



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

OFFICE OF THE JUDICIARY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

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 Judiciary for the financial year ended 31 March 2019 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 2020

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DEFINITIONS

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.
Appropriation act:	Estimate of expenditure and revenue for a particular financial year presented to the National Assembly, the Act passed by Parliament.
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.
Budget:	An estimation of the revenue and expenses over a specified future period of time.
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.
GIPE:	Government Institution Pension Fund.
IFMS:	Integrated Financial Management System.
International Standards of Supreme Audit Institutions (ISSAI):	Professional standards and best practice guidelines for public sector auditors, officially authorized and endorsed by the International Organization of Supreme Audit Institutions (INTOSAI).
Key Performance Indicator (KPI):	A measurable value used to monitor and demonstrates how effectively an organization is achieving key business objectives.
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.
Miscellaneous revenue:	All revenue collected and not having a specified revenue code.
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 performance agreements and personal development plans)
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.
Rejection account:	A suspense account reflecting names and balances of all persons/companies that owe money to the State.
S&T Advance Suspense Account:	A suspense account reflecting the outstanding subsistence and travel advances.
Standard sub-division:	Government Balance account, showing balances incurred on each account/activity.
Subsistence advance:	Payment given in advance to an employee to reimburse accommodation, meal and incidental expenses, while on an official assignment.
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.
Suspension:	Reduction on budget (Treasury may from time to time withhold or suspend any amount in an estimate of expenditure).
Treasury:	Financial authority in public service. (The department of Government that has control over the collection, management and disbursement of public revenue).

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>
Unauthorised expenditure:	Expenditure that exceeds the amount appropriated (budgeted) for a vote, main division or subdivision.
Under expenditure:	Saving on the budget.
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.
Vote:	Represents an Office/Ministry/Agency.

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
OFFICE OF THE JUDICIARY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

1. SECTION A: FINANCIAL AUDIT

1.1 UNQUALIFIED AUDIT OPINION

I have audited the financial statements of the Office of the Judiciary for the financial year ended 31 March 2019 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 31 March 2019 and a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements of the Office of the Judiciary as at 31 March 2019 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 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 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. No key audit matter is reported for the year under review.

1.4 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 or my knowledge obtained in the audit or otherwise appears to be materially misstated. I have nothing to report in this regard.

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 Judiciary for the financial year ended 31 March 2019.

2.2 DESCRIPTION OF THE SUBJECT MATTER INFORMATION AND AUDIT SCOPE

The audit is aimed to determine whether the Office of the Judiciary's financial performance and use of its appropriated funds is in compliance with the Appropriation Act, 2018 (Act 4 of 2018), Appropriation Amendment Act, 2018 (Act 15 of 2018), State Finance Act, 1991 (Act 31 of 1991), and the Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions and Public Procurement Regulations during the financial year 31 March 2019.

2.3 AUDIT OBJECTIVE

The objective of this compliance audit is to verify and assess whether Office of the Judiciary has complied with all laws and regulations that have an impact on the financial statements in accordance with the ISSAIS.

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. 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.

2.4 AUDIT CRITERIA

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

- Appropriation Act, 2018 (Act 4 of 2018);
- Appropriation Amendment Act, 2018 (Act 15 of 2018);
- 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 annual statements for the financial year ended 31 March 2019 submitted by the Accounting Officer in order to determine whether this information complied with laws and regulations that governs them.

2.6 KEY AUDIT FINDINGS

2.6.1 ANNUAL STOCKTAKING

The Accounting Officer stated that the Office conducted annual stocktaking at sixty (60) of its seventy-four (74) stock points during the financial period under review. However, the stocktaking reports were not approved by Treasury as required by Treasury Instructions KA 0901 which stipulates that *stores and equipment shall be subjected to stocktaking and at least once each financial year and the Accounting Officer*

shall submit the report thereon to Treasury for approval as soon as possible after the stocktaking, but in any case within 30 days after the closing of the financial year concerned. The Accounting Officer has indicated that she has submitted the reports to Treasury for approval as intended by Treasury Instruction KA 0901 but approval was not granted at the time of the audit.

It is recommended that the Accounting Officer should ensure that the Office complies with the Treasury instruction KA 0901.

2.6.2 UNAUTHORISED EXPENDITURE

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

- a) One (1) main division was exceeded with a total amount of N\$ 32 251.49 (0.27%) which is unauthorized in terms of section 6 (a)(ii) of the Act.
- b) Although Treasury approval was obtained to utilize 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\$ 376 829.79 which is unauthorized in terms section 6 (a)(iii) of the Act.

The Accounting Officer explained the occurrence as due to the daily subsistence allowance which was not cleared on time for the 2017/2018 financial year; however reversals were effected and had implications on the 2018/2019 financial year's budget.

It is recommended that the Accounting Officer should ensure that timely reconciliations are performed to avoid outstanding commitments to have financial implications on future budgets.

2.7 OPINION ON THE SUBJECT MATTER

In my opinion, the Office of the Judiciary'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, 2018 (Act 4 of 2018) and the Appropriation Amendment Act, 2018(Act 15 of 2018).

3. AUDIT OF PERFORMANCE INFORMATION

I have audited the performance information of the Office of the Judiciary for the financial year ended 31 March 2019.

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 2018/2019.

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; and
- Completeness.

3.4 SUMMARY OF METHODS APPLIED

The scoping of the key performance indicators was performed, by looking at the high-level statements, which are indicated in the Strategic Plan (2018/2019 - 2021/2022) and the Annual Plan of the Office for the financial year 2018/2019. A key performance indicator was 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 Key performance indicator '*percentage progress made towards setting up of a Judiciary Fund*' was selected and audited.

3.5 KEY AUDIT FINDINGS

No key audit finding is reported for the year under review.

3.6 CONCLUSION ON THE SUBJECT MATTER

The audit revealed a satisfactory outcome as the performance indicator relate logically and directly to the Office's mandate and realization of strategic goals and objectives, of which reported actual performance has actually occurred and thus the Office is commended on it.

4. INFORMATION SYSTEMS AUDIT

I have conducted an information systems audit on the Namibia Magistrate's Court Information System (NAMCIS) of the Office of the Judiciary.

4.1 OBJECTIVES AND CRITERIA OF IS AUDIT

The objectives of the audit were to:

- Review the controls of the IT Infrastructure environment (IT General Controls);
- Conduct an application controls review to evaluate the adequacy of the controls on NAMCIS to ensure the validity, accuracy and completeness of information processed. (Application Controls); and
- Evaluate the security configurations of the Namibia Magistrate's Court Information System (NAMCIS) SQL database that ensure the confidentiality, integrity and availability of the information contained within the database.

The audit criteria were based on the following best practice frameworks and guidance standards:

- ISSAI GUID 5100 – International Standards of Supreme Audit Institutions;
- ISO 27001/2 – Information Security Management & Controls;
- COBIT 5 – Framework for the Governance and Management of IT; and
- ISACA standards – International professional organization for information governance, control, security and audit professionals.

4.2 KEY AUDIT FINDINGS

4.2.1 IT strategy

There is no IT strategy in place. IT develops annual operational plans directly from the Office's strategic plan. This could lead to IT not implemented in alignment with the strategic objectives of the office.

It is recommended that the Accounting Officer should ensure that IT strategic plans are developed from the Office's Strategic Plan to guide the long term strategic direction of IT. Annual plans would then be developed as operational yearly activities that implement the IT strategic vision.

Management response

In her response on the management letter, the Accounting Officer responded that the Office of the Judiciary will in the new financial year embark on a project to develop a comprehensive ICT Master Plan. This document will pave the way for an ICT strategic outlook for the Office spanning over a period of 5 (five) years. This document will identify key ICT projects within the Office, the required infrastructure for these projects and provide guidance for the implementation of such projects.

4.2.2 Change management and source code

The audit found that the Office of the Judiciary does not have formal change management procedures in place. Lack of defined change management procedures can lead to unauthorised changes to application system programs, which can cause system malfunction, affecting the integrity and availability of information.

It's recommended that the Accounting Officer should ensure that there is an approved change management procedure in place that should be followed when any changes are made to the IT environment.

Management response

In her response on the management letter, the Accounting Officer responded that the Office will develop a Change Management Procedure for critical business systems and applications during the new financial year.

4.2.3 Review of user roles and permissions on NAMCIS

The audit found that there is no regular review of the roles and permissions on NAMCIS to ensure that they remain appropriate to the user. If roles are not regularly reviewed, employees may accumulate permissions they do not require and this could provide an opportunity to commit fraud.

It is recommended that the Accounting Officer should ensure that roles and permissions on NAMCIS are regularly reviewed to ensure they remain appropriate.

Management response

In her response on the management letter, the Accounting Officer responded that a procedure exists which is vested with the head of a specific functional area such as the Magistrate, Prosecutor or Clerk of Court of any particular court where NAMCIS is implemented to create users, assign roles and to revoke such permissions. Your recommendation is however noted and will forthwith be documented for posterity.

5. CONCLUSION

The audit found that the controls of the Namibia Magistrate's Court Information System (NAMCIS) of the Office of the Judiciary are satisfactory, except for the issues identified above.

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

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

Those charged with governance are responsible of overseeing the entity's financial reporting process. The management is also responsible for ensuring adherence to the Appropriation Act, 2018 (Act 4 of 2018), Appropriation Amendment Act, 2018 (Act 15 of 2018), State Finance Act, 1991 (Act 31 of 1991), and the Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions and Public Procurement Regulations and to ensure that effective and efficient internal controls are implemented to enable compliance to the law that governs the performance information.

7. AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS AND COMPLIANCE AUDIT

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 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 scepticism 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 auditor's 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 auditor's 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 a conclusion on whether the financial performance and the use of appropriated funds is, in all material respect in compliance with the Appropriation Act, 2018 (Act 4 of 2018), Appropriation Amendment Act, 2018 (Act 15 of 2018), 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.

8. 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 26 October 2019 in terms of the State Finance Act, 1991 (Act 31 of 1991).

9. ACKNOWLEDGEMENT

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

WINDHOEK, MARCH 2020



JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL

1. AUDITED FINANCIAL STATEMENTS

1.1 Appropriation account

2018/2019					2017/2018
Services	Authorized expenditure	Actual expenditure	Variations		Actual expenditure
			Under-expenditure/ (Excess)	Percentage	
N\$	N\$	N\$	N\$	%	N\$
01. Chief Justice:					
Original budget					
Less: Virement	11 759 000	11 791 251.49	(32 251.49)	(0.27)	11 605 360.36
02. Judge President:					
Original budget	42 161 795	41 723 509.60	438 285.40	1.04	61 545 422.65
Plus: Virement					
03. Magistracy:					
Original budget	75 548 896	75 426 708.51	122 187.49	0.16	72 600 878.35
Plus: Additional budget					
Less: Virement					
04. Administration:					
Original budget	92 718 609	92 529 666.28	188 942.72	0.20	127 833 539.55
Add: Virement					
05. Supreme Court:					
Original budget	6 347 400	6 279 946.88	67 453.12	1.06	6 307 225.07
Less: Virement					
06. High Court:					
Original budget	37 222 300	36 378 471.01	843 828.99	2.27	35 776 528.83
Less: Virement					
07. Court Services:					
Original budget	101 314 000	100 549 216.42	764 783.58	0.75	102 900 931.61
Plus: Additional budget					
Less: Virement					
08. Judicial Commission Secretariat:					
Original budget	4 276 000	4 164 377.55	111 622.45	2.61	4 343 418.25
Less: Virement					
TOTAL:	371 348 000	368 843 147.74	2 504 852.26	0.67	422 913 304.67

