



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 2022**

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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 2022 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, FEBRUARY 2023

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

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

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DEFINITIONS

Treasury:	Financial authority in public service. (The department of Government that has control over the collection, management and disbursement of public revenue).
Vote:	Represents an Office/Ministry/Agency.
Appropriation Act:	Estimate of expenditure and revenue for a particular financial year presented to the National Assembly, the Act passed by Parliament.
Appropriation Account:	Government Income and Expenditure statement, showing on receipt side the estimated budgeted amounts and on expenditure side the actual expenditure amounts and the difference thereof.
Standard sub-division:	Government Balance account, showing balances incurred on each account/activity.
Suspension:	Reduction on budget (Treasury may from time to time withhold or suspend any amount in an estimate of expenditure).
Virement:	Moving of budgeted funds from one account to another account within the same budget of the same office/ministry/agency. The utilization of a saving under one main division/sub division of a vote to defray an excess under another existing division of the same vote.
Unauthorised Expenditure:	Expenditure that exceeds the amount appropriated (budgeted) for a vote, main division or subdivision.
Under expenditure:	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.

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF INFORMATION AND COMMUNICATION TECHNOLOGY FOR THE
FINANCIAL YEAR ENDED 31 MARCH 2022**

1. SECTION A: FINANCIAL AUDIT

1.1 UNQUALIFIED AUDIT OPINION

I have audited the financial statements of the Ministry of Information and Communication Technology for the financial year ended 31 March 2022, provided by the Accounting Officer 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, the financial statements of the Ministry of Information and Communication Technology as at 31 March 2022 are prepared, in all material respects, in accordance with the State Finance Act, 1991 (Act 31 of 1991).

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 matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period for the financial audit report. 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 Receipts suspense account

The Receipt suspense account had a credit closing balance of N\$ 314 260.01 which is an indication that revenue received and deposited was not allocated and disclosed to the respective revenue heads:

The Accounting Officer should ensure that revenue received is allocated to the respective revenue heads.

Management comment

The Accounting Officer indicated that the said balance was migrated from the old system and is not practical to retrieve information. The Ministry is still waiting for the Ministry of Finance to provide information for those past years as promised.

1.4.2 Bills payable suspense account

The Bills payable suspense account reflects a debit balance of N\$ 56 850.79 whereas this account should have a credit balance.

The Accounting Officer should ensure that the Bills payable reflects a credit balance instead of a debit balance.

Management comment

The Accounting Officer indicated that the said balance was migrated from the old system and is not practical to retrieve information. The Ministry is still waiting for the Ministry of Finance to provide information for those past years as promised.

1.4.3 Differences between the approved virements and Appropriation account

Differences were noted between the approved virements and the virements reflected in the Appropriation account for the following main divisions:

Main division	Approved virement	Appropriation account	Difference
	N\$	N\$	N\$
01. Office of the Minister	620 000	1 020 000	(400 000)
02. Administration/General Services	(5 885 000)	(6 485 000)	600 000
04. Media and Namibia Commission	8 968 000	9 168 000	(200 000)

It is recommended that the Accounting Officer should ensure that the approved virements by Treasury are equal to the virements as reflected in the appropriation account.

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 2022.

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, 2021 (Act 1 of 2021); Appropriation Amendment Act, 2021 (Act 4 of 2021); State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015); Treasury Instructions and Public Procurement Regulation during the financial year ended 31 March 2021. 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 a conclusion or 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, 2021 (Act 1 of 2021);
- Appropriation Amendment Act, 2021 (Act 4 of 2021);
- 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 2022 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 ON THE SUBJECT MATTER

2.6.1 Underspending

Treasury Instruction DC 0202 states that “*when drawing up draft estimates Accounting Officers and their Financial Advisers shall take note of and guard against that more funds than can reasonably be spent shall not be requested.*” The total budget of the Ministry was underspent with a total amount of N\$ 1 465 253.66.

It is recommended that the Accounting Officer should take note of Treasury Instruction DC 0202 and ensure that it is adhered to.

Management comment

The Accounting Officer indicated that the Ministry takes note and shall adhere to Treasury Instruction DC 0202 when drawing up draft estimates in future.

2.6.2 Unauthorised expenditure

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

- (i) Three (3) main divisions were exceeded with an amount of N\$ 1 104 390.85 which is unauthorised in terms of Section 6 (a)(ii) of the Act; and
- (ii) Although Treasury approval was obtained to utilize certain expected savings for the defrayal of expenditure through virements during the year, twelve (12) operational sub-divisions were exceeded by a total amount of N\$ 1 371 763.14. The excess is unauthorised 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 take appropriate action timeously to prevent unauthorised expenditure.

Management comments

The Accounting Officer indicated that the Ministry shall closely monitor and review the financial position on a continuous basis and take appropriate action timely to prevent unauthorised expenditure.

2.6.3 Suspense accounts

Treasury Instruction FD 0704 state that requires the Accounting Officer to provide the Auditor-General with an annual return of all accounts and cases which appear in their suspense accounts. The Accounting Officer reported the following nine (9) suspense accounts with balance, but no reconciliations were provided for audit purposes:

Description	Balance as at 31/03/2022 Debit / (Credit)
	N\$
Receipt suspense	(314 260.01)
R&D cheques	17 760.00
S&T advance suspense account	35 146.29
Rejection account	(499 994.08)
Bills payable	56 850.79
Electronic Fund Transfer Clearing Account (EFT)	(21 785.87)
Social Security	27.00
Pension Fund: GIPF	(25 298.06)
Debt establishment	(8 326.45)

It is recommended that the Accounting Officer should ensure that the Treasury Instruction FD 0704 is adhered to.

Management comment

The Accounting Officer indicated that all balances as reflected on the suspense accounts were migrated from the old system and it was not practical to retrieve information up to March 2012. The Ministry is still waiting for the Ministry of Finance to provide information as promised.

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's financial performance and use of appropriated funds is in compliance, in all material respects, with the State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions, Public Procurement Regulations, Appropriation Act, 2021 (Act 1 of 2021) and Appropriation Amendment Act, 2021 (Act 4 of 2021).

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 2022.

3.1 DESCRIPTION OF THE SUBJECT MATTER INFORMATION AND AUDIT SCOPE

A Performance Management System (PMS) is 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 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. The following three (3) key performance indicators were selected from the 2021/2022 annual plan:

- a) Number of daily reports of media monitoring produced;
- b) Number of film makers empowered; and
- c) Percentage (%) of progress made on the finalization of the Data Protection Bill.

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.

Additional objective of this audit is also to provide reasonable assurance to Parliament, members of the general public and other relevant stakeholders whether the reported actual performance has actually occurred and are 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

The auditors reviewed the annual plan and the Ministry's quarterly reviews to confirm whether the Strategic Plan objectives, targets, and key performance indicators (KPIs) have been correctly cascaded to the Annual Plan and the selected key performance indicators (KPIs) for the year under review are reported in the Ministry's quarterly reports and Annual Plan Review Report.

Furthermore, the auditors conducted interviews and reviewed documents to obtain information that pertains to the selected key performance indicators (KPIs).

3.5 KEY AUDIT FINDINGS

The audit found that:

- a) The targeted Key Performance Indicator (KPI) of two hundred and forty (240) daily reports of media monitoring produced was partially achieved as only one hundred and ninety-six (196) reports have been produced. No explanation for the variance was provided.
- b) The targeted Key Performance Indicator (KPI) of one (1) local film maker empowered was achieved.

- c) The targeted Key Performance Indicator (KPI) of hundred percent (100%) progress made on the finalization of the Data Protection Bill was achieved.

3.6 CONCLUSION ON THE SUBJECT MATTER

The outcome of the audit is satisfactory, as two (2) of the selected Key Performance Indicators (KPI) were fully achieved, one (1) is partially achieved with eighty-two percent (82%).

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. 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, 2021 (Act 1 of 2021), Appropriation Amendment Act, 2021 (Act 4 of 2021); State Finance Act, 1991, (Act 31 of 1991), Public Procurement Act, 2015, (Act 15 of 2015); Treasury Instructions and Public Procurement Regulations and to ensure that effective and efficient internal controls are implemented to enable compliance to the law that governs the performance information.

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 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 auditor's report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
- It is also my responsibility to express an opinion on whether the financial performance and the use of appropriated funds, in all material aspects, is in compliance with the Appropriation Act, 2021 (Act 1 of 2021), the Appropriation Amendment Act, 2021 (Act 4 of 2021), 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

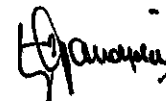
The financial statements, notes to the financial statements and general information provided by the Accounting Officer are attached as Annexure A.

The accounts were submitted timeously by the Accounting Officer to the Auditor-General on 31 October 2022 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.

WINDHOEK, FEBRUARY 2023



JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL

ANNEXURE A

1. AUDITED FINANCIAL STATEMENTS

1.1 Appropriation account

Service	2021/2022					2020/2021
	Authorized expenditure	Actual expenditure	Variations		Actual expenditure	
			Under-expenditure/ (Excess)	Percentage		
N\$	N\$	N\$	N\$	%	N\$	
01. Office of the Minister:						
Original budget	3 757 000					
Plus: Virement	1 020 000	4 777 000	5 167 023.66	(390 023.66)	(8.16)	5 019 130.69
02. Co-ordination and support:						
Original budget	60 763 000					
Less: Virement	(6 485 000)	54 278 000	52 081 339.28	2 196 660.72	4.05	60 754 750.58
03. Print Media Affairs:						
Original budget	34 836 000					
Less: Virement	(2 487 000)	32 349 000	32 901 773.05	(552 773.05)	(1.71)	33 139 464.26
04. Audio-Visual Media, Namibia Film Commission and Regional Offices:						
Original budget	245 982 000					
Additional budget	141 700 000					
Plus: Virement	9 168 000	396 850 000	396 477 016.21	372 983.79	0.09	399 908 697.48
05. ICT Development:						
Original budget	8 712 000					
Less: Virement	(1 216 000)	7 496 000	7 657 594.14	(161 594.14)	(2.16)	10 147 876.56
Total		495 750 000	494 284 746.34	1 465 253.66	(0.30)	508 969 919.57

1.2 Standard Subdivisions

Subdivision	2021/2022			2020/2021
	Authorized expenditure	Actual expenditure	Under-expenditure/ (Excess)	Actual expenditure
	N\$	N\$	N\$	N\$
Operational:				
Current expenditure: Personnel				
001. Remuneration	70 487 000	71 346 408.81	(859 408.81)	71 479 134.65
002. Employer's contribution to GIPF	8 160 000	8 363 767.31	(203 767.31)	8 798 764.09
003. Other conditions of service	336 000	308 643.33	27 356.67	1 374 227.57
005. Employers contribution to the Social Security	227 000	218 120.48	8 879.52	219 998.62
Total	79 210 000	80 236 939.93	(1 026 939.93)	81 872 124.93
Current expenditure: Goods and other services				
021. Travel and subsistence allowance	3 246 000	3 169 257.55	76 742.45	1 352 224.76
022. Materials and supplies	1 207 000	1 178 614.92	28 385.08	2 307 490.25
023. Transport	4 031 000	4 029 349.12	1 650.88	4 647 000.00
024. Utilities	12 910 000	12 875 297.74	34 702.26	9 064 647.58
025. Maintenance expenses	1 012 000	1 004 588.63	7 411.37	786 663.40
026. Property rental and related charges	6 558 000	6 075 909.18	482 090.82	4 157 999.50
027. Other services and expenses	6 558 000	6 487 030.02	70 969.98	5 440 979.29
Total	35 522 000	34 820 047.16	701 952.84	27 757 004.78
Current expenditure: Membership fees and subscriptions				
041. International	1 309 000	1 308 690.07	309.93	3 643 327.67
Total	1 309 000	1 308 690.07	309.93	3 643 327.67
Current expenditure: Subsidies, grants and other transfers				
044. Individuals and non-profit organisation	3 000 000	3 000 000.00	-	3 000 000.00
045. Public and development enterprises	365 043 000	365 043 000.00	-	370 600 000.00
Total	368 043 000	368 043 000.00	-	373 600 000.00
Total: Operational expenditure	484 084 000	484 408 677.16	(324 677.16)	486 872 457.38
Development:				
Development Capital Expenditure				
111. Furniture and office equipment	700 000	-	700 000.00	-
113. Operational equipment, machinery and plants	700 000	252 396.96	447 603.04	-
115. Feasibility studies, design and supervision	966 000	774 231.00	191 769.00	-
117. Construction, renovation and improvements	7 300 000	6 854 631.06	445 368.94	22 097 462.19
131. Government organization	2 000 000	1 994 810.16	5 189.84	-
Total: Development expenditure	11 666 000	9 876 069.18	1 789 930.82	22 097 462.19
GRAND TOTAL	495 750 000	494 284 746.34	1 465 253.66	508 969 919.57

1.3 Ministerial revenue

Revenue collected for the year is as follows:

Revenue head	Estimate	Actual revenue 2021/2022	More/(less) than estimated	Actual revenue 2020/2021
	N\$	N\$	N\$	N\$
Miscellaneous	1 000	1 920 492.51	1 919 492.51	1 186 832.29
Sale of Constitution	1 000	7 171.00	6 171.00	1 910.00
Sale of photos	50 000	5 210.00	(44 790.00)	9 140.00
Sale of Namibia Review	1 000	168.00	(832.00)	210.00
Public Address System	50 000	26 100.00	(23 900.00)	3 000.00
TOTAL	103 000	1 959 141.51	1 856 141.51	1 201 092.29

4.1 NOTES TO THE FINANCIAL STATEMENTS

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

(i) Over-expenditure

Main division 01: Office of the Minister (N\$ 390 023.66 – 8.16%)

The over-expenditure was mainly on personnel expenditure which was due to the debit acceptance to the Office of the Prime Minister for the private secretary of the Minister who is seconded and was not budgeted for under the Ministry of Information and Communication Technology.

Main division 05: Information and Communication Technology (ICT) development (N\$ 161 594.14 - 2.16%)

The over-expenditure was mainly on personnel expenditure, as it takes time for the general ledger to be updated by the Ministry of Finance. In the process the Ministry was faced with insufficient funds on utilities. An external virement took place and this caused the over-expenditure.

(ii) Underexpenditure

Main division 02: Co-ordination and support (N\$ 2 196 660.72 – 4.05%)

The underexpenditure was on personnel expenditure due to vacancies that took longer to fill, cost cutting measures on overtime and travelling and from capital projects where payments to contractors were not processed on time by the Ministry of Works and Transport.

4.1.2 Departmental revenue: Explanations for variances exceeding N\$ 200 000

(i) Under-estimation

Miscellaneous (N\$ 1 919 492.51)

The variance under miscellaneous was due to unused funds that was deposited into the State Revenue Fund from MICT by the Regional Offices at the end of the financial year. Some funds were also acquired from the sale of cellphones to qualifying staff members. The variance includes journals passed during the financial year under review.

2. GENERAL INFORMATION

2.1 Miscellaneous revenue

The Accounting Officer reported miscellaneous revenue collected by the Ministry during the financial year under review comprising of the following:

Description	Amount
	N\$
Bond repayment	26 062.62
Manual journals for housing allowance deductions	9 868.70
Payroll reversals	320 845.53
Payables (EFT payments bounced back)	232 415.62
Revenue collection	37 162.45
Manual cheques deduction	25 269.52
Returned funds from regional offices	1 223 404.02
Journal import created by Ministry of Finance	45 714.05
Adjustment: Reallocation to the correct vote	(250.00)
Total	1 920 492.51

2.2 Bank accounts

The Accounting Officer reported that the Ministry operated the following bank accounts during the financial year under review:

Account name	Bank name	Closing balance at 31 March 2022
		N\$
Annual National ICT Summit	Standard Bank	115 080.76
Scan ICT programme	Standard Bank	270 527.73
Nationhood and National Pride Campaign Programme	First National Bank	628 030.40
MICT-Erongo	Bank Windhoek	9.80
MICT-Oshana	Bank Windhoek	36 492.16
MICT Hardap Regional Council	Bank Windhoek	13 850.36
MICT Kunene Regional Council	Bank Windhoek	51 277.30
MICT Khomas Regional Council	Bank Windhoek	(4 715.17)
MICT Kavango West Regional Council	Bank Windhoek	1 091.57
MICT Kavango East Regional Council	Bank Windhoek	253.92
MICT Oshikoto Regional Council	Bank Windhoek	32 658.91
MICT Ohangwena Regional Council	Bank Windhoek	62 872.09
MICT Zambezi Regional Council	Bank Windhoek	338 657.95
MICT Omaheke Regional Council	Bank Windhoek	9 518.56
MICT Karas Regional Council	Bank Windhoek	(549.21)
MICT Otjozondjupa Regional Council	Bank Windhoek	30 458.51
MICT Omusati Regional Council (Call account)	Bank Windhoek	549.93
MICT Omusati Regional Council	Bank Windhoek	13 661.34
Namibia Film Commission	First National	23 237.99
Namibia Film Development	Nedbank	6 110.06

2.3 Capital projects

The following are the development projects of the Ministry for the financial year under review:

Name of project	Approved total budget	Total expenditure as at 31/03/2021	Approved appropriation 2021/2022	Actual expenditure 2021/2022	Total expenditure as at 31/03/2022	Expected year of completion
	N\$	N\$	N\$	N\$	N\$	
MICT Office Construction (Regional Offices)	279 653 000	133 509 438.87	9 666 000	7 881 259.02	141 390 697.89	31/03/2027
Expansion And Upgrading of NDC Transmitter Network	250 000 000	-	2 000 000	1 994 810.16	1 994 810.16	31/03/2028
Total	529 653 000	133 509 438.87	11 666 000	9 876 069.18	143 385 508.05	

2.4 Debt to Government

The Accounting Officer reported debt to the Government amounting to N\$ 122 117.74 at 31 March 2022 in respect of car capital allowance overpayments, DSA advances, leave without pay, phone debt and housing allowance overpayments.

2.5 Points keeping stock and annual stocktaking

The Accounting Officer reported that the Ministry has nineteen (19) points where stock and equipment are kept with a total value of stock amounting to N\$ 55 255 331.72. Surpluses amounting to N\$ 87 860.51, deficiencies valued at N\$ 28 880.00 and worn and damaged items to a total value of N\$ 21 533.00 were reported during the year.

2.6 Stores and depots

The Accounting Officer reported stock on hand to a total value of N\$ 584 442.52 at its stores and depots as at 31 March 2022.

2.7 Internal inspections

The Accounting Officer reported that the Ministry conducted a total of thirty-three (33) internal inspections which comprises of fourteen (14) financial and nineteen (19) stock and equipment.

2.8 Vehicles on hand (Pool vehicles)

The Accounting Officer reported vehicles on hand as at 31 March 2022 as follows:

Vehicle type	Balance as at 01/04/2021	Returned	Balance as at 31/03/2022
Sedans	22	1	21
Pick-ups and combies	60	1	59
Heavy vehicles (Lorries, tractors and busses)	1	-	1

2.9 Accident – Cost of damages

The Accounting Officer reported the following on vehicle accidents during the financial year under review:

Authorized use	Number	Estimate/Actual amount
		N\$
Vehicles still to be repaired as at 01/04/2021	23	-
Accidents reported during the year	8	-
Vehicles repaired during the year	(2)	10 337.97
Vehicles still to be repaired at 31 March 2022	29	-

2.10 Losses and damages

The Accounting Officer reported theft of a laptop valued at N\$ 10 000.00.

2.11 Suspense accounts

Nine (9) suspense accounts had outstanding balances at the end of the financial year of which five (5) had credit balances and four (4) had debit balances. The following suspense accounts had balances at 31 March 2022:

Description	Balance as at 31 March 2022 Debit / (Credit)
	N\$
Receipt suspense	(314 260.01)
R&D cheques	17 760.00
S & T advance suspense account	35 146.29
Rejection account	(499 994.08)
Bills payable	56 850.79
Electronic Fund Transfer Clearing Account (EFT)	(21 785.87)
Social Security	27.00
Pension Fund: GIPF	(25 298.06)
Debt establishment	(8 326.45)

WINDHOEK, AUGUST 2022

DR. AUDRIN MATHE
ACCOUNTING OFFICER