



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 2023**

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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 2023 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.

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

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

WINDHOEK, MARCH 2024

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DEFINITIONS

Treasury:	Financial authority in public service. (The department of Government that has control over the collection, management and disbursement of public revenue).
Vote:	Represents an Office/Ministry/Agency.
Appropriation Act:	Estimate of expenditure and revenue for a particular financial year presented to the National Assembly, the Act passed by Parliament.
Appropriation Account:	Government Income and Expenditure statement, showing on receipt side the estimated budgeted amounts and on expenditure side the actual expenditure amounts and the difference thereof.
Standard sub-division:	Government Balance account, showing balances incurred on each account/activity.
Suspension:	Reduction on budget (Treasury may from time 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 2023**

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 2023 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 ended.

In my opinion, the financial statements of the Office of the Prime Minister as at 31 March 2023 are prepared, in all material respects, in accordance with 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 further described in the Auditor's Responsibilities for the Audit of 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.

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 OTHER MATTERS

Without qualifying my audit opinion on the basis of this paragraph, I draw attention to the following matters that relate to my responsibility in the audit of financial statements, and excluding matters already disclosed by the Office of the Prime Minister in the financial statements:

1.4.1 Overtime payments

The Labour Act, 2007 (Act 11 of 2007), Section 17(1) states that "*an employer must not require or permit an employee to work overtime except in accordance with an agreement, but, such an agreement must not require an employee to work more than 10 hours overtime a week, and in any case, not more than three hours' overtime a day.*" Furthermore, Section 17 (3) requires that "*An employer may apply in writing to the Permanent Secretary to increase the limits on overtime work referred to in subsection (1) if the employees affected by the application agree.*"

The audit found that nine (9) employees exceeded their daily overtime limit by working more than three (3) hours without obtaining prior approval from the Ministry of Labour, Industrial Relations, and Employment Creation.

This resulted in an additional payment of N\$ 11 328.08 for the additional overtime hours worked in excess of the approved hours.

It is recommended that the Accounting Officer should ensure that employees working overtime do not exceed the approved overtime and should ensure controls are strengthened to ensure the Act is complied with.

Management comment

The Accounting Officer indicated that there was no application to increase the limit on overtime work from the Ministry of Labour, Industrialisation, Relation and Employment Creation (MLIREC). The exceeded overtime work was as a result of the nature of the work performed which was inevitable and urgent and could have not waited for the approval to be granted from MLIREC.

1.5 OTHER INFORMATION

Management is responsible for the other information. My opinion on the financial statements does not cover the other information and, accordingly, I do not express any form of assurance or conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements. There was no other information in connection with my audit of the financial statements for the current year under review.

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 2023.

2.2 DESCRIPTION OF THE SUBJECT MATTER INFORMATION AND AUDIT SCOPE

The audit is aimed to determine whether the the Office of the Prime Minister's financial performance and use of its appropriated funds is in compliance with the Appropriation Act, 2022 (Act 2 of 2022), Appropriation Amendment Act, 2022 (Act 7 of 2022), State Finance Act, 1991 (Act 31 of 1991), the Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions, Public Procurement Amendment Act, 2022 (Act 3 of 2022) and Public Procurement Regulations during the financial year 31 March 2023.

2.3 AUDIT OBJECTIVE

The objective of this compliance audit is to verify and assess whether the 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 reasonable assurance in forming an opinion. The findings and recommendations are taken into considerations. In addition, the objective of this audit is to verify and assess whether public funds have been appropriately and lawfully used, 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 derived the following regulations and laws stated below:

- Appropriation Act, 2022 (Act 2 of 2022);
- Appropriation Amendment Act, 2022 (Act 7 of 2022);
- State Finance Act, 1991 (Act 31 of 1991);
- Public Procurement Act, 2015 (Act 15 of 2015);
- Public Procurement Amendment Act, 2022 (Act 3 of 2022);
- 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 2023 submitted by the Accounting Officer, in order to determine whether this information complied with the laws and regulations that governs them.

2.6 KEY AUDIT FINDINGS

2.6.1 Unauthorized expenditure

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

- (i) Two (2) main divisions were exceeded with N\$ 144 919.60. This excess is unauthorised in term of Section 6(a)(ii) of the Act; and
- (ii) Although Treasury approval was obtained to utilise expected savings for the defrayal of excess expenditure by way of virements during the year, eight (8) subdivisions were exceeded with N\$ 245 909.25. This excess is unauthorised in terms of Section 6(a)(iii) of the Act.

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 unauthorised expenditure in future.

Management comment

The Accounting Officer indicated that the observation is noted.

2.6.2 Underexpenditure

The total budget of the Office was underspent with an amount of N\$ 18 308 090.39 (4.57%) and realised underexpenditure on five (5) main divisions of more than 2% amounting to N\$ 18 057 288.69. Although explanations were provided for the underexpenditure, Treasury Instruction DC0202 states that *"When drawing up draft estimates Accounting Officers and their Financial Advisers shall take note of and guard against that more funds than can reasonably be spent shall not be requested."*

Main division	Appropriation	Actual expenditure	Variance	Percentage
	N\$	N\$	N\$	%
01: Office of the Prime Minister	16 494 000	15 898 189.76	595 810.24	3.61
03: Administration	127 451 000	117 491 822.19	9 959 177.81	7.81
06: Public Service E-Governance Management	44 163 000	37 833 910.75	6 329 089.25	14.3
08: Public Service Management	51 572 500	50 461 803.41	1 110 696.59	2.15
09: Political Office Bearers Commission Secretariat	2 613 000	2 550 485.20	62 514.80	2.39
Total	242 293 500	224 236 211.31	18 057 288.69	-

It is recommended that the Accounting Officer should take note of Treasury Instruction DC 0202 and should ensure that it is adhered to.

Management comment

The Accounting Officer indicated that the observation is noted.

2.6.3 Annual stocktaking

Treasury Instruction KA 0901 states that *“stores, equipment and livestock shall be subjected to stocktaking at least once each financial year and the Accounting Officer shall submit a report there-on (as intended in T. I. KA 0905) to Treasury for approval as soon as possible after the stocktaking, but in any case within 30 days after the financial year concerned.”* Treasury Instruction KA 0903 further states that *“An Accounting Officer shall in writing designate more than one competent official, hereafter referred to as the Stocktaking Board, to take stock and report its findings to him in a detailed report.”*

However, the Accounting Officer reported eleven (11) stock points, for which no stocktaking was conducted during the financial year under review, due to the absence of a stocktaking Board for the Office of the Prime Minister.

It is recommended that the Accounting Officer should take note of Instruction KA 0903 and timely appoint a Stocktaking Board to ensure that stock taking is conducted as required by Treasury Instruction KA 0901.

Management comment

The Accounting Officer indicated that the Office took note of the observation and will ensure that the stock taking board is timely appointed.

2.7 QUALIFIED OPINION ON THE SUBJECT MATTER

In my opinion, except for the effects of the matters described in the Basis for Qualified opinion paragraph, 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), Public Procurement Amendment Act, 2022 (Act 3 of 2022), Treasury Instructions, Appropriation Act, 2022 (Act 2 of 2022), Appropriation Amendment Act, 2022 (Act 7 of 2022) and Public Procurement Regulations.

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 2023.

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 2022/2023. 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;
- Consistency;
- Validity;
- Accuracy; and
- 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 quarterly reports and Annual Performance Report. Key Performance Indicators are selected based on what would be significant to the intended users, their usefulness and reliability in assessing the Office's achievements in terms of its service performance objectives.

The following key performance indicator was selected for audit:

Strategic objective	Key Performance Indicators
Ensure effective leadership and good governance	Number of feedback reports on the implementation of cabinet decisions submitted to Cabinet.

The Key Performance Indicator (KPI), *“Number of feedback reports on the implementation of cabinet decisions submitted to Cabinet”* was selected for the audit. The Annual review report indicated that 100% of the target has been achieved.

3.5 CONCLUSION ON THE SUBJECT MATTER

The audit revealed a satisfactory outcome on the compliance with legislative requirements, existence, reliability, timeliness, consistency and accuracy criteria for the selected key performance indicator. The Key Performance information was provided and thus it could be measured against the requirements of the Public Service Performance Management Framework.

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.

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) Public Procurement Act, 2015 (Act 15 of 2015), Public Procurement Amendment Act, 2022 (Act 3 of 2022), Treasury Instructions, Appropriation Act, 2022 (Act 2 of 2022), Appropriation Amendment Act, 2022 (Act 7 of 2022) and Public Procurement Regulations and to ensure that effective and efficient internal controls are implemented to enable compliance to the law that governs the performance information.

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 in compliance with the Appropriation Act, 2022 (Act 2 of 2022), Appropriation Amendment Act, 2022 (Act 7 of 2022), State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015), Public Procurement Amendment Act, 2022 (Act 3 of 2022), Treasury Instruction 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.