1.2 Standard subdivisions

Subdivision	2018/2019			2017/2018
	Authorized expenditure	Actual expenditure	Under expenditure/ (Excess)	Actual expenditure
Operational:	N\$	N\$	N\$	N\$
Current expenditure: Personnel				
001. Remuneration	236 861 095	235 948 930.69	912 164.31	224 468 307.44
002. Employer's contribution to the G.I.P.F and M.P.O.O.B.P.F	28 666 000	28 522 231.01	143 768.99	26 902 925.65
003. Other conditions of service	8 423 500	8 030 726.72	392 773.28	4 311 388.23
005. Employer's contribution to the Social Security	642 500	635 007.54	7 492.46	569 917.39
Total	274 593 095	273 136 895.96	1 456 199.04	256 252 538.71
Current expenditure: Goods and other services				
021. Travel and subsistence expenses	10 753 000	11 046 699.01	(293 699.01)	11 112 845.70
022. Materials and supplies	4 299 700	4 259 147.27	40 552.73	5 220 354.56
023. Transport	10 561 205	10 561 205.00	-	7 000 000.00
024. Utilities	37 431 404	37 357 751.10	73 652.90	24 239 134.34
025. Maintenance expenses	1 623 000	1 610 343.79	12 656.21	436 181.57
026. Property rental and related charges	-	-	-	5 125 772.93
027. Other services and expenses	27 843 833	26 954 150.36	889 682.64	61 923 845.08
028. Training course, symposiums & workshops	1 235 596	1 067 453.00	168 143.00	-
029. Printing and advertisements	659 000	633 574.58	25 425.42	-
031. Entertainment politicians	20 000	17 052.77	2 947.23	-
033. Office refreshment	157 000	122 808.76	34 191.24	-
034. Official entertainment/corporate gifts	119 000	41 757.97	77 242.03	-
040. Security contracts	953 000	947 207.81	5 792.19	-
Total	95 655 738	94 619 151.42	1 036 586.58	115 058 134.18
Current expenditure: Membership fees and subscriptions				
041. International	283 000	282 456.21	543.79	175 391.22
042. Domestic	100 000	98 897.92	1 102.08	64 419.52
044. Individuals and non-profit organisations	-	-	-	48 862 821.51
Total	383 000	381 354.13	1 645.87	49 102 632.25
Total: Current expenditure	370 631 833	368 137 401.51	2 494 431.49	420 413 305.14
Operational Capital expenditure: Acquisition of capital assets				
101. Furniture and office equipment	716 167	705 746.23	10 420.77	2 499 999.53
Total: Capital expenditure	716 167	705 746.23	10 420.77	2 499 999.53
Total: Operational expenditure	371 348 000	36 884 347.74	2 504 852.26	422 913 304.67
Grand Total	371 348 000	36 884 347.74	2 504 852.26	422 913 304.67

1.3 Revenue

Revenue for the year is as follows:

Revenue head	Estimates	Actual revenue 2018/2019	More/(Less) than estimated	Actual revenue 2017/2018
	N\$	N\$	N\$	N\$
Fines and Forfeitures	2 000 000	(2 868.50)	(2 002 868.50)	-
Private telephone calls	2 000	350.00	(1 650.00)	545.50
Unclaimed Cheques	-	-	-	109 222.21
Miscellaneous	350 000	195 554.31	(154 445.69)	621 815.32
Bail	60 000	2 346 942.00	2 286 942.00	2 849 291.00
Photocopies	250 000	114 244.10	(135 755.90)	96 438.50
Unclaimed money	-	21 502.00	21 502.00	392 718.16
Departmental fees	-	1 166.69	1 166.69	-
Total	2 662 000	2 676 890.60	14 890.60	4 070 030.69

1.4 NOTES TO THE FINANCIAL STATEMENTS**1.4.1 Appropriation account: Explanations of variations exceeding 2 % between the authorised and actual expenditure of the main divisions****Underexpenditure****Main division 06 – High Court (N\$ 843 828.99 – 2.27%)**

Approval was granted by Treasury during the 2017/2018 financial year to open commercial bank accounts for the purpose of paying maintenance, bail and general payments into court. An amount of N\$ 20 000 000 was transferred from the State Account in October 2017, which was distributed to the thirty-four (34) commercial bank accounts that were opened for the purpose of the above mentioned payments.

It was later detected that an amount of N\$ 666 667.00 was wrongly transferred to the Vote Commercial Bank Accounts instead of Magistrate Deposit Trust Commercial Accounts. This error was only rectified in July 2018 and the funds were transferred to the Ministerial Receipt Suspense Account and then to the Vote.

These funds could not be utilised as it was wrongly transferred to the Vote while it was not part of the funds appropriated by Treasury, hence the Office could not utilise it.

Main division 08 – Judicial Commissions Secretariat (N\$ 111 622.45 – 2.61%)

The underexpenditure on remuneration was caused by the delay in filling a vacant post of a staff member who retired in December 2018. The underexpenditure on subsistence and travel allowance was as a result of a number of official trips earmarked to be undertaken, which were put on hold.

1.4.2 Departmental revenue: Explanation of variances exceeding N\$ 200 000

(i) Under-estimation

Fines and Forfeitures

The revenue estimates for the 2018/2019 financial year were allocated to wrong revenue heads in the budget book. The Ministry of Finance has been notified, however the Office was informed that it was not possible to rectify the error since the budget books were already printed. In addition, the Office of the Judiciary has not estimated for fines and forfeitures as well as departmental fines in its budget.

As a result, fines and forfeitures was allocated with an estimation of N\$ 2 000 0000.00 which was meant for bail. Moreover there was an amount of N\$ 2 286.50 for refund out of revenue processed which in return resulted into a variance of N\$ 2 002 868.50.

Bail

The estimated amount of N\$ 60 000 allocated to bail was meant for photocopies and as a result, the actual collection of bail money resulted into a variance of N\$ 2 286 942.00.

The bail item is unpredictable and can unfortunately never be estimated with certainty.

2. GENERAL INFORMATION

2.1 Bank accounts

The Accounting Officer reported the following bank accounts with closing balances as at 31 March 2019:

Account name	Bank name	Balance as at 31/03/2019
		N\$
Aranos Vote Account	First National Bank	27 744.54
Bethanie Vote Account	Standard Bank	6 933.08
Eenhana Vote Account	First National Bank	(1 334.65)
Gobabis Vote Account	First National Bank	32 271.04
Grootfontein Vote Account	First National Bank	27 512.88
Karasburg Vote Account	First National Bank	21 649.38
Karibib Vote Account	First National Bank	29 695.20
Katima Mulilo Vote Account	First National Bank	21 467.67
Keetmanshoop Vote Account	First National Bank	80 660.78
Khorixas Vote Account	Standard Bank	25 942.13
Luderitz Vote Account	First National Bank	34 054.35
Maltahohe Vote Account	Standard Bank	4 925.50
Mariental Vote Account	First National Bank	2 381.74
Okahandja Vote Account	First National Bank	13 187.19
Okakarara Vote Account	First National Bank	5 486.61
Omaruru Vote Account	First National Bank	60 204.76
Ondangwa Vote Account	First National Bank	38 887.21
Opuwo Vote Account	First National Bank	38 386.78
Oranjemund Vote Account	First National Bank	4 076.52
Oshakati Vote Account	First National Bank	86 161.54
Oshakati High Court Vote Account	First National Bank	73 027.60
Otavi Vote Account	First National Bank	23 019.16
Otjinene Vote Account	Standard Bank	40 400.35
Otjiwarongo Vote Account	First National Bank	31 438.65
Outapi Vote Account	First National Bank	74 144.32
Outjo Vote Account	First National Bank	73 735.45
Rehoboth Vote Account	First National Bank	54 748.56
Rundu Vote Account	First National Bank	90 874.77
Swakopmund Vote Account	First National Bank	52 120.91
Tsumeb Vote Account	First National Bank	72 622.60
Tsumkwe Vote Account	First National Bank	26 539.12
Usakos Vote Account	First National Bank	25 395.47
Walvis Bay Vote Account	First National Bank	21 161.71
Windhoek High Court Vote Account	First National Bank	48 630.60
Windhoek - Luderitz Street Vote Account	First National Bank	110 309.27
Windhoek - Mungunda Street Vote Account	First National Bank	148 526.24

2.2 Trust funds

The Accounting Officer reported the following trust funds with closing balances as at 31 March 2019:

Account name	Bank name	Balance as at 31/03/2019
		N\$
Aranos Magistrate Deposit Suspense Account	First National Bank	207 876.41
Bethanie Magistrate Deposit Suspense Account	Standard Bank	69 665.07
Eenhana Magistrate Deposit Suspense Account	First National Bank	2 658 053.25
Gobabis Magistrate Deposit Suspense Account	First National Bank	1 043 983.75
Grootfontein Magistrate Deposit Suspense Account	First National Bank	1 268 942.86
Karasburg Magistrate Deposit Suspense Account	First National Bank	513 209.31
Karibib Magistrate Deposit Suspense Account	First National Bank	412 730.90
Katima Mulilo Magistrate Deposit Suspense Account	First National Bank	1 682 478.42
Keetmanshoop Magistrate Deposit Suspense Account	First National Bank	1 479 741.39
Khorixas Magistrate Deposit Suspense Account	Standard Bank	432 160.38
Luderitz Magistrate Deposit Suspense Account	First National Bank	571 169.94
Maltahohe Magistrate Deposit Suspense Account	Standard Bank	118 605.40
Mariental Magistrate Deposit Suspense Account	First National Bank	916 556.37
Okahandja Magistrate Deposit Suspense Account	First National Bank	970 111.76
Okakarara Magistrate Deposit Suspense Account	First National Bank	323 218.38
Omaruru Magistrate Deposit Suspense Account	First National Bank	573 635.42
Ondangwa Magistrate Deposit Suspense Account	First National Bank	2 469 254.75
Opuwo Magistrate Deposit Suspense Account	First National Bank	809 181.78
Oranjemund Magistrate Deposit Suspense Account	First National Bank	9 587.84
Oshakati High Court Deposit Suspense Account	First National Bank	756 938.03
Oshakati Magistrate Deposit Suspense Account	First National Bank	2 311 824.51
Otavi Magistrate Deposit Suspense Account	First National Bank	390 329.72
Otjinene Magistrate Deposit Suspense Account	Standard Bank	352 808.41
Otjiwarongo Magistrate Deposit Suspense Account	First National Bank	1 332 081.28
Outapi Magistrate Deposit Suspense Account	First National Bank	2 103 528.38
Outjo Magistrate Deposit Suspense Account	First National Bank	661 747.27
Rehoboth Magistrate Deposit Suspense Account	First National Bank	681 315.83
Rundu Magistrate Deposit Suspense Account	First National Bank	3 730 546.51
Swakopmund Magistrate Deposit Suspense Account	First National Bank	1 670 681.59
Tsumeb Magistrate Deposit Suspense Account	First National Bank	1 777 099.73
Tsumkwe Magistrate Deposit Suspense Account	First National Bank	83 664.56
Usakos Magistrate Deposit Suspense Account	First National Bank	99 278.56
Walvis Bay Magistrate Deposit Suspense Account	First National Bank	1 459 117.96
Windhoek High Court Deposit Suspense Account	First National Bank	1 418 209.47
Windhoek - Luderitz Street Magistrate Deposit Suspense Account	First National Bank	10 747 207.17
Windhoek - Mungunda Street Magistrate Deposit Suspense Account	First National Bank	7 103 813.28

2.3 Commissions and Special Committees

The Accounting Officer reported that an amount of N\$ 9 304.00 was paid for commission fees during the financial year under review.

2.4 Outstanding commitments

The Accounting Officer reported that an amount of N\$ 7 295 836.40 was due for payment as at 31 March 2019.

2.5 Outstanding subsistence advances

The Accounting Officer reported that a total amount of N\$ 195 296.50 was outstanding for subsistence advances for the financial year under review.

2.6 Debt to Government

The Accounting Officer reported a total amount of N\$ 139 644.82 in respect of debts owed to Government for the year under review.

2.7 Vehicles

2.7.1 Own fleet

The Accounting Officer reported the following vehicles on hand as at 31 March 2019:

Own fleet	Sedans	Pick-ups, Combies
Opening balance as per 1 st April 2018	37	45
Written off	-	(1)
Balance as per 31st March 2019	37	44

2.7.2 Pool vehicles

The Accounting Officer reported the following pool vehicles as at 31 March 2019:

Pool vehicles	Sedans	Pick-ups, Combies	Heavy Vehicles (Lorries, Tractors & Buses)	Other Station Wagon
Opening balance as per 1 st April 2018	20	9	1	1
Returned	-	-	-	-
Balance as per 31 st March 2019	20	9	1	1
Total	20	9	1	1

2.7.3 Accidents – cost of damages

The Accounting Officer reported thirteen (13) vehicle accidents during the year under review. Four (4) vehicles were repaired at a total cost of N\$ 117 471.43.

2.8 Wellness

The Accounting Officer reported that an amount of N\$ 112 701.11 was paid for wellness activities during the financial year under review.

2.9 Suspense accounts

The final ledger shows eleven (11) suspense accounts balances at 31 March 2019 of which three (3) had debit balances and eight (8) had credit balances as follows:

Suspense account	Balance as at 31 March 2019 Debit / (Credit)
	N\$
Receipt suspense	(15 413.26)
RD cheque	2 358 269.63
S&T advance suspense account	(55 513.75)
Rejection account	(74 013.98)
Magistrate offices	90 995 912.72
Bills payable	(21 048.58)
Electronic Fund Transfer Clearing Account (EFT)	(47 482.17)
Tax code	0.20
Debt establishment	(100.00)
Prison service recreation club	(30.00)
Magistrate deposit account	(18 684 340.38)

WINDHOEK, 2019-10-15

**ROLANDA L. VAN WYK
ACCOUNTING OFFICER**