



REPUBLIC OF NAMIBIA



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF ENVIRONMENT AND
TOURISM**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

Published by authority

Price (Vat excluded) N\$ 30.00

Report no: 2017/30

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 Ministry of Environment and Tourism for the financial year ended 31 March 2016 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, April 2017

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

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

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DEFINITIONS

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

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF ENVIRONMENT AND TOURISM
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

1. REPORT ON THE FINANCIAL STATEMENTS

1.1 INTRODUCTION

This report on the accounts of the Ministry of Environment and Tourism for the financial year ended 31 March 2016 is presented to the National Assembly in accordance with the terms of Article 127(2) of the Constitution of the Republic of Namibia and provisions set out in the State Finance Act, 1991(Act 31 of 1991), as amended.

I have audited the accompanying financial statements of the Ministry of Environment and Tourism for the financial year ended 31 March 2016. These financial statements comprise the following statements submitted for the year then ended:

- Appropriation account;
- Standard subdivisions;
- Departmental revenue,
- Notes to financial statements; and
- General information.

The appropriation account was submitted by the Accounting Officer to the Auditor-General in terms of Section 13 of the State Finance Act, 1991.

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

1.2 MANAGEMENT'S RESPONSIBILITY 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, Act 31 of 1991 and relevant legislation, and for such internal control as management determines it necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

1.3 AUDITOR'S RESPONSIBILITY

My responsibility is to express an opinion on these financial statements based on the audit. I conducted the audit in accordance with International Standards for Supreme Audit Institutions (ISSAIs). These standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Powers and duties

Section 25(1) (c) of the State Finance Act, 1991, provides that the Auditor-General should satisfy himself that:

- (a) All reasonable precautions have been taken to ensure that all monies due to the State are collected, and that the laws relating to the collection of such monies have been complied with;

- (b) All reasonable precautions have been taken to safeguard the receipt, custody and issue of and accounting for, the State's assets, such as stores, equipment, securities and movable goods; and
- (c) The expenditure has taken place under proper authority and is supported by adequate vouchers or other proof.

In addition, Section 26(1) (b) (iv) of the State Finance Act, 1991, empowers the Auditor-General to investigate and report on the economy, efficiency and effectiveness of the use of the State's resources.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for the audit opinion.

1.4 KEY AUDIT FINDINGS

1.4.1 Underexpenditure

The total budget of the Ministry was underspent with an amount of N\$ 18 152 426.94 (2.64%).

It is recommended that the Accounting Officer should put measures in place to prevent underexpenditure and explain whether all planned projects were implemented.

Management comment

In his response on the draft report, the Accounting Officer indicated that the Ministry agrees with the finding. The underexpenditure was as a result of withdrawal of approved virementation by Treasury. The Ministry will make sure that measures will be put in place to prevent occurrence in future.

1.4.2 Unauthorized expenditure

The following unauthorized 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):

One (1) main division was exceeded with an amount of N\$ 10 464 085.46. This amount is unauthorised in terms of Section 6(a) (ii) of the State Finance Act ; and

Although Treasury approval was obtained to utilize certain expected savings for the defrayal of expenditure through virements during the year, thirteen (13) operational sub divisions were exceeded with a total amount of N\$ 14 617 089.95. This amount is unauthorized in terms of Section 6(a)(iii) of the Act.

The Accounting Officer reported that unauthorised expenditure pertaining to remuneration and employers contribution to the GIPF was caused by insufficient funds that were allocated for the improvement of the Ministerial remuneration structure. Remote allowance was implemented during the year under review and it has taken a big portion of the allocation.

It is recommended that the Accounting Officer should always review the financial position of the vote and take the necessary actions to avoid over-expenditure. Foreseen excess should be avoided by virementing foreseen savings.

Management comment

In his response on the draft report, the Accounting Officer indicated that the Ministry is in agreement with the finding and will make sure that measures will be put in place to prevent future unauthorised expenditure.

1.4.3 Tender Board exemption

- (i) The Tender Board approved an annual exemption from normal Tender procedures to a total amount of N\$ 265 419 000. Two (2) subdivisions exceeded the approved exempted amounts with a total amount of N\$ 17 941 076.09 without obtaining additional approval from the Tender Board.
- (ii) Approved Tender Board exemption of the following subdivisions exceeds its approved budget amounts:

Subdivision	Approved budget	Approved exemption	Difference
	N\$	N\$	N\$
021 Travel and subsistence	44 645 664	53 000 000	(8 354 336)
025 Maintenance expenses	2 105 500	4 000 000	(1 894 500)
026 Property rental	1 206 830	1 500 000	(293 170)

- (iii) The Accounting Officer also reported actual expenditure of the exempted amount for the following subdivisions which were more than the actual expenditure in the general ledger as follows:

Subdivision	Actual expenditure as per general ledger	Actual exempted expenditure reported by the Accounting Officer	Difference
	N\$	N\$	N\$
026 Property Rental	1 206 683.65	1 269 178.98	62 495.33
027 Other services and expenses	38 538 875.13	40 592 686.36	2 053 811.23

The Accounting Officer should explain these differences and also explain why additional Tender Board exemption was not obtained where the exemptions were exceeded.

Management comment

In his response on the draft report, the Accounting Officer indicated that differences were caused by external virements and errors made will be prevented in future.

1.4.4 Bank Accounts

(i) Bank Reconciliation Certificates

The Auditor-General's Circular D12/2016 requires that bank accounts operated by the Office/Ministries/Agencies should be reported on reconciliations between each of the cash book and bank statement balances as at 31 March.

The Accounting Officer did not submit bank reconciliation certificates for the bank accounts operated by the Ministry.

(ii) Integrated Community-Base Ecosystem Management (ICEMA) Operational Account

The Ministry reported that the ICEMA operational bank account has been closed during the financial year. A bank confirmation submitted indicated that the account was closed on 14 January 2016. The bank statement of the Environmental Investment Fund of Namibia reflects a transfer of N\$ 35 447.66 on 15 January 2016 from the ICEMA operational account.

No statement was submitted that reflects the closing balance of this account and the reason for closing the account was also not indicated. Without the bank statement it was not possible to verify whether the correct closing balance was transferred.

It is therefore recommended that the Accounting Officer should submit the bank statement reflecting the closing balance of the ICEMA operational account and also explain the reason for closing the account as required by the Auditor-General Circular D12/2016.

Management comment

In his response on the draft report, the Accounting Officer indicated that the bank could not provide the bank statement as there is no existing details in the system at the bank for this account.

1.4.5 Stock (Depot)

The Accounting Officer reported a closing balance of N\$ 11 746 685.92 as at 31 March 2015 while the opening balance on 1 April 2015 is reported as N\$ 31 854 117 which leaves an unexplained difference of N\$ 20 107 431.08. It is recommended that all information should be submitted for audit purposes and the said difference should be explained.

1.5 ACKNOWLEDGEMENT

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

1.6 UNQUALIFIED AUDIT OPINION

I certify that I have audited the financial statements of the Ministry of Environment and Tourism for the financial year ended 31 March 2016 in accordance with the terms of Article 127(2) of the Namibian Constitution and Section 25(1) of the State Financial Act, 1991(Act 31 of 1991)

In my opinion the financial statements present fairly, in all material respects the financial position of the Ministry of Environment and Tourism as at 31 March 2016, and their financial performance and its receipts and payments for the year then ended in accordance with the terms of Article 127(2) of the Namibian Constitution and Section 25(1) of the State Finance Act, 1991 (Act 31 of 1991).

2. ADDITIONAL REPORTING REQUIREMENTS

2.1 EMPHASIS OF 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 the financial statements, as disclosed by the Ministry of Environment and Tourism in the financial statements:

2.1.1 Vehicle Accidents

During the financial year under review, thirty three (33) accidents were reported of which twenty three (23) vehicles were repaired at a total cost of N\$ 427 084.73. Repairs of vehicles involved in sixteen (16) accidents during the previous financial year amounted to N\$ 309 890.29, resulting in a total amount of N\$ 736 975.02 paid for repairs during the financial year under review.

The Ministry also made a compensation payment due to vehicle collision involving a third party amounting to N\$ 32 242.50.

It is recommended that the Accounting Officer should put measures in place to reduce vehicle accidents thus reducing repair cost and prevent possible loss of lives.

Management comment

In his response on the draft report, the Accounting Officer indicated that the Ministry took note of the recommendation and will make sure that mechanisms will be put in place to reduce costs.

2.1.2 Outstanding commitments

The Accounting Officer reported outstanding commitments of (N\$ 3 539 550.27) and N\$ 109 684.92 at 31 March 2016.

It was explained that the negative balances were due to unavailability of funds and cancelling of the transactions in the current year but not changing the period. The amounts with positive balances were commitments made during the financial year under review but not paid due to outstanding invoices and insufficient funds.

It is recommended that the Accounting Officer should put mechanisms in place to ensure that invoices are submitted timely for payments.

Management comment

In his response on the draft report, the Accounting Officer indicated that the Ministry took note of the finding and will make sure that mechanisms will be put in place to ensure that invoices are submitted on time for payments.

2.1.3 Outstanding Subsistence Advances

The Subsistence and Travelling Advance suspense account indicates a debit balance of N\$ 1 099 359.08 at 31 March 2016 whereas the Daily Subsistence Allowance Debit Balance List indicates an amount of N\$ 957 458.35 leaving an unexplained difference of N\$ 141 900.73.

Of the outstanding advances of N\$ 957 458.35 an amount of only N\$ 55 470.10 remained outstanding at the time of the audit.

The Accounting Officer in the previous report explained that the difference of N\$ 141 900.43 is as a result of balances that migrated from the previous system. This situation is still not rectified.

It is therefore recommended that the Accounting Officer should clear or reduce those outstanding balances in order to reduce the amount in the S& T advance suspense account.

Management comment

In his response on the draft report, the Accounting Officer indicated that Treasury will be approached to write off the balances.

2.2 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 the financial statements, excluding matters already disclosed by the Ministry of Environment and Tourism in the financial statements:

2.2.1 Outsourced revenue banking services

The Ministry has agreements with two Security Companies for revenue collection and security services. Both companies forwarded their invoices directly to Head Office in Windhoek, without correct certification from the heads of offices in Swakopmund, Walvis Bay and Cape Cross.

According to the agreement between the Security Company and the Ministry, revenue collection for banking should be done at Swakopmund, Cape Cross and Walvis Bay. However, it appears as if revenue is only collected for banking at Cape Cross.

Furthermore, the auditors noted that the Security Company charges the Ministry and is paid monthly fees for revenue collection and banking services at Swakopmund and Walvis Bay offices without rendering the required services.

It is recommended that the Accounting Officer should recover money paid to the Security Company for revenue collection at Swakopmund and Walvis Bay.

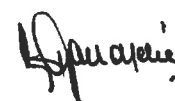
Management comment

In his response on the draft report, the Accounting Officer indicated that the Ministry will engage the security company to recover payments claimed for services not rendered.

2.2.2 Official Accommodation

There are three flats on the premises of the Swakopmund office. At the time of the inspection audit, it was found that staff members of the Ministry and their relatives are occupying flats and paying amounts of N\$ 20 to N\$ 30 per day. The staff members could not provide the auditors with written approval to occupy the flats or approval of the rates paid. Furthermore, it was also noted that Officials did not pay for the accommodation since 2014. It is recommended that the Accounting Officer should provide approvals for the staff members to occupy the flats and should provide evidence of payment.

WINDHOEK, April 2017



**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

1 AUDITED FINANCIAL STATEMENTS

1.1 Appropriation account

2015/2016						2014/2015
Service		Authorised expenditure	Actual expenditure	Variations		Actual expenditure
				Under-expenditure/ (Excess)	Percent - age	
	N\$	N\$	N\$	N\$	%	N\$
01. Office of the Minister:						
Original budget	8 946 000					
Plus: Virements	768 000					
Less : Suspension	(1 247 738)	8 466 262	8 173 220.81	293 041.19	3.46	39 558 098.97
02. Administration:						
Original budget	69 453 000					
Plus: Virements	17 496 145					
Less : Suspension	(4 304 541)	82 644 604	80 078 347.57	2 566 256.43	3.11	140 005 272.35
03. Parks and Wildlife Management:						
Original budget	230 489 000					
Plus: Virements	35 649 475					
Less: Suspension	(12 560 096)	253 578 379	264 042 464.46	(10 464 085.46)	(4.13)	237 071 807.89
04. Scientific Services:						
Original budget	40 473 000					
Plus: Virements	44 372 342					
Less: Suspension	(3 212 262)	81 633 080	78 767 664.88	2 865 415.12	3.51	38 481 234.12
05. Tourism:						
Original budget	84 750 000					
Plus: Virements	4 904 835					
Less: Suspension	(3 482 257)	86 172 578	85 543 033.06	629 544.94	0.73	110 333 055.92
06. Environmental Affairs:						
Original budget	41 854 000					
Less: Virements	(1 145 520)					
Less: Suspension	(2 726 143)	37 982 337	36 733 032.33	1 249 304.67	3.29	46 300 975.49
07. Directorate of Planning And Technical Services:						
Original Budget	166 556 000					
Less : Virements	(23 806 135)					
Less : Suspension	(6 342 105)	136 407 760	115 394 809.95	21 012 950.05	15.40	110 636 170.97
Total		686 885 000	668 732 573.06	18 152 426.94	2.64	722 386 615.71

1.2 Standard subdivisions

Subdivision	2015/2016			2014/2015
	Authorised expenditure	Actual expenditure	Under-expenditure/ (Excess)	Actual expenditure
	N\$	N\$	N\$	N\$
Operational:				
Current expenditure: Personnel				
001. Remuneration	204 395 725	217 940 914.16	(13 545 189.16)	189 753 856.69
002. Employer's contribution to staff's pension fund	21 160 170	21 486 298.90	(326 128.90)	19 055 759.70
003. Other conditions of service	1 926 230	1 850 782.38	75 447.62	874 700.94
005. Employers contribution to the social security commission	1 000	(146.29)	1 146.29	-
Total	227 483 125	241 277 849.15	(13 794 724.15)	209 684 317.33
Current expenditure: Goods and other services				
021. Travel and subsistence allowance	44 645 664	41 784 309.92	2 861 354.08	45 186 571.72
022. Materials and supplies	9 313 707	7 677 320.87	1 636 386.13	6 433 024.11
023. Transport	113 700 375	113 283 514.53	416 860.47	110 664 813.32
024. Utilities	32 143 620	29 487 250.61	2 656 369.39	24 085 869.46
025. Maintenance expenses	2 105 500	1 840 807.81	264 692.19	3 695 564.03
026. Property rental and related charges	1 206 830	1 206 683.65	146.35	2 051 842.84
027. Other services and expenses	38 920 833	38 538 875.13	381 957.87	61 028 397.24
Total	242 036 529	233 818 762.52	8 217 766.48	253 146 082.72
Current expenditure: Membership fees and subscriptions				
041. International	2 504 480	2 356 962.62	147 517.38	2 578 131.26
042. Domestic	21 460 000	21 460 000.00	-	32 200 000.00
Total	23 964 480	23 816 962.62	147 517.38	34 778 131.26
Current expenditure: Subsidies, grants and other Transfers				
043. Government organizations	-	-	-	103 000 000.00
045. Public and departmental enterprises and private industries	60 422 335	60 422 335.00	-	-
Total	60 422 335	60 422 335.00	-	103 000 000.00
Total: Current expenditure	553 906 469	559 335 909.29	(5 429 440.29)	600 608 531.31
Capital expenditure: Acquisition of assets				
101. Furniture and office equipment	2 750 866	2 130 593.86	620 272.14	2 555 210.33
102. Vehicles	-	-	-	12 127 159.75
103. Operational equipment, machinery and plants	2 150 000	1 585 157.04	564 842.96	3 180 782.32
Total: Capital expenditure	4 900 866	3 715 750.90	1 185 115.10	17 863 152.40
Total: Operational expenditure	558 807 335	563 051 660.19	(4 244 325.19)	618 471 683.71

Standard subdivisions (continue)

Subdivision	2015/2016			2014/2015
	Authorised expenditure	Actual expenditure	Under-expenditure/ (Excess)	Actual expenditure
	N\$	N\$	N\$	N\$
Development:				
Recurrent expenditure				
022. Materials and supplies	50 077 665	47 324 779.24	2 752 885.76	41 310 683.45
027. Other services and expenses	2 000 000	-	2 000 000.00	1 774 039.48
Total	52 077 665	47 324 779.24	4 752 885.76	43 084 722.93
Development: Capital expenditure				
105. Feasibility studies, design and supervision	5 000 000	4 774 836.99	225 163.01	-
107. Construction, renovation and improvements	71 000 000	53 581 296.64	17 418 703.36	60 830 208.97
Total	76 000 000	58 356 133.63	17 643 866.37	60 830 208.97
Total: Development expenditure	128 077 665	105 680 912.87	22 396 752.13	103 914 931.90
GRAND TOTAL	686 885 000	668 732 573.06	18 152 426.94	722 386 615.61

1.3 Departmental Revenue

Revenue collected for the year is as follows:

Revenue head	Estimate	Actual revenue 2015/2016	More/(Less) than estimated	Actual revenue 2014/2015
	N\$	N\$	N\$	N\$
Miscellaneous	900 000	504 680.77	(395 319.23)	780 719.10
Departmental fines	18 000	1 200.00	(16 800.00)	2 200.00
Registration of professional hunters	200 000	183 231.05	(16 768.95)	168 400.00
Registration of culling team	28 000	14 600.00	(13 400.00)	15 850.00
Film fees	300 000	162 870.00	(137 130.00)	209 360.00
Tourists concessions	4 000 000	2 086 119.40	(1 913 880.60)	1 146 443.47
Application fees for gambling licences	60 000	6 000.00	(54 000.00)	42 000.00
Wildlife registration and licences	420 000	294 400.00	(125 600.00)	357 050.00
Wildlife utilization permits	2 000 000	3 355 395.00	1 355 395.00	3 238 170.60
Total	7 926 000	6 608 496.22	(1 317 503.78)	5 960 193.17

1.4 Notes to the financial statements

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

i) Overexpenditure

Main division 03 - Parks and Wildlife Management (N\$ 10 464 085.46 – 4.13%)

Funds that were allocated for the improvement of the remuneration structure and salary adjustments were not sufficient to cater for the Ministerial structure. As a result overspending was realized on personnel expenditure.

(ii) Under-expenditure

Main division 01 - Office of the Minister (N\$ 293 041.19 – 3.46%)

The major variance was caused by the cancellation of DSA transactions due to the system error.

Main division 02 - Administration (N\$ 2 566 256.43 – 3.11%)

Payments of more than N\$ 2 000 000 for utilities were processed and approved but were cancelled on 31 March 2016 which resulted in underspending.

Main division 04 – Scientific Services (N\$ 2 865 415.12 – 3.51%)

The highest variance was caused by the cancellation of DSA transactions due to system error.

Main division 06 - Environmental Affairs (N\$ 1 249 304.67 – 3.29%)

The Difficulty in filling the professional positions caused the main difference in remuneration and related expenses, e.g. daily subsistence allowance and material and supplies.

Main division 07 – Scientific Services (N\$ 21 012 950.05 – 15.40%)

Funds that were budgeted for purchasing of furniture for the staff members could not be spent due to the non-existence of tender.

1.4.2 Departmental Revenue: Explanations of deviations exceeding N\$ 200 000

(i) Over-estimation

Miscellaneous revenue (N\$ 395 319.23)

Included in the estimation were different permits which were later allocated to the correct revenue head.

Tourist concessions (N\$ 1 913 880.60)

Two concessions contracts to Wilderness Safaris that have lapsed during the previous financial year were overlooked and included in the estimation of the 2015/2016 financial year. This resulted in less revenue collected under this revenue head.

Park Entrance Fees (N\$ 518 241)

The variance is as a result of low tourists numbers visiting the National Parks.

(ii) Underestimation

Wildlife Utilization Permit (N\$ 1 355 395.00)

Revenue under this source item is collected from permits issued for various type of wildlife utilization, such as shoot and sell, shoot for own use, capture of game, etc. These permits are issued to mostly private game farmers. They are demand driven and only issued when applied for by the farmers and approved by the Ministry. It is therefore difficult to accurately estimate the number of permits which will be applied for and issued in the end, hence the variance. The surplus of N\$ 1 355 395 resulted from the high demand for permits during the year under review.

Annual Levy on Gambling (N\$ 1 332 672)

The Ministry estimated an income of N\$ 19 424 911 for the financial year under review. An amount of N\$ 20 757 583 was collected which resulted in a surplus of N\$ 1 332 672. The increase in revenue was attributed to high turn-over from operations of license holders and an increase in penalties related to late payments of levies. The income from levies also increased significantly due to the Plaza Casino which started operation in September 2015.

2. GENERAL INFORMATION

2.1 Miscellaneous revenue

Miscellaneous revenue was compiled as follows:

Description	Amount
	N\$
Surplus	7 669
Subsistence and travelling allowance payment	100 120
Housing Subsidy	17 100
Amount allocated to incorrect account	400
Overpayment on Salary	19 157
Resort collections (Accommodation)	94 105
Access Card	50
Cell phone allowance	1 858
Parking fees	1 440
Game Product Fund	6 000
Outstanding DSA and debts recovered from the previous financial year	169 371
Refund for Parking (2014-2015)	87 411
Total	504 681

2.2 Bank accounts

The Accounting Officer reported the following closing balances as at 31 March 2016:

Account name	Balance as at 31 March 2016
	N\$
Cape Cross Account	2 704 155.85
Game Product Trust Fund	13 321 931.82
Game Product Trust Fund	1 274 635.64
Game Product Trust Fund	11 229 044.50
Game Products Trust Fund	9 818 449.50
ICEMA Operational Account	-
NAMPLACE Project	1 336 593.50
NACOMA Project Special Account	8 935.68
NACOMA Project Operational Account	540 408.71
NACOMA Project Special Account	8 942.97
National Lottery Trust Fund	55 670.89
National Lottery Trust Fund	1 412 084.26
Empowerment of Rural Women in Namibia	29 468.67
KFW BMM Parks Project	1 123 607.96
North Eastern Park Program	785 146.74
PASS Project	3 378 817.36

ANNEXURE A (continued)

2.3 Capital projects

The following were development projects of the Ministry as reflected in the General Ledger and the Development budget:

Nature of Project	Approved total budget	Total expenditure as at 31/03/2015	Approved appropriation 2015/2016	Actual expenditure 2015/2016	Total expenditure as at 31/03/2016	Expected year of completion
	N\$	N\$	N\$	N\$	N\$	
Construction and renovation of MET headquarters (Philip Troskie Building)	274 400 000	126 948 919.64	6 000 000	5 522 275.87	132 471 195.51	31/03/2018
Construction and extension of staff houses and offices	173 862 000	121 282 177.20	27 000 000	13 531 926.37	134 814 103.57	31/03/2018
Water provision for game	36 244 000	16 987 505.82	10 000 000	7 535 300.91	24 522 806.73	31/03/2018
Fencing of conservation areas	252 774 000	187 072 559.73	40 077 665	39 789 478.33	226 862 038.06	31/03/2018
Wildlife Loan Scheme	53 300 000	23 592 398.80	2 000 000	-	23 592 398.80	31/03/2018
Upgrading of tourist roads	226 471 000	105 486 058.84	20 000 000	17 324 629.52	122 810 688.36	31/03/2018
Upgrade of sewerage and water supply systems	122 172 000	20 119 166.99	23 000 000	21 977 301.87	42 096 468.86	31/03/2018
Total	1 139 223 000	601 488 787.02	128 077 665	105 680 912.87	707 169 699.89	

2.4 Suspense accounts

The following suspense accounts had balances at 31 March 2016:

Description	Balance as at 31 March 2016 Debit/(Credit)
	N\$
Namibia Wild Life and Resorts	(0.57)
Receipt suspense	849 487.49
RD Cheques	963 448.19
S&T advance suspense account	1 099 359.08
Rejection account	(51 417.59)
Bills Payable	(2 707 585.99)
Electronic Fund Transfer Clearing Account	337 241.11
Social security	66.26
Pension: GIPF	(56 940.59)
Bank Windhoek Main Branch	3 852.91
Debt Establishment	(17 174.23)

The Ministry is commended for reconciling and analysing their suspense accounts.

2.5 Bursaries and study assistance

During the financial year under review, the Ministry awarded bursaries and study assistance to fifty eight (58) employees to a total amount of N\$ 1 164 199.09.

2.6 Aircraft

The Accounting Officer reported aircraft fleet on hand for the year ended 31 March 2016 as follows:

Aircraft type/model	Number
V5- ISE	1
V5-DSH	1
V5-JIO	1
V5 - HWS	1
TOTAL	4

During the financial year under review, the Ministry spent N\$ 7 894 018.33 for wildlife survey, game spotting/capture, aerial patrols, carcass detection and game census. The expenditure is compiled as follows:

Description	Amount
	N\$
Fuel	466 421.63
Maintenance	674 272.44
Others (Insurance/aeronautical, Hanger hire, Landing Fees etc.)	4 293 697.78
Flight Personnel cost	2 459 626.48
TOTAL	7 894 018.33

2.7 Donations to the Government

(i) By foreign Governments

The Ministry received donations from the following organisations. Treasury approvals were obtained.

Donor	Description	Amount
		N\$
Global Environmental Facility (GEF)	Donor funding for scaling up community resilience to climate variability and climate change.	43 742 490
Kreditanstalt Fur Wiederaufbau (KFW) Development Bank	Donor funding for the Namibia Parks Programme.	223 524 000

(ii) By Local Instances

Donor	Description	Amount
		N\$
Repsol Exploration Namibia	Upgraded facilities at Terrace Bay Airfield, Skeleton Coast.	6 000 000

2.8 Tender Board exemptions

Tender Board approved the following annual exemption from normal Tender procedures to the value of N\$ 265 419 000 for the procurement of the following commodities and services:

Exemption number	Description	Approved exemption	Actual expenditure	Variance
		N\$	N\$	N\$
E1/11-1/2015	Travel and subsistence expenses	53 000 000	2 834 863.45	50 165 136.55
	Materials and supplies	11 400 000	9 378 073.71	2 021 926.29
	Transport	69 000 000	42 609 396.28	26 390 603.72
	Utilities	21 000 000	28 053 852.06	(7 053 852.06)
	Maintenance expenses	4 000 000	1 551 197.41	2 448 802.59
	Property rental	1 500 000	1 269 178.98	230 821.02
	Other services and expenses	26 200 000	37 087 224.03	(10 887 244.03)
	Membership and subscription	79 319 000	79 319 000.00	-
Total		265 419 000	202 102 785.92	63 316 214.08

2.9 Equipment and stock taking

Stock taking was conducted at twelve (12) points keeping equipment and stock. Surpluses of N\$ 680 870.99, deficiencies of N\$ 248 618.12 and damaged items of N\$ 139 641.00 were reported.

2.10 Stock (Depots)

The Accounting Officer reported stock at depots as follows:

Description	Amount
	N\$
Stock on hand as at 01 April 2015	31 854 117.00
Received during the year	16 076 158.92
Surpluses taken into stock during the year	680 870.99
Issued during the year	(5 845 894.01)
Shortages and Losses	(248 618.12)
Written off during the year	(139 641.00)
Stock on hand as at 31 March 2016	42 376 993.78

2.11 Vehicle accidents

The Accounting Officer reported thirty three (33) vehicle accidents during the year under review. Twenty three (23) vehicles were repaired at a total cost of N\$ 427 084.73. Ten (10) vehicles still needed to be repaired at year end.

Sixteen (16) vehicles that were involved in accidents during the previous financial year were repaired during the year under review at a total cost of N\$ 309 890.29.

The Accounting Officer reported the Ministerial own fleet on hand at 31 March 2016 as follows:

Vehicle type	Number of vehicles
Sedans	38
Pick-ups and combies	254
Heavy vehicles (Lorries, Tractors & Busses)	149
Motorbikes	30
Water tank trailers	8
Amphibious boat	3

2.12 Deficits

The Accounting Officer reported a deficit of N\$ 7 700 of which an amount of N\$ 1 670 was recovered during the financial year under review. An amount of N\$ 4 500 of the reported deficit was due to duplicate receipts issued, and an amount of N\$ 1 530 was still outstanding at the time of the audit.

2.13 Compensation payments (Claims against the State)

The Ministry incurred compensation cost pertaining to a vehicle accident between a staff member and a third party amounting to N\$ 32 242.50. Treasury approval has been obtained in this regard.

2.14 Wellness

The Ministry incurred expenditure amounting to N\$ 13 088.35 during the financial year under review and also received donor assistance from GIZ amounting to N\$ 53 912.50 to assist with the workshop.

2.15 Performance Information

The Ministry implemented the Performance Management System.

WINDHOEK, 12-10-2016

M. LINDEQUE
ACCOUNTING OFFICER