



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE  
**MINISTRY OF INFORMATION AND  
COMMUNICATION TECHNOLOGY**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020



**REPUBLIC OF NAMIBIA**



**TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY**

I have the honor to submit herewith my report on the accounts of the Ministry of Information and Communication Technology for the financial year ended 31 March 2020 in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honorable 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, MARCH 2021**

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

**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**



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## DEFINITIONS

<b>Treasury:</b>	Financial authority in public service. (The department of Government that has control over the collection, management and disbursement of public revenue).
<b>Vote:</b>	Represents an Office/Ministry/Agency.
<b>Appropriation Act:</b>	Estimate of expenditure and revenue for a particular financial year presented to the National Assembly, the Act passed by Parliament.
<b>Appropriation Account:</b>	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.
<b>Standard sub-division:</b>	Government Balance account, showing balances incurred on each account/activity.
<b>Suspension:</b>	Reduction on budget (Treasury may from time to time withhold or suspend any amount in an estimate of expenditure).
<b>Virement:</b>	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.
<b>Unauthorised Expenditure:</b>	Expenditure that exceeds the amount appropriated (budgeted) for a vote, main division or subdivision.
<b>Under expenditure:</b>	Saving on the budget.
<b>Miscellaneous Revenue:</b>	All revenue collected and not having a specified revenue code.
<b>Commitments:</b>	Funds reserved to acquire goods or services from a supplier.
<b>Suspense accounts:</b>	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.
<b>S&amp;T Advance Suspense Account:</b>	A suspense account reflecting the outstanding subsistence and travel advances.
<b>Rejection Account:</b>	A suspense account reflecting names and balances of all persons/companies that owe the money to the State.
<b>Budget:</b>	Is an estimation of the revenue and expenses over a specified future period of time.
<b>Subsistence Advance:</b>	Payment given in advance to an employee to reimburse accommodation, meal and incidental expenses, while on an official assignment.

<b>Performance Information:</b>	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.
<b>International Standards of Supreme Audit Institutions (ISSAI):</b>	Professional standards and best practice guidelines for public sector auditors, officially authorised and endorsed by the International Organisation of Supreme Audit Institutions (INTOSAI).
<b>Types of Audit Opinions:</b>	<p><b>Unqualified Opinion.</b> 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><b>Qualified Opinion.</b> 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><b>Disclaimer Opinion.</b> 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><b>Adverse Opinion.</b> 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>
<b>Reasonable Assurance</b>	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.
<b>Limited Assurance</b>	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.
<b>Direct reporting engagement</b>	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.



<b>Attestation engagement</b>	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.
<b>Subject matter</b>	Refers to the information, condition or activity that is measured or evaluated against certain criteria.



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE  
MINISTRY OF INFORMATION AND COMMUNICATION TECHNOLOGY FOR THE  
FINANCIAL YEAR ENDED 31 MARCH 2020**

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**1. SECTION A: FINANCIAL AUDIT**

**1.1 QUALIFIED AUDIT OPINION**

I have audited the financial statements of the Ministry of Information and Communication Technology for the financial year ended 31 March 2020, provided by the Executive Director as attached in Annexure A. These financial statements comprise the; Appropriation account, Standard subdivisions, Departmental revenue for the year then ended, and the notes to the financial statements.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements of the Ministry of Information and Communication Technology as at 31 March 2020 are prepared, in all material respects, in accordance with the State Finance Act, 1991, (Act 31 of 1991).

**1.2 BASIS FOR QUALIFIED 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 the audit opinion. My opinion has been qualified due to the following:

**1.2.1 Non-submission of supporting documents, vouchers and registers**

Section 26(b)(ii) of the State Finance Act, 1991, (Act 31 of 1991), states that the Auditor- General or any competent person employed in the Office of the Auditor-General shall have access to all books, vouchers and other documents which the Auditor-General deems necessary for an audit.

The Accounting Officer did not provide sufficient supporting documents (vouchers/records and registers) to enable the auditor to verify the correctness of the statements, transactions and proper recording of assets, hence, audit scope limitation.

Insufficient supporting documents were provided to verify the correctness of the following statements:

- Bank accounts
- Debt to Government
- Stores and depots

It is recommended that in future, the Accounting Officer should ensure that all requested and required documents are provided for audit purposes.

### **1.2.2 Revenue understated**

The Receipt Suspense Account had a credit closing balance of N\$ 431 676.33 which is an indication that revenue received and deposited was not allocated and disclosed to the respective revenue heads.

The Accounting Officer should in future ensure regular reconciliations are conducted to ensure that all revenue received are allocated to the correct revenue heads.

#### **Management comment**

The Accounting Officer indicated that the Ministry took note of the finding and will ensure that revenue is allocated to the correct revenue head/code.

### **1.2.3 Suspense accounts**

The Bills payable and Electronic Funds Transfer suspense accounts reflect debit balances of N\$ 87 240.70 and N\$ 2 860 123.86 respectively whereas these accounts should have credit balances.

The Accounting Officer should ensure that regular reconciliations are conducted.

#### **Management comment**

The Accounting Officer indicated that most of the suspense accounts amounts were migrated from the old IFMS system. The Ministry is busy with the reconciliation of these accounts.

## **1.3 KEY AUDIT MATTERS**

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. I have no key audit matters to report on.

## **1.4 EMPHASIS OF MATTERS**

Attention is drawn to the management on the following matters that relate to my responsibility in the audit of the financial statements, as disclosed by the Ministry of Information and Communication Technology in the financial statements. My opinion is not modified in respect of these matters:

### **1.4.1 Asset inspection: Namibia Film Commission**

A comprehensive audit could not be conducted on the revenue component as the Ministry did not provide receipt books, deposit books and cashbook for audit purposes. As a result, only a cash count could be conducted and a cash deficit of N\$ 4 900.00 was found. Upon enquiry, the Accountant verbally admitted in the presence of the Deputy Director to have taken the money for personal use with the intention of paying it back.

It is recommended that the Accounting Officer should put measures in place to prevent such activities from reoccurring in the future.

### **Management comment**

The Accounting Officer indicated that a disciplinary process has started against the staff member and the Ministry will ensure that the Management will do verification on all work done by staff members in future.

## **1.5 OTHER INFORMATION**

Management is responsible for the other information. My opinion on the financial statements does not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. I do not have any other information to report on.

## **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 Information and Communication Technology for the financial year ended 31 March 2020.

### **2.2. Description of the subject matter information and audit scope**

The audit aimed to determine whether the Ministry of Information and Communication Technology used the appropriated funds in compliance with Appropriation Act, 2019 (Act 2 of 2019); Appropriation Amendment Act, 2019 (Act 3 of 2019); State Finance Act, 1991, (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015); Treasury Instructions and Public Procurement Regulations during the financial year ended 31 March 2020. This audit is an attestation engagement where the Ministry 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.

### **2.3. Audit objective**

The objective of this compliance audit is to verify and assess whether the Ministry of Information and Communication Technology has complied with all laws and regulations that have an impact on the financial statements in accordance with the ISSAIs.

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

## **2.4. Audit criteria**

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

- Appropriation Act, 2019 (Act 2 of 2019);
- Appropriation Amendment Act, 2019 (Act 3 of 2019);
- State Finance Act, 1991 (Act 31 of 1991);
- Public Procurement Act, 2015 (Act 15 of 2015);
- Treasury Instructions; and
- Public Procurement Regulations.

## **2.5 SUMMARY OF THE METHODS APPLIED**

I have audited the financial statements for the financial year ended 31 March 2020 submitted by the Accounting Officer in order to determine whether this information complied with laws and regulations that governs them.

## **2.6 BASIS FOR QUALIFIED AUDIT OPINION**

### **2.6.1 Key audit findings**

#### **2.6.1.1 Unauthorised expenditure**

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

- (i) The total budget of the Ministry was exceeded by a total amount of N\$ 15 217 526.92 (4.08%). This overspending is unauthorized in terms of Section 6(a)(i) of the Act;
- (ii) Two (2) main divisions were exceeded with a total amount of N\$ 17 707 285.85 which is unauthorised in terms of Section 6 (a)(ii) of the Act; and
- (iii) Although Treasury approval was obtained to utilize certain expected savings for the defrayal of expenditure through virements during the year, ten (10) operational sub-divisions were exceeded by a total amount of N\$ 18 763 427.21. The excess is contrary to Section 6 (a)(iii) of the Act.

It is strongly 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 take appropriate action timeously to prevent unauthorised expenditure.

### 2.6.1.2 Outstanding subsistence advances

Treasury Instruction BB 0101, states that "an Accounting Officer who, under section 8 of the Act, is charged with the general financial administration of a vote and State Moneys under his control, shall be responsible for: (i) the accuracy of the accounting records, accounts and other financial documents under his control and the establishment and maintenance of effective systems of internal auditing and control of State moneys, other property of the State and securities." However, differences were noted in the balance of outstanding subsistence advances as follows:

Balance per debit balance list	S&T suspense account	Balance reported by Accounting Officer
N\$	N\$	N\$
360 058.43	309 846.10	243 037.82

It is recommended that the Accounting Officer should ensure that accounting records and accounts are accurate as required by Treasury Instruction BB 0101.

### 2.6.1.3 Suspense accounts

The Accounting Officer submitted a certificate which states that Treasury Instruction FD 0703 has been complied with. However, the suspense account reflects balances which have not been cleared, no evidence that the suspense accounts were reconciled and analysed were provided and some of these balances have remained the same since the 2017/2018 financial year. The Accounting Officer did not comply with Treasury Instruction FD 0704 which requires the Accounting Officer to provide the Auditor-General with an annual return of all amounts and cases, which appears in their suspense accounts and shall indicate in which cases amounts are regularly recovered or what steps have been or will be taken to recover the amounts.

The following suspense accounts had balances at 31 March 2020:

Description	Balance as at 31/03/2020 Debit / (Credit)
	N\$
Receipt suspense	(431 676.33)
Petty cash	250.00
R&D cheques	17 760.00
S&T advance suspense account	309 846.10
Rejection account	(1 137 687.48)
Bills payable	87 240.70
Electronic Fund Transfer Clearing Account (EFT)	2 860 123.86
Social Security	(928.10)
Pension Fund: GIPF	(49 679.84)
Commercial Bank of Namibia	(6 582.07)
Debt establishment	176 386.42

It is recommended that the Accounting Officer should ensure that Treasury Instruction FD 0704 is complied with at all times.

## **2.7 QUALIFIED AUDIT OPINION ON THE SUBJECT MATTER**

In my opinion, except for the effects of the matters described in the Basis for Qualified Audit Opinion paragraph, the Ministry of Information and Communication Technology is financial performance and use of appropriated funds is in compliance, in all material respects, with the State Finance Act, 1991 (Act 31 of 1991) Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions, Public Procurement Regulations and Appropriation Act, 2019 (Act 2 of 2019) and Appropriation Amendment Act, (Act 3 of 2019).

## **3. AUDIT OF PERFORMANCE INFORMATION**

I have audited the performance information of the Ministry of Information and Communication Technology for the financial year ended 31 March 2020.

### **3.1 Description of the subject matter information and audit scope**

A Performance Management System (PMS) is defined as a systematic process for achievement and improvement in obtaining results from an organization and its staff members by managing performance within an agreed framework consisting of objectives, outputs, key performance indicators (KPIs) and timeliness.

The primary function of the PMS is to enable Offices, Ministries and Agencies (OMAs) to achieve success in National Development Plans (NDP) and provide improvements in service delivery to the public.

The scoping of the key performance indicators was performed, by looking at the high-level statements, which are indicated in the Mandate of the Ministry of Information and Communication Technology and the 2017-2022 Strategic Plan. Key performance indicators were selected based on what would be significant to the intended users and their usefulness in assessing the entity's achievements in terms of its service performance objectives.

### **3.2 Audit objective**

The objective of the Key Performance Indicator (KPI) audit is to provide assurance on whether the reported performance information measured against key performance indicators is useful, reliable and evidence-based. Key performance indicators also provide the basis for the (OMAs) to inform the Parliament, the public and other stakeholders on its strategic priorities, programs, and projects.

The objective of this audit is also to provide reasonable assurance to Parliament, members of the general public and other relevant stakeholder whether the reported actual performance has actually occurred and is based on the selected criteria



### 3.3 Audit criteria

In this audit, the performance information against the following selected criteria was tested:

Compliance with legislative requirements,

Usefulness;

Reliability;

Existence;

Timeliness;

Presentation;

Measurability;

Relevance;

Consistency;

Validity;

Accuracy; and

Completeness.

### 3.4 Summary of methods applied

I reviewed the Strategic plan, Annual plan and Annual Performance review report to confirm whether the Strategic plan objectives, targets and KPIs have been correctly cascaded to the Annual plan and the selected key performance indicators for the year under review are reported in the Directorate quarterly reports and Annual Performance review report.

Furthermore, I conducted interviews and reviewed documents to obtain information that pertains to the selected key performance indicators.

### 3.5 Selected Key Performance Indicators

The following three (3) key performance indicators were selected from the 2019/2020 Annual plan:

Strategic objective	Key Performance Indicators
Enhance unhindered access to information for an informed nation	<i>Number of National Events organised and reports produced</i>
Accelerate ICT development, access and use for an inclusive ICT smart Namibia	<i>Number of local content developed</i>
Enhance unhindered access to information for an informed nation	<i>Number of key messages developed and placed on the social media platforms</i>

### 3.6 Conclusion on the subject matter

The audit revealed satisfactory outcomes regarding existence, measurability, relevance, consistency, timeliness, presentation and completeness of the reported performance information.

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

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

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

The management is also responsible for ensuring adherence to the Appropriation Act, 2019 (Act 2 of 2019); Appropriation Amendment Act, 2019 (Act 3 of 2019); State Finance Act, 1991 (Act 31 of 1991) Public Procurement Act, (Act 15 of 2015); Treasury Instructions and Public Procurement Regulations and to ensure that effective and efficient internal controls are implemented to enable compliance to the law that governs the performance information.

#### **5. AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs), will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence, obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
- I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
- It is also my responsibility to express an opinion/conclude on whether the financial performance and the use of appropriated funds, in all material aspects, is in compliance with the Appropriation Act, 2019 (Act 2 of 2019), the Appropriation Amendment Act, 2019 (Act 3 of 2019), the State Finance Act, 1991 (Act 31 of 1991), the Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions and Public Procurement Regulations. I have conducted the audit in accordance with International Standards for Supreme Audit Institutions (ISSAIs). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the entity is in compliance with the authorities that govern the audit entity in the execution of its roles and responsibilities.

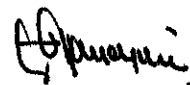
## 6. GENERAL INFORMATION

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

The accounts were submitted timeously by the Accounting Officer to the Auditor-General on 30 October 2020 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 Information and Communication Technology during the audit is appreciated.



**JUNIAS ETUNA KANDJEKE**  
AUDITOR-GENERAL

**WINDHOEK, MARCH 2021**

## ANNEXURE A

## 1. AUDITED FINANCIAL STATEMENTS

## 1.1 Appropriation account

2019/2020						2018/2019
Service	N\$	Authorized expenditure	Actual expenditure	Variations		Actual expenditure
				Under-expenditure/ (Excess)	Percentage	
	N\$	N\$	N\$	N\$	%	N\$
<b>01. Office of the Minister:</b>						
Original budget	5 430 000					
Plus: Virement	175 925					
Less: Suspension	(500 000)	5 105 925	5 485 071.87	(379 146.87)	(7.43)	4 741 426.44
<b>02. Coordination and Support:</b>						
Original budget	65 933 000					
Plus: Virement	161 351					
Less: Suspension	(240 000)	65 854 351	65 303 604.30	550 746.70	0.84	56 665 815.10
<b>03. Print Media and Regional Offices:</b>						
Original budget	35 748 000					
Less: Virement	(1 098 072)					
Less: Suspension	(500 000)	34 149 928	34 053 531.92	96 396.08	0.28	46 256 280.10
<b>04. Audio-Visual Media and Namibia Communication Commission:</b>						
Original budget	206 049 000					
Additional budget	53 946 000					
Less: Virement	(388 450)					
Less: Suspension	(1 050 000)	258 556 550	275 884 688 .98	(17 328 138.98)	(6.70)	327 218 957.67
<b>05. Audio-visual media, Copyright Services and Regional Offices:</b>						
Original budget	7 988 000					
Plus: Virement	1 149 246					
Less: Suspension	(250 000)	8 887 246	7 044 629.85	1 842 616.15	20.73	7 181 679.33
<b>Total</b>		<b>372 554 000</b>	<b>387 771 526.92</b>	<b>(15 217 526.92)</b>	<b>(4.08)</b>	<b>442 064 158.64</b>