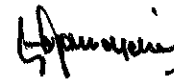
6. GENERAL INFORMATION

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 timeously by the Accounting Officer to the Auditor-General on 28 August 2023 in terms Section 25(1) 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 2024



**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

1. AUDITED FINANCIAL STATEMENTS

1.1 Appropriation account

2022/2023						2021/2022
Service			Variations		Actual expenditure	
	Authorised expenditure	Actual expenditure	Under-expenditure/ (Excess)	Percentage		
N\$	N\$	N\$	N\$	%	N\$	
01. Office of the Prime Minister:						
Original budget	11 261 000					
Additional budget	346 000					
Plus: Virement	4 887 000	16 494 000	15 898 189.76	3.61	11 043 465.80	
02. Disaster Risk Management:						
Original budget	95 651 000					
Additional budget	465 000					
Plus: Virement	19 676 500	115 792 500	115 598 529.18	0.17	144 021 679.32	
03. Administration:						
Original budget	123 991 000					
Additional budget	1 131 000					
Plus: Virement	2 329 000	127 451 000	117 491 822.19	7.81	105 380 298.11	
04. Public Service Innovation and Reforms:						
Original budget	4 506 000					
Additional budget	102 000					
Plus: Virement	1 502 000	6 110 000	6 196 826.27	(1.42)	5 215 670.01	
05. Public Service Commission:						
Original budget	26 499 000					
Additional budget	877 000					
Less: Virement	(3 228 000)	24 148 000	24 206 093.33	(0.24)	23 819 472.79	
06. E-Governance Management:						
Original budget	57 741 000					
Additional budget	810 000					
Less: Virement	(14 388 000)	44 163 000	37 833 910.75	14.33	38 206 297.13	

Annexure A (continued)

Appropriation account (continued)

2022/2023						2021/2022
Service		Authorised expenditure	Actual expenditure	Variations		Actual expenditure
				Under- expenditure/ (Excess)	Perce nt- age	
	N\$	N\$	N\$	N\$	%	N\$
07. Cabinet Secretariat:						
Original budget	13 650 000					
Additional budget	452 000					
Less: Virement	(1 963 000)	12 139 000	11 937 249.52	201 750.48	1.66	10 051 356.35
08. Public Service Management:						
Original budget	57 462 000					
Additional budget	1 882 000					
Less: Virement	(7 771 500)	51 572 500	50 461 803.41	1 110 696.59	2.15	47 911 082.70
09. Political Office Bearers Commission Secretariat:						
Original budget	3 571 000					
Additional budget	86 000					
Less: Virement	(1 044 000)	2 613 000	2 550 485.20	62 514.80	2.39	2 508 097.33
TOTAL:		400 483 000	382 174 909.61	18 308 090.39	4.57	388 157 419.54

Annexure A (continued)

1.2 Standard subdivisions

Subdivision	2022/2023			2021/2022
	Authorised expenditure N\$	Actual expenditure N\$	Expenditure (Excess) N\$	Actual expenditure N\$
Operational:				
Current expenditure: Personnel				
001. Remuneration	146 457 000	145 996 682.76	460 317.24	137 760 301.53
002. Employer's contribution to the G.I.P.F	17 424 000	17 414 238.66	9 761.34	16 768 644.92
003. Other conditions of service	2 627 000	2 473 538.64	153 461.36	2 766 684.55
005. Employer's contribution to Social Security	333 500	328 203.17	5 296.83	322 964.10
Total	166 841 500	166 212 663.23	628 836.77	157 618 595.10
Current expenditure: Goods and other services				
021. Travel and subsistence expenses	11 022 000	10 297 816.32	724 183.68	2 328 147.89
022. Materials and supplies	1 934 000	1 802 734.00	131 266.00	2 400 691.69
023. Transport	4 200 000	4 197 775.34	2 224.66	4 190 662.84
024. Utilities	26 671 000	26 588 674.63	82 325.37	23 663 112.11
025. Maintenance expenses	30 163 229	24 000 951.80	6 162 277.20	22 791 354.90
026. Property rental and related charges	2 729 000	2 728 625.54	374 46	2 276 618.29
027. Other services and expenses	8 038 000	6 951 865.01	1 086 134.99	5 792 038.95
Total	84 757 229	76 568 442.64	8 188 786.36	63 442 626.67
Current expenditure: Membership fees and subscriptions				
041. International	234 000	231 800.60	2 199.40	272 559.30
Total	234 000	231 800.60	2 199.40	272 559.30
Current expenditure: Subsidies, grants and other transfers				
043. Government Organisations	136 250 500	136 250 003.94	496.06	160 151 535.00
Total	136 250 500	136 250 003.94	496.06	160 151 535.00
Total: Current operational expenditure	388 083 229	379 262 910.41	8 820 318.59	381 485 316.07
Capital expenditure: Acquisition of assets				
101. Furniture and office equipment	2 900 000	2 868 965.40	31 034.60	3 798 026.98
Total: Capital operational expenditure	2 900 000	2 868 965.40	31 034.60	3 798 026.98
Total: Operational expenditure	390 983 229	382 131 875.81	8 851 353.19	385 283 343.05
Development:				
Development capital expenditure				
115. Feasibility studies, design and supervision	2 800 000	-	2 800 000.00	840 931.40
117. Construction, renovation and improvement	6 699 771	43 033.80	6 656 737.20	2 033 145.09
Total: Development expenditure	9 499 771	43 033.80	9 456 737.20	2 874 076.49
GRAND TOTAL	400 483 000	382 174 909.61	18 308 090.39	388 157 419.54

1.3 Ministerial/Departmental revenue

Revenue for the financial year is as follows:

Revenue head	Estimate	Actual revenue 2022/2023	More/(Less) than estimated	Actual revenue 2021/2022
	N\$	N\$	N\$	N\$
Miscellaneous	50 000	98 426.13	48 426.13	67 735.60
Total	50 000	98 426.13	48 426.13	67 735.60

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 01: Office of the Prime Minister (N\$ 595 810.24 – 3.61%)

The underexpenditure under personnel expenditure was due to the vacant position of Deputy Executive Director which was vacant from October 2022, and the position was only filled in March 2023. The underexpenditure under travel and subsistence allowance was due to the provision of funds to cater for unforeseen trips for Programme 1: Coordination and Administration of Government Leadership.

Main division 03: Administration (N\$ 9 959 177.81 – 7.81%)

The underexpenditure under personnel expenditure was due to two (2) vacant positions of Chief Accountant. One position of Chief Accountant was filled in June 2022, while the other one became vacant in November 2022 and could not be filled by the end of the financial year. The underexpenditure under travel and subsistence allowance was due to the provision of funds to cater for unforeseen trips for the preparation of State funerals. The underexpenditure under materials and supplies was due to goods that could not be delivered by the end of the financial year, resulting in the cancellation of a purchase order amounting to N\$106 832.27. The underexpenditure under utilities was due to invoices of March 2023 for the hiring of photocopy machines amounting to N\$ 53 625.17 that were not received by the end of the financial year. The underexpenditure under other services and expenses was due to funds earmarked for the printing of the annual report for the 2021/2022 financial year which did not materialize due to the delay of information for the report. The underexpenditure under furniture and office equipment was due to the cancellation of a purchase order for an amount of N\$ 7 719.98 for goods that could not be delivered by the end of the financial year. The underexpenditure under capital projects was due to projects that were halted by the lack of final documentation which the Office of the Prime Minister was expecting from the Ministry of Works and Transport: Department of Works that indicated a lack of capacity in the department due to a high turnover.

Main division 06: Public Service E-Governance Management (N\$ 6 329 089.25 – 14.33%)

The underexpenditure under maintenance expenses was due to the price increase after the issuing of a purchase order for an amount of N\$ 4 347 000.00 for the renewal of the checkpoint firewall license subscription for a period of three years. The supplier had a challenge in settling the invoice of the Distributor due to price adjustments resulting from the non-delivery of services by the end of the financial year.

Annexure A (continued)

Main division 08: Public Service Management (N\$ 1 110 696.59 - 2.15%)

The underexpenditure on other services and expenses was due to outstanding invoices amounting to N\$ 1 212 844.00 for the consultants on the containment of the Government Wage Bill and enhance efficiency. The payment could not be processed in the financial year under review due to non-completion of the report.

Furthermore, the underexpenditure was realized due to an outstanding invoice amounting to N\$ 204 422.85 for the Public Service Medical Aid Scheme (PSEMAS) Actuarial and Technical Consultancy. The payment could not be processed in the year under review due to non-completion of the report.

Main division 09: Political Office Bearers Commission Secretariat (N\$ 62 514.80 – 2.39%)

The underexpenditure on personnel expenditure was due to the vacant position of Chief Policy Analyst.

2. GENERAL INFORMATION

2.1 Miscellaneous revenue

The Accounting Officer reported miscellaneous revenue as follows:

Description	Amount
	N\$
Housing subsidy repayment and cell phone top up	61 901.97
Housing allowance repayment	824.74
Sale of bidding documents	37 400.00
Leave without pay	5.53
Total	100 132.24

2.2 Fund accounts

The Accounting Officer reported two (2) fund accounts with closing balances as at 31 March 2023 as follows:

Account name	Banking institution	Balance as at 31/03/2023
		N\$
National Emergency Disaster Fund (Current Account)	Bank Windhoek	26 231 080.51
National Emergency Disaster Fund (Call Account)	Bank Windhoek	208 105 483.60

2.3 Compensation payments – Valid claims against the State

The Accounting Officer reported one (1) compensation payment for a claim against the State for legal costs amounting to N\$ 17 500 for the financial year under review.

2.4 Relief of distress

The Accounting Officer reported relief of distress amounting to N\$ 143 409 655.64 for the financial year under review.

2.5 Bank accounts

The Accounting Officer reported the following bank accounts of the Office held at commercial banks:

Account name	Banking institution	Balance as at 31/03/2023
		N\$
OPM NAMSACCO Support	First National Bank	2 314 425.89
National Disaster Fund: COVID-19	First National Bank	25 219 907.06
Drought Relief (Call Account)	Standard Bank	519 501.57
Drought Relief	Standard Bank	1 532 213.69
Namibia Cleaning Campaign	First National Bank	343 240.72
OPM - Children of the Liberation Struggle	First National Bank	12 914 722.17
National Independence Celebration Committee	First National Bank	4 315 199.71
Heroes Acre	Standard Bank	110 553.21

2.6 Outstanding commitments/invoices

The Accounting Officer reported outstanding commitments/invoices amounting to N\$ 4 603 510.40 for the financial year under review.

2.7 Capital projects

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

Nature of project	Approved total budget	Total expenditure as at 31/03/2022	Approved appropriation 2022/2023	Actual expenditure 2022/20223	Total expenditure as at 31/03/2023	Expected year of completion
	N\$	N\$	N\$	N\$	N\$	
Renovation of United House	28 100 000	2 945 746.33	6 699 771	43 033.80	2 988 780.13	31/03/2025
Renovation of the Office of the Prime Minister Headquarters	12 300 000	667 385.25	2 800 000	-	667 385.25	31/03/2025
Total	40 400 000	3 613 131.58	9 499 771	43 033.80	3 656 165.38	

2.8 Bursary and study assistance

The Accounting Officer reported study assistance provided for ten (10) staff members amounting to N\$ 366 594.00 for the financial year under review.

2.9 Donations

The Office received the following donations from various donors with the necessary Treasury approval:

(i) Foreign instances

Name of donor	Nature of donation	Value
		N\$
UNICEF	Cash	1 052 819.54
Government of Japan	Cash	143 962.57
World Food Program	In kind	50 000.00
UNFPA	In kind	205 945.13
UNICEF	In kind	631 816.37
UNICEF	In kind	24 348.01
UNICEF	In kind	115 466.31
UNICEF	In kind	223 875.44
Total		2 448 233.37

(ii) Local instances

Name of donor	Nature of donation	Value
		N\$
Aluta Marine and Cadilu Fishing	Cash	350 000
Seaworks Fishing Processors	Cash	15 000
Southern Nam Hake Fishing Industry	Cash	10 000
Possessions Fishing	Cash	10 000
Rossing Uranium	Cash	300 000
Amstai	Cash	20 000
Hatutungu Fishing Company	In kind	4 000
RND Holding (PTY) LTD	In kind	25 000
Matukuchila Mills	In kind	45 800
Ministry of Fisheries and Marine Resources	In kind	40 000
Total		819 800

2.10 Suspense accounts

The following eight (8) suspense accounts had balances at the end of the financial year under review, four (4) with debit balances and four (4) with credit balances:

Description	Balance as at 31/03/2023 Debit / (Credit)
	N\$
Receipt suspense	(59 076.05)
RD cheques	17 496.38
S&T advance suspense account	1 010 816.26
Rejection account	56 512.82
Bills payable	(419 324.61)
Tax Code	3 467.71
Pension Fund: GIPF	(42.57)
Debt Establishment	(500.00)

2.11 Debt to Government

The Accounting Officer reported outstanding debt to the Government amounting to N\$ 558 123.32 as at 31 March 2023 as follows:

Nature of debt	Amount
	N\$
Overpayment on basic salary, service bonus and study benefit	81 023.35
Motor allowance overpayment	477 099.97
Total	558 123.32

WINDHOEK, 28-08-2023

I-BEN NATANGWE NASHANDI
ACCOUNTING OFFICER