



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 2017

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REPUBLIC OF NAMIBIA



TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY

I have the honour to submit herewith my report on the accounts of the Ministry of Environment and Tourism for the financial year ended 31 March 2017 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 2018

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

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

DEFINITIONS

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. Auditor's 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 statement 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>
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 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)
Materiality:	Is a concept or convention relating to the importance or significance of an amount, transaction, or discrepancy that effects the decision of the user.

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**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF ENVIRONMENT AND TOURISM
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

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 2017 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 2017. 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 Differences between the Budget and the Appropriation Account

The following differences were found between the appropriated amount in the budget book and the appropriation account:

Main division	Budget book amount	Appropriation account	Difference
	N\$	N\$	N\$
04. Natural Resources	31 775 000	32 775 000	(1 000 000)
06. Environment Affairs	36 688 000	38 688 000	(2 000 000)
07. Planning and Technical Services	148 376 000	145 376 000	3 000 000

It is recommended that the Accounting Officer should explain the differences.

Management comment

In his comment on the draft report, the Accounting Officer indicated that the budget book did indicate the capital projects funds under the main divisions 04 and 06, however allocated the whole funds under main division on whereas when the development budget was loaded the allocation was per the respective main divisions under which the capital projects were to be implemented.

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):

- (i) The total budget of the Ministry was overspent with an amount of N\$ 23 042 030.19 (4.73%). This amount is unauthorized in terms of Section 6 (a)(i) of the Act;
- (ii) Four (4) main divisions were exceeded with a total amount of N\$ 32 163 633.11. This amount is unauthorised in terms of Section 6(a)(ii) of the State Finance Act; and
- (iii) Although Treasury approval was obtained to utilize certain expected savings for the defrayal of expenditure through virements during the year, sixteen (16) operational sub divisions were exceeded with a total amount of N\$ 38 874 136.83. This amount is unauthorized 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 Ministry on a continuous basis to enable better financial control and put the necessary measures in place to prevent unauthorised expenditure.

Management comment

In his comment on the draft report, the Accounting Officer indicated that the Ministry is in agreement with the over spending. However, the Ministry requested an approval of a Virement during October 2017 to utilise savings but was declined by Treasury. This situation could have been avoided by approving the virementation.

1.4.3 Stock (Depots)

The Accounting Officer reported an opening balance of N\$ 48 922 887.79 on 1 April 2016, whereas the closing balance of N\$ 42 376 993.78 was reported on 31 March 2016. The difference of N\$ 5 845 894.01 was not explained.

It is recommended that the Accounting Officer should explain the difference and in future ensures that all the information as required by the Auditor-General Circular D12/2016 is submitted to this Office.

Management comment

In his response on the draft report, the Accounting Officer indicated that there was an error in reporting under main Office at Directorate of Planning and Technical Services as there was no opening balance under this stock point.

1.4.4 Points keeping Stock and annual stocktaking

Treasury Instruction KA 0901 stipulates that *“stores, equipment and livestock shall be subjected to stock taking 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 stock taking, but in any case 30 days after the end of the financial year concerned.”*

The Accounting Officer reported that due to lack of funds, stocktaking was conducted only seven at (7) out of seventy seven (77) stock points of the Ministry’s stock points. No approval was obtained from Treasury to be exempted from stocktaking at those points where no stocktaking was conducted.

The Accounting Officer should adhere to Treasury Instruction KA 0901.

Management comment

In his comment on the draft report, the Accounting Officer indicated that the Ministry will ensure that Treasury instruction KA0901 is adhered to and that the necessary Treasury approval is obtained in the event the Ministry finds it in a situation it is unable to fulfil this statutory obligation.

1.4.5 Outstanding Subsistence Advances

Treasury Instruction FD 0703 stipulates that Accounting Officers shall furnish a certificate to the Auditor-General annually on 31 March stating that suspense accounts of the Ministry have been thoroughly analysed and reconciled with the ledger accounts and that steps are constantly being taken to clear all items in the suspense accounts.

The Subsistence and Travelling Advance suspense account indicates a debit balance of N\$ 1 044 346.54 at 31 March 2017 whereas the Debit Balance List indicates an amount of N\$ 814 503.98 leaving an unexplained difference of N\$ 229 842.56 for the third consecutive year, it was explained that the difference is as a result of balances that migrated from the previous system. The 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 comment on the draft report, the Accounting Officer indicated the Ministry will rectify the situation

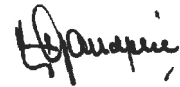
1.5 ACKNOWLEDGEMENT

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 2017 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 2017, 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).



WINDHOEK, April 2018

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

1 AUDITED FINANCIAL STATEMENTS

ANNEXURE A

1.1 Appropriation account

2016/2017						2015/2016
Service	N\$	Authorised expenditure N\$	Actual expenditure N\$	Variations		Actual expenditure N\$
				Under-expenditure/ (Excess) N\$	Percent - age %	
01. Office of the Minister:						
Original budget	6 282 000.00					
Less Virements	(60 000.00)					
Less : Suspension	(15 000.00)	6 207 000.00	6 419 058.07	(212 058.07)	(3.42)	8 173 220.81
02. Administration, Finance and Human Resources (DAFAR):						
Original budget	64 166 000.00					
Plus: Virements	13 510 680.00					
Less : Suspension	(490 435.31)	77 186 244.69	76 122 718.81	1 063 525.88	1.38	80 078 347.57
03. Parks and Wildlife Management:						
Original budget	213 189 000.00					
Less: Virements	(9 783 434.00)					
Less: Suspension	(20 594 469.29)	182 811 096.71	213 363 642.10	(30 552 545.39)	(16.71)	264 042 464.46
04. Natural Resources:						
Original budget	32 775 000.00					
Plus: Virements	255 254.00					
Less: Suspension	(1 047 810.00)	31 982 444.00	31 493 515.95	488 928.05	1.53	78 767 664.88
05. Tourism and Gaming:						
Original budget	81 485 000.00					
Plus: Virements	(4 001 300.00)					
Less: Suspension	(14 069 547.59)	63 414 152.41	55 845 003.42	7 569 148.99	11.94	85 543 033.06
05. Environmental Affairs:						
Original budget	38 688 000.00					
Less: Virements	(415 000.00)					
Less: Suspension	(444 794.33)	37 828 205.67	38 018 942.24	(190 736.57)	(0.50)	36 733 032.33
06. Planning and Technical Services:						
Original Budget	145 376 000.00					
Plus : Virements	493 800.00					
Less : Suspension	(58 192 699.93)	87 677 100.07	88 885 393.15	(1 208 293.08)	(1.38)	115 394 809.95
Total		487 106 243.55	510 148 273.74	(23 042 030.19)	(4.73)	668 732 573.06

ANNEXURE A (continued)

1.2 Standard subdivisions

Subdivision	2016/2017			2015/2016
	Authorised expenditure	Actual expenditure	Under-expenditure/ (Excess)	Actual expenditure
	N\$	N\$	N\$	N\$
Operational:				
Current expenditure: Personnel				
001. Remuneration	187 810 154.63	223 967 772.97	(36 157 618.34)	217 940 914.16
002. Employer's contribution to staff's pension fund	21 714 176.00	23 719 636.60	(2 005 460.60)	21 486 298.90
003. Other conditions of service	2 313 620.00	2 168 615.86	145 004.14	1 850 782.38
005. Employers contribution to the Social Security Commission	26 204.00	(32.18)	26 236.18	(146.29)
Total	211 864 154.63	249 855 993.25	(37 991 838.62)	241 277 849.15
Current expenditure: Goods and other services				
021. Travel and subsistence allowance	27 037 308.00	25 691 833.10	1 345 474.90	41 784 309.92
022. Materials and supplies	5 881 560.00	4 984 773.14	896 786.86	7 677 320.87
023. Transport	41 369 000.00	40 902 495.12	466 504.88	113 283 514.53
024. Utilities	34 902 580.00	34 051 580.96	850 999.04	29 487 250.61
025. Maintenance expenses	2 216 910.00	1 989 751.94	227 158.06	1 840 807.81
026. Property rental and related charges	1 739 567.00	1 639 728.01	99 838.99	1 206 683.65
027. Other services and expenses	12 652 500.00	11 407 351.66	1 245 148.34	38 538 875.13
Total	125 799 425.00	120 667 513.93	5 131 911.07	233 818 762.52
Current expenditure: Membership fees and subscriptions				
041. International	2 396 000.00	2 219 849.93	176 150.07	2 356 962.62
042. Domestic	1 620 000.00	1 620 000.00	-	21 460 000.00
Total	4 016 000.00	3 839 849.93	176 150.07	23 816 962.62
Current expenditure: Subsidies, grants and other Transfers				
045. Public and departmental enterprises and private industries	62 976 206.92	53 976 206.00	9 000 000.92	60 422 335.00
Total	62 976 206.92	53 976 206.00	9 000 000.92	60 422 335.00
Total: Current expenditure	404 655 786.55	428 339 563.11	(23 683 776.56)	559 335 909.29
Capital expenditure: Acquisition of assets				
101. Furniture and office equipment	491 000.00	358 152.87	132 847.13	2 130 593.86
103. Operational equipment, machinery and plants	1 066 553.00	742 137.90	324 415.10	1 585 157.04
Total: Capital expenditure	1 557 553.00	1 100 290.77	457 262.23	3 715 750.90
Total: Operational expenditure	406 213 339.55	429 439 853.88	(23 226 514.33)	563 051 660.19

ANNEXURE A (continued)

Standard subdivisions (continue)

Subdivision	2016/2017			2015/2016
	Authorised expenditure	Actual expenditure	Under-expenditure/ (Excess)	Actual expenditure
	N\$	N\$	N\$	N\$
Development:				
Recurrent expenditure				
022. Materials and supplies	-	-	-	47 324 779.24
027. Other services and expenses	2 186 904.00	2 186 903.37	0.63	-
Total	2 186 904.00	2 186 903.37	0.63	47 324 779.24
Development: Capital expenditure				
105. Feasibility studies, design and supervision	1 500 000.00	1 487 243.19	12 756.81	4 774 836.99
106. Purchase of land and intangible assets	1 700 000.00	1 699 582.72	417.28	-
107. Construction, renovation and improvements	75 506 000.00	75 334 690.58	171 309.42	53 581 296.64
Total	78 706 000.00	78 521 516.49	184 483.51	58 356 133.63
Total: Development expenditure	80 892 904.00	80 708 419.86	184 484.14	105 680 912.87
GRAND TOTAL	487 106 243.55	510 148 273.74	(23 042 030.19)	668 732 573.06

1.3 Departmental Revenue

Revenue collected for the year is as follows:

Revenue head	Estimate	Actual revenue 2016/2017	More/(Less) than estimated	Actual revenue 2015/2016
	N\$	N\$	N\$	N\$
Miscellaneous	450 000	217 807.25	(232 192.75)	504 680.77
Departmental Fines	3 000	1 200.00	(1 800.00)	1 200.00
Park Entrance Fees	58 000 000	69 773 471.00	11 773 471.00	183 231.05
Registration of Professional hunters	150 000	199 100.00	49 100.00	14 600.00
Registration of Culling Team	25 000	15 550.00	(9 450.00)	162 870.00
Film Fees	250 000	524 300.00	274 300.00	2 086 119.40
Tourist Concessions	2 200 000	3 011 211.12	811 211.12	6 000.00
Wildlife Registration and Licenses	420 000	337 470.00	(82 530.00)	294 400.00
Wildlife Utilization Permits	3 800 000	3 407 615.00	(392 385.00)	3 355 395.00
Application Levy On Gambling Income	25 000 000	-	(25 000 000.00)	-
Application For Transfer/Removal of Gambling House	50 000	52 300.00	2 300.00	-
Total	90 348 000	77 540 024.37	(12 807 975.63)	6 608 496.22

1.4 Notes to the financial statements

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

(i) Over-expenditure

Main division 01- Office of the Minister (N\$ 212 058.07-3.42%)

The major variance was caused by the budget suspension. The Ministry requested approval from Treasury to cover excesses, but it was declined.

Main division 03 - Parks and Wildlife Management (N\$ 30 552 545.39- 16.71%)

The major variance was caused by the budget suspension. As a result, overspending was realized on personnel expenditure. Defrayal of excesses was declined by Treasury by not approving external virement. Treasury did not provide an explanation for declining the request.

(ii) Under expenditure

Main division 05 - Tourism (N\$ 7 569 148.99- 11.94%)

Funds that were budgeted under the operational budget for the Zambezi Waterfront could not be spent due to the non-operational status of the facility. Treasury approval was sought to virement these funds in order to defray excesses under some other subdivisions, but was rejected. From these funds Treasury has only approved those funds that were transferred to utilities and advised that these funds should be transferred to personnel expenditure only which in return was also not approved.

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

(i) Over-estimation

Miscellaneous (N\$ 232 192.75)

Collection of accommodation charges as well as payments made after the closing of the financial year are allocated to this revenue head. There was not much collected for previous financial years. Therefore, it was difficult to predict the exact amount that will be collected.

Wildlife Utilization Permits (N\$ 392 385.00)

Revenue under this source item is collected from permits issued for various types 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 shortfall of N\$ 392 385.00 resulted from the low demand for permits during the year under review.

Application Levy on Gambling Income (N\$ 25 000 000.00)

The Ministry estimated an income of N\$ 19 425 423 for the financial year under review. An amount of N\$ 21 255 155 was collected which resulted in a surplus of N\$ 1 829 732. The variance in levies is a result of an increase in business revenue and penalties collected. The casino licence holders have started paying their license fees based on the number of machines/devices they applied for and not based on devices on the floor.

(ii) Under-estimation

Tourist Concessions (N\$ 811 211.12)

The estimate revenue variance occurred because forecasters were unable to predict the future with complete accuracy. However, the concession unit is proud to explain the positive variance. The percentage of concessions fees payments has increased over the past two years. The concession unit has improved on its control over revenue collection and monitoring. New concessions have been awarded during the year under review and are now in operation, hence the increase in revenue.

Park Entrance Fees (11 773 471.00)

The income estimation was N\$ 58 000 000 for the financial year under review and the collection was N\$ 69 773 471 which resulted in an excess of N\$ 11 773 471. The variance on park entrance fees was due to more visitors who entered the parks than expected, and that resulted in more revenue than estimated.

Film Fees (N\$ 274 300.00)

The variance was due to the fact that more people took out filming permits than expected during the year under review. This resulted in more revenue than estimated.

2. GENERAL INFORMATION

2.1 Miscellaneous revenue

Miscellaneous revenue was compiled as follows:

Description	Amount
	N\$
Surplus	11 317.00
Subsistence and travelling allowance repayments	54 024.00
Housing subsidy	4 318.00
Access card	1 560.00
Resort collections (Accommodation)	69 210.00
Shortages for 2012/13 (Cape Cross)	230.00
Housing allowance repayment	1 000.00
Transport allowance repayment	3 100.00
Shortages for 2015/16 (Hardap)	40.00
Shortages for July 2017 (Namutoni EEC)	100.00
Guano royalties	265.00
Refund 12 hr PC	5 000.00
Cell phone subscriptions repayment	461.00
SIM card replacement	30.00
Debt establishment	150.00
Refund (GIPF employer contribution)	57 489.00
Arrear basic salary	9 513.00
Total	217 807.00

2.2 Bank accounts

The Accounting Officer reported the following closing balances as at 31 March 2017:

Account name	Financial institution	Balance as at 31 March 2017
		N\$
Cape Cross Account	Standard Bank	1 443 385.18
Game Product Trust Fund	Standard Bank	11 615 739.04
Game Product Trust Fund	First National Bank	1 325 083.72
Game Product Trust Fund	First National Bank	12 300 580.26
Game Products Trust Fund	Standard Bank	10 264 392.13
ICEMA Operational Account	First National Bank	-
NAMPLACE Project *	Standard Bank	-
NACOMA Project Special Account	Standard Bank	7 471.68
NACOMA Project Operational Account	Standard Bank	690 004.69
NACOMA Project Special Account	Standard Bank	499 557.49
National Lottery Trust Fund	Bank Windhoek	355 860.81

ANNEXURE A (continued)

Account name	Financial institution	Balance as at 31 March 2017
		N\$
National Lottery Trust Fund	Bank Windhoek	1 380 816.48
Namibia Parks Projects	First National Bank	36 642.16
Empowerment of Rural Women in Namibia	First National Bank	17 366.45
KFW Namibia Parks Program	Standard Bank	5 036 854.65
KFW Namibia Parks Program	Standard Bank	155 561.79
North Eastern Park Program	First National Bank	536 693.07
PASS Project	First National Bank	139 784.61

2.3 Suspense accounts

The following suspense accounts had balances at 31 March 2017:

Description	Balance as at 31 March 2017 Debit/(Credit)
	N\$
Receipt suspense	(2 708 928.35)
RD Cheques	963 448.19
S&T advance suspense account	1 044 346.54
Rejection account	19 466.69
Bills Payable	(2 052 786.04)
Electronic Fund Transfer Clearing Account	291 423.91
Social security	228.26
Pension: GIPF	3 611.42
National Housing Enterprise (10%)	870.39
Bank Windhoek Main Branch	8 448.91
Debt Establishment	(5 075.56)

2.4 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 31/03/2016	Approved appropriation 2016/2017	Actual expenditure 2016/2017	Total expenditure as at 31/03/2017	Expected year of completion
	N\$	N\$	N\$	N\$	N\$	
Construction and renovation of MET headquarters (Philip Troskie Building)	279 400 000	132 471 195.51	2 200 000	2 187 026.96	134 658 222.47	31/03/2020
Construction and extension of staff houses and offices	681 168 000	134 814 103.57	9 300 000	9 237 727.28	144 051 830.85	31/03/2021
Water provision for game	42 000 000	24 522 806.73	3 800 000	3 797 507.30	28 320 314.03	31/03/2026
Fencing of conservation areas	252 774 000	226 862 038.06	23 006 000	22 988 129.36	249 850 167.42	31/03/2025
Wildlife Loan Scheme	37 692 000	23 592 398.80	186 904	186 903.37	23 779 302.37	31/03/2025
Upgrading of tourist roads	309 971 000	122 810 688.36	10 500 000	10 421 485.89	133 232 174.25	31/03/2025
Upgrade of sewerage and water supply systems	135 172 000	42 096 468.86	29 900 000	29 889 639.70	71 986 108.56	31/03/2025
Namibia Coast Conservation and Management	63 205 000	-	2 000 000	2 000 000.00	2 000 000.00	31/03/2021
Total	1 801 382 000	707 169 699.89	80 892 904	80 708 419.86	787 878 119.95	

2.5 Tender Board exemptions

Tender Board approved the following annual exemption from normal Tender procedures to the value of N\$ 186 934 000 for the procurement of the following commodities and services:

Exemption number	Description	Approved exemption	Actual expenditure	Variance
		N\$	N\$	N\$
E1/11-1/2016	Travel and subsistence expenses	29 900 000	5 622 723.87	24 277 276.13
	Materials and supplies	6 210 000	3 060 017.81	3 149 982.19
	Transport	40 100 000	30 552 825.52	9 547 174.48
	Utilities	22 990 000	21 545 641.58	1 444 358.42
	Maintenance expenses	2 505 000	1 205 430.93	1 299 569.07
	Property rental	1 719 000	1 553 920.91	165 079.09
	Other services and expenses	15 922 000	10 421 329.27	5 500 670.73
	Membership fees, subscriptions and grants	82 120 000	50 616 369.32	31 503 630.68
	Equipment and office furniture	60 000	72 805.03	(12 805.03)
	Operational equipment, machinery and plant	1 330 000	678 550.10	651 449.90
Total		202 856 000	125 329 614.34	77 526 385.66

2.6 Bursaries and study assistance

During the financial year under review, the Ministry awarded bursaries and study assistance to fifty six (56) employees to a total amount of N\$ 1 098 879.16.

2.7 Aircraft

The Accounting Officer reported four (4) aircrafts (V5-ISE, V5-DSH, V5-JIO and V5 – HWS) on hand for the year ended 31 March 2017.

During the financial year under review, the Ministry spent N\$ 6 980 479.28 for wildlife survey, game spotting/capture, aerial patrols, carcass detection and game census and N\$ 2 661 596.01 on flight personnel cost.

2.8 Contribution by the Government

Treasury granted approval for the donation of three (3) vacuum tanker trucks to a total value of N\$ 4 509 933 to the Namibia Wildlife Resorts to support the construction of the sewerage system at Ai-Ais and Hobas resorts.

2.9 Donations to the Government

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

Donor	Description	Amount
		N\$
United Nation Development Program (UNDP)	Donation of computers, office furniture, camping equipment and water tank trailers	6 518 436.72
United Nation Development Program (UNDP)	Vehicles, supplies and equipment	1 927 740.33
United Nation Development Program (UNDP)	Computers, computer equipment and field equipment	48 714.16
Millenium Challenge Account (MCA-Namibia)	Generators, construction of office and staff accommodation, construction of a gate, water treatment plants, two door caravan, solar panels, stove, fridges.	307 630 979.80
	GPS equipment and software	6 867.00
GIZ Project	Inmarsat Isat Phones	37 110.00
GIZ Project	Furniture and equipment	376 840.00
NamParks IV Project		
KavangoZambezi Transfontier Conservation Area (KAZA)	Hoover airboat and five (5) canoes	63 750.00

2.10 Livestock

The Accounting Officer reported a balance of thirty (30) horses on hand at 31 March 2017.

2.11 Points Keeping Stock and Stocktaking

The Accounting Officer reported the total value of stock amounting to N\$ 36 645 074.42, a surplus of N\$ 436 288, shortages of N\$ 280 982 and Worn-out items valued at N\$ 25 680.

2.12 Debt to the Government

The Accounting Officer reported a balance of N\$ 137 569.23 at 31 March 2017 on debt to the Government as follows:

Nature of debt	Balance at 1 April 2016	New cases	Adjustments	Recovered during 2016/2017	Balance as at 31 March 2017
	N\$	N\$	N\$	N\$	N\$
Leave without pay	17 684.09	52 272.29	-	46 691.03	23 265.35
DSA	36 094.41	30 809.80	(5 466.00)	36 176.70	25 261.51
Salary overpayments	70 716.64	9 993.51	-	25 815.90	54 894.25
Remission of debt	-	36 600.46	-	12 360.34	24 240.12
Housing allowance overpayment	120.00	9 271.31	-	4 183.31	5 208.00
Remote allowance overpayment	-	8 550.00	-	3 850.00	4 700.00
	124 615.14	147 497.37	(5 466.00)	129 077.28	137 569.23

ANNEXURE A (continued)

2.13 Stock (Depots)

The Accounting Officer reported stock at depots stores as follows:

Description	Amount
	N\$
Stock on hand as at 01 April 2016	48 222 887.79
Received during the year	4 287 518.14
Surpluses taken into stock during the year	436 288
Issued during the year	1 195 387.51
Shortages and Losses	(280 982)
Written off during the year	25 680
Stock on hand as at 31 March 2017	51 444 644.21

2.14 Vehicles accidents

During the financial year under review, twenty six (26) accidents were reported of which eight (8) vehicles were repaired at a total cost of N\$ 161 536.17. Eighteen (18) vehicles still needed to be repaired at year end.

Furthermore, five (5) of the vehicles that were not repaired by 31 March 2016, were repaired at a total cost of N\$ 127 525.71 during the financial year under review.

2.15 Vehicle on hand

The Accounting Officer reported the Ministerial own fleet on hand at 31 March 2017 as follows:

Vehicle type	Number of vehicles
Sedans	39
Pick-ups and combies	256
Heavy vehicles (Lorries, Tractors & Busses)	149
Motorbikes	30
Water tank trailers	8
Amphibious boat	3

2.16 Fixed property received within Government

The Accounting Officer reported that vacant land has been allocated to the Ministry in Keetmanshoop for the construction of offices.

2.17 Deficits

The Accounting Officer reported deficits due to revenue shortages to a total amount of N\$ 51 005.83. These deficits resulted from revenue inspections conducted for the 2012/2013 and 2016/2017 financial years.

The Accounting Officer reported that letters were written to the staff members to settle the shortages for the shortages resulting from the 2012/2013 financial year. Letters pertaining to the 2016/2017 financial year still needed to be signed before being issued.

The Accounting Officer further explained that it was difficult to reach these staff members due to change of duty stations. As a result not all shortages were recovered. The Ministry is busy implementing deductions for those who did not pay the shortages.

2.18 Wellness

The Ministry incurred expenditure amounting to N\$ 72 489.47 during the financial year under review and received donor assistance from GIZ amounting to N\$ 98 814.00 to assist with the training of peer educators.

2.19 Performance Information

The Ministry implemented the Performance Management System.

WINDHOEK, 18-10-2017

**DR M. LINDEQUE
ACCOUNTING OFFICER**