## ANNEXURE A (continued)

## 1.2 Standard subdivisions

Subdivision	2019/2020			2018/2019
	Authorized expenditure	Actual expenditure	Under-expenditure/ (Excess)	Actual expenditure
	N\$	N\$	N\$	N\$
<b>Operational:</b>				
<b>Current expenditure: Personnel</b>				
001. Remuneration	71 019 721	69 938 245.95	1 081 475.05	68 037 256.61
002. Employer's contribution to GIPF	8 753 600	8 291 053.30	462 546.70	8 211 834.26
003. Other conditions of service	1 682 145	2 049 243.87	(367 098.87)	1 117 755.63
005. Employers contribution to the social security	324 647	218 086.16	106 560.84	215 544.63
<b>Total</b>	<b>81 780 113</b>	<b>80 496 629.28</b>	<b>1 283 483.72</b>	<b>77 582 391.13</b>
<b>Current expenditure: Goods and other services</b>				
021. Travel and subsistence allowance	5 798 286	5 317 337.74	480 948.26	5 510 774.01
022. Materials and supplies	2 199 068	2 191 802.34	7 265.66	1 957 549.51
023. Transport	10 000 000	10 044 035.61	(44 035.61)	8 942 778.17
024. Utilities	11 763 209	11 750 734.44	12 474.56	12 156 240.89
025. Maintenance	1 128 000	1 120 868.09	7 131.91	518 649.50
026. Property rental and related charges	3 258 000	3 250 178.41	7 821.59	4 190 000.00
027. Other services and expenses	701 000	694 175.98	6 824.02	3 582 332.95
029. Printing and advertisements	3 651 536	3 648 674.95	2 861.05	2 946 193.52
031. Entertainment: Politicians	37 000	36 011.06	988.94	11 802.97
033. Office refreshments	-	-	-	50 000.00
040. Security contracts	1 591 863	1 579 248.84	12 614.16	1 199 998.16
<b>Total: Current expenditure: Membership fees and subscriptions</b>	<b>40 127 962</b>	<b>39 633 067.46</b>	<b>494 894.54</b>	<b>41 066 319.68</b>
041. International	1 132 646	5 360.00	1 127 286.00	1 200 000.00
<b>Total</b>	<b>1 132 646</b>	<b>5 360.00</b>	<b>1 127 286.00</b>	<b>1 200 000.00</b>
<b>Current expenditure: Subsidies, grants and other transfers</b>				
049. Support for non-profit organisations	3 626 000	3 626 000.00	-	3 000 000.00
053. Subsidies for State owned enterprises	224 446 000	42 588 156.00	(18 142 156.00)	306 962 085.00
<b>Total</b>	<b>228 072 000</b>	<b>246 214 156.00</b>	<b>(18 142 156.00)</b>	<b>309 962 085.00</b>
<b>Total: Current expenditure</b>	<b>351 112 721</b>	<b>366 349 212.74</b>	<b>(15 236 491.74)</b>	<b>429 810 795.81</b>
<b>Capital expenditure: Acquisition of assets</b>				
101. Furniture and office equipment	-	2 257.91	(2 257.91)	-
<b>Total</b>	<b>-</b>	<b>2 257.91</b>	<b>(2 257.91)</b>	<b>-</b>
<b>Total: Operational expenditure</b>		<b>366 351 470.65</b>	<b>(15 238 749.65)</b>	<b>429 810 795.81</b>
<b>Developments</b>				
<b>Capital expenditure: Acquisition of assets</b>				
107. Construction, renovation and improvements	21 441 279	21 420 056.27	21 222.73	12 253 362.83
<b>Total: Development expenditure</b>	<b>21 441 279</b>	<b>21 420 056.27</b>	<b>21 222.73</b>	<b>12 253 362.83</b>
<b>GRAND TOTAL</b>	<b>372 554 000</b>	<b>387 771 526.92</b>	<b>(15 217 526.92)</b>	<b>442 064 158.64</b>

### 1.3 Departmental revenue

Revenue collected for the year is as follows:

Revenue head	Estimate	Actual revenue 2019/2020	More/(Less) than estimated	Actual revenue 2018/2019
	N\$	N\$	N\$	N\$
Miscellaneous	10 000	726 443.96	716 443.96	-
Sale of constitution	15 000	200.00	(14 800.00)	-
Sale of photos	100 000	6 080.00	(93 920.00)	1 000.00
Sale of Namibia Review	10 000	725.00	(9 275.00)	-
Public Address System	250 000	87 497.80	(162 502.20)	-
<b>Total</b>	<b>385 000</b>	<b>820 946.76</b>	<b>435 946.76</b>	<b>1 000.00</b>

### 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\$ 379 146.87-7.43%)

The over-expenditure was due to the leave gratuity that was paid out to the Honourable Minister and Deputy Minister. This was an unforeseen expenditure.

##### Main division 04: Audio-Visual Media and Namibia Communication Commission (N\$ 17 328 138.98-6.70%)

The Ministry detected an over expenditure/double payment of N\$ 18 000 000 to the Namibia Broadcasting Cooperation that was affected by the Ministry of Finance. The Ministry then communicated to the Ministry of Finance to enquire why this happened since this Ministry did not submit a request to that effect. The Ministry of Finance responded that it "might" be due to a misunderstanding between the officials of the two (2) Ministries and advised that the NBC should apply for a loan facility at one of the commercial banks to offset the overpayment to the Ministry of Finance.

##### (ii) Underexpenditure

##### Main division 05: Audio -Visual Media, Copyright Services and Regional Offices (N\$ 1 842 616.15 -20.73%)

The underexpenditure is due to the fact that the payment for the Ministry's international subscriptions, although processed on time from the Ministry, was not finalised by the Ministry of Finance.

## 2. GENERAL INFORMATION

### 2.1 Vehicle accidents

The Accounting Officer reported the following in respect of vehicle accidents and repairs:

Authorized use	Number of vehicles
Vehicles still to be repaired at 01 April 2019	21
Accidents reported 2019/2020	6
Vehicles repaired during 2019/2020	(7)
<b>Vehicles still to be repaired at 31 March 2019</b>	<b>20</b>

### 2.2 Vehicles on hand (Pool vehicles)

The Accounting Officer reported vehicles on hand at 31 March 2020 as follows:

Vehicle type	Number of vehicles
Sedans	22
Pick-ups and combies	60
Heavy vehicles ( Lorries, Tractors & Busses)	1

### 2.3 Points keeping stock and annual stocktaking

The Accounting Officer reported that the Ministry has nineteen (19) points where stock and equipment are kept with the value of stock amounting to N\$ 48 509 763.40. Surpluses amounting to N\$ 5 280.00, deficiencies amounting to N\$ 28 276.00 and worn and damaged items amounting to N\$ 58 285.00 were reported.

### 2.4 Stores and depots

The Accounting Officer reported stock on hand at its stores and depots at valued at N\$ 382 351.59 at 31 March 2020.

### 2.5 Internal inspections

The Accounting Officer reported that the Ministry conducted a total of forty-three (43) internal inspections which comprises of fourteen (14) financial, nineteen (19) stock and equipment and ten (10) internal audit inspections.

## 2.6 Capital projects

The following is the development project of the Ministry for the financial year:

Name of project	Approved total budget	Total expenditure as at 31/03/2019	Approved appropriation 2019/2020	Actual expenditure 2019/2020	Total expenditure as at 31/03/2020	Expected year of completion
	N\$	N\$	N\$	N\$	N\$	
MICT Office Construction (Regional Offices)	78 293 000	89 991 920.41	21 441 279	21 420 056.27	111 411 976.68	31/03/2022
<b>Total</b>	<b>78 293 000</b>	<b>89 991 920.41</b>	<b>21 441 279</b>	<b>21 420 056.27</b>	<b>111 411 976.68</b>	

## 2.7 Debt to the Government

The Accounting Officer reported that twenty two (22) staff members owed the Ministry a total amount of N\$ 735 873.51 at 31 March 2020 in respect of car capital allowance overpayments, DSA advances, leave without pay and loans granted by the Namibian Student Financial Assistance Fund.

## 2.8 Losses and damages

The Accounting Officer reported damage to a Government vehicle, theft of a radio and spotlight to a total amount of N\$ 16 377.15. The case is still under investigation with the Namibian Police.

## 2.9 Suspense accounts

Eleven (11) suspense accounts had outstanding balances at the end of the financial year of which five (5) had credit balances and six (6) had debit balances. The following suspense accounts had balances at 31 March 2020:

Description	Balance as at 31/03/2020 Debit / (Credit)
	N\$
Receipt suspense	(431 676.33)
Petty cash	250.00
R&D cheques	17 760.00
S&T advance suspense account	309 846.10
Rejection account	(1 137 687.48)
Bills payable	87 240.70
Electronic Fund Transfer Clearing Account (EFT)	2 860 123.86
Social Security	(928.10)
Pension Fund: GIPF	(49 679.84)
Commercial Bank of Namibia	(6 582.07)
Debt establishment	176 386.42

WINDHOEK, 12 OCTOBER 2020

MR M. UA-NDJARAKANA  
ACCOUNTING OFFICER