



REPUBLIC OF NAMIBIA



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
OFFICE OF THE PRIME MINISTER
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

REPUBLIC OF NAMIBIA



TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY

I have the honour to submit herewith my report on the accounts of the Office of the Prime Minister for the financial year ended 31 March 2021 in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honourable Minister of Finance in terms of Section 27(1) of the State Finance Act, 1991 (Act 31 of 1991) to be laid upon the Table of the National Assembly in terms of Section 27(4) of the Act.

WINDHOEK, MARCH 2022

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	UNQUALIFIED AUDIT OPINION.....	1
1.2	BASIS FOR UNQUALIFIED AUDIT OPINION.....	1
1.3	KEY AUDIT MATTERS.....	1
1.4	EMPHASIS OF MATTERS.....	1
2.	SECTION B: COMPLIANCE AUDIT AND AUDIT OF PERFORMANCE INFORMATION.....	2
2.1.	Compliance to laws and regulations.....	2
2.2.	Description of the subject matter information and audit scope.....	2
2.3.	Audit objective.....	2
2.4.	Audit criteria.....	2
2.5.	Summary of methods applied.....	2
2.6.	BASIS FOR UNQUALIFIED AUDIT OPINION.....	3
2.6.1.	Unauthorized expenditure.....	3
2.6.2.	Virements.....	3
2.7.	UNQUALIFIED OPINION ON THE SUBJECT MATTER.....	4
3.	AUDIT OF PERFORMANCE INFORMATION.....	4
3.1	Description of the subject matter information and audit scope.....	4
3.2	Audit objective.....	4
3.3	Audit criteria.....	5
3.4.	Summary of methods applied.....	5
3.5	Selected key performance indicators.....	5
3.6	Conclusion on the subject matter.....	5
4.	RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS.....	5
5.	AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS.....	6
6.	GENERAL INFORMATION.....	7
7.	ACKNOWLEDGEMENT.....	7
	ANNEXURE A.....	8
1.	AUDITED FINANCIAL STATEMENTS.....	8
1.1	Appropriation account.....	8
1.2	Standard subdivisions.....	10
1.3	Departmental revenue.....	11
1.4	Notes to the financial statements.....	11
1.4.1	Appropriation account: Explanations of variations exceeding 2% between the authorised and.....	11
2.	GENERAL INFORMATION.....	12
2.1.	Bank accounts.....	12
2.2	Miscellaneous revenue (Auditor to provide breakdown).....	12
2.3	Outstanding commitments.....	13
2.4	Grants by Government.....	13
2.5	Capital projects.....	13
2.6	Movable property transferred within Government.....	13
2.7	Debt to Government.....	13
2.8	Exemptions from procurement procedures.....	13
2.9	Internal inspections.....	13
2.9	Annual stocktaking.....	14
2.11	Vehicles 14.....	14
2.12	Relief of distress.....	14
2.13	Outstanding subsistence advances.....	14
2.14	Donations to the Government.....	14
2.15	Suspense accounts.....	14
2.16	Wellness.....	15
2.17	Suspension of funds.....	15

DEFINITIONS

Treasury:	Financial authority in public service. (The department of Government that has control over the collection, management and disbursement of public revenue).
Vote:	Represents an Office/Ministry/Agency.
Appropriation Act:	Estimate of expenditure and revenue for a particular financial year presented to the National Assembly, the Act passed by Parliament.
Appropriation Account:	Government Income and Expenditure statement, showing on receipt side the estimated budgeted amounts and on expenditure side the actual expenditure amounts and the difference thereof.
Standard sub-division:	Government Balance account, showing balances incurred on each account/activity.
Suspension:	Reduction on budget (Treasury may from time without or suspend any amount in an estimate of expenditure).
Virement:	Moving of budgeted funds from one account to another account within the same budget of the same office/ministry/agency. The utilization of a saving under one main division/sub division of a vote to defray an excess under another existing division of the same vote.
Unauthorised Expenditure:	Expenditure that exceeds the amount appropriated (budgeted) for a vote, main division or subdivision.
Underexpenditure:	Saving on the budget.
Miscellaneous Revenue:	All revenue collected and not having a specified revenue code.
Commitments:	Funds reserved to acquire goods or services from a supplier.
Suspense accounts:	Is an account opened in the books of Government that records movement of transactions of a temporarily nature, for example salary deductions of housing instalments.
S&T Advance Suspense Account:	A suspense account reflecting the outstanding subsistence and travel advances.
Rejection Account:	A suspense account reflecting names and balances of all persons/companies that owe the money to the State.
Budget:	Is an estimation of the revenue and expenses over a specified future period of time specified.
Subsistence Advance:	Payment given in advance to an employee to reimburse accommodation, meal and incidental expenses, while on an official assignment.

Performance Information:	Measurement of an individual, group, organization, system or component which is collected, analysed and reported. (Includes Strategic plans, annual plans, performance agreements and personal development plans)
Key performance indicator (KPI):	A measurable value used to monitor and demonstrates how effectively an organization is achieving key business objectives.
International Standards of Supreme Audit Institutions (ISSAI):	Professional standards and best practice guidelines for public sector auditors, officially authorised and endorsed by the International Organisation of Supreme Audit Institutions (INTOSAI).
Types of Audit Opinions:	<p>Unqualified Opinion. In an unqualified report, the auditors conclude that the financial statements of your O/M/A's present fairly its affairs in all material aspects.</p> <p>Qualified Opinion. An auditor's report is qualified when there is either a limitation of scope in the auditor's work, or when there is a disagreement with management regarding application, acceptability or adequacy of accounting policies.</p> <p>Disclaimer Opinion. Auditors do not express an opinion on the financial position of a firm because they have not completed an examination of its accounts or the examination is not broad enough in scope to enable them to form an opinion.</p> <p>Adverse Opinion. The Financial statements of an O/M/A's do not fairly present its actual financial position and the required information was either not disclosed, or (if disclosed) was inadequately disclosed or was inaccurate.</p>
Reasonable Assurance:	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.
Limited Assurance:	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.
Direct reporting engagement:	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.

Attestation engagement:	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.
Subject matter:	Refers to the information, condition or activity that is measured or evaluated against certain criteria.
Materiality:	Is a concept or convention relating to the importance or significance of an amount, transaction, or discrepancy that affects the decision of the user.
OMA:	Office/Ministry/Agency

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS
OF THE OFFICE OF THE PRIME MINISTER
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

1. SECTION A: FINANCIAL AUDIT

1.1 UNQUALIFIED AUDIT OPINION

I have audited the financial statements of the Office of the Prime Minister for the financial year ended 31 March 2021 provided by the Accounting Officer as attached in Annexure A. These financial statements comprise the Appropriation account, Standard subdivisions, Departmental revenue, notes to the financial statements and general information for the financial year then ended and other explanatory information.

In my opinion, the financial statements of the Office of the Prime Minister as at 31 March 2021 are prepared, in all material respects, in accordance with Section 12 and 13 of the State Finance Act, 1991 (Act 31 of 1991) and relevant legislation.

1.2 BASIS FOR UNQUALIFIED 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 INTOSAI Code of Ethics 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.

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. I have determined that there were no key audit matters to communicate in my report.

1.4 EMPHASIS OF MATTERS

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

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 Office of the Prime Minister for the financial year ended 31 March 2021.

2.2. Description of the subject matter information and audit scope

The audit aimed to determine whether the Office of the Prime Minister used the appropriated funds in compliance with the Appropriation Act, 2020 (Act 4 of 2020), Appropriation Amendment Act, 2020 (Act 8 of 2020); State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015); Treasury Instructions and Public Procurement Regulations during the financial year ended 31 March 2021.

2.3. Audit objective

The objective of this compliance audit is to verify and assess whether Office of the Prime Minister 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 Office presented the subject matter information on which the auditor then gathered sufficient and appropriate audit evidence to provide limited 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, 2020 (Act 4 of 2020);
- Appropriation Amendment Act, 2020 (Act 8 of 2020);
- 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 2021 submitted by the Accounting Officer in order to determine whether this information complied with laws and regulation that governs them.

2.6. BASIS FOR UNQUALIFIED AUDIT OPINION

2.6.1. Unauthorized expenditure

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

- (i) Two (2) main divisions were exceeded with N\$ 99 092.87 which is unauthorized in terms of Section 6(a)(ii) of the Act; and
- (ii) Although Treasury approval was obtained to utilise certain expected savings for the defrayal of expenditure through virements during the year, six (6) operational subdivisions were exceeded with a total amount of N\$ 106 980.55 which is unauthorised in terms of Section 6(a)(iii) of the Act.

Despite the matter being raised in the previous reports, no improvement is evident.

It is recommended that the Accounting Officer should closely monitor and review the financial position of the Office on a continuous basis to enable better financial control, and take appropriate action timeously to avoid unauthorized expenditure.

Management comment

The Accounting Officer took note of the recommendation and will take appropriate action timeously to avoid unauthorised expenditure in future.

2.6.2. Virements

Treasury Instruction DE 0401 states that *'Accounting Officer shall keep a meticulous record of virements which were granted in respect of their votes, as after the books have been closed for the financial year concerned they must indicate the effect on the estimate amounts on the appropriation accounts (whether an increase or a decrease)'*

The following differences were noted between the virements authorised by Treasury and the virements processed to the Appropriation account:

Main division	Virements processed in Appropriation account	Authorised virements	Difference
	N\$	N\$	N\$
01: Office of the Prime Minister	(956 150)	(814 250)	(141 900)
07: Office of the Secretariat	330 410	188 510	141 900

Although the Accounting Officer explained the differences, in future the Accounting Officer should see to it that the correct viremented amounts by Treasury are posted to the appropriation account.

Management comment

The Accounting Officer took note of the recommendation and will see to it that correct virement amounts approved by Treasury are posted to the appropriation account.

2.7. UNQUALIFIED OPINION ON THE SUBJECT MATTER

In my opinion, the Office of the Prime Minister's financial performance and use of appropriated funds is 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, Public Procurement Regulations, Appropriation Act, 2020 (Act 4 of 2020) and Appropriation Amendment Act, 2020 (Act 8 of 2020).

3. AUDIT OF PERFORMANCE INFORMATION

I have audited the performance information of the Office of the Prime Minister for the financial year ended 31 March 2021.

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 organisation and its staff members by managing performance within an agreed framework consisting of objectives, outputs, key performance indicators (KPIs) and timelines.

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 Office's Mandate, the Strategic Plan (2018/2019 - 2021/2022) and the Annual Plan for the financial year 2020/2021. 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 reasonable 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. This audit is an attestation engagement where the Office presented the subject matter information on which the auditor then gathered sufficient and appropriate audit evidence to provide reasonable assurance in forming an opinion. The findings and recommendations are taken into consideration.

3.3 Audit criteria

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

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

3.4. Summary of methods applied

The auditors 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 whether the selected key performance indicators for the year under review are reported in the Directorate quarterly reports and Annual Performance Report.

Furthermore, the auditors have conducted interviews and reviewed documents to obtain information that pertains to the selected key performance indicators.

3.5 Selected key performance indicators

Strategic Objective	Key Performance Indicators
Effective Coordinate Disaster Risk Management	Disaster Risk Reduction framework implemented.

3.6 Conclusion on the subject matter

The criteria of presentation and validity of the performance information is met which concluded that reported information is reliable and might be useful to the general public and stakeholders.

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 and 13 of the State Finance Act, 1991 (Act 31 of 1991) and legislation, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible of overseeing the entity's financial reporting process.

The management is also responsible for ensuring adherence to State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions, Public Procurement Regulations and Appropriation Act, 2020 (Act 4 of 2020) and Appropriation Amendment Act, 2020 (Act 8 of 2020) 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 auditor's 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 in compliance with the Appropriation Act, 2020 (Act 4 of 2020), Appropriation Amendment Act, 2020 (Act 8 of 2020), State Finance Act, 1991 (Act 31 of 1991), and the 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 (ISSAs). 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

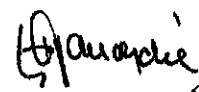
The financial statements, notes to the financial statements and general information provided by the Accounting Officer are attached as Annexure A.

The accounts were submitted by the Accounting Officer to the Auditor-General in terms of Section 13 of the State Finance Act, 1991(Act 31 of 1991).

7. ACKNOWLEDGEMENT

The co-operation and assistance by the management and staff of the Office of the Prime Minister during the audit is appreciated.

WINDHOEK, MARCH 2022



JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL

1. AUDITED FINANCIAL STATEMENTS

1.1 Appropriation account

Service	2020/2021				2019/2020	
	N\$	Authorised expenditure	Actual expenditure	Variations		Actual expenditure
				Under-expenditure/ (Excess)	Percent age	
	N\$	N\$	N\$	N\$	%	N\$
01. Office of the Prime Minister:						
Original budget	16 503 000					
Less: Virement	(814 250)					
Less: Suspension	(2 606 000)	13 082 750	12 966 385.71	116 364.29	0.89	13 585 353.36
02. Disaster Risk Management:						
Original budget	115 242 000					
Plus: Virement	9 753 131					
Less: Suspension	(625 000)	124 370 131	124 268 167.59	101 963.41	0.08	224 143 164.00
03. Administration:						
Original budget	117 231 000					
Plus: Virement	3 034 441					
Less: Suspension	(7 799 000)	112 466 441	106 606 595.79	5 859 845.21	5.21	110 629 843.42
04. Public Service Innovation and Reforms:						
Original budget	6 901 000					
Less: Virement	(2 522 293)					
Less: Suspension	(49 000)	4 329 707	4 364 823.01	(35 116.01)	(0.81)	4 390 157.44
05. Public Service Commission:						
Original budget	25 457 000					
Less: Virement	(1 249 777)					
Less: Suspension	(329 000)	23 878 223	23 942 199.86	(63 976.86)	(0.27)	27 696 580.11
06. Public Service Information Technology Management:						
Original budget	72 486 000					
Less: Virement	(3 963 014)					
Less: Suspension	(85 000)	68 437 986	66 917 963.44	1 520 022.56	2.22	36 223 683.26

2020/2021					2019/2020	
Service	N\$	Authorised expenditure	Actual expenditure	Variations		Actual expenditure
				Under-expenditure/ (Excess)	Percentage	
		N\$	N\$	N\$	%	N\$
07. Cabinet Secretariat:						
Original budget	12 071 000					
Plus: Virement	188 510					
Less: Suspension	(166 000)	12 093 510	12 048 984.57	44 525.43	0.37	12 830 814.93
08. Public Service Management :						
Original budget	52 171 000					
Less: Virement	(3 512 340)					
Less: Suspension	(811 000)	47 847 660	47 795 751.01	51 908.99	0.11	48 600 291.93
09. Public Office Bearers						
Commission						
Secretariat:	3 382 000					
Original budget	(914 408)					
Less: Virement	(30 000)	2 437 592	2 328 478.19	109 113.81	4.48	2 388 191.04
Less :Suspension						
10. Performance Improvement:						
Original budget	-	-	-	-	-	188 364.91
TOTAL:		408 944 000	401 239 349.17	7 704 650.83	1.88	480 676 444.40

1.2 Standard subdivisions

Subdivision	2020/2021			2019/2020
	Authorised expenditure	Actual expenditure	Under expenditure/ (Excess)	Actual expenditure
	N\$	N\$	N\$	N\$
Operational:				
Current expenditure: Personnel				
001. Remuneration	144 679 100	144 546 124.80	132 975.20	151 698 249.97
002. Employer's contribution to the G.I.P.F	17 531 000	17 533 322.96	(2 322.96)	18 398 398.86
003. Other conditions of service	6 784 000	6 765 251.05	18 748.95	2 962 959.43
005. Employer's contribution to social security	340 200	338 886.93	1 313.07	355 427.97
Total	169 334 300	169 183 585.74	150 714.26	173 415 036.23
Current expenditure: Goods and other services				
021. Travel and subsistence expenses	1 348 412	1 214 838.87	133 573.13	4 981 254.38
022. Materials and supplies	2 521 838	2 333 266.92	188 571.08	1 480 904.12
023. Transport	4 213 100	4 213 073.18	26.82	7 496 170.95
024. Utilities	30 799 000	30 409 049.07	389 950.93	32 141 745.53
025. Maintenance expenses	49 350 902	46 126 368.46	3 224 533.54	13 843 257.98
026. Property rental and related charges	2 183 741	2 019 301.98	164 439.02	2 069 457.14
027. Other services and expenses	3 484 836	3 218 604.54	266 231.46	877 736.73
028. Training and course, symposiums and workshops	-	-	-	1 382 263.18
029. Printing and advertisement	-	-	-	383 539.88
033. Office refreshments	-	-	-	140 210.57
034. Official entertainment/corporate gifts	-	-	-	68 621.23
038. Consultancy fees	-	-	-	900 000.00
040. Security contracts	-	-	-	1 334 595.99
Total	93 901 829	89 534 503.02	4 367 325.98	67 099 757.68
Current expenditure: Membership fees and subscriptions				
041. International	324 760	314 161.67	10 598.33	343 954.24
Total	324 760	314 161.67	10 598.33	343 954.24
Current expenditure: Subsidies, grants and other transfers				
043. Government organisations	139 252 511	139 252 487.00	24.00	-
046. Subsidies to sub nations bodies	-	-	-	215 516 806.00
047. Subsidies to other extra budgetary bodies	-	-	-	23 500 000.00
Total	139 252 511	139 252 487.00	24.00	239 016 806.00
Total: Operational expenditure	402 813 400	398 284 737.43	4 528 662.57	479 875 554.15

Subdivision	Authorised expenditure	2020/2021		2019/2020
		Actual expenditure	Under expenditure/ (Excess)	Actual expenditure
	N\$	N\$	N\$	N\$
Capital expenditure: Acquisition of assets				
101. Furniture and office equipment	3 554 600	2 287 226.49	1 267 373.51	729 220.41
Total: Capital Expenditure	3 554 600	2 287 226.49	1 267 373.51	729 220.41
115. Feasibility studies, design and supervision	1 676 000	-	1 676 000.00	71 669.84
117. Construction, renovation And improvement	900 000	667 385.25	232 614.75	-
Total: Development expenditure	2 576 000	667 385.25	1 908 614.75	71 669.84
GRAND TOTAL	408 944 000	401 239 349.17	7 704 650.83	480 676 444.40

1.3 Departmental revenue

Revenue for the year is as follows:

Revenue head	Estimate	Actual revenue 2020/2021	More/(Less) than estimated	Actual revenue 2019/2020
	N\$	N\$	N\$	N\$
Miscellaneous	50 000	471 043.37	421 043.37	73 748.52
Private Telephone calls	-	-	-	39 798.73
Total	50 000	471 043.37	421 043.37	113 547.25

1.4 Notes to the financial statements

1.4.1 Appropriation account: Explanations of variations exceeding 2% between the authorised and actual expenditure

(i) Underexpenditure

Main division 03: Administration (N\$ 5 859 845.21– 5.21%)

The underexpenditure on personnel expenditure was due to vacancies which could not be filled due to the effects of COVID-19, and staff turnover during the financial year. The underexpenditure under travel and subsistence allowance was due to Covid-19 interruptions of planned trips. The underexpenditure under materials and supplies was due to services which could not be delivered by end of the financial year and some services could not be sourced from suppliers due to lack of stock in their warehouses. The underexpenditure under utilities was due to invoices which were not received by end of the financial year. The underexpenditure realized under maintenance was aimed for the partitioning of offices in which some of the Departments were to move in but due to the delays in the finalization of Bills of Quantities, the work could not be carried out. The renewal of the rental contract for offices housing the Department of Public Services Management resulted in non-payment by the end of the financial year and subsequently contributing to this underexpenditure. The underexpenditure under other services and expenses-training courses, workshops were put on hold due to lockdowns resulting from COVID-19, which also contributed to the savings. This Office ordered laptops (Office equipment) which were expected to be delivered before end of the financial year but this could not be happen as planned because of supply challenges by the suppliers. An underexpenditure was also realized under development expenditure because there was lack of technical assistance from the Ministry of Works on the preparation of Terms of Reference for the appointment of

ANNEXURE A (continued)

the Quantity Surveyor and Mechanical Engineer. No progress was made because the appointments of these professionals were done late.

Main division 06: Public Service Information Technology Management (N\$ 1 520 022.56– 2.22%)

The underexpenditure under personnel expenditure was due to staff turnover during the financial year. The underexpenditure under maintenance was due to the supplier not having all the required documentation of the supplier in place hence, leading to a delay in the delivery of services by the end of the financial year.

Main division 09: Political Office Bearers Commission Secretariat (N\$ 109 113.81– 4.48%)

The underexpenditure under personnel expenditure was due to staff turnover during the financial year. An underexpenditure under Printing and Advertisements was realized due to the printing of a Public Service Handbook which could not be finalized before the end of the financial year.

2. GENERAL INFORMATION

2.1. Bank accounts

The Accounting Officer reported that during the financial year under review, the Office kept and operated the following bank accounts:

Account name	Banking institution	Balance as at 31/03/2021 N\$
OPM NAMSACCO Support	First National Bank	3 721 502.60
National Disaster Fund: COVID-19	First National Bank	58 021 922.16
Drought Relief Account (Call Account)	Standard Bank	495 982.93
Drought Relief Account	Standard Bank	1 532 709.69
Namibia Cleaning Campaign	First National Bank	349 840.61
OPM - Children of the Liberation Struggle	First National Bank	12 918 304.24
National Independence Celebration Committee	First National Bank	5 980 051.46
Heroes Acre	Standard Bank	628 193.78
National Emergency Disaster Fund	Bank Windhoek	151 446 642.71
National Emergency Disaster Fund (Call Account)	Bank Windhoek	109 555 617.12

2.2 Miscellaneous revenue (Auditor to provide breakdown)

The Accounting Officer reported miscellaneous revenue amounting to N\$ 471 043.37.

2.3 Outstanding commitments

The Accounting Officer reported outstanding commitments amounting to N\$ 49 418.42 at the end of the financial year.

2.4 Grants by Government

The Accounting Officer reported that the Office offered grants amounting to N\$ 161 605.20 during the financial year under review.

2.5 Capital projects

The Accounting Officer reported the following development projects for the year under review:

Nature of project	Approved total budget	Total expenditure as at 31/03/2020	Approved appropriation 2020/2021	Actual expenditure 2020/2021	Total expenditure as at 31/03/2021	Expected year of completion
Renovation of Old United House	N\$ 28 100 000	N\$ 71 669.84	N\$ 1 276 000	-	N\$ 71 669.84	31/03/2023
Renovation of the Office of the Prime Minister's Headquarter	12 300 000	-	1 300 000	667 385.25	667 385.25	31/03/2023
Total	40 400 000	71 669.84	2 576 000	667 385.25	739 055.09	

2.6 Movable property transferred within Government

The Accounting Officer reported that the Office transferred movable property valued at N\$ 3 400.00 to Mbora Primary School in Rundu.

2.7 Debt to Government

The Accounting Officer reported outstanding debt amounting to N\$ 56 591.85 for the year under review.

2.8 Exemptions from procurement procedures

The Accounting Officer reported that a Tender to the value N\$ 6 096 841.10 for the supply and delivery of installation of security firewalls was exempted from procurement procedures.

2.9 Internal inspections

The Accounting Officer reported that the Office conducted eight (8) internal inspections.

2.10 Annual stocktaking

The Accounting Officer reported that stocktaking was conducted at eight (8) stock points. Value of stock on hand was reported as N\$ 15 000 000.00, deficiencies of N\$ 28 640.00 and obsolete/worn-out items of N\$ 24 782.00 were reported for the year under review.

2.11 Vehicles

The Accounting Officer reported that the Office has one hundred and thirty three (133) pool vehicles on hand. Three (3) vehicle accidents were reported and none of them were repaired during the period under review.

2.12 Relief of distress

The Accounting Officer reported total expenditure for relief of distress amounting to N\$ 114 748 898.52.

2.13 Outstanding subsistence advances

The Accounting Officer reported that the DSA Debit Balance List had a balance amounting to N\$ 49 418.42, an amount of N\$ 11 618.58 was recovered however, N\$ 37 803.64 remained outstanding.

2.14 Donations to the Government

The Accounting Officer reported that the Office received donations in cash amounting to N\$ 97 119 934.78 from local instances, cash donations amounting to N\$ 70 000.00 from various companies and non-cash items amounting to N\$ 168 793 365.96. The Accounting Officer also reported that the Office received cash donations from persons amounting to N\$ 690 556.64.

2.15 Suspense accounts

The following nine (9) suspense accounts had balances at the end of the financial year, four (4) with debit balances and five (5) with credit balances:

Description	Balance as at 31 March 2021 Debit / (Credit)
	N\$
Receipt suspense	(400.00)
Receipt Suspense IRD	32 486.39
RD cheques	17 496.38
S&T advance suspense account	(87 630.83)
Rejection account	(5 637.26)
Bills payable	(35 882.62)
Electronic Fund Transfer Clearing Account (EFT)	961.00
Tax code	3 467.71
Pension Fund: GIPF	(42.57)

2.16 Wellness

The Accounting Officer reported that the Office paid for wellness activities amounting to N\$ 41 988.07.

2.17 Suspension of funds

The Accounting Officer reported that the Office suspended a total amount of N\$ 12 500 000.00 from the Vote during the mid-term budget review.

WINDHOEK, 2021-10-05

**I-BEN NATANGWE NASHANDI
EXECUTIVE DIRECTOR**

