



REPUBLIC OF NAMIBIA



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF HIGHER EDUCATION,
TRAINING AND INNOVATION
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

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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 Higher Education, Training and Innovation 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'.

WINDHOEK, MARCH 2020

**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.
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).
Key performance indicator (KPI):	A measurable value used to monitor and demonstrates how effectively an organization is achieving key business objectives.
International Standards of Supreme Audit Institutions (ISSAI):	Professional standards and best practice guidelines for public sector auditors, officially authorised and endorsed by the International Organisation of Supreme Audit Institutions (INTOSAI).
Types of Audit Opinions:	<p>Unqualified Opinion. In an unqualified report, the auditors conclude that the financial statements of your O/M/A's present fairly its affairs in all material aspects.</p> <p>Qualified Opinion. An auditor's report is qualified when there is either a limitation of scope in the auditor's work, or when there is a disagreement with management regarding application, acceptability or adequacy of accounting policies.</p> <p>Disclaimer Opinion. Auditors do not express an opinion on the financial position of a firm because they have not completed an examination of its accounts or the examination is not broad enough in scope to enable them to form an opinion.</p> <p>Adverse Opinion. The Financial statements of an O/M/A's do not fairly present its actual financial position and the required information was either not disclosed, or (if disclosed) was inadequately disclosed or was inaccurate.</p>
Reasonable Assurance	It is when the audit conclusion is expressed positively, conveying that, in the auditor's opinion, the subject matter is or is not compliant in all material respects or, where relevant, that the subject matter information provides a true and fair view, in accordance with the applicable criteria.
Limited Assurance	It is when the audit conclusion states that, based on the procedures performed; nothing has come to the auditor's attention to cause the auditor to believe that the subject matter is not in compliance with the criteria.

Direct reporting engagement	It is when an auditor measures or evaluates the subject matter against the criteria. The auditor is responsible for producing the subject matter information. The auditor selects the subject matter and criteria, taking into consideration risk and materiality. By measuring the subject matter evidence against the criteria, the auditor is able to form a conclusion.
Attestation engagement	It is when a responsible party (the entity) measures the subject matter against the criteria and presents the subject matter information, on which you, the auditor, then gather sufficient and appropriate audit evidence to provide a reasonable basis for forming a conclusion.
Subject matter	Refers to the information, condition or activity that is measured or evaluated against certain criteria.
OMA	Office/Ministry/Agency

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF HIGHER EDUCATION, TRAINING AND INNOVATION
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 Ministry of Higher Education, Training and Innovation 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, Notes to the financial statements and general information for the year ended 31 March 2019 supplied by the Accounting Officer are attached.

In my opinion, the financial statements of the Ministry of Higher Education, Training and Innovation 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 the 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 that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. I have determined that there were no key matters to communicate in my report.

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 conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so consider whether the other information is materially inconsistent with the financial statements. There was no other information in connection with my audit of the financial statements for the year under review.

2. SECTION B: COMPLIANCE AUDIT AND AUDIT OF PERFORMANCE INFORMATION

2.1 COMPLIANCE TO LAWS AND REGULATIONS

SUBJECT MATTER: FINANCIAL PERFORMANCE AND THE USE OF APPROPRIATED FUNDS

I have audited the financial performance and the use of appropriated funds of the Ministry of Higher Education, Training and Innovation for the financial year ended 31 March 2019.

2.2 DESCRIPTION OF THE SUBJECT MATTER INFORMATION AND AUDIT SCOPE

The audit aimed to determine whether the Ministry of Higher Education, Training and Innovation's financial performance and the use of appropriated funds is in compliance with the State Finance Act, 1991 (Act 31 of 1991), the Treasury Instructions, Appropriation Act, 2018 (Act 4 of 2018), Appropriation Amendment Act, 2018 (Act 15 of 2018), Public Procurement Act, 2015 (Act 10 of 2015) and Public Procurement Regulations.

2.3 AUDIT OBJECTIVE

The objective of this compliance audit is to verify and assess whether Ministry of Higher Education, Training and Innovation has complied with all laws and regulations that have an impact on the financial statements in accordance with the ISSAIS. This audit is an attestation engagement where the Ministry of Higher Education, Training and Innovation presented the subject matter information on which the auditor then gathered sufficient and appropriate audit evidence to provide reasonable assurance in forming an opinion. In forming an opinion, the findings and recommendations are taken into consideration.

In addition, the objective of this audit is to verify and assess whether public funds have been used appropriately and lawfully, and to report issues of non-compliance so that corrective action is taken and compliance to laws and regulations is strengthened.

2.4 AUDIT CRITERIA

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

- State Finance Act, 1991 (Act 31 of 1991);
- Treasury Instructions;
- Public Procurement Act, 2015 (Act no.15 of 2015);
- Public Procurement Regulations;
- Appropriation Act, 2018 (Act 4 of 2018); and
- Appropriation Amendment Act, 2018 (Act 15 of 2018).

2.5 SUMMARY OF METHODS APPLIED

I have audited the financial 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 govern them. The audit team conducted interviews with management and those charged with governance and document reviews were also carried out.

2.6 KEY AUDIT FINDINGS

2.6.1 Unauthorized expenditure

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

- (i) One (1) main division was exceeded with an amount of N\$ 99 426.93, which is unauthorized in terms of Section 6 (a)(ii) of the Act.
- (ii) Although Treasury approval was obtained to utilise certain expected savings for the defrayal of excess expenditure through virements during the year, five (5) operational subdivisions were exceeded by an amount totalling N\$ 286 362.16 which is unauthorised in terms of Section 6 (a) (iii) of the State Finance Act, 1991.

The Accounting Officer should monitor the budget regularly in order to avoid unauthorised expenditure.

2.6.2 Outstanding subsistence advances

Treasury Instruction HB 0506 stipulates that a *“where a person neglected to submit a claim for subsistence and other anticipated expenditure within 30 days after he returned to his headquarters or monthly by a person who is elsewhere for a long period, the outstanding amount on an advance against his claim shall be deducted monthly his/her salary starting from the next month. The amount deducted shall not exceed 25% of his monthly salary”*.

However, the records provided by the Accounting Officer in the previous financial year, indicated that an advance amount paid to a staff member totalling N\$ 12 767.73 was outstanding since the 2013/2014 financial year. This outstanding amount still appears in the annual statements provided by the Accounting officer for the year under review, despite the recommendation in the previous year annual report to implement Treasury Instruction HB 0506. The Accounting Officer did not adhere to Treasury Instruction HB 0506 to recover the outstanding amount during the year under review.

It was further observed that the record of employees with outstanding subsistence advances (Debit Balance list) reflects an outstanding subsistence advance balance totalling to N\$ 124 677.87 at 31 March 2019 and the suspense account reflects an amount of N\$ 205 673.96, thus, a difference of N\$ 80 996.09 between the two records. The Accounting Officer should explain the difference of N\$ 80 996.09.

The audit noted an improvement in the recovery of outstanding balances, however, the Accounting Officer should ensure strengthened measures to ensure that Treasury Instruction HB 0505 is adhered to and the Ministry is taking

the necessary steps to recover the outstanding advance as required by Treasury instruction HB 0506. It is further recommended that the debit balance list and the subsistence and travel advance suspense account should regularly be reconciled.

2.6.3 Losses and damages

The Accounting Officer submitted a nil statement during the previous year and again for the year under review. However, in the previous financial year (2017/2018), two (2) laptops issued to staff members for official use were not provided to the auditors for audit purposes. During the audit for the year under review, these two (2) laptops were still not provided to the auditors for audit purposes and no explanation was provided on the whereabouts of these devices. Furthermore, the Accounting Officer did not prepare the statement for losses and damages as required by Circular D12/2018 of the Auditor-General.

Treasury Instruction EA0102 which states that *“losses and damages in terms of section 11 (2) of the Act shall immediately be reported to the Auditor-General in writing, unless he instructs otherwise. All available particulars shall at the same time be furnished. In terms of section 24 (1)(a)(i) such losses and damages shall also be reported to the Treasury in writing”*, was not adhered to.

The Accounting Officer should ensure that Treasury Instruction EA0102 is adhered to and the statement for losses and damages is prepared as required by Circular D12/2018 of the Auditor-General. The Accounting Officer should indicate the whereabouts of these two (2) laptops.

2.6.4 Study assistance

It was found that the Ministry does not have a staff development policy or any service obligation in place. Thus staff members receive study assistance without any bonding agreement.

The Public Service Staff Rules, CHAPTER C.II/III - Bonding of staff members supported to study towards professional and qualifying training,

Section 1.1 states that: *“staff members who are supported by OMAs/RCs towards the attainment of professional qualification(s), based on institutional or individual needs are subjected to a reasonable bonding period to the public service and not to the specific OMA/RC in order to ensure return on investment, transfer of skills and sustainability of the acquired competencies”*.

Section 1.2. *Bonding of staff members, in this context, aims at getting the return on investment to build a competent Public Service through the transfer and sustaining the competencies acquired.*

Section 2.3 Staff members who are supported by an OMA/RC and are studying towards the attainment of professional qualification, on distance or part-time mode will be bonded for the concurrent duration of their studies, starting after successful completion of the first year of study or first semester of study.

Section 6.5.1 of the Human Resource Development Policy Framework of 2012 states that *“in order to ensure a return on investment for the Public Service, an O/M/A or RC making such an investment in the development of its staff members' needs to ensure that any such staff member signs an In-service Bonding Agreement if s/he is going*

on an approved Training and Development programme for a period of six months or more”. Section 6.5.2 further states that “in case of a breach of contract, therefore, the O/M/As will then recover funds invested in the staff member’s training and development”.

It is recommended that the Accounting Officer should develop and implement a staff development policy and should ensure that bonding agreements are signed.

2.7 OPINION ON THE SUBJECT METHODS APPLIED

In my opinion, the Ministry of Higher Education, Training and Innovation’s financial performance and use of appropriate 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 and Appropriation Act, 2018 (Act 4 of 2018) and the Appropriation Amendment Act, 2018 (Act 15 of 2018).

3. AUDIT OF PERFORMANCE INFORMATION

The Strategic Plan, which provides specific objectives, targets and actions to be taken by the organization over a five-year period, was not approved at the time of audit. As a result, the audit on performance information of the Ministry during the year under review was not conducted. Moreover, the Accounting Officer. did not provide the Annual Operational Plan for the year under review. Thus, key performance indicators could not be selected to ascertain whether reported performance information was measured against key performance indicators.

4. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Section 12 and 13 of the State Finance Act, 1991, (Act 31 of 1991) and legislation, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

5. AUDITOR’S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue and 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 matters are outlined under Section 25 (1) (c), Section 26 (1) and Section 27 (3) of the State Finance Act, 1991 (Act 31 of 1991).

As part of an audit in accordance with the International Standards for Supreme Audit Institutions, I exercise professional skepticism throughout the audit, I also;

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence, obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.
- Provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

- It is also my responsibility to express an opinion on whether the financial performance and the use of appropriated funds is, in all material respect is in compliance with the Appropriation Act, 2018 (Act 4 of 2018), Appropriation Amendment Act, 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. I have conducted the audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). 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 the authorities that govern the audited entity in the execution of its roles and responsibilities.

6. GENERAL INFORMATION

The financial statements, notes to the financial statements and general information provided by the Accounting Officer are attached as Annexure A. The appropriation was submitted timeously by the Accounting Officer to the Auditor-General on 30 October 2019 in terms of Section 13 of the State Finance Act, 1991(Act 31 of 1991).

7. ACKNOWLEDGEMENT

The co-operation and assistance by the management and staff of the Ministry of Higher Education, Training and Innovation 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	
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	2 434 000					
Plus: Virement	809 874	3 243 874	3 343 300.93	(99 426.93)	(3.07)	4 455 192.67
02. Administration:						
Original budget	17 151 000					
Plus: Virement	1 862 578					
Less: Suspension	(200 000)	18 813 578	18 595 130.98	218 448.02	1.16	17 158 090.56
03. Higher Education:						
Original budget	3 039 898.00					
Plus: Additional budget	209 000 000					
Less: Virement	(1 493 30)					
Less: Suspension	(5 500 000)	3 241 904 700	3 241 894 727.61	9 972.39	0.00	3 185 145 826.58
04. Vocational and Technical Training (NTA):						
Original budget	136 852 000					
Less: Virement	(5 379 567)					
Less: Suspension	(2 986 000)	128 486 433	128 272 952.97	213 480.03	0.17	569 158 120.66
05. Research, Innovation and Training:						
Original budget	26 697 000					
Plus: Virement	3 206 115					
Less: Virement	(11 000 000)	18 903 115	18 878 201.60	24 913.40	0.13	68 688 460.07
06. Namibian National Commission for UNESCO:						
Original budget	9 826 000					
Plus: Virement	994 300	10 820 300	10 767 527.61	52 772.39	0.49	14 410 769.06
TOTAL		3 422 172 000	3 421 751 841.70	420 158.30	0.01	3 859 016 459.60

1.2 Standard subdivisions

Subdivision	2018/2019			2017/2018
	Authorized expenditure	Actual expenditure	Under-expenditure/ (Excess)	Actual expenditure
	N\$	N\$	N\$	N\$
Operational:				
Current expenditure: Personnel				
001.Remuneration	36 575 500	36 302 879.88	272 620.12	35 581 668.25
002.Employer's contribution to the G.I.P.F and M.P.O.O.B.P.F.	3 503 160	3 493 547.35	9 612.65	3 540 557.38
003.Other conditions of service	599 785	553 622.58	46 162.42	2 512 699.84
005.Employers contribution to the social security	128 185	108 244.60	19 940.40	91 086.44
Total	40 806 630	40 458 294.41	348 335.59	41 726 011.81
Current expenditure: Goods and other services				
021.Travel and subsistence expenses	2 740 000	2 872 337.60	(132 337.60)	2 632 593.23
022.Materials and supplies	502 870	502 388.96	481.04	548 273.49
023.Transport	2 642 478	2 642 049.81	428.19	3 735 649.69
024.Utilities	1 473 000	1 369 774.22	103 225.78	1 623 026.97
025.Maintenance expenses	56 930	56 910.91	19.09	73 603.00
027.Other services and expenses	6 637 580	6 636 607.77	972.23	13 658 290.81
028. Training course, symposiums and workshops	335 000	307 335.30	27 664.70	-
029. Printing and advertisements	685 000	621 310.05	63 689.95	-
031. Entertainment politicians	38 000	37 923.29	76.71	-
033. Office refreshments	160 000	153 730.53	6 269.47	-
034. Official entertainment/Corporate gifts	8 694	7 638.00	1 056.00	-
Total	15 279 552	15 208 006.45	71 545.55	22 471 437.19
Current expenditure: Membership fees and subscriptions				
041. International	831 670	831 659.67	10.33	583 407.12
Total	831 670	831 659.67	10.33	583 407.12
Current expenditure: Subsidies, grants and other transfers				
043.Government organisations	-	-	-	1 899 905 473.00
044.Individual and non-profit organizations	-	-	-	1 822 986 746.75
047. Subsidies to other extra budgetary bodies	1 615 000 000	1 615 000 000.00	-	-
049. Support for non-profit organizations	1 713 935 433	1 713 935 179.94	253.06	-
053. Subsidies for state owned enterprises	15 323 215	15 323 215.00	-	-
Total	3 345 090 318	3 345 090 054.61	253.39	3 722 892 219.75
Total: Current expenditure	3 401 176 500	3 400 756 355.47	420 144.53	3 787 673 075.87
Capital expenditure: Acquisition of assets				
101.Furniture and office equipment	9 500	9 486.24	13.76	683 510.73
Total	9 500	9 486.24	13.76	683 510.73
Total: Operational expenditure	3 401 186 000	3 400 765 841.71	420 158.29	3 788 356 586.60
Development:				
Capital expenditure: Acquisition of assets				
121.Government organizations	20 986 000	20 986 000.00	-	70 659 873.00
Total: Development expenditure	20 986 000	20 986 000.00	-	70 659 873.00
GRAND TOTAL	3 422 172 000	3 421 751 841.70	420 158.30	3 859 016 459.60

1.3 Notes to the financial statements

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

Over-expenditure

Main division 01: Office of the Minister (N\$ 99 426.93 – 3.07%)

The amount reflecting under this main division is a result of trips undertaken during the 2017/2018 financial year, which were claimed during the 2018/2019 financial year.

2. GENERAL INFORMATION

2.1 Capital projects

The following are development projects of the Ministry as reflected in the General Ledger and the Development Budget:

2.2 Bursary and study assistance

Nature of project	Approved total budget	Total expenditure as at 31/03/2018	Approved appropriation 2018/2019	Actual expenditure 2018/2019	Total expenditure as at 31/03/2019	Expected year of completion
	N\$	N\$	N\$	N\$	N\$	
Upgrading and Renovation of Old Power Station for NUST Satellite Campus Luderitz	141 919 000	19 731 873.00	13 000 000	13 000 000.00	32 731 873.00	31/03/2023
Construction of Keetmanshoop Vocational Centre	117 000 000	50 165 916.00	7 986 000	7 986 000.00	20 993 000.00	31/03/2023
Total	1 362 422 000	126 121 789.00	20 986 000	20 986 000.00	90 883 789.00	

2.2 Bursaries and study assistance

The Accounting Officer reported that the Ministry provided study assistance to four (4) staff members amounting to N\$ 61 210.00, to pursue studies at an institution of higher learning.

2.3 Suspensions

The Ministry suspended an amount totaling to N\$ 19 686 000.00 during the financial year under review.

2.4 Vehicles

The Accounting Officer reported that the Ministry had fifteen (15) pool vehicles on hand as at 31 March 2019.

2.5 Suspense accounts

The final ledger shows the following eight (8) suspense account balances of the Ministry as at 31 March 2019 of which four (4) had debit balances and four (4) with credit balances:

Description	Balance as at 31 March 2019 Debit/(Credit)
	N\$
Receipt suspense account	(156 165.08)
S & T advance suspense account	205 673.96
Rejection account	(206 009.02)
Bills payable	(14 995 691.50)
Electronic Funds Transfer clearing account	9 290.00
Social Security	162.00
Pension Funds: GIPF	(31 466.68)
Debit Establishment	6 240.78

WINDHOEK, 2019-10-11

DR. ALFRED VAN KENT
ACCOUNTING OFFICER

