized expenditure.

Furthermore, Section 27(6)(a) of the Act stipulates in explicit terms that: *"The Auditor-General shall in a report to the National Assembly draw attention to every unauthorized expenditure incurred"*.

In accordance with the above-mentioned requirement, attention is drawn to the unauthorized expenditure incurred by various Offices/ Ministries/Agencies during the financial year under review. The total expenditure of four (4) Votes exceeded the approved budget. The total excess expenditure on these votes amounted to N\$ 443 840 307.64 which compares with the excess expenditure totaling N\$ 135 451 765.12 in respect of two (2) Votes in the previous financial year. The unauthorized expenditure increased by N\$ 308 388 542.52 (228%) compared to the previous year.

The following Offices/Ministries/Agencies (O/M/A's) overspent their revised budgets during the financial year under review:

Vote	O/M/A	Authorized expenditure	Actual expenditure	Variance	
		N\$	N\$	N\$	%
8	Defence	5 883 184 000	5 953 301 089.05	(70 117 089.05)	(1.19)
9	Finance	4 401 667 000	4 745 368 971.94	(343 701 971.94)	(7.81)
24	Transport	3 093 541 000	3 108 344 719.73	(14 803 719.73)	(0.48)
29	Information and Communication Technology	372 554 000	387 771 526.92	(15 217 526.92)	(4.08)
	<b>TOTAL</b>	<b>13 750 946 000</b>	<b>14 194 786 307.64</b>	<b>(443 840 307.64)</b>	<b>(3.23)</b>

It is recommended that an up to date kept commitment register can assist Accounting Officers to a large extent to eliminate excesses by requesting approvals for virements timeously. Properly trained Accountants and improved communication between the Ministries/Offices/Agencies and the Ministry of Finance will also contribute largely to improve the situation.

## 2.6.2 Under expenditure

The underexpenditure on the following nineteen (19) Offices/Ministries/Agencies amounted to N\$ 697 889 315.38 (5.88%) of the total budget compared with an underexpenditure of N\$ 658 747 458.49 (1.13%) in the previous year. The underexpenditure increased with N\$ 39 141 856.89 (6%) for the year under review:

Vote	OMA	Authorized expenditure	Actual expenditure	Variance	
		N\$	N\$	N\$	%
2	Prime Minister	508 799 000	480 676 444.40	28 122 555.60	5.53
3	National Assembly	116 146 440	111 813 302.81	4 333 137.19	3.73
5.	Home Affairs & Immigration	676 494 000	661 651 776.97	14 842 223.03	2.19
11	National Council	92 481 000	90 304 527.83	2 176 472.17	2.35
14	Labor , Industrial Relations and Employment Creation	188 188 000	162 413 371.77	25 774 628.23	13.70
15	Mines and Energy	225 164 000	205 951 896.97	19 212 103.03	8.53
16	Justice	325 998 000	318 005 839.59	7 992 160.41	2.45
17	Urban and Rural Development	1 982 234 000	1 741 142 236.97	241 091 763.03	12.16
18	Environment & Tourism	447 155 000	430 549 230.99	16 605 769.01	3.71
19	Industrialization, Trade and SME Development	226 681 000	205 952 684.74	20 728 315.26	9.14
20	Agriculture, Water and Forestry	2 014 517 000	1 951 560 117.75	62 956 882.25	3.13
22	Fisheries and Marine Resources	239 992 000	215 312 420.51	24 679 579.49	10.28
23	Works	597 196 000	570 938 748.77	26 257 251.23	4.40
25	Land Reform	496 792 000	396 683 959.53	100 108 040.47	20.15
27	Sport, Youth and National Service	294 091 000	287 021 924.57	7 069 075.43	2.40
30	Anti-Corruption Commission	60 320 000	58 685 170.89	1 634 829.11	2.71
32	Higher Education, Training and Innovation	3 137 381 000	3 060 207 212.42	77 173 787.58	2.46
34	Public Enterprises	38 985 000	32 014 695.45	6 970 304.55	17.88
35	Attorney General	202 851 000	192 690 561.69	10 160 438.31	5.01
	<b>TOTAL</b>	<b>11 871 465 440</b>	<b>11 173 576 124.62</b>	<b>697 889 315.38</b>	<b>5.88</b>

It is recommended that Offices/Ministries/Agencies that underspend their budget, should indicate if all objectives were fulfilled or not.

## 2.7 QUALIFIED AUDIT OPINION ON THE SUBJECT MATTER

In my opinion, the Government of Namibia's financial performance and the use of appropriated funds is not in compliance, in all material respects, with the State Finance Act, 1991(Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions, Appropriation Act, 2019 (Act 2 of 2019), Appropriation Amendment Act, 2019 (Act 3 of 2019) and Public Procurement Regulations.

## 3. AUDIT OF PERFORMANCE INFORMATION

I have audited the performance information of the Debt Management Division, Inland Revenue Department and the Customs and Excise Directorate of the Ministry of Finance for the financial year ended 31 March 2020.

### **3.1 DESCRIPTION OF THE SUBJECT MATTER INFORMATION AND AUDIT SCOPE**

A Performance Management System (PMS) is defined 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 general public.

The scoping of the key performance indicators was performed, by looking at the high-level statements, which are indicated in the Mandate of the Ministry of Finance and the 2017-2022 Strategic Plan. Key performance indicators were 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

### **3.2 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, programmes, and projects.

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

### **3.3 AUDIT CRITERIA**

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

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



### 3.4 SUMMARY OF METHODS APPLIED

I have reviewed the Strategic Plan, Annual Plan and Annual Performance Report to confirm whether the Strategic Plan objectives, targets and KPIs have been correctly cascaded to the Annual Plan and the selected key performance indicators for the year under review are reported in the Directorates quarterly reports and Annual Performance Report.

Furthermore, I have reviewed documents to obtain information that pertains to the selected key performance indicators.

### 3.5 SELECTED KEY PERFORMANCE INDICATORS

The following KPIs were selected from the different Directorates as follows:

#### 3.5.1 INLAND REVENUE DEPARTMENT

The following Key Performance Indicators were selected from the 2019/2020 annual plan for the audit of performance information of the Department of Inland Revenue:

Strategic Objective	Key Performance Indicators
To maximise revenue resources	1. Amount of tax revenue collected 2. Number of tax administration reforms implemented 3. Number of taxpayers' registered as e-filers

#### 3.5.2 DEBT MANAGEMENT DIVISION

The following Key Performance Indicator (KPI) were selected from the 2019/2020 Annual plan for the audit of performance information for the Debt Management Directorate:

Strategic Objective	Key Performance Indicators
Promote Macro-economic stability	1. Percentage of deficit funded through domestic borrowing 2. Percentage of deficit funded through foreign lenders/markets

#### 3.5.3 CUSTOMS AND EXCISE DIRECTORATE

The following key performance indicators were selected from the 2019/2020 annual plan for the audit of the performance information of Directorate of Customs and Excise:

Strategic Objective	Key Performance Indicators
To maximize revenue resources	1. Amount of SACU Revenue transfers 2.Amount of Customs Revenue pool receipts

### 3.6 KEY AUDIT FINDINGS

#### 3.6.1 INLAND REVENUE DEPARTMENT

OBSERVATION/FINDING	RECOMMENDATION/AUDIT COMMENT
<p><b>Differences in reporting of achievements</b></p> <p>It was reported in the Commissioner's Annual Performance Appraisal report that 101 538 taxpayers have been registered as e-filers during the 2019/2020 financial year. However the ITAS report provided for audit indicates that 107 476 e-filers have been registered resulting in the difference of 5 938 taxpayers.</p>	<p><b>Management comment</b></p> <p>The Accounting Officer indicated that as per the report obtained from ITAS system, the number of e-filers who registered during the 2019/2020 financial year equals 108 304. The difference in the number of e-filers between the Commissioner's appraisal and ITAS is attributable to the timing of the appraisal and the inflow of e-filing registration on ITAS</p> <p>It is recommended that the Accounting Officer should ensure that correct number of e-filers are registered during financial year and provide the correct figures for audit purposes.</p>
<p><b>Target on the amount of tax revenue collected</b></p> <p>The department of Inland Revenue targeted to collect tax revenue amounting to N\$ 34 555 425 042.00 and actual tax revenue of N\$ 34 410 288 982.06 was collected.</p>	Satisfactory
<p><b>Number of tax administration reforms implemented</b></p> <p>The department of Inland Revenue targeted five (5) administration reforms to be implemented and implemented six (6) administration reforms during the financial year under review.</p>	Satisfactory

#### 3.6.2 DEBT MANAGEMENT DIVISION

OBSERVATION/FINDING	AUDIT COMMENT
<p><b>Target on the percentage of deficit funded through domestic and foreign borrowings</b></p> <p>The division of Debt management targeted a percentage of deficit funded through domestic borrowing at 70% and 30% for the percentage of deficit funded through foreign and their targets were met as targeted.</p>	Satisfactory

### 3.6.3 CUSTOMS AND EXCISE DIRECTORATE

OBSERVATION/FINDING	AUDIT COMMENT
<b>Target on the amount of SACU Revenue Transfers</b>  The directorate of Customs and Excise targeted an amount of SACU Revenue transfer of N\$ 1 445 062 875.00 and the actual amount that was transferred to SACU Revenue is N\$ 1 558 583 751.49.	Satisfactory
<b>Target on the amount of Customs Revenue pool receipts</b>  The directorate of Customs and Excise targeted an amount of Customs Revenue pool receipts of N\$ 18 922 264 883.00 and the actual amount that was received from Customs Revenue pool receipts is N\$ 18 922 264 883.00.	Satisfactory

### 3.7 CONCLUSION ON THE SUBJECT MATTER

The actual performance information on the selected key performance indicators of Inland Revenue Department, Customs and Excise directorate and Debt management division has been ascertained as stated above. Therefore, the results of the KPI audit for all three were found to be satisfactory.

## 4 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 & 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 State Finance Act, 1991 (Act 31 of 1991), Appropriation Act, 2019 (Act 2 of 2019), Appropriation Amendment Act, 2019 (Act 3 of 2019), Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions and the 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.

## **5 AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

My 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 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 used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Entity 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.
- 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.
- 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.

- It is also my responsibility to express an opinion on whether the financial performance and the use of appropriated funds is, in all material respect is in compliance with the Appropriation Act, 2019 (Act 2 of 2019), Appropriation Amendment Act, 2019 (Act 3 of 2019), State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions and Public Procurement Regulations. I have conducted the audit in accordance with International Standards for Supreme Audit Institutions (ISSAIs). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the audited entity is in compliance with the authorities that govern the audited entity in the execution of its roles and responsibilities.

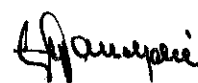
## **6 GENERAL INFORMATION**

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

## **7 ACKNOWLEDGEMENT**

The co-operation and assistance by the management and staff of the Ministry of Finance during the audit is appreciated.

**WINDHOEK, JULY 2021**



**JUNIAS ETUNA KANDJEKE**  
**AUDITOR-GENERAL**

## ANNEXURE A

### 1. AUDITED FINANCIAL STATEMENTS

#### 1.1. STATEMENT OF BALANCE

##### 1.1.1. Summary of the General Ledger

The balances as at 31 March 2020 of the State Revenue Fund and the various other accounts in the main ledger of the State Account maintained by the Ministry of Finance are summarized in the statement of cash assets and liabilities below: Credit balances are shown in brackets:

	31 March 2020	31 March 2019
	N\$	N\$
<b>FUNDS AND ACCOUNTS:</b>		
State Revenue Fund	(188 345 695.30)	(2 049 329 760.20)
Trade Account Balance	125 369 338.33	90 596 904.06
<b>TOTAL (see note below)</b>	<b>(62 976 356.97)</b>	<b>(1 958 732 856.14)</b>
<b>REPRESENTED BY:</b>		
<b>ASSETS</b>		
<b>CASH BALANCES AT:</b>		
Bank of Namibia	(307 209 048.02)	1 380 344 730.75
Other Banks	(611 930 022.02)	(602 439 316.36)
Investments	1 650 000 000.00	1 650 000 000.00
Standing Advances and Imprest account	512 498.45	3 550.00
Receivables	19 809 314.71	22 089 231.47
General Debits	(4 549.13)	2 677.86
<b>TOTAL</b>	<b>751 178 193.99</b>	<b>2 450 000 873.72</b>
<b>LIABILITIES</b>		
Deposits held by ministries	(31 552 802.58)	(27 915 439.97)
Sundry Creditors	(463 921 622.28)	(451 326 591.50)
General Credits	(158 776 012.96)	(12 025 986.11)
<b>TOTAL</b>	<b>(654 250 437.82)</b>	<b>(491 268 017.58)</b>
<b>ASSETS LESS LIABILITIES (see note below)</b>	<b>96 927 756.17</b>	<b>1 958 732 856.14</b>

**Note:** The amount of N\$ 33 951 399.20 is the difference between the Funds and Accounts and Assets less Liabilities which is caused by the suspense account for Electronic Funds Transfer (code 486) which did not agree to the Sundry Creditors account. The final figure for the Total Assets and Liabilities and Owner's Equity of Central Government in the Execution Ledger as at 31 March 2020 amounts to N\$ 62 976 356.97 instead of the N\$ 96 927 756.17.

### 1.1.2 Bank accounts

The Ministry of Finance administers the main Government bank account; the State Account is maintained in terms of Section 2(1) of the State Finance Act, 1991 (Act 31 of 1991). Additionally the Ministry of Finance administers three (3) bank accounts into which most of the State moneys received referred to in Section 2(1) (a) of the Act are deposited for control purposes and for daily transfers to the State Account. The balances of the accounts according to the main ledger were as follows:

Name of the account	Balance as at 31 March 2020
	N\$
State accounts	(3 002 202 166.72)
<b>Sub-total</b>	<b>(3 002 202 166.72)</b>
Customs and Excise Revenue Deposit accounts	440.91
Special Account	2 810 626 456.19
Inland Revenue – 165001	(3.84)
Inland Revenue – 165011	(213.29)
<b>Total</b>	<b>(191 575 486.75)</b>



## 1.2 STATE REVENUE FUND

### 1.2.1 Introduction

The State Revenue Fund has been established in accordance with Article 125(1) of the Namibian Constitution.

### 1.2.2 Statement of account

The following summary includes the statement which the Accounting Officer: Finance prepared in compliance with Section 12(1) (a) of the State Finance Act, 1991 (Act 31 of 1991) setting out the total revenue to the benefit of and the expenditure as a charge to the State Revenue Fund during the 2019/2020 financial year:

	N\$	N\$	N\$
<b>Balance 1 April 2019</b>			(2 050 176 894.30)
<b>REVENUE</b>			
Tax Revenue		(54 450 874 890.49)	
Non-Tax Revenue		(3 976 157 898.67)	
Return of Capital from Lending and Equity Participation		(11 379 027.71)	
External Grants		(97 881 838.57)	
Loan Proceeds		(40 365 609 000.99)	
<b>Total revenue</b>		<b>(98 901 902 656.43)</b>	
<b>EXPENDITURE</b>			
Operational	53 551 793 271.71		
Development	6 081 585 574.40		
<b>Total expenditure</b>	<b>59 633 378 846.11</b>		
Standing appropriations	<b>41 137 204 041.10</b>		
<b>Total Expenditure/Total Debits</b>		<b>100 770 582 887.21</b>	
<b>LOSS FOR THE YEAR</b>			<b>1 868 680 230.78</b>
Balance as at 31 March 2020			(181 496 663.52)
Balance as at 31 March 2020 as per the GL			(188 345 695.30)
Difference (See note)*			<b>6 849 031.78</b>

**Note:** The difference of N\$ 6 849 031.78 is represented by the net manual journals posted against the State Revenue Fund for the year. However, the net difference for manual journals on the Statement of Fund Balances amounting to N\$ 6 860 597.21 instead of N\$ 6 849 031.78 due to a journal for Vote 05 which was created on the interface, but not posted to the General Ledger.

### 1.3. Expenditure

#### 1.3.2 Summary: Appropriation accounts

The appropriated amounts and the expenditure on the thirty-five (35) vote accounts published individually are summarized below:

Vote	Act 2 of 2019	Additional budget	Suspensions	Net total authorized expenditure	Actual expenditure 2019/2020	Variance	
						N\$	%
1. President	435 369 000.00	36 490 000.00	(13 000 000.00)	458 859 000.00	455 619 164.17	3 239 835.83	0.71
2. Prime Minister	459 391 000.00	67 328 470.00	(17 920 470.00)	508 799 000.00	480 676 444.40	28 122 555.60	5.53
3. National Assembly	126 848 000.00	-	(10 701 560.00)	116 146 440.00	111 813 302.81	4 333 137.19	3.73
4. Auditor-General	109 265 000.00	1 007 200.00	(690 200.00)	109 582 000.00	108 750 065.74	831 934.26	0.76
5. Home Affairs & Immigration	677 129 000.00	36 145 000.00	(36 780 000.00)	676 494 000.00	661 651 776.97	14 842 223.03	2.19
6. Safety and Security	5 550 941 000.00	103 844 000.00	(103 844 000.00)	5 550 941 000.00	5 472 799 215.15	78 141 784.85	1.41
7. International Relations and Cooperation	941 274 000.00	-	-	941 274 000.00	937 913 989.47	3 360 010.53	0.36
8. Defence	5 884 817 000.00	25 162 000.00	(26 795 000.00)	5 883 184 000.00	5 953 301 089.05	(70 117 089.05)	(1.19)
9. Finance	4 409 320 000.00	19 496 000.00	(27 149 000.00)	4 401 667 000.00	4 745 368 971.94	(343 701 971.94)	(7.81)
10. Education, Arts and Culture	13 767 697 000.00	184 066 000.00	(122 100 000.00)	13 829 663 000.00	13 759 822 082.98	69 840 917.02	0.51
11. National Council	94 763 000.00	-	(2 282 000.00)	92 481 000.00	90 304 527.83	2 176 472.17	2.35
12. Gender Equality and Child Welfare	1 296 314 000.00	88 038 174.00	(8 419 174.00)	1 375 933 000.00	1 362 948 919.90	12 984 080.10	0.94
13. Health and Social Services	6 868 271 000.00	210 718 609.00	(206 236 609.00)	6 872 753 000.00	6 809 086 867.59	63 666 132.41	0.93

Vote	Act 2 of 2019	Additional budget	Suspensions	Net total authorized expenditure	Actual expenditure 2019/2020	Variance	
						N\$	%
14. Labor , Industrial Relations and Employment Creation	N\$ 189 924 000.00	N\$ 6 000 000.00	N\$ (7 736 000.00)	N\$ 188 188 000.00	N\$ 162 413 371.77	N\$ 25 774 628.23	13.70
15. Mines and Energy	286 165 000.00	342 930.00	(61 343 930.00)	225 164 000.00	205 951 896.97	19 212 103.03	8.53
16. Justice	326 952 000.00	2 900 000.00	(3 854 000.00)	325 998 000.00	318 005 839.59	7 992 160.41	2.45
17. Urban and Rural Development	1 982 234 000.00	2 000 000.00	(2 000 000.00)	1 982 234 000.00	1 741 142 236.97	241 091 763.03	12.16
18. Environment & Tourism	461 731 000.00	-	(14 576 000.00)	447 155 000.00	430 549 230.99	16 605 769.01	3.71
19. Industrialization, Trade and SME Development	295 026 000.00	-	(68 345 000.00)	226 681 000.00	205 952 684.74	20 728 315.26	9.14
20. Agriculture, Water and Forestry	1 959 307 000.00	96 650 000.00	(41 440 000.00)	2 014 517 000.00	1 951 560 117.75	62 956 882.25	3.13
21. Judiciary	368 444 000.00	-	(8 253 000.00)	360 191 000.00	356 545 934.57	3 645 065.43	1.01
22. Fisheries and Marine Resources	250 214 000.00	-	(10 222 000.00)	239 992 000.00	215 312 420.51	24 679 579.49	10.28
23. Works	606 060 000.00	-	(8 864 000.00)	597 196 000.00	570 938 748.77	26 257 251.23	4.40
24. Transport	3 443 437 000.00	432.00	(349 896 432.00)	3 093 541 000.00	3 108 344 719.73	(14 803 719.73)	(0.48)
25. Land Reform	496 792 000.00	-	-	496 792 000.00	396 683 959.53	100 108 040.47	20.15
26. National Planning Commission	241 584 000.00	8 939 000.00	(2 439 000.00)	248 084 000.00	247 182 217.17	901 782.83	0.36
27. Sport, Youth and National Service	285 999 000.00	29 587 390.00	(21 495 390.00)	294 091 000.00	287 021 924.57	7 069 075.43	2.40
28. Electoral Commission of Namibia	288 358 000.00	61 992 000.00	(189 000.00)	350 161 000.00	348 386 566.84	1 774 433.16	0.51
29. Information and Communication Technology	321 148 000.00	53 946 000.00	(2 540 000.00)	372 554 000.00	387 771 526.92	(15 217 526.92)	(4.08)

Vote	Act 2 of 2019	Additional budget	Suspensions	Net total authorized expenditure	Actual expenditure 2019/2020	Variance
	N\$	N\$	N\$	N\$	N\$	N\$ %
30. Anti-Corruption Commission	61 610 000.00	-	(1 290 000.00)	60 320 000.00	58 685 170.89	1 634 829.11 2.71
31. Veterans Affairs	685 060 000.00	55 654 000.00	(1 572 000.00)	739 142 000.00	735 751 938.41	3 390 061.59 0.46
32. Higher Education, Training and Innovation	3 137 381 000.00	-	-	3 137 381 000.00	3 060 207 212.42	77 173 787.58 2.46
33. Poverty Eradication and Social Welfare	3 592 650 000.00	88 019 000.00	(1 523 000.00)	3 679 149 000.00	3 670 209 451.86	8 939 548.14 0.24
34. Public Enterprises	40 022 000.00	-	(1 037 000.00)	38 985 000.00	32 014 695.45	6 970 304.55 17.88
35. Attorney General	204 013 000.00	-	(1 162 000.00)	202 851 000.00	192 690 561.69	10 160 438.31 5.01
<b>TOTAL</b>	<b>60 145 5 000.00</b>	<b>1 178 326 205.00</b>	<b>(1 185 695 765.00)</b>	<b>60 138 440.00</b>	<b>59 633 3 846.11</b>	<b>504 764 593.89 0.84</b>

### 1.3.3 Summary of standard subdivisions

The statement below shows the amounts appropriated for the standard items of expenditure as reduced by the Treasury and the amounts actually spent in rendering the services for which the funds were appropriated in the appropriation act for the 2019/2020 financial year. Comparative actual expenditure figures for the previous financial year are also shown:

Subdivision	2019/2020				2018/2019
	Authorized expenditure N\$	Actual expenditure N\$	Commitment N\$	Under/(Excess) expenditure N\$	Actual expenditure N\$
<b>Operational Recurrent Expenditure</b>					
<b>Current Expenditure: Personnel (paragraph 1.3.3)</b>					
001. Remuneration	25 235 773 875.00	25 175 945 024.90	8 307 050.30	51 521 799.80	25 002 237 623.27
002. Employers Contribution To The G.I.P.F. And M.P.O.O.B.P.F.	2 971 881 910.00	2 938 246 206.72	1 576 903.79	32 058 799.49	2 911 584 451.79
003. Other Conditions Of Service	1 352 230 318.00	1 374 787 573.93	(7 517 877.91)	(15 039 378.02)	1 307 610 946.79
004. Improvement Of Remuneration Structure	6 802.00	6 801.63	-	0.37	11 104.49
005. Employers Contribution To The Social Security	99 998 510.00	95 047 409.84	-	4 951 100.16	95 946 093.45
<b>Total Personnel cost</b>	<b>29 659 891 415.00</b>	<b>29 584 033 017.02</b>	<b>2 366 076.18</b>	<b>73 492 321.80</b>	<b>29 317 390 219.79</b>
<b>Current Expenditure: Goods and services</b>					
021. Travel And Subsistence Allowance	339 526 079.00	318 117 400.33	(2 870 987.22)	24 279 665.89	287 637 295.69
022. Materials And Supplies	1 736 223 098.00	1 665 970 018.64	9 177 730.76	61 075 348.60	1 442 889 080.02
023. Transport	679 462 381.00	626 893 514.27	2 315 481.31	50 253 385.42	562 632 148.79
024. Utilities	1 420 772 284.00	1 371 780 107.28	138 235.16	48 853 941.56	1 219 895 580.26
025. Maintenance Expenses	451 145 435.00	430 958 759.10	(119 889.18)	20 306 565.08	336 659 792.92
026. Property Rental And Related Charges	310 746 603.00	301 285 987.14	1 982.60	9 458 633.26	376 246 331.22
027. Other Services And Expenses	1 516 246 450.00	1 454 356 563.06	(5 408 579.79)	67 298 466.73	1 707 147 360.56
028. Training Course, Symposiums and Workshops	47 876 155.00	44 366 095.68	132 479.57	3 377 579.75	123 389 221.82
029. Printing And Advertisements	182 364 009.00	176 835 142.30	593 198.74	4 935 667.96	71 540 671.53
031. Travel And Subsistence Allowance	2 031 118.00	1 625 904.36	-	405 213.64	1 501 924.94
033. Transport	4 321 993.00	3 832 644.55	-	489 348.45	3 260 878.97
034. Utilities	1 914 911.00	1 591 089.18	-	323 821.82	1 903 931.30

Subdivision	2019/2020				2018/2019
	Authorized expenditure	Actual expenditure	Commitment	Under/(Excess) expenditure	Actual expenditure
	N\$	N\$	N\$	N\$	N\$
036. Property Rental And Related Charges	12 126 592.00	10 548 973.11	-	1 577 618.89	-
038. Consultancy Fees	39 571 277.00	33 389 419.28	834 825.00	5 347 032.72	20 000.00
040. Security Contracts	180 825 529.00	171 668 457.61	(142 200.87)	9 299 272.26	98 286 346.59
<b>Total Goods and services</b>	<b>6 925 153 914.00</b>	<b>6 613 220 075.89</b>	<b>4 652 276.08</b>	<b>307 281 562.03</b>	<b>6 233 010 564.61</b>
<b>Current Expenditure: Membership Fees and Subscriptions</b>					
041. Membership Fees and Subscriptions: International	153 085 992.00	138 774 224.31	5 969 098.43	8 342 669.26	135 747 316.15
042. Membership Fees and Subscriptions: Domestic	1 198 000.00	1 005 760.37	-	192 239.63	2 481 667.06
<b>Total</b>	<b>154 283 992.00</b>	<b>139 779 984.68</b>	<b>5 969 098.43</b>	<b>8 534 908.89</b>	<b>138 228 983.21</b>
043. Government Organization	-	18 544 018.60	(12 356 463.60)	(6 187 555.00)	2 839 084 753.51
044. Individuals and Non-Profit Organizations	6 978 342.00	6 938 976.39	-	39 365.61	9 104.76
045. Public And Departmental Enterprises and Private Industries	-	-	-	-	32 002 963.60
046. Subsidies to Sub National Bodies	3 125 062 187.00	3 114 508 030.08	86 927.33	10 467 229.59	2 981 806 736.78
047. Subsidies To Other Extra Budgetary Bodies	4 984 176 665.00	5 274 211 767.02	115 106 540.72	(405 141 642.74)	2 588 603 871.84
048. Social Grant (Subsidies)	4 489 058 780.00	4 488 194 290.61	-	864 489.39	3 322 355 599.91
049. Support For Non-Profit Organizations	2 180 278 498.00	2 172 259 399.97	250 200.00	7 768 898.03	3 074 134 010.16
051. Subsidies Public and Departmental Enterprises and Private Industries	49 561 000.00	48 636 419.24	-	924 580.76	61 739 067.86
052 Subsidies To Small and Medium Term Enterprises	-	-	-	-	12 000 000.00
053. Subsidies for State owned enterprises	1 360 734 643.00	1 424 158 798.39	1 846 535.74	(65 270 691.13)	1 723 540 429.33
<b>Total</b>	<b>16 195 850 115.00</b>	<b>16 547 451 700.30</b>	<b>104 933 740.19</b>	<b>(456 535 325.49)</b>	<b>16 635 276 537.75</b>
<b>Total Current expenditure</b>	<b>52 935 179 436.00</b>	<b>52 884 484 777.89</b>	<b>117 921 190.88</b>	<b>(67 226 532.77)</b>	<b>52 323 906 305.36</b>
<b>Capital expenditure: acquisition of assets</b>					
101. Furniture and office equipment	15 222 597.00	12 747 060.61	258 122.96	2 217 413.43	15 283 886.38
102. Vehicles	6 774 000.00	6 402 111.76	-	371 888.24	2 824 650.30
103. Operational equipment, machinery and plants	643 654 084.00	645 279 477.50	-	(1 625 393.50)	528 251 954.98
<b>Total</b>	<b>665 650 681.00</b>	<b>664 428 649.87</b>	<b>258 122.96</b>	<b>963 908.17</b>	<b>546 360 491.66</b>

Subdivision	2019/2020				2018/2019	
	Authorized expenditure	Actual expenditure	Commitment	Under/(Excess) expenditure	Actual expenditure	
	N\$	N\$	N\$	N\$	N\$	
<b>Capital transfers - operational</b>						
124. Abroad	2 060 000.00	2 046 933.02	-	13 066.98	-	-
126. Capital transfers to other extra budgetary bodies	-	-	-	-	-	20 526 718.58
128. Capital transfers for support for Non-profit organizations	1 217 000.00	832 910.93	-	384 089.07	-	-
<b>Total</b>	<b>3 277 000.00</b>	<b>2 879 843.95</b>	<b>-</b>	<b>397 156.05</b>	<b>20 526 718.58</b>	<b>-</b>
<b>Total Capital expenditure</b>	<b>668 927 681.00</b>	<b>667 308 493.82</b>	<b>258 122.96</b>	<b>1 361 064.22</b>	<b>566 887 210.24</b>	<b>566 887 210.24</b>
<b>Total Operational expenditure</b>	<b>53 604 107 117.00</b>	<b>53 551 793 271.71</b>	<b>118 179 313.84</b>	<b>(65 865 468.55)</b>	<b>52 890 793 515.60</b>	<b>52 890 793 515.60</b>
<b>Development Recurrent Expenditure</b>						
021. Materials and suppliers	351 026 213.00	343 980 787.88	-	7 045 425.12	105 229 222.04	105 229 222.04
027. Other services and expenses	100 565 071.00	83 317 245.04	51 969.62	17 195 856.34	67 297 999.91	67 297 999.91
028. Training course, symposiums and workshops	1 100 000.00	865 830.56	-	234 169.44	-	-
029. Printing and advertisements	100 000.00	-	-	100 000.00	-	-
035. Maintenance expenses	7 739 800.00	4 385 697.01	-	3 354 102.99	-	-
<b>Total</b>	<b>460 531 084.00</b>	<b>432 549 560.49</b>	<b>51 969.62</b>	<b>27 929 553.89</b>	<b>172 527 221.95</b>	<b>172 527 221.95</b>
<b>Capital expenditure: Acquisition of assets</b>						
101. Furniture and office equipment	34 690 000.00	27 546 178.44	-	7 143 821.56	28 905 955.30	28 905 955.30
103. Operational equipment, machinery and plants	230 982 927.00	226 191 512.48	562 000.00	4 229 414.52	263 202 139.07	263 202 139.07
104. Purchase of buildings	3 000 000.00	274 381.70	-	2 725 618.30	-	-
105. Feasibility studies, design and supervision	454 235 945.00	420 109 340.73	209 213.58	33 917 390.69	386 098 694.66	386 098 694.66
106. Purchase of land and intangible assets	14 743 710.00	13 743 618.31	-	1 000 091.69	4 352 510.00	4 352 510.00
107. Construction, renovation and improvement	4 310 125 155.00	4 048 192 701.97	(5 079 084.37)	267 011 537.40	3 459 608 414.68	3 459 608 414.68
<b>Total</b>	<b>5 047 777 737.00</b>	<b>4 736 057 733.63</b>	<b>(4 307 870.79)</b>	<b>316 027 874.16</b>	<b>4 142 167 713.71</b>	<b>4 142 167 713.71</b>
<b>Capital transfers - development</b>						
121. Government Organizations	682 530 946.00	601 136 944.08	12 400 000.00	68 994 001.92	519 208 336.88	519 208 336.88
123. Public and departmental enterprises and private industries	222 082 718.00	193 794 215.00	5 539 835.00	22 748 668.00	116 549 999.00	116 549 999.00
124. Abroad	116 113 841.00	113 426 414.09	-	2 687 426.91	3 500 000.00	3 500 000.00
129. Capital transfers for State owned enterprises	5 000 000.00	4 620 707.11	-	379 292.89	33 670 040.33	33 670 040.33
134. Abroad	-	-	-	-	86 016 154.00	86 016 154.00
<b>Total</b>	<b>1 025 727 505.00</b>	<b>912 978 280.28</b>	<b>17 939 835.00</b>	<b>94 809 389.72</b>	<b>758 944 530.21</b>	<b>758 944 530.21</b>
<b>Total Development expenditure</b>	<b>6 534 036 326.00</b>	<b>6 081 585 574.40</b>	<b>13 683 933.83</b>	<b>438 766 817.77</b>	<b>5 073 639 465.87</b>	<b>5 073 639 465.87</b>
<b>Grand total</b>	<b>60 138 143 443.00</b>	<b>59 633 378 846.11</b>	<b>131 863 247.67</b>	<b>372 901 349.22</b>	<b>57 964 433 981.47</b>	<b>57 964 433 981.47</b>

### 1.3.4 Personnel costs

The personnel costs totaled N\$ 29 584 033 017.02 for the year under review. It represents 49.61% of the total actual expenditure of N\$ 59 633 378 846.11 (excluding statutory expenditure) charged to the State Revenue Fund in 2019/2020. In the previous financial year, personnel costs totaled N\$ 29 317 390 219.79 (50.58%) and the year before N\$ 29 171 050 645.92 (47.03%).

In addition, the actual personnel costs totaling to N\$ 29 584 033 017.02 in 2019/2020 underspent with an amount of N\$ 73 492 321.80 of the authorized amount (0.2512%) in comparison with an overspending of N\$ 313 577.79 (0.001%) in the previous year.

### 1.3.5 Standing appropriation

#### 1.3.5.1 Summary

In addition to expenditure incurred in terms of the annual Appropriation Act, expenditure was also charged to the State Revenue Fund in terms of standing appropriations in the legislation. These standing charges to the State Revenue Fund are not subject to further or annual appropriation. The following is a summary of the estimates for 2019/2020 for standing charges and the actual expenditure incurred by the Ministry of Finance in terms of the State Finance Act, 1991 (Act 31 of 1991):

Purpose	Legislation and other authorization of which the expenditure was incurred	Amounts estimated in the latest tabled estimates 2019/2020	Expenditure incurred 2019/2020	Variations under (over) expenditure	Actual expenditure 2018/2019
Domestic Interest Payments	State Finance Act (Act. 31 of 1991)	N\$	N\$	N\$	N\$
Foreign Interest Payments		4 673 560 051.40	4 673 560 051.40	-	4 066 368 508.93
<b>TOTAL INTEREST PAYMENTS</b>		2 202 541 642.75	2 202 541 642.75	-	1 923 010 030.88
Redemption of Loans: Domestic	Section 29 and 36	<b>6 876 101 694.15</b>	<b>6 876 101 694.15</b>	-	<b>5 989 378 539.81</b>
Redemption of Loans: Foreign		32 599 178 020.51	32 599 178 020.51	-	30 032 459 030.02
Guarantees		567 112 184.34	567 112 184.34	-	493 859 455.45
<b>TOTAL LOAN REPAYMENTS</b>		260 129 804.94	260 129 804.94	-	-
Borrowing Related Charges		<b>33 426 420 009.79</b>	<b>33 426 420 009.79</b>	-	<b>30 526 318 485.47</b>
Oddlot - Switch Auctions		10 561 233.56	10 561 233.56	-	21 194 617.44
Guarantees		896 898.39	896 898.39	-	75 500.00
<b>TOTAL</b>		823 224 205.21	823 224 205.21	-	1 132 926 090.60
<b>TOTAL EXPENDITURE IN TERMS OF STANDING APPROPRIATIONS</b>		<b>834 682 337.16</b>	<b>834 682 337.16</b>	-	<b>1 154 196 208.04</b>
		41 137 204 041.10	41 137 204 041.10	-	37 669 893 233.32



### 1.3 REVENUE

#### 1.4.1 Summary of Revenue

The statement below prepared by the Accounting Officer: Finance in terms of Section 12(1) and 12(2) of the State Finance Act, 1991 (Act 31 of 1991) reflects the revenue received in the State Revenue Fund during the 2019/2020 financial year. It is shown under the various heads of revenue referred to in the revised estimate of revenue presented to Parliament:

Code	Revenue head	Estimate	Revenue received 2019/2020	Less/(More) than estimated	Revenue received 2018/2019
<b>30</b>	<b>TAX REVENUE</b>	N\$	N\$	N\$	N\$
<b>0001</b>	<b>Tax on Income and Profits</b>				
	601. Income tax on individuals				
	6010. Normal income tax on individuals	13 623 168 136.00	14 147 288 785.33	(524 120 649.33)	13 587 779 134.71
		<b>13 623 168 136.00</b>	<b>14 147 288 785.33</b>	<b>(524 120 649.33)</b>	<b>13 587 779 134.71</b>
	<b>602. Company taxes</b>				
	6021. Diamond mining companies	1 310 094 120.00	1 142 638 946.20	167 455 173.80	1 495 555 068.74
	6022. Other mining companies	501 365 667.00	187 357 476.27	314 008 190.73	445 292 180.62
	6023. Non-mining companies	5 603 171 882.00	5 927 023 971.85	(323 852 089.85)	5 384 079 861.44
		<b>7 414 631 669.00</b>	<b>7 257 020 394.32</b>	<b>(157 611 274.68)</b>	<b>7 324 927 110.80</b>
	<b>603. Other taxes on income and profits</b>				
	6031. Non-resident shareholders tax	239 302 971.00	306 573 778.07	(67 270 807.07)	265 331 881.57
	6032. Tax on royalties	142 539 643.00	103 481 894.11	39 057 748.89	70 186 668.55
		<b>381 842 614.00</b>	<b>410 055 672.18</b>	<b>(28 213 058.18)</b>	<b>335 518 550.12</b>
	<b>604. Withholding tax on interests</b>				
	6044. Withholding tax on companies and individuals	519 744 653.00	420 004 588.57	(99 740 064.43)	336 179 944.57
	6045. Withholding tax on unit trusts	140 305 418.00	148 196 864.21	(7 891 446.21)	147 970 467.28
	6046. Withholding tax on services	113 002 483.00	228 877 204.49	(115 874 721.49)	122 743 059.96
		<b>773 052 554.00</b>	<b>797 078 657.27</b>	<b>(24 026 103.27)</b>	<b>606 893 471.81</b>
	<b>TOTAL: Taxes on income and profits</b>	<b>22 192 694 973.00</b>	<b>22 611 443 509.10</b>	<b>(742 600 625.95)</b>	<b>21 855 118 267.44</b>
<b>0002</b>	<b>Taxes on Property</b>				
	6040. Transfer duties	216 386 692.00	174 485 914.93	41 900 777.07	220 707 397.52
	<b>TOTAL: TAXES ON PROPERTY</b>	<b>216 386 692.00</b>	<b>174 485 914.93</b>	<b>41 900 777.07</b>	<b>220 707 397.52</b>
<b>0003</b>	<b>Domestic taxes on goods and services</b>				
	605. Value added tax	11 964 497 907.00	11 515 735 330.74	448 762 576.26	11 365 376 727.22
	606. Sales Levy	-	-	-	960.00
	607. Levy on fuel	737 311 378.00	1 106 791 249.22	(369 479 871.22)	730 268 453.16
	608. Liquor licenses	-	11 529 776.21	(11 529 776.21)	11 346 697.04
	609. Fishing boats and factories licenses	-	-	-	225 395.40
	610. Hunting and Fishing licenses	-	-	-	10 248.00
	611. Prospecting licenses and claims	-	-	-	192 448.75
	612. Fishing Quota levies	-	-	-	267 443 953.12
	<b>TOTAL: Domestic Taxes on goods and services</b>	<b>12 701 809 285.00</b>	<b>12 634 056 356.17</b>	<b>67 752 928.83</b>	<b>12 374 864 882.69</b>

Code	Revenue head	Estimate	Revenue received 2019/2020	Less/(More) than estimated	Revenue received 2018/2019
		N\$	N\$	N\$	N\$
0004	<b>Taxes on international trade and transactions</b>				
	615. Customs Revenue Pool share	18 917 000 000.00	18 922 264 883.00	(5 264 883.00)	17 374 889 671.00
	<b>TOTAL: Taxes on international trade and transactions</b>	<b>18 917 000 000.00</b>	<b>18 922 264 883.00</b>	<b>(5 264 883.00)</b>	<b>17 374 889 671.00</b>
0005	<b>Other Taxes</b>				
	617. Stamp duties and fees	201 845 470.00	108 624 227.29	93 221 242.71	197 029 499.39
	<b>TOTAL: Other Taxes</b>	<b>201 845 470.00</b>	<b>108 624 227.29</b>	<b>93 221 242.71</b>	<b>197 029 499.39</b>
	<b>TOTAL TAX REVENUE</b>	<b>54 229 736 420.00</b>	<b>54 450 874 890.49</b>	<b>(544 990 560.34)</b>	<b>52 022 609 718.04</b>
31	<b>NON-TAX REVENUE</b>				
0020	<b>Entrepreneurial and Property Income</b>				
	618. Interest receipts for loans extended to:				
	6183. Municipalities and regional authorities	-	1 475 595.38	(1 475 595.38)	5 276 388.73
	6186. On-lending arrangements	-	3 346 362.77	(3 346 362.77)	4 266 919.35
	619. Interest on investments	-	-	-	1 813 271.00
	620. Dividends and profit share:				
	6201. Afriximbank	14 962 005.00	-	14 962 005.00	-
	6202. Bank of Namibia	485 846 233.00	399 941 313.60	85 904 919.40	-
	6203. Namdeb	374 050 130.00	100 000 000.00	274 050 130.00	300 000 000.00
	6205. Nampost	523 670 183.00	500 000 000.00	23 670 183.00	-
	6206. Namport	14 962 005.00	-	14 962 005.00	-
	6207. Nampower	224 430 078.00	82 644 000.00	141 786 078.00	60 799 210.00
	6209. Namibia Re-insurance Corp	14 962 005.00	6 150 000.00	8 812 005.00	-
	6213. Namibia Diamond Trading Company	4 050 130.00	50 000 000.00	324 050 130.00	100 000 000.00
	6214. Windhoek Country club	8 977 203.00	-	8 977 203.00	6 000 000.00
	6215. Namib Desert Diamonds	74 810 026.00	80 000 000.00	(5 189 974.00)	50 000 000.00
	6216. Development Bank of Namibia	-	21 168 310.00	(21 168 310.00)	-
	621. Interest on state account balances with BoN	34 570 213.00	(12 045 457.68)	46 615 670.68	11 075 606.26
	623. Diamond royalties	-	-	-	698.00
	625. Other mineral royalties	-	-	-	9 253 621.19
	<b>TOTAL: Entrepreneurial and Property Income</b>	<b>2 145 290 211.00</b>	<b>1 232 680 124.07</b>	<b>912 610 086.93</b>	<b>548 485 714.53</b>
0021	<b>Fines and Forfeitures</b>				
	624. Fines and forfeitures	69 698 049.00	99 238 044.98	29 539 995.98	89 755 772.03
	<b>TOTAL: Fines and Forfeitures</b>	<b>69 698 049.00</b>	<b>99 238 044.98</b>	<b>29 539 995.98</b>	<b>89 755 772.03</b>
	<b>Administrative fees, charges and incidental sales</b>				
	0122. President	50 000.00	357 565.60	(307 565.60)	372 457.85
	0222. Prime Minister	215 000.00	113 547.25	101 452.75	328 858.87
	0322. National Assembly	7 000.00	-	7 000.00	700.60
	0422. Auditor-General	1 960 000.00	1 680 868.38	279 131.62	1 950 801.14
	0522. Home Affairs	94 400 000.00	94 837 865.71	437 865.71	95 157 592.83
	0622. Safety and Security	11 328 500.00	21 461 463.13	(10 132 963.13)	16 905 971.64
	0722. International Relations and Cooperation	50 000.00	180 104.05	(130 104.05)	132 605.53

Code	Revenue head	Estimate	Revenue received 2019/2020	Less/(More) than estimated	Revenue received 2018/2019
		N\$	N\$	N\$	N\$
	0822. Defence	3 260 000.00	2 930 334.18	329 665.82	5 710 809.14
	0922. Finance	995 648 648.00	614 414 436.20	381 234 211.80	855 747 886.56
	1022. Education, Arts and Culture	39 077 000.00	32 779 968.39	6 297 031.61	30 144 288.00
	1122. National Council	5 000.00	804.46	4 195.54	-
	1222. Gender Equality and Child Welfare	300 000.00	4 314 946.72	(4 014 946.72)	3 355 141.54
	1322. Health and Social Services	95 279 100.00	71 452 117.06	23 826 982.94	74 884 273.13
	1422. Labour and Social Welfare	180 000.00	413 752.67	(233 752.67)	105 478.48
	1522. Mines and Energy	1 615 130 000.00	1 285 478 231.78	329 651 768.22	1 662 034 325.36
	1622. Justice	3 050 000.00	2 064 027.62	985 972.38	1 503 345.99
	1722. Urban and Rural Development	2 680 000.00	10 401 045.79	(7 721 045.79)	1 272 316.99
	1822. Environment and Tourism	104 431 000.00	126 676 412.91	(22 245 412.91)	155 043 661.04
	1922. Industrialization, Trade and SME development	10 000.00	69 704.01	(59 704.01)	52 126.17
	2022. Agriculture, Water and Forestry	31 261 000.00	31 039 108.65	221 891.35	29 580 646.73
	2122. Judiciary	2 412 000.00	3 182 890.15	(770 890.15)	2 676 890.60
	2222. Fisheries and Marine Resources	139 054 000.00	267 562 126.40	(128 508 126.40)	58 502.14
	2322. Works	45 146 606.00	40 680 977.89	4 465 628.11	49 489 891.81
	2422. Transport	1 158 631.00	1 644 611.49	(485 980.49)	1 055 832.00
	2522. Land Reform	2 801 600.00	11 957 636.08	(9 156 036.08)	5 628 295.76
	2622. National Planning Commission	52 000.00	76 432.72	(24 432.72)	101 051.87
	2722. Youth, National Service, Sport & Culture	3 500 000.00	1 182 961.17	2 317 038.83	1 070 459.00
	2822. Electoral Commission	3 000.00	391 060.94	(388 060.94)	45 124.15
	2922. Information and Communication Technology	385 000.00	820 946.76	(435 946.76)	224 282.51
	3022. Anti-Corruption Commission	25 000.00	48 580.91	(23 580.91)	7 584.10
	3122. Veterans Affairs	57 640.00	24 725.74	32 914.26	93 937.34
	3222. Higher Education	-	15 284 899.00	(15 284 899.00)	7 013.36
	3322. Poverty Eradication and Social Welfare	500 000.00	405 361.09	94 638.91	31 484.55
	3422. Public Enterprises	2 000.00	12 324.15	(10 324.15)	-
	3522. Attorney General	710 000.00	297 890.57	412 109.43	1 774 395.97
	<b>Total Administrative fees, charges and incidental sales</b>	<b>3 194 129 725.00</b>	<b>2 644 239 729.62</b>	<b>565 174 894.38</b>	<b>2 996 548 032.75</b>
	<b>TOTAL NON-TAX REVENUE</b>	<b>5 409 117 985.00</b>	<b>3 976 157 898.67</b>	<b>1 448 244 985.33</b>	<b>3 634 789 519.31</b>
<b>32</b>	<b>RETURN ON CAPITAL FROM ON- LENDING AND EQUITY PARTICIPATION</b>				
<b>0030</b>	<b>Receipts of principal of loans from:</b>				
	903. Municipalities and regional authorities	-	1 584 879.39	(1 584 879.39)	2 488 083.11
	905. Low cost housing and self-build schemes	-	-	-	4 386 645.92
	906. On-lending arrangements	-	9 794 148.32	(9 794 148.32)	55 017 661.85

Code	Revenue head	Estimate	Revenue received 2019/2020	Less/(More) than estimated	Revenue received 2018/2019
	<b>TOTAL: RETURN ON CAPITAL FROM ON-LENDING AND EQUITY PARTICIPATION</b>	N\$ -	N\$ 11 379 027.71	N\$ (11 379 027.71)	N\$ 61 892 390.88
<b>33</b>	<b>EXTERNAL GRANTS:</b>				
<b>0040</b>	910. Recurrent activities – Tied grants	11 991 000.00	97 881 838.57	(85 890 838.57)	71 935 961.60
	911. Development Projects - Tied grants	155 009 000.00	-	155 009 000.00	-
	<b>TOTAL: EXTERNAL GRANTS</b>	<b>167 000 000.00</b>	<b>97 881 838.57</b>	<b>69 118 161.43</b>	<b>71 935 961.60</b>
<b>34</b>	<b>BORROWINGS:</b>				
<b>0042</b>	<b>Domestic Borrowings</b>				
	912. Loan Proceeds				
	9120. Treasury bills	66 896 738 420.42	35 117 918 111.95	31 778 820 308.47	31 778 820 308.47
	9121. Internal registered stock (Bonds)	9 836 310 302.13	5 247 690 889.04	4 588 619 413.09	4 588 619 143.09
	<b>TOTAL: Domestic Borrowings</b>	<b>76 733 048 722.55</b>	<b>40 365 609 000.99</b>	<b>36 367 439 721.56</b>	<b>36 367 439 451.56</b>
<b>0043</b>	<b>External borrowings</b>				
	Loan proceeds				
	9121. Internal registered stock (Bonds)	2 784 909 122.35	-	2 784 909 122.35	2 784 909 122.35
	<b>TOTAL: External borrowings</b>	<b>2 784 909 122.35</b>	<b>-</b>	<b>2 784 909 122.35</b>	<b>2 784 909 122.35</b>
	<b>TOTAL BORROWINGS</b>	<b>79 517 957 844.90</b>	<b>40 365 609 000.99</b>	<b>39 152 348 843.91</b>	<b>39 152 348 573.91</b>
	<b>TOTAL REVENUE</b>	<b>139 323 812 249.90</b>	<b>98 901 902 656.43</b>	<b>40 113 342 402.62</b>	<b>94 943 576 163.74</b>

#### 1.4.2 Notes to the financial statements

##### 1.4.2.1 Explanation for deviations exceeding N\$ 400 000

The Accounting Officer: Finance provided the following explanations in respect of variations in excess of N\$ 400 000 between the estimate and actual revenue:

Code	Revenue head	Explanation
30.0001.6010	Normal income tax on individuals	The major tax revenue contributor is Income Tax on Individuals, considering the scale of employment in the country. Even though the economic growth is slowing down, Income Tax on Individuals was not entirely affected because a few businesses were still hiring and the tax brackets remained the same.
30.0001.6021	Diamond Mining Companies	A decline of the revenue collections in the mining sector which recorded a contraction of 11.1% in the last quarter of the 2019/2020 financial year, according to Namibia Statistics Agency was due to lower volume of diamonds produced during the 2019/2020 financial year, vessel maintenance and almost depleted onshore resources.
30.0001.6022	Other Mining Companies	The low uranium price continues to adversely impact the prospects for uranium production in the country. Furthermore, most mining companies are already operating close to their full capacities and as a result, the mining industry was also expected to contract in 2019.
30.0001.6023	Non-mining companies	Inland Revenue is strengthening the strategies to maximize the collection of taxes due to the Government, through increasing the number of audits and continuing tax awareness to the general public and companies.

Code	Revenue head	Explanation
30.0001.6031	Non Resident shareholders	There was an increase in dividends and distribution of shareholders of which only foreign shareholders are taxed. This resulted in a direct increase in the collection of Non-Resident Shareholders Tax.
30.0001.6032	Tax on Royalties	The contraction in the economy continues to have a negative impact on tax on royalties' revenue collection.
30.0001.6044	Withholding Tax on Companies and Individuals	The economic state of the country has affected everyone, from individuals to businesses. There is no extra money for some individuals to save, thus the interest on savings accounts have reduced.
30.0001.6045	Withholding Tax on Unit Trust	Withholding Tax on Unit Trust includes interest earned on individual unit trust accounts in addition to family trusts and other companies. Family trusts has shown a slight increase.
30.0001.6046	Withholding Tax on Services	Despite the contraction in the economic growth usage of foreign services in the country is still needed, hence the increase in the tax withheld.
30.0002.6040	Transfer Duties	As a consequence of the low growth in the economy, the property market was affected and this resulted in low sales in the industry. This trend affected the collection of transfer duty on applicable assets.
30.0003.605	Value added tax	As the economic growth slows down, the domestic economy was also projected to contract. Weak performances in agriculture, construction, wholesale and retail trade sectors, mean individuals and companies remain on tight budgets and are not spending like before.
30.0003.607	Levy on fuel	The difference between the budgeted levy and actual levy is attributable to the early removal of restrictions on imports which was imposed as a result of Covid-19, leading to an increase on fuel imports than anticipated at the time of budgeting.
30.0003.608	Liquor Licenses	The Liquor Act 6 of 1998 states that the Ministry of Trade is responsible for the issuing of Liquor Licenses. However, the Ministry even after several consultations with the Ministry of Trade and Industrialization and SME Development stated that the above mentioned revenue is not their responsibility. Hence ,due to the above background no estimate was done leading to a variance of N\$ 11 529 776.21.
30.0005.617	Stamp duties and fees	The overall low growth in the economy and investment opportunities contributed largely to a decline in the tax.
30.0004.615	Customs Revenue Pool Share	The difference represents an increase in the revenue from SACU pool due to the little adjustment in the distribution formula due to changes in the trade patterns.
31.0020.618.6183	Municipalities and Regional Authorities	The City of Windhoek was in arrears and paid the arrears during the 2019/2020 financial year. The variance of is a result of no amount estimated.
31.0020.618.6186	On-lending arrangements	The Agricultural Bank of Namibia and Namibia Post Ltd paid but there was no amount estimated during the 2019/2020 financial year.
31.0020.620.6201	African Export-Import Bank(Afreximbank)	Afreximbank anticipated a profit. Due to the economic challenges, the bank could not pay dividends.

Code	Revenue head	Explanation
31.0020.620.6202	Bank of Namibia	The bank underestimated the dividends payout and as a result of the financial performance in 2019, the Board managed to declare and pay out the dividends.
31.0020.620.6203	Namdeb	Namdeb overestimated the dividend payout and the company underperformed due to economic contraction, thus the collection is less than the anticipated dividends.
31.0020.620.6205	Namibia Post & Telecom Ltd	NPTH underestimated their profit and the company performed well, consequently they paid more dividends.
31.0020.620.6206	Namport	Namport was tasked by Cabinet to expand the port of Walvis Bay, being a national project, the entity is not in a position of paying dividends.
31.0020.620.6207	Nampower	Nampower underestimated their profit and the company performed well, consequently they paid more dividends.
31.0020.620.6209	Namibia Re-Insurance Corporation(Namibre)	Namibre under-estimated their profit and the company performed well, consequently they paid more dividends.
31.0020.620.6213	Namibia Diamond Trading Company(NDTC)	NDTC over-estimated the dividends payment and the company under performed due to economic contraction thus revenue collection is less than the anticipated dividends.
31.0020.620.6214	Windhoek Country Club & Hotel (Pty) LTD (WCCR)	WCCR anticipated a profit but due to the economic challenges the company could not pay dividends.
31.0020.620.6215	Namibia Desert Diamonds (NAMDIA)	Namdia under-estimated their profit and the company performed well and consequently paid more dividends.
31.0020.620.6216	Development Bank of Namibia(DBN)	DBN is mandated to contribute to the development of Namibia's social economic well-being of its citizens and projects which are financed by DBN and are subsidised by government financial constraints in 2019/20 financial year, they were instructed to pay-out the dividends declared in 2019/20 financial year instead of re-investing into projects. Thus DBN did not estimate for dividends.
31.0020.621	Interest on State Account balances with the Bank of Namibia	The variance amounting to N\$ 46 615 670.68 is due to the difference between the estimated interest income of N\$ 34 570 213.00 and actual interest charged against the State Account as per the ledger amounting to N\$ 12 045 457.68. Interest was charged due to the negative balance in the State account which represents a cost to the government.
31.0021.624	Fines and Forfeitures	There was no original budget at the beginning of the financial year hence a revised amount of N\$ 69 698 049.00 was under-estimated with N\$ 29 539 995.98.
32.0030.903	Municipality and Regional Councils	The difference was a result of a payment from the Municipality of Windhoek to settle a longstanding arrear payment on the loan advanced by the government while there was no provision for such a payment in the budget.
32.0030.906	On-lending Arrangements	The difference was as a result of a payment from the Agriculture Bank of Namibia and Namibia Post Ltd for the on lending obligations to the Government while there was no provision made in the budget.
33.0040.910	Recurrent Activity-Tied Grants	The foreign donors contributed more than anticipated.
33.0041.911	Development Activities – Tied Grants	The variance was as a result of the budget provision for EU funding for the Ministry of Basic Education, Arts and Culture (construction of primary School infrastructure) and the Ministry of Gender and Child Welfare (upgrading of ECDE centers countrywide), however the Donor (EU) did not disburse the funds for various reasons.

34.0042.9120	Treasury Bills	The difference was as a result of an incorrect budget amount for Treasury Bills of N\$ 66 896 738 420.42 instead of N\$ 35 117 918 111.95, resulting in a difference of N\$ 31 778 820 908.47.
34.0042.9121	Internal registered stock (Bonds)	There was no domestic borrowing channeled through the State Revenue Fund thus the variance.
34.0043.9121	Internal registered stock (Bonds)	There was no external borrowing channeled through the State Revenue Fund thus the variance.

**Long term**

**The Accounting Officer:** Finance reported the following relating to investments for the financial year 2019/2020:

INSTITUTION	INITIAL INVESTMENT AMOUNT			BALANCE AS AT 01-APR -2019			WITHDRAWALS DURING 2019/2020			Further Investments 2019/2020			BALANCE AS AT 31 March 2020		
	USD	Exchange rate	NAD	USD	Exchange rate	NAD	USD	Exchange rate	NAD	USD	Exchange rate	NAD	USD	Exchange rate	NAD
Bank of Namibia	491 024 203.00	14.9460	7 338 847 738.04	308 446 742.76	14.30740	4 413 070 927.36	60 248.22	14.5580	877 093.59	6 541 060.89	14.30740	93 585 574.58	411 98 321.81	17.9622	7 400 21634.02
							3 082 226.05	15.1643	46 739 646.38	32 309 723.29	14.40735	465 497 491.84			
							2 753 324.00	14.9794	41 243 003.86	6 032 836.00	14.55800	87 826 026.49			
							404 431.88	14.8122	5 990 525.89	13 990 385.75	14.05580	196 646 064.02			
							520 564.68	17.9622	9 350 486.90	9 326 228.14	14.37600	134 073 855.74			
										11 189 990.45	15.18690	169 941 265.97			
										12 989 400.00	15.12690	196 489 354.86			
										83 892.85	14.73435	1 236 106.61			
										1 025 767.96	14.12345	14 487 382.49			
										14 021 362.62	14.36685	201 442 813.56			
										1 595 592.42	14.81220	23 634 234.04			
										1 256 133.51	15.64390	19 650 827.02			
Total	491 024 203.00		7 338 847 738.04	308 446 742.76		4 413 070 927.36	6 820 794.83		104 200 756.61	110 362 373.88		1 604 510 997.23	411 988 321.81		7 400 2634.02

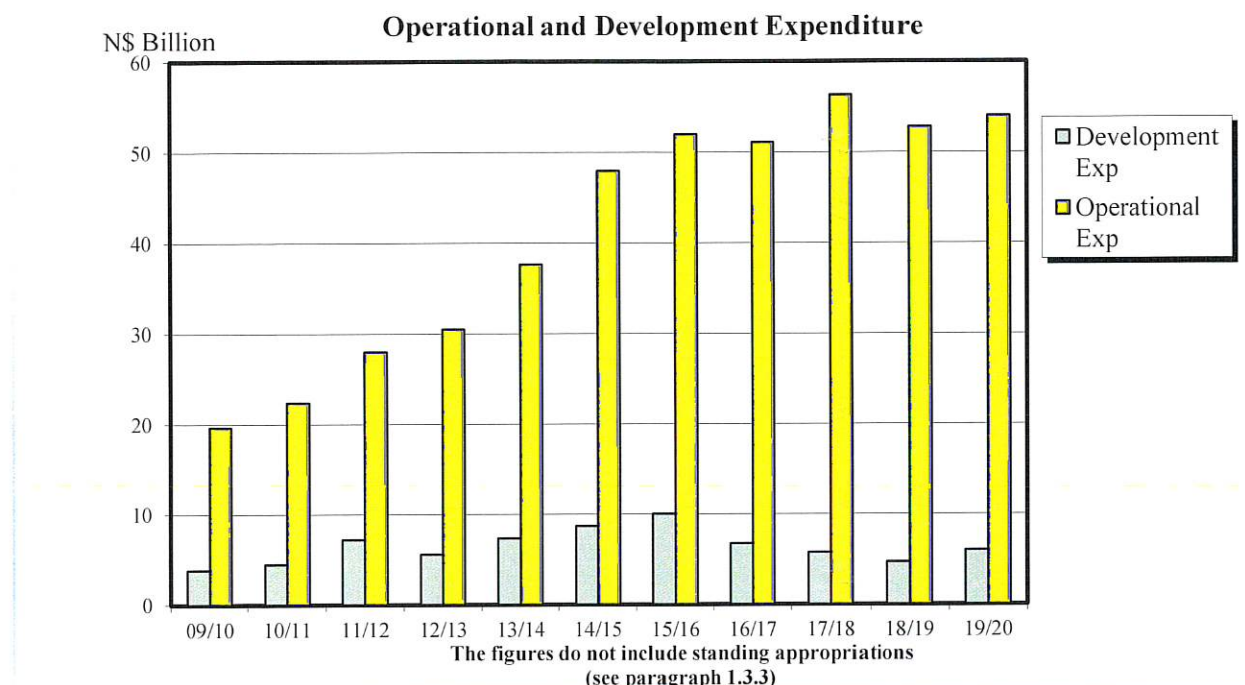


## 2 GENERAL INFORMATION

### 2.1 Expenditure vs revenue and public debt of the Government

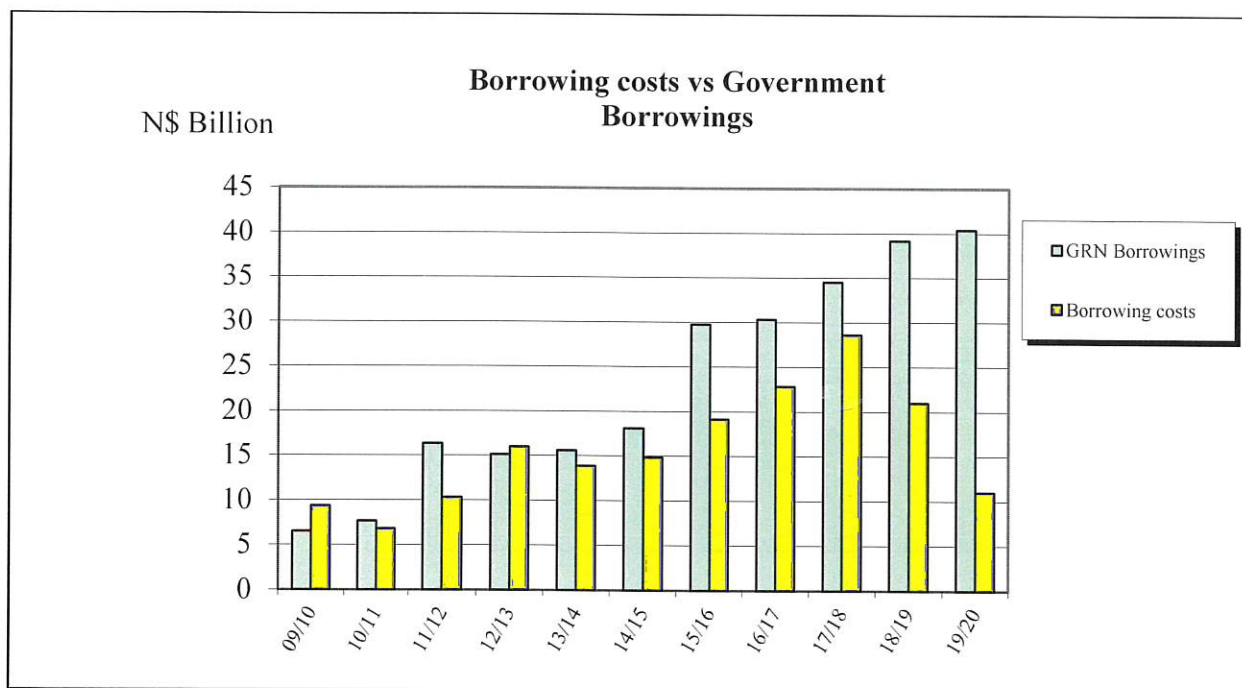
The charts below show the trend in development vs operational expenditure, borrowings vs Government borrowing costs, interest paid on borrowings vs Government borrowings and revenue vs expenditure during the financial years 2010/2011 to 2019/2020:

#### i) Operational expenditure vs Development expenditure



As per the graph above, during the year under review N\$ 53 551 793 271.71 was spent on operational expenditure showing an increase of 1.25% from prior year (N\$ 52 890 793 515.60), while N\$ 6 081 585 574.40 was spent on development expenditure indicating an increase of 19.87% from prior year (N\$ 5 073 639 465.87).

ii) **Borrowing cost vs Government Borrowings**

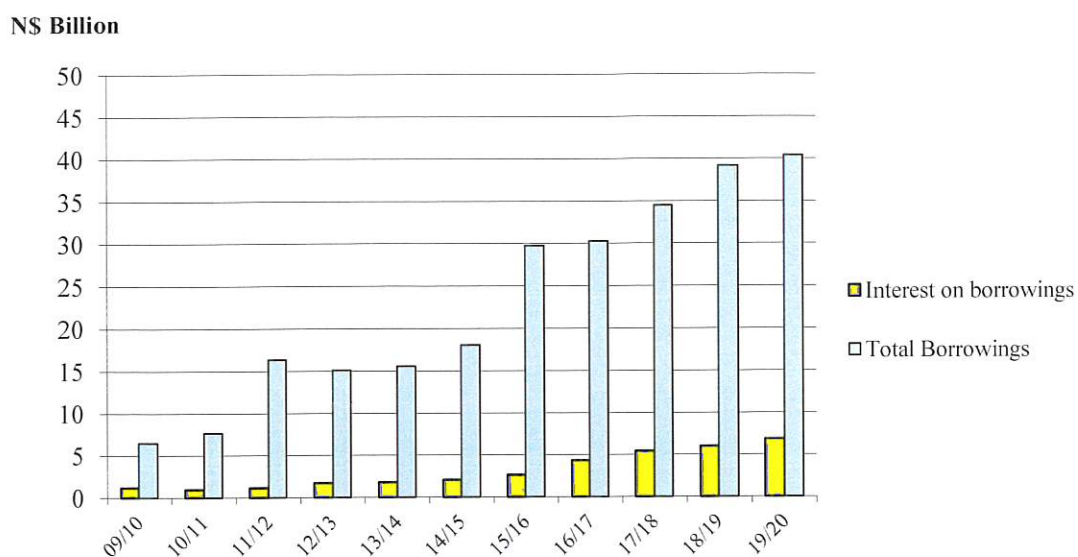


See paragraphs 1.4.1 and 1.3.4.1

As per the graph above, the total Government borrowings amounted to N\$ 40 365 609 000.99 compared to N\$ 39 152 348 573.91 in the previous year resulting in an increase of 3.10%. Whereas the borrowing cost for the year under review amounted to N\$ 10 561 233.56 (2019: N\$ 21 194 617.45) resulting in a decrease of (50.17%) from prior year.

### iii) Interest paid on Borrowings vs Government Borrowings

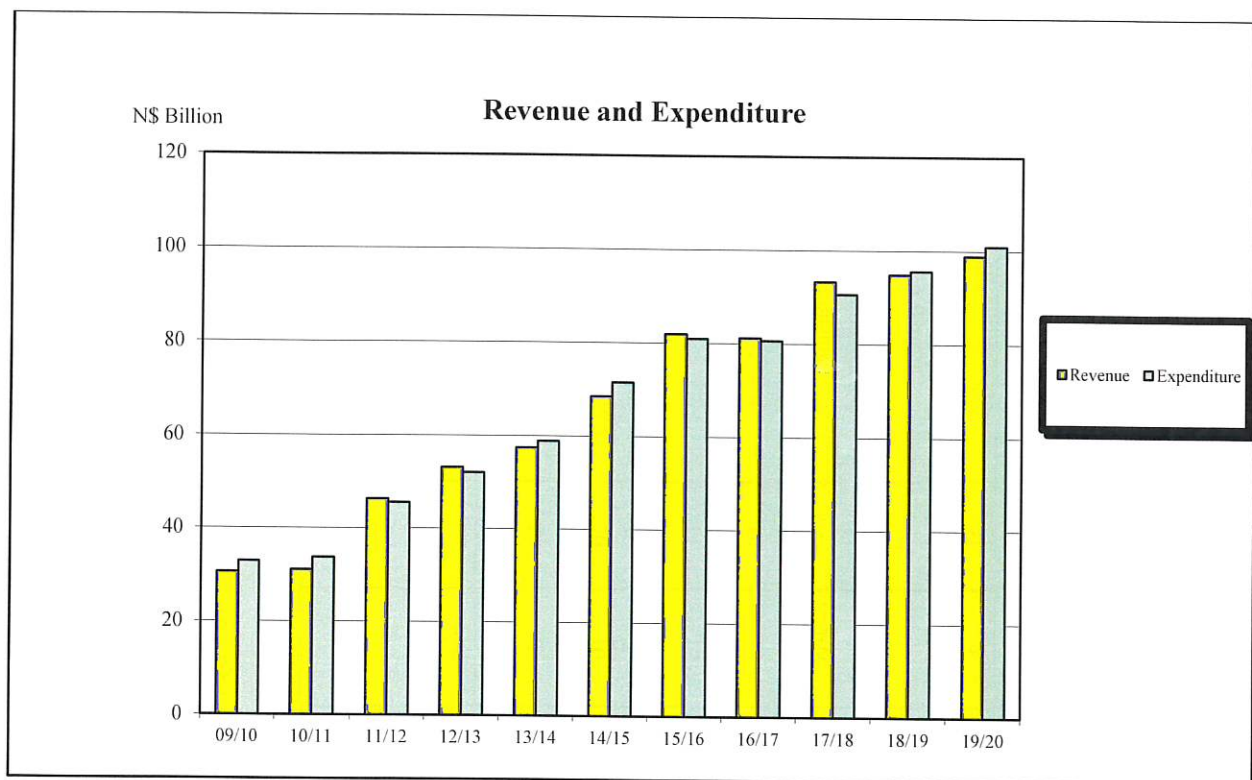
Interest paid on borrowings vs Total borrowings



See paragraphs 1.4.1 and 1.3.4.1

As per the graph above, the total Government borrowings amounted to N\$ 40 365 609 000.99 and N\$ 39 152 348 573.91 in the previous year and N\$ 6 876 101 694.15 interest was paid for the year under review compared to prior year (2019: N\$ 5 989 378 539.81) resulting in an increase of 14.80% of interest obligation.

iv) **Revenue vs Expenditure**



See paragraphs 1.3.2 and 1.4.1

As per the graph above expenditure comprises actual expenditure on all vote accounts and expenditure under Standing Appropriations. Revenue increased from N\$ 94 943 576 163.74 to N\$ 98 901 902 656.43 (4.17%) between 2018/2019 and 2019/2020 respectively, whereas expenditure increased from N\$ 95 634 326 214.79 to N\$ 100 770 582 887.21 (5.37%) during the year under review.

## 2.2 Debt to Government

### 2.2.1 Loans

The Ministry of Finance administers the following loans given by the Government to the following institutions:

#### (i) Summary of on-lending and return of capital from on-lending

Name of institution	Purpose of loan	Term Years	Interest rate %	Balance as at 01-04-2019 N\$	Payments and other debts during 2019/2020 N\$	Redemption received and other credits during 2019/2020 N\$	Balance as at 31-Mar-2020 N\$	Interest received during 2019/2020 N\$	Arrears at 31-03-2020	
									Principal N\$	Interest N\$
Seaflower Whitefish Corporation City of Windhoek	Seaflower Fisheries Project Windhoek Infrastructure 1 Windhoek Infrastructure 2 Windhoek water reclamation Windhoek Urban Infrastructure	40 15 20 30 11	2 10 10 7 16	8 379 325.60 30 264 800.00 100 351 600.00 49 254 000.00 182 424 600.00	- - - - -	- - - - -	8 379 325.60 30 264 800.00 100 351 600.00 49 254 000.00 182 424 600.00	- - - - -	3 016 556.00 30 231 958.00 93 380 410.00 25 571 073.00 171 506 228.00	3 200 811.00 41 318 000.00 152 570 150.00 43 826 556.00 409 534 660.00
Namibia Water Corporation	Government loan Water supply Project A Water supply Project B	10 10 11	15 10 15	5 746 566.38 8 842 714.74 10 391 104.68	- 100.98 -	1 009.00 - -	5 745 557.38 8 842 815.72 10 391 104.68	- - -	5 745 557.51 8 842 815.72 10 391 104.68	2 101 817.85 2 611 830.40 3 341 802.23
National Housing Enterprise	Low costs housing Extension of payment services	-	free	31 801 100.00	-	-	31 801 100.00	-	26 500 880.00	-
Namibia Post Ltd	Purchase of railway equipment	30	7	7 056 441.62	-	266 280.82	6 790 160.80	50 975.06	-	-
TransNamib Holdings Ltd	Credit lines	10	3	207 792 805.10	-	-	207 792 805.10	-	201 428 720.00	65 082 763.00
Agricultural Bank of Namibia		21	2	164 769 385.07	-	9 527 867.50	155 241 517.57	3 295 387.71	-	-
<b>Total</b>				<b>807 074 443.19</b>	<b>100.98</b>	<b>9 795 157.32</b>	<b>797 279 386.85</b>	<b>3 346 362.77</b>	<b>576 615 302.78</b>	<b>723 588 390.48</b>

(ii) Loans granted to Government Organizations, Public Enterprises and Non-Profit Organizations, Municipalities, Towns and Villages

**Loans granted to Municipalities: Capital**

Name of Institution	Balance as at 01/04/2019	Redemption received and other credits during the year	Balance as at 31/03/2020	Capital arrears as of 31/03/2020
	N\$	N\$	N\$	N\$
Gobabis	3 545 092.09	115 963.26	3 429 128.83	-
Grootfontein	2 575 632.51	-	2 575 632.51	1 107 001.08
Karasburg	(430.42)	-	(430.42)	14 363.36
Karibib	1 883 149.08	-	1 883 149.08	1 146 778.25
Keetmanshoop	2 543 598.23	-	2 543 598.23	1 336 227.44
Mariental	3 507 336.48	-	3 507 336.48	1 618 209.02
Okahandja	1 575 231.63	-	1 575 231.63	986 464.79
Omaruru	1 689 239.41	-	1 689 239.41	732 493.55
Otavi	989 656.17	-	989 656.17	382 318.82
Otjiwarongo	1 736 108.95	88 262.77	1 647 846.18	-
Outjo	1 475 831.15	-	1 475 831.15	676 013.76
Swakopmund	3 810 207.73	395 182.75	3 415 024.98	-
Tsumeb	10 077 620.74	-	10 077 620.74	26 513 792.11
Usakos	1 323 396.99	-	1 323 396.99	945 898.23
Walvisbay	1 871 264.95	147 857.36	1 723 407.59	-
Windhoek	5 900 090.00	837 613.25	5 062 476.75	-
<b>Total</b>	<b>44 503 025.69</b>	<b>1 584 879.39</b>	<b>42 918 146.30</b>	<b>35 459 560.41</b>

**Loans granted to Municipalities: Interest payments**

Name of Institution	Balances as at 01/04/2019	Payments and other debits during the year	Redemption received and other credits during the year	Interest arrears as at 31/03/2020
	N\$	N\$	N\$	N\$
Gobabis	221 775.06	459 207.97	233 344.18	447 638.85
Grootfontein	2 705 308.79	211 928.30	-	2 917 237.09
Karasburg	4 661.12	755.78	-	5 416.90
Karibib	3 462 666.54	71 478.24	-	3 534 144.78
Keetmanshoop	4 848 936.11	141 183.13	-	4 990 119.24
Mariental	3 160 564.06	212 393.50	-	3 372 957.56
Okahandja	1 200 696.60	67 228.88	-	1 267 925.48
Omaruru	658 116.37	136 983.23	-	795 099.60
Otavi	2 162 618.55	74 931.16	-	2 237 549.71
Otjiwarongo	317 647.88	181 992.17	93 376.93	406 263.12
Outjo	2 918 744.13	97 274.40	-	3 016 018.53
Swakopmund	(8 161.30)	439 135.72	417 701.35	13 273.07

Name of Institution	Balances as at 01/04/2019	Payments and other debits during the year	Redemption received and other credits during the year	Interest arrears as at 31/03/2020
	N\$	N\$	N\$	N\$
Tsumeb	17 135 100.51	645 462.05	-	17 780 562.56
Usakos	2 136 349.44	42 495.35	-	2 178 844.79
Walvisbay	(3 411.18)	223 396.96	223 396.96	(3 411.18)
Windhoek	10 369 957.41	714 887.91	507 775.96	10 577 069.36
<b>Total</b>	<b>51 291 570.09</b>	<b>3 720 734.75</b>	<b>1 475 595.38</b>	<b>53 536 709.46</b>

(iii) Loans granted to Government Organizations, Public Enterprises and Non-Profit Organizations, Municipalities, Towns and Villages

Loans granted to Towns and Villages: Capital

Name of Institution	Balance as at 01/04/2019	Payments and other debits during the year	Redemption received and other credits during the year	Balance as at 31/03/2020	Arrears as at 31/03/2020
	N\$	N\$	N\$	N\$	N\$
Aranos	1 031 067.02	-	-	1 031 067.02	548 489.62
Ariamsvlei	12 448.25	-	-	12 448.25	9 200.13
Aroab	335 544.13	-	-	335 544.13	149 969.14
Bethanie	396 824.44	-	-	396 824.44	190 700.46
Gochas	709 928.72	-	-	709 928.72	391 076.52
Grunau	54 085.54	-	-	54 085.54	32 834.08
Henties Bay	69 967.92	-	-	69 967.92	42 911.66
Kalkfeld	38 302.17	-	-	38 302.17	22 965.89
Kalkrand	111 282.82	-	-	111 282.82	48 156.67
Kamanjab	299 475.67	-	-	299 475.67	178 237.90
Koes	28 919.98	-	-	28 919.98	26 108.02
Leonardville	426 839.14	-	-	426 839.14	180 654.61
Luderitz	8 338 134.04	-	-	8 338 134.04	4 634 263.45
Maltahohe	1 201 195.40	-	-	1 201 195.40	549 371.90
Stampriet	107 921.30	-	-	107 921.30	72 765.68
Witvlei	332 969.83	-	-	332 969.83	152 745.27
Wlotzkas Baken	19 962.49	-	-	19 962.49	24 318.65
<b>Total</b>	<b>13 514 868.86</b>	-	-	<b>13 514 868.86</b>	<b>7 254 769.65</b>

**Loans granted to Towns and Villages: Interest payments**

<b>Name of institution</b>	<b>Balance as at 01/04/2019</b>	<b>Payments and other debits during the year</b>	<b>Redemption received and other credits during the year</b>	<b>Arrears as at 31/03/2020</b>
	N\$	N\$	N\$	N\$
Aranos	1 735 554.23	32 094.78	-	1 767 649.01
Ariamsvlei	18 662.60	226.03	-	18 888.63
Aroab	579 581.55	17 288.46	-	596 870.01
Bethanie	723 031.75	18 392.46	-	741 424.21
Gochas	1 139 551.45	10 674.58	-	1 150 226.03
Grunau	179 597.22	-	-	179 597.22
Henties Bay	66 776.42	2 050.28	-	68 826.70
Kalkfeld	55 251.04	1 209.25	-	56 460.29
Kalkrand	186 545.60	5 331.74	-	191 877.34
Kamanjab	485 281.11	9 632.99	-	494 914.10
Koes	61 684.91	963.81	-	62 648.72
Leonardville	682 417.03	20 095.23	-	702 512.26
Luderitz	17 244 659.23	357 408.71	-	17 602 067.94
Maltahohe	2 067 066.71	54 656.04	-	2 121 722.75
Stampriet	179 324.90	2 650.43	-	181 975.33
Witvlei	555 932.63	15 114.49	-	571 047.12
Wlotzkas Baken	50 836.41	875.72	-	51 712.13
<b>Total</b>	<b>26 011 754.79</b>	<b>548 665.00</b>	<b>-</b>	<b>26 560 419.79</b>



iv) Loans granted to Government Organisations, Public Enterprises and Non-Profit Organisations: Interest

Name of institution	Purpose of loan	Term Year	Interest rate %	Balances as at 01/04/2019 N\$	Interest levied 2019/2020 N\$	Interest redemption 2019/2020 N\$	Balances as at 31/03/2020 N\$	Arrears as at 31/03/2020 N\$
WHK International School Social Security		10 10		16 707 542.47	226 500	-	16 707 542.47	226 500
<b>Total</b>				<b>16 707 542.47</b>	<b>226 500</b>	<b>-</b>	<b>16 707 542.47</b>	<b>226 500</b>

Loans granted to Government Organisations, Public Enterprises and Non-Profit Organisations: Capital

Name of institution	Purpose of loan	Term Year	Interest rate %	Balances as at 01/04/2019 N\$	Capital redemption for 2019/2020 N\$	Balance as at 31/03/2020 N\$	Arrears at 31/03/2020 N\$
Meatco	Meat factory	18	9	(5 581.37)	-	(5 581.37)	-
<b>Total</b>				<b>(5 581.37)</b>	<b>-</b>	<b>(5 581.37)</b>	<b>-</b>

### 2.3 Debt of Government

The Accounting Officer: Finance prepared a statement of the Government's debt at 31 March 2020 and related transactions during 2019/2020 in compliance with Section 12(1) (b) of the State Finance Act, 1991 resulting from unredeemed loans incurred since 1997. Redemption and interest payments made and currency fluctuation losses suffered on loans shown in the following summary were charged to the State Revenue Fund in terms of Section 10(2) of the Act as shown in paragraph 1.4.1 without annual appropriation.

#### a) i) Domestic debt: Nominal value

NATURE OF INSTRUMENTS	REDEMPTION DATE	COUPON RATE	OPENING BALANCE 01/04/2019	NEW ISSUES (AMOUNT ALLOTTED) 2019/2020	PRINCIPAL REDEEMED INCLUDING INTEREST 2019/2020	SWITCH AUCTION 2019/2020	OUTSTANDING BALANCE AS AT 31/03/2020
		%	N\$	N\$	N\$	N\$	N\$
<b>TREASURY BILLS</b>							
T-91			1 800 000 000	8 101 850 000	7 601 850 000	-	2 300 000 000
T-182			4 095 670 000	8 490 000 000	8 315 670 000	-	4 270 000 000
T-273			6 800 000 000	10 165 000 000	9 075 000 000	-	7 890 000 000
T-365			9 285 980 000	10 090 000 000	9 285 980 000	-	10 090 000 000
<b>T-BILLS TOTAL</b>			<b>21 981 650 000</b>	<b>36 846 850 000</b>	<b>34 278 500 000</b>	<b>-</b>	<b>24 550 000 000</b>
<b>BONDS</b>							
GC20	15/04/2020	8.25	3 097 850 000	-	-	(2 324 700 000)	773 150 000
GC21	15/10/2021	7.75	1 424 240 000	-	-	(490 060 000)	934 180 000
GC22	15/01/2022	8.75	2 830 290 000	-	-	-	2 830 290 000
GC23	15/10/2023	8.50	687 550 000	745 430 000	-	678 290 000	2 111 270 000
GC24	15/10/2024	10.50	3 524 000 000	-	-	-	3 524 000 000
GC25	15/04/2025	8.50	3 396 440 000	-	-	-	3 396 440 000
GC27	15/01/2027	8.00	2 872 370 000	650 000 000	-	433 000 000	3 955 370 000
GC30	15/01/2030	8.00	2 400 010 000	565 010 000	-	455 930 000	3 420 950 000
GC32	15/04/2032	9.00	2 000 030 000	502 830 000	-	251 710 000	2 754 570 000

NATURE OF INSTRUMENTS	REDEMPTION DATE	COUPON RATE	OPENING BALANCE 01/04/2019	NEW ISSUES (AMOUNT ALLOTTED) 2019/2020	PRINCIPAL REDEEMED INCLUDING INTEREST 2019/2020	SWITCH AUCTION 2019/2020	OUTSTANDING BALANCE AS AT 31/03/2020
GC35	15/07/2035	9.50	1 697 340 000	451 570 000	-	258 200 000	2 407 110 000
GC37	16/07/2037	9.50	1 449 760 000	381 140 000	-	246 650 000	2 077 550 000
GC40	15/10/2040	9.80	1 798 440 000.00	331 120 000	-	123 600 000.00	2 253 160 000
GC43	15/07/2043	10.00	-	267 000 000	-	161 200 000.00	428 200 000
GC45	15/07/2045	9.85	1 318 630 000	332 980 000	-	307 180 000	1 958 790 000
GC50	15/07/2050	10.25	-	312 210 000	-	126 240 000	438 450 000
GI22	15/10/2022	3.55	2 240 330 000	60 000 000	-	-	2 300 330 000
GI25	15/07/2025	3.80	1 902 710 000	60 000 000	-	-	1 962 710 000
GI29	15/01/2029	4.50	551 520 000	319 000 000	-	-	870 520 000
GI33	15/04/2033	4.50	133 400 000	385 650 000	-	-	519 050 000
GI36	15/07/2036	4.80	-	249 000 000	-	-	249 000 000
TOTAL Bonds			33 324 910 000	5 612 940 000	-	227 240 000	39 165 090 000
TOTAL DEBT SECURITIES			55 306 560 000	42 459 790 000	34 278 500 000	227 240 000	63 715 090 000

(i) Domestic Debt: Capital value

CAPITAL VALUE				COST PAYMENTS					
NATURE OF INSTRUMENTS	REDEMPTION DATE	COUPON RATE	OPENING BALANCE 01/04/2019	NEW ISSUES (COSTING AMOUNT) 2019/2020	PRINCIPAL REDEEMED 2019/2020	OUTSTANDING BALANCE AS OF 31/03/2020	NSX ANNUAL BONDS COST DURING 2019/2020	ODDLOT-SWITCH AUCTION PAID DURING 2019/2020	INTEREST PAID DURING 2019/2020
TREASURY BILLS		%	N\$	N\$	N\$	N\$	N\$	N\$	N\$
T-91			1 766 249 618.81	7 955 422 690.06	7 463 910 084.31	2 257 762 224.56	-	-	137 939 915.69
T-182			3 937 991 890.92	8 182 934 821.94	8 004 923 923.69	4 116 002 789.17	-	-	310 746 076.31

			CAPITAL VALUE				COST PAYMENTS		
NATURE OF INSTRUMENTS	REDEMPTION DATE	COUPON RATE	OPENING BALANCE 01/04/2019	NEW ISSUES (COSTING AMOUNT) 2019/2020	PRINCIPAL REDEEMED 2019/2020	OUTSTANDING BALANCE AS OF 31/03/2020	NSX ANNUAL BONDS COST DURING 2019/2020	ODDLOT-SWITCH AUCTION PAID DURING 2019/2020	INTEREST PAID DURING 2019/2020
		%	N\$	N\$	N\$	N\$	N\$	N\$	N\$
T-273			6 408 157 990.93	9 614 938 409.59	8 555 096 044.41	7 468 000 356.11	-	-	519 903 955.59
T-365			8 575 247 968.10	9 364 622 190.36	8 575 247 968.10	9 364 622 190.36	-	-	710 732 031.90
T-BILLS TOTAL			20 687 647 468.76	35 117 91 111.95	32 599 178 020.51	23 206 387 560.20	-	-	1 679 321 979.49
GC20	15/04/2020	8.25	1 740 149 337.82	-	-	1 740 149 337.82	22 100		186 389 362.50
GC21	15/10/2021	7.75	1 294 929 506.69	-	-	1 294 929 506.69	22 100		110 378 600.00
GC22	15/01/2022	8.75	1 572 617 143.40	-	-	1 572 617 143.40	22 100		247 650 375.00
GC23	15/10/2023	8.50	684 658 313.62	770 505 367.73	-	1 455 163 681.35	22 100	152 392.74	83 019 195.00
GC24	15/10/2024	10.50	3 808 490 678.19	-	-	3 808 490 678.19	22 100		370 020 000.00
GC25	15/04/2025	8.50	2 626 629 958.90	-	-	2 626 629 958.90	22 100		288 697 400.00
GC27	15/01/2027	8.00	1 994 506 135.34	623 680 070.55	-	2 618 186 205.89	22 100	129 182.81	272 939 200.00
GC30	15/01/2030	8.00	1 581 279 257.01	508 322 478.88	-	2 089 601 735.89	22 100	118 747.85	233 456 800.00
GC32	15/04/2032	9.00	1 465 670 992.78	464 391 441.13	-	1 930 062 433.91	22 100	98 728.92	195 928 650.00
GC35	15/07/2035	9.50	1 431 951 082.94	420 297 066.66	-	1 852 248 149.60	22 100	85 280.54	200 901 725.00
GC37	16/07/2037	9.50	1 182 854 163.08	346 825 128.18	-	1 529 679 291.26	22 100	78 830.00	173 851 900.00
GC40	15/10/2040	9.80	1 455 380 843.43	300 025 432.27	-	1 755 406 275.70	22 100	70 875.00	191 123 520.00
GC43	15/07/2043	10.00	-	237 981 823.34	-	237 981 823.34	-	55 010.54	14 489 500.00
GC45	15/07/2045	9.85	1 190 097 961.05	290 564 571.21	-	1 480 662 532.26	22 100	66 803.61	170 292 710.00
GC50	15/07/2050	10.25	-	275 541 654.13	-	275 541 654.13	-	41 046.38	15 387 781.36
GI22	15/10/2022	3.55	2 387 699 499.89	71 082 448.29	-	2 458 781 948.18	22 100	-	98 162 637.17
GI25	15/07/2025	3.80	2 016 748 317.05	69 200 412.50	-	2 085 948 729.55	22 100	-	91 822 835.83
GI29	15/01/2029	4.50	544 330 729.50	319 445 695.69	-	863 776 425.19	22 100	-	34 639 957.44
GI33	15/04/2033	4.50	114 326 787.47	342 074 804.83	-	456 401 592.30	22 100	-	9 500 447.15
GI36	15/07/2036	4.80	-	207 749 493.65	-	207 749 493.65	-	-	5 585 475.46

CAPITAL VALUE							COST PAYMENTS		
NATURE OF INSTRUMENTS	REDEMPTION DATE	COUPON RATE	OPENING BALANCE 01/04/2019	NEW ISSUES (COSTING AMOUNT) 2019/2020	PRINCIPAL REDEEMED 2019/2020	OUTSTANDING BALANCE AS OF 31/03/2020	NSX ANNUAL SWITCH BONDS COST DURING 2019/2020	ODDLOT-SWITCH AUCTION PAID DURING 2019/2020	INTEREST PAID DURING 2019/2020
		%	N\$	N\$	N\$	N\$	N\$	N\$	N\$
TOTAL Bonds			27 092 320 708.16	5 247 687 889.04	-	32 340 008 597.20	375 700	896 898.39	2 994 238 071.91
TOTAL DEBT SECURITIES			47 779 968 176.92	40 365 606 000.99	32 599 17 020.51	55 546 396 157.40	375 700	896 898.39	4 673 560 051.40

**b) (i) Foreign debt**

Nature	Terms Years	Redemption date	Debt as at 01 April 2019 N\$	Redemption /Other adjustments N\$	Debt at 31 March 2020 N\$	Interest payments 2019/2020 N\$	Cost payments 2019/2020 N\$
<b>African Development Fund</b>							
Trans Kalahari Road	50	4/1/2042	19 688 488.45	451 149.55	23 713 724.27	77 183.00	-
	50	4/1/2042	3 320 966.28	77 142.49	4 232 390.70	13 197.83	-
	50	4/1/2042	17 043 604.83	385 861.21	20 942 100.42	66 013.92	-
	50	4/1/2042	8 468 804.19	200 016.76	10 671 127.80	34 219.24	-
Basic Teacher Education	50	1/1/2043	28 584 602.66	1 157 711.05	34 421 733.90	211 186.99	-
	50	1/1/2043	34 776 551.99	1 426 373.30	43 435 979.72	260 773.19	-
	50	1/1/2043	55 803 905.07	2 294 690.22	65 870 928.81	419 855.50	-
	50	1/1/2043	24 145 807.68	1 004 670.67	29 817 537.47	183 819.10	-
<b>Kreditanstalt für Wiederaufbau</b>							
Hardap Dam rehabilitation	30	6/30/2023	11 549 664.77	2 527 443.48	11 056 998.13	215 396.58	-
Trans Caprivi Highway I	30	6/30/2024	53 623 153.07	9 607 526.10	53 992 021.14	1 010 342.04	-
Trans Caprivi Highway II	20	12/30/2036	134 366 156.21	7 566 129.26	155 906 134.79	979 326.31	-
Trans Caprivi Highway III	20	12/30/2028	71 519 459.18	7 047 679.30	79 212 577.76	1 375 435.65	-
Rural Telecommunication Tranch 1	30	6/30/2026	11 562 883.26	1 616 062.50	12 211 430.84	220 066.97	-
Rural Telecommunication Tranch 2	30	12/30/2026	13 120 520.28	760 500.00	15 196 762.83	95 589.26	-
Upgrading of Commercial Port Walvis Bay	30	6/30/2027	38 571 183.76	4 471 631.00	41 882 511.84	738 541.15	-
Windhoek water reclamation	30	6/30/2027	63 759 186.54	7 387 912.11	69 237 660.16	1 220 846.85	-
Road rehabilitation Oshivelo -Oshakati Tranch 1	20	12/30/2026	46 430 105.34	5 719 151.08	49 995 986.33	887 392.26	-
Oshakati Tranch 2	30	12/30/2026	29 166 788.28	1 587 752.89	33 910 674.46	212 680.80	-
Oshakati Tranch 3	30	12/30/2026	54 913 792.80	2 705 660.64	64 199 620.88	400 939.87	-
Labour Based Roads Construction II	20	12/30/2030	59 188 518.68	4 860 468.31	66 769 223.77	1 142 995.10	-
Road rehabilitation Mururani Gate Rundu	20	12/30/2030	69 201 561.53	5 929 771.55	77 756 187.68	1 335 162.79	-
Road rehabilitation Ondangwa -Oshikango	30	6/30/2032	54 278 529.18	3 960 937.50	61 850 211.25	1 050 579.54	-
Extension of Payment services	30	12/30/2044	12 408 582.86	443 625.00	14 716 356.44	90 902.69	-
Sector budget support	30	6/30/2038	107 611 057.95	5 577 000.00	125 464 611.25	2 093 860.19	-
<b>People's Republic of China</b>							
Loan Acc. No 1	30	10/1/2020	209 903 533.22	-	249 098 710.86	-	-
Loan Acc. No 2	20	10/1/2020	66 474 632.08	-	78 887 405.57	-	-
Loan Acc. No 3	20	4/1/2025	43 811 899.79	-	51 992 873.06	-	-

Nature	Terms Years	Redemption date	Debt as at 01 April 2019 N\$	Redemption /Other adjustments N\$	Debt at 31 March 2020 N\$	Interest payments 2019/2020 N\$	Cost payments 2019/2020 N\$
<b>European Investment Bank</b> Windhoek Infrastructure 2	20	07/31/2019	9 847 866.88	-	9 677 867.50	198 294.52	-
<b>Nordic Investment Bank</b> Seafloater Fisheries	40	06/15/2035	20 289 493.40	1 289 995.30	23 408 301.14	152 450.03	-
<b>African Development Bank</b> Human Resources Development	20	07/01/2020	3 033 082.53	2 998 698.16	-	119 250.89	-
Northern Railway Extension	15	02/01/2021	33 739 844.60	13 495 937.84	20 243 906.76	2 716 202.80	-
Aus-Rosh Pinalh road	30	02/01/2023	53 294 325.20	13 323 581.30	39 970 743.90	4 343 350.98	-
Kamanjab-Omakange road	15	02/01/2024	82 253 333.40	16 450 666.66	65 802 666.74	6 730 665.42	-
Economic Governance and Competitiveness Support Programme	15	05/01/2032	3 000 000 000.00	-	3 000 000 000.00	224 486 876.72	-
Economic Governance and Competitiveness Support Programme	15	11/01/2033	3 000 000 000.00	-	3 000 000 000.00	242 340 164.39	554 794.52
Agricultural Mechanisation and Seed Improvement	-	05/01/2031	11 806 869.07	-	32 834 899.02	1 069 018.14	2 466 853.93
Transport Infrastructure Improvement	-	05/01/2038	403 381.50	-	229 788 479.11	1 264 856.19	4 280 159.65
Education and Training Quality Improvement	-	05/01/2037	5 785 395.61	-	44 587 222.54	453 409.52	2 485 895.69
<b>Arab Bank for Economic Development in Africa(Badea)</b> Northern Railway Extension	24	08/01/2024	59 646 835.23	6 128 381.81	67 572 520.29	1 753 046.93	-
Aus-Rosh Pinalh road	24	04/01/2024	64 656 981.39	6 711 524.21	72 946 805.22	2 963 776.22	-
<b>Kuwait Fund for Arab Development</b> Northern Railway Extension	30	09/15/2021	35 053 911.45	14 645 727.64	42 530 826.65	1 052 179.02	-
<b>Instituto de Credito Oficial</b> Construction : Fisheries Surveillance Vessel	20	11/30/2032	74 452 015.35	22 107 506.69	73 298 294.31	880 483.04	-
Upgrading and refurbishing of five airports	14	02/09/2032	210 976 081.80	33 476 841.69	259 633 446.55	2 503 310.35	-
<b>Export-Import Bank of China</b> Electronics Documents and Records	15	03/21/2023	29 058 471.35	7 167 091.61	26 821 312.51	666 807.04	-
Management System	15	03/21/2028	221 653 285.69	25 896 034.60	235 353 805.46	5 056 535.39	-
Customs and Excise Scanner Procurement	15	03/21/2033	991 608 459.92	78 613 093.52	1 092 715 921.26	22 585 108.02	-
Northern Road DR3608	15	03/21/2033	564 601 092.47	45 153 802.27	622 169 563.73	12 938 032.35	-
<b>Japan Bank for International Cooperation</b> Rundu-Elundu road upgrading	15	09/20/2021	302 394 473.40	128 692 479.60	233 589 522.60	2 700 103.95	-

Nature	Terms Years	Redemption date	Debt as at 01 April 2019 N\$	Redemption /Other adjustments N\$	Debt at 31 March 2020 N\$	Interest payments 2019/2020 N\$	Cost payments 2019/2020 N\$
<b>BNP Paribas</b>							
Vessel	12	03/15/2027	327 857 423.85	44 277 442.93	353 037 216.67	-	-
Supply of health equipment	17	05/31/2023	80 962 828.42	18 238 645.04	77 494 103.56	-	-
<b>Foreign Bondholders</b>							
Eurobond	10	11/03/2021	7 153 700 000.00	-	8 981 100 000.00	511 773 087.50	56 832.83
Eurobond	10	10/29/2025	10 730 550 000.00	-	13 471 650 000.00	829 580 336.99	56 832.83
<b>Johannesburg Stock Exchange</b>							
JSE Bond - Nam 01	10	11/19/2022	850 000 000.00	-	850 000 000.00	70 210 000.00	56 832.83
JSE Bond - Nam 02	5	06/29/2020	840 000 000.00	-	840 000 000.00	80 598 000.00	56 832.82
JSE Bond - Nam 01	5	11/29/2022	710 000 000.00	-	710 000 000.00	58 646 000.00	56 832.82
JSE Bond - Nam 04	7	08/01/2026	335 000 000.00	-	335 000 000.00	35 208 500.00	56 832.82
JSE Bond - Nam 03	10	08/01/2023	157 000 000.00	-	157 000 000.00	15 794 200.00	56 832.82
<b>Total</b>			<b>31 302 919 392.44</b>	<b>567 112 184.34</b>	<b>36 505 173 040.16</b>	<b>2 153 120 353.97</b>	<b>10 185 533.56</b>

Note: These loans are in foreign currency, and only converted to Namibian Dollars for the purposes of reporting, therefore the opening and closing balances (as well as redemptions) are just indicative for reporting purposes.



## 2.4 Borrowing cost

Cost incurred in establishing loans during the 2019/2020 financial year is as follows:

Loan	Cost
	N\$
Economic Governance and Competitiveness Support Programme 2	554 794.52
Agricultural Mechanization and Seed Improvement	2 466 853.93
Transport Infrastructure Improvement	4 280 159.65
Education and Training Quality Improvement	2 485 895.69
Eurobond	56 832.83
Eurobond	56 832.83
JSE Bond	56 832.83
JSE Bond	56 832.83
JSE Bond	56 832.83
JSE Bond	56 832.83
JSE Bond	56 832.83
NSX Annual Bonds	375 700.00
<b>Total</b>	<b>10 561 233.56</b>

## 2.5 Financial Guarantees

The following guarantees given in terms of Section 36 of the State Finance Act, 1991 and administered by the Ministry of Finance were reported as contingent liabilities on the State Revenue Fund at 31 March 2020:

### (i) Local Institutions

Lender	Beneficiary	Initial loan amount	Outstanding balance as at 31/03/2020
		N\$	N\$
Development Bank of Namibia	Seaflower Whitefish Corporation	38 500 000	14 125 813.03
Development Bank of Namibia	Seaflower Whitefish Corporation: Pref share	25 600 000	47 777 448.21
Development Bank of Namibia	Namibia Wildlife Resort	91 500 000	86 342 736.32
Development Bank of Namibia	National Energy Fund	670 000 000	742 511 464.62
First National Bank	Namwater	400 000 000	103 745 587.31
Standard Bank	Road Fund Administration	500 000 000	199 074 375.16
Bank Windhoek	Air Namibia	578 000 000	525 005 609.79
<b>Total</b>		<b>2 303 600 000</b>	<b>1 718 583 034.74</b>

**(ii) Foreign institutions**

<b>Guarantee given to</b>	<b>Purpose/Beneficiary</b>	<b>Currency</b>	<b>Initial loan amount (loan currency)</b>	<b>Outstanding loan amount as at 31/03/2020</b>
				N\$
European Investment Bank (EIB 2)	Namibia Power Corporation	GBP	19 338 600	65 351 374.76
MDAC A319-112 Aircraft	Air Namibia	USD	25 388 390	14 248 371.45
Intrepid Aircraft Leasing LLC	Air Namibia	USD	129 239 880	883 405 424.59
Intrepid Aircraft Leasing LLC	Air Namibia	USD	124 772 160	755 005 296.30
KFW, Frankfurt am Main	NamPost Limited	EUR	6 070 000	59 551 009.23
African Development Bank (ADB)	Namibia Ports Authority	ZAR	2 982 000 000	2 824 765 085.51
KFW, Frankfurt am Main	Road Fund Administration	ZAR	447 360 000	353 189 073.00
African Development Bank (ADB)	Development Bank of Namibia	ZAR	4 500 000 000	4 000 000 000.00
KFW, Frankfurt am Main	Road Fund Administration	ZAR	481 755 000	481 755 000.00
KFW, Frankfurt am Main	Development Bank of Namibia	ZAR	240 750 000	109 907 608.74
KFW, Frankfurt am Main	NamPost Limited	ZAR	325 020 000	325 020 000.00
<b>Total</b>				<b>9 872 198 235.45</b>

**2.6 Housing Guarantees**

The Accounting Officer: Finance reported housing guarantees issued for the year under review to the amount of N\$ 165 092 542.15 and housing guarantees cancelled amounting to N\$ 3 465 081.92.

**2.7 Farming Guarantees**

The Accounting Officer: Finance reported farming guarantees for the year under review to the amount of N\$ 200 567 367.34.

## 2.8 Shares and Dividends

### (i) Shares

Payments were made from the State Revenue Fund for the acquisition of shares in various bodies as shown below:

#### 1. Ordinary Shares

Shares						
Name of Institutions	Date of issue	Share-holding status	Number of shares as at 1 April 2019	Total number of shares as at 31 March 2020	Nominal value of shares	Current market value as at 31 March 2020
Air Namibia	01/03/2009-01/03/2012	100	230	230	1.00	3 465 200 100.00
African Development Bank	-	0.34	22 459	22 459	10 000.00	224 590 000.00
Development Bank of Namibia	14/03/2003-01/04/2016	100	1 650	1 650	100 000	2 007 071 178.00
Zambezi Waterfront	6/12/2005	100	4 000	4 000	1.00	4 000.00
Namibia Water Cooperation Limited	01/04/1998	100	959 054 444	959 054 444	1.00	959 054 444.00
Luderitz Waterfront	6/6/2002	100	1	1	1.00	1.00
Nampower	28/05/1965-28/12/1976	100	165 000 000	165 000 000	1.00	1 065 000 000.00
TransNamib	01/12/1988-31/12/1990	100	277 266 030	277 266 030	1.00	277 266 030.00
Namibia Post and Telecommunication	19/02/1998	100	143 925 936	143 925 936	1.00	143 925 936.00
Afeximbank	01/09/1995	0.36	333	333	224 369.85	74 715 160.05
Namib Desert Diamond	18/04/2016	100	1 000	1 000	1.00	50 000 000.00
Namdeb	23/02/1996	50	4 956 950	4 956 950	1.00	4 956 950.00
Shelter Afrique	24/05/2012	-	327	327	24 155.26	7 898 770.02
Off Shore Development Company	05/07/1995-01/03/2008	100	43 382 125	43 382 125	1.00	43 382 125.00
Namibia Minerals Cooperation (NAMCO)	1/1/2001	100	7 575 758	7 575 758	1.00	7 575 758.00
Namibia Development Corporation	04/12/1978 - 30/04/2005	100	234 935 130	234 935 130	1.00	234 935 130.00
Namibia Wildlife Resorts	19/01/1999 - 30/10/2010	100	100 003 000	100 003 000	1.00	1 057 353 729.00
Namibia Airport Company	05/11/1998	100	1	1	1.00	1.00
Windhoek Country Club Hotel	14/10/1994	100	100 000	100 000	0.01	1 000.00

Shares						
Name of Institutions	Date of issue	Share- holding status	Number of shares as at 1 April 2019	Total number of shares as at 31 March 2020	Nominal value of shares	Current market value as at 31 March 2020
Namibre	8/3/2001	%			N\$	N\$
August 26 Holding Company	14/08/1998	100	9 000 000	9 000 000	1.00	9 000 000.00
Windhoek Maschinen Fabrik	14/08/1998	100	9 824	9 824	1.00	53 110 176.00
Walvis Bay Export Processing Zone	23/05/2001	100	4 000	4 000	1.00	4 000.00
Rossing Uranium Ltd	21/03/1990-21/12/2008	100	175 000	175 000	1.00	175 000.00
National Fishing Corporation of Namibia	18/4/2016	3	5 659 449	5 659 449	57.79	327 059 557.71
Road Contractor Company	10/3/2000	100	42 260 928.00	42 260 928	1.00	42 260 928.00
National Housing Enterprise	18/08/1993	100	100 000 000	100 000 000	1.00	100 000 000.00
Namcor	29/06/2007	100	71 029 248	71 029 248	1.00	71 029 248.00
Bank of Namibia	01/08/1990-31/7/1992	100	10 000 000	10 000 000	1.00	10 000 000.00
Namibia National Training Organization	16/11/1993	100	40 000 000	40 000 000	1.00	40 000 000.00
<b>Total</b>			<b>2 214 371 823</b>	<b>2 214 371 823</b>	<b>358 606.91</b>	<b>10 275 573 221.78</b>

**NB:** Please take note, the opening balance for the financial year 2019/2020 does not correspond to the closing balance for the 2018/2019 financial year. In 2018/2019, the Ministry acquired 112 additional shares at the price of N\$ 20 526 718.58 from the African Development Bank. This share payment appears in the audited statements for the year 2018/2019. However, in 2018/2019, The Ministry lost communication with the bank, thus, did not get updated on the shares issued in that specific year. Share updates were received on 11 August 2020, which the Ministry has adjusted to the opening balance for 2019/2020, in order to reflect the correct balance of the Namibian shares in the bank.

2. Preference shares

Shares						
Name of Institution	Dates of issue	Share-holding Status	Number of shares as at 1 April 2019	Total number of shares as at 31 March 2020	Nominal value of shares	Current market value as at 31 March 2020
Windhoek Country Club Hotel	14/10/1994	% 100	37 226	37 226	N\$ 0.01	N\$ 270 284 800.26
<b>Total</b>			<b>37 226</b>	<b>37 226</b>	<b>0.01</b>	<b>270 284 800.26</b>

(ii) Dividends

The Accounting Officer: Finance reported the following relating to dividends from ordinary shares for the financial year 2019/2020:

Name of Institutions	Shareholding status	Type of shares (Ordinary/Preference shares)	Number of shares	Dividends receivable as at 01/01/2019	Dividends declared 2019/2020	Dividends received 2019/2020	Date received	Dividends receivable as at 31/03/2020
Namdeb	% 50	Ordinary	4 956 950	-	N\$ 100 000 000.00	N\$ 100 000 000.00	14/11/2019	-
Namibre	100	Ordinary	9 000 000	-	6 150 000.00	6 150 000.00	19/06/2019	-
Bank of Namibia	100	Ordinary	40 000 000	-	399 941 314.60	399 941 314.60	31/03/2020	-
Namibia Diamond Trading Company	50	Ordinary	-	-	50 000 000.00	50 000 000.00	12/04/2019	-
Namibia Post and Telecom Holdings	100	Ordinary	143 925 936	-	500 000 000.00	500 000 000.00	28/02/2020	-
Nampower	100	Ordinary	165 000 000	-	82 644 000.00	82 644 000.00	20/02/2020	-
Namibia Desert Diamonds	100	Ordinary	1 000	-	80 000 000.00	80 000 000.00	16/09/2019	-
Development Bank of Namibia	100	Ordinary	1 650	-	21 168 310.00	21 168 310.00	29/11/2019	-
<b>Total</b>			<b>362 885 536</b>	<b>-</b>	<b>1 239 903 624.60</b>	<b>1 239 903 624.60</b>		<b>-</b>

(iii) Subsidies

The Accounting Officer: Finance reported that the following subsidies were paid for the financial year 2019/2020 to the following institutions:

Name of institution	Balance as at 1 April 2019 N\$	During the year N\$	Balance as at 31 March 2020 N\$
Agribank	1 169 339 000.00	73 475 000.00	1 242 814 000.00
Bank of Namibia (FIC)	154 130 000.00	26 923 000.00	181 053 000.00
Development Bank of Namibia	2 078 045 240.00	50 978 000.00	2 129 023 240.00
Zambezi Waterfront	96 632 851.55	-	96 632 851.55
Namibia Water Cooperation Limited	200 000 000.00	-	200 000 000.00
Luderitz Waterfront	30 000 000.00	-	30 000 000.00
Roads Fund Administration	3 099 858 896.41	-	3 099 858 896.41
Nampower	1 610 000 000.00	-	1 610 000 000.00
TransNamib	102 714 944.14	-	102 714 944.14
Hentiesbay Waterfront	10 000.00	-	10 000.00
Namibre	20 000 000.00	-	20 000 000.00
National Energy Fund (not a parastatal but the transfer was made to this fund)	156 000 000.00	-	156 000 000.00
<b>Total</b>	<b>8 716 730 932.10</b>	<b>151 376 000.00</b>	<b>8 868 106 932.10</b>

## 2.9 Revenue outstanding

### (a) Tax revenue

The Accounting Officer: Finance reported the following revenue outstanding to the value of N\$ 40 818 278 356.63:

Revenue Head	Amount				Reason for non-collection
	Tax	Penalty	Interest	Total	
	N\$	N\$	N\$	N\$	
Income Tax	3 167 898 510.85	9 865 602 390.00	2 791 660 765.89	15 825 161 666.74	<p>The taxpayers defaulted in paying taxes on time due various reasons:</p> <ul style="list-style-type: none"> <li>• Late payments by taxpayers' clients.</li> <li>• Economic decline</li> <li>• Poor cash flow,</li> <li>• Delayed assessments and objections</li> </ul>
Employee Tax	561 994 941.16	1 046 898 171.16	790 626 412.48	2 399 519 524.80	
Withholding Tax on Interest	1 685 903.40	6 010 319.59	1 782 660.52	9 478 883.51	
Withholding Tax on Services	2 997 573.79	3 109 682.48	2 774 679.26	8 881 935.53	
Non Resident Shareholders Tax	1 338 347.14	1 956 147.81	1 615 692.88	4 910 187.83	
Tax on Royalties	593 743.49	2 547 608.30	686 543.51	3 827 895.30	
Value Added Tax	2 229 236 094.46	10 038 403 177.66	2 150 131 530.64	14 417 770 802.76	
Value Added Tax Import Account	738 114 965.96	6 684 425 761.39	726 186 732.80	8 148 727 460.15	
<b>Total</b>	<b>6 703 860 080.25</b>	<b>27 648 953 258.39</b>	<b>6 465 465 017.99</b>	<b>40 818 278 356.63</b>	

### b) Ministerial revenue

Revenue outstanding from the line Ministries, Offices and Agencies are listed below:

Vote	O/M/A(s)	Revenue head	Amount	Number of cases involved
			N\$	
4	Office of the Auditor-General	Private telephone calls	925.63	2
		Audit Fees	1 140 893.55	20
10	Education, Arts and Culture	Hostel Fees	2 017 286.60	8 321
18	Environment and Tourism	Park Entrance Fess	12 873	13
<b>Total</b>			<b>3 171 978.78</b>	<b>8 356</b>

## 2.10 Revenue written off

### a) Tax revenue

The Accounting Officer: Finance reported no revenue was written off during the financial year 2019/2020.

### b) Ministerial revenue

The Accounting Officer: Finance reported revenue written off by Ministry of Education, Arts and Culture to the value of N\$ 1 966 089.00 during the 2019/2020 financial year on hostel fees.

## 2.11 Refund of revenue

### a) Tax revenue

The Accounting Officer: Finance reported the following revenue that were refunded in terms of the following laws:

Revenue head	Reason for refund	Amount
		N\$
Income Tax – Individuals	In terms of Section 94 of Income Tax Act	231 811 039
Non-Mining Companies	In terms of Section 94 of Income Tax Act	51 055 823
Other Mining Companies	In terms of Section 94 of Income Tax Act	4 585 766
Withholding Tax on Services	In terms of Section 94 of Income Tax Act	1 437 745
Value Added Tax	In terms of Section 38 of VAT Act	6 493 914 770
Transfer Duties	In terms of Section 20 of Transfer Duty Act	1 938 157
Stamp duties	In terms of Section 32 of Stamp Duty Act	1 570 046
<b>Total refunds</b>		<b>6 786 313 345</b>

### b) Ministerial revenue

Refund of revenue from the line Ministries, Offices and Agencies are listed below as reported by the Accounting Officer: Finance:

O/M/A	Revenue head	Number of cases	Reason for refund	Amount
				N\$
05. Ministry of Safety and Security	Various	283	Various	1 101 761.55
09. Ministry of Finance	Medical aid	21	Over deduction	41 095.05
	Medical aid and accommodation	235	Over deduction	570 384.75
10. Ministry of Education	Medical Aid	1	Double deduction	8 400.00
18. Ministry of Environment and Tourism	Bail forfeited	22	Court Order	115 990.00
21. Office of the Judiciary	Medical Aid	13	Overcharged due to reduction in dependants	13 181.00
	Official Accommodation	6	Vacating of official accommodation	362 380.42
26. National Planning Commission	Repayment on medical aid	3	Over deduction on medical aid	5 520.00
<b>Total</b>		<b>584</b>		<b>2 218 712.77</b>



### 3. COMBINED ANNUAL STATEMENTS FOR O/M/A'S

#### 3.1 Donations received by Government

The Accounting Officer: Finance reported the following donations received by the Government:

Vote	O/M/A	Amount N\$
5	Home Affairs	293 490.00
6	Safety and Security	3 331 415.56
8	Defence	3 880 492.17
9	Finance	315 000.00
10	Education, Arts and Culture	141 728 880.09
13	Health and Social Services	7 699 394.58
26	National Planning Commission	603 142.00
31	Veteran Affairs	52 317.95
33	Poverty Eradication and Social Welfare	2 744 879.78
<b>Total</b>		<b>160 649 012.13</b>

#### 3.2 Donations given by the State

The Accounting Officer: Finance reported the following donations by the State:

Vote	O/M/A	Amount N\$
1	President	224 844.69
2	Prime Minister	122 663.14
13	Health & Social Services	279 000.00
25	Land Reform	32 920.03
31	Veteran Affairs	10 000.00
<b>Total</b>		<b>669 427.86</b>

#### 3.3 Petty cash advances

The Accounting Officer: Finance reported petty cash advances to the value of N\$ 1 261 939.67 as at 31 March 2020.

#### 3.4 Commercial bank accounts

The Accounting Officer: Finance reported a total balance of N\$ 1 692 658 049.41 kept at various commercial banks.

### 3.5 Ministerial debts

The Accounting Officer: Finance reported the following Ministerial debts to the Government:

Vote	O/M/A	Number of cases	Principal amount	Interest	Total debt
			N\$	N\$	N\$
1	President	7	176 625.74	-	85 126.27
4	Auditor-General	151	1 243 693.92	17 030.34	1 243 693.92
5	Home Affairs and Immigration	34	377 068.07	-	377 068.07
6	Safety And Security	50	-	-	743 666.96
8	Defence	181	400 981.49	-	-
9	Finance	185	1 052 898.80	-	1 052 898.80
11	National Council	3	169 198.33	-	12 989.09
18	Environment & Tourism	72	1 121 129.57	-	512 472.70
23	Works	127	1 383 947.11	-	1 383 947.11
24	Transport	48	796 156.22	-	796 156.22
25	Lands Reform	25	206 764.63	-	206 764.63
29	Information & Communication Technology	27	-	-	725 670.47
30	Anti-Corruption Commission	1	90 324.19	-	-
<b>Total</b>		<b>911</b>	<b>7 018 788.07</b>	<b>17 030.34</b>	<b>7 140 454.24</b>

### 3.6 Compensation payments

The Accounting Officer: Finance reported the following compensation payments in respect of claims against the State:

Vote	O/M/A	Amount
		N\$
5	Home Affairs and Immigration	100 000.00
6	Safety and Security	3 065 818.12
9	Finance	551 118.91
10	Education, Arts and Culture	85 000.00
12	Gender Equality & Child Welfare	242 608.50
13	Health and Social Service	3 861 027.54
26	National Planning Commission	6 825 445.22
<b>Total</b>		<b>14 731 018.29</b>

### 3.7 Bursaries and study assistance

The Accounting Officer: Finance reported payments in respect of bursaries and study assistance amounting to N\$ 3 297 349,90.

### 3.8 Fixed property bought/sold

The Accounting Officer: Finance reported the following fixed assets bought/sold for the 2019/2020 financial year:

Description	Number	Value N\$
Fixed property bought	16	30 468 100.00
Fixed property sold	39	3 651 281.60

### 3.9 Exemption from procurement procedures

The Accounting Officer: Finance reported the following exemptions from procurement procedures:

Vote	O/M/A	Date of exemption	Purpose of exemption N\$	Estimate N\$	Expenditure N\$	Variance N\$
6	Safety and	-	-	674 974 000.00	440 096 220.54	234 877 779.46
9	Security	18/03/2020	Print budget book	1 889 450.00	1 889 450.00	-
<b>Total</b>				<b>676 863 450.00</b>	<b>441 985 670.54</b>	<b>234 877 779.46</b>

### 3.10 Livestock

The Accounting Officer: Finance reported the following livestock for the 2019/2020 financial year:

Vote	O/M/A	Type of livestock	Number of livestock	Value of livestock N\$
6	Safety and Security	Cattle, Sheep, Goats, Pigs, Chicken, Horses	2 033	6 078 000
10	Education, Arts and Culture	Cattle, Goats, Pigs,	42	74 000
18	Environment & Tourism	Horse	20	30 000
<b>Total</b>			<b>2 095</b>	<b>6 182 000</b>

### 3.11 Annual stocktaking

The Accounting Officer: Finance reported the following annual stocktaking results for the 2019/2020 financial year:

Vote	O/M/A	No. of stock points	No. of points inspected	Value N\$	Surpluses N\$	Shortage/Deficiencies N\$	Obsolete/Worn-out N\$
4	Auditor-General	3	3	22 504 823.29	-	-	280 298.96
5	Home Affairs & Immigration	114	108	17 204 767.27	288 770.00	341 260.00	107 220.00
6	Safety and Security	38	-	1 593 617 641.62	186 655.42	186 403.00	1 280 399.96
8	Defence	51	51	130 862 440 558.54	218 987.96	83 440.61	4 888 730.11
9	Finance	13	13	-	939 570.00	113 190.00	43 070.00
10	Education, Arts and Culture	1 723	170	59 222 235.91	2 538 393.70	278 570.22	864 011.05
11	National Council Labour, Industrial Relations and Employment Creation	1	1	-	-	-	-
14		16	16	4 080 194.00	196 446.32	4 539.80	94 460.71
15	Mines and Energy	2	2	39 425 771.93	117 930.00	164 960.00	67 934.00
16	Justice	10	10	53 000 000.00	170 488.00	17 840.00	21 065.00
17	Urban and Rural Development	43	12	49 987 103.62	500 640 234.90	5 449 056.29	2 270 394.34
18	Environment & Tourism	81	14	-	124 898.00	231 912.00	220 440.00
19	Industrialization, Trade and SME Development	26	18	277 859.00	-	-	277 859.00
21	Judiciary	74	74	39 535 058.00	-	-	-
22	Fisheries and Marine Resources	7	6	10 264 288.00	-	34 000.00	26 392.00
23	Works		67	-	-	-	-

Vote	O/M/A	No. of stock points	No. of points inspected	Value N\$	Surpluses N\$	Shortage/Deficiencies N\$	Obsolete/Worn-out N\$
		67					
24	Transport	24	-	76 567 775.06	7 100 412.38	153 429.64	409 878.91
25	Land Reform	5	-	261 060.00	51 835.00	21 310.00	61 915.00
26	National Planning Commission	1	1	15 026 722.87	-	-	10 305.00
29	Information and Communication Technology	19	19	48 509 763.40	5 280.00	27 956.00	51 985.00
30	Anti-Corruption Commission	4	4	4 551 214.98	460.00	-	12 300.00
31	Veterans Affairs	14	14	8 846 147.74	-	-	14 230.00
33	Poverty Eradication and Social Welfare	16	16	33 538 631.00	-	-	122 225.00
34	Public Enterprises	3	3	3 028 971.21	-	181 700.31	39 119.69
35	Attorney General	5	5	2 200 000.00	61 350.00	5 000.00	2 000.00
<b>Total</b>		<b>2 360</b>	<b>627</b>	<b>132 944 090 587.44</b>	<b>512 641 711.68</b>	<b>7 294 567.87</b>	<b>11 166 233.73</b>

### 3.12.1 Vehicles (Own fleet)

The Accounting Officer: Finance reported the following vehicles for the 2019/2020 financial year:

Vote	O/M/A	Vehicle Type					Total	Value N\$
		Sedan	Pick-ups, Combies	Heavy Vehicles (Lorries, tractors & buses)	Motor bikes	Others		
1	President	68	92	-	36	3	199	-
4	Auditor-General	32	10	-	-	1	43	10 250 388.89
5	Home Affairs & Immigration	45	131	8	-	2	186	34 939 190.01
6	Ministry of Safety and Security	631	1 908	146	108	201	2 994	475 647 081.59
7	International Relations and Cooperation	48	51	-	2	2	103	90 408 867.75
8	Defence	167	224	486	15	29	921	1 446 084 622.80
9	Finance	115	122	4	1	12	254	26 673 800.00
10	Education, Arts and Culture	30	138	29	-	12	209	70 960 600.03
12	Gender Equality and Child Welfare	-	-	-	1	-	1	129 900.00
13	Health and Social Services	197	1 261	103	3	312	1 876	589 971 879.00
14	Labour, Industrial Relations and Employment Creation	53	80	-	-	1	134	6 261 260.00
17	Urban and Rural Development	27	116	1	-	1	145	35 000 000.00
18	Environment & Tourism	37	284	149	30	10	510	-
19	Industrialization, Trade and SME Development	20	30	1	-	1	52	-
21	Judiciary	35	42	-	-	-	77	21 442 985.21
22	Fisheries and Marine Resources	27	66	1	4	-	98	15 500 000.00
24	Transport	1	5	-	-	-	6	1 196 461.57
25	Land Reform	25	102	1	8	5	141	43 145 472.79
26	National Planning Commission	9	18	-	-	-	28	6 846 171.57
28	Electoral Commission of Namibia	12	74	-	-	39	125	6 134 241.56
33	Poverty Eradication and Social Welfare	14	49	1	-	-	64	28 224 795.00
<b>Total</b>		<b>1 593</b>	<b>4 803</b>	<b>930</b>	<b>208</b>	<b>632</b>	<b>8 166</b>	<b>2 908 817 717.77</b>

### 3.12.2 Vehicles (Pool)

The Accounting Officer: Finance reported the following vehicles for the 2019/2020 financial year:

		Vehicle Type						
Vote	O/M/A	Sedan	Pick-ups, Combies	Heavy Vehicles (Lorries tractors & busses)	Motor bikes	Others	Total	Value N\$
2	Prime Minister	62	64	7	-	-	133	-
5	Home Affairs and Immigration	-	1	-	-	-	1	200 000.00
6	Safety and Security	5	3	-	-	-	8	1 198 760.00
7	International Relations and Cooperation	-	-	-	2	2	103	-
9	Finance	2	-	-	-	-	2	490 800.00
10	Education, Arts and Culture	8	47	6	-	2	63	15 414 913.73
11	National Council	11	11	-	-	4	26	-
12	Gender Equality and Child Welfare	27	102	2	-	-	131	-
14	Labour , Industrial Relations and Employment Creation	4	3	-	-	-	7	-
16	Justice	27	25	1	-	2	55	-
17	Urban and Rural Development	4	2	-	-	-	6	1 902 000.00
18	Environment & Tourism	19	128	3	-	-	150	-
21	Judiciary	19	9	1	-	1	30	10 476 454.42
25	Land Reform	1	-	-	-	-	1	240 000.00
26	National Planning Commission Information and Communication	3	1	-	-	-	4	225 744.39
29	Technology	22	60	1	-	-	83	-
31	Veterans Affairs	15	48	4	-	1	68	988 841.12
32	Higher Education, Training and Innovation	8	7	-	-	-	15	-
34	Public Enterprises	1	-	-	-	-	1	-
35	Attorney General	14	13	-	-	-	27	-
Total		252	524	25	-	10	811	31 137 513.66

WINDHOEK, OCTOBER 2020

ERICA SHAFUDAH  
ACCOUNTING OFFICER



