



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

DIAMOND BOARD

FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2011

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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 Diamond Board for the financial years ended 31 December 2011, in terms of Article 127(2) of the Namibian Constitution. My report is transmitted to the Board in terms of Section 12(4)(a) of the Diamond Act, 1999(Act 13 of 1999) to be laid upon the Table of the National Assembly by the Minister of Mines and Energy in terms of Section 12(8) of the Act.

WINDHOEK, November 2013

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

Republic of Namibia
Report of the Auditor- General
On the Accounts of the Diamond Board Fund
Of Namibia for the financial year
Ended 31 December 2011

1. INTRODUCTION

The audit on the accounts of the Diamond Board Fund for the financial year ended 31 December 2011 has been completed in accordance with Section 12(6) of the Diamond Act, 1991(Act 13 of 1999) read with Section 25 (1) of the State Finance Act of 1991 (Act 31 of 1991).

Purpose of Board

To utilize its funds contemplated in subsection (1) to defray the expenses incurred by the Board in the performance of its functions under the Diamond act and be charged with the responsibility of accounting for moneys received by the Board and payments made by the Board.

The objectives of the Board are stipulated in terms of Section 3 of the Diamond Act (Act 13 of 1999) as follows:

- To advise the Minister on any matter relating to the Diamond industry in the control and protection of diamond resources of Namibia;
- To advise the Minister on any such matter referred to it by the Minister for investigation or advice;
- To facilitate by financial or other means the promotion and protection of such diamond industry and diamond resources;
- To perform such other functions in relation to the control and protection of such diamond industry and diamond resources as the Minister after consultation with the Board may prescribe.

2. FINANCIAL STATEMENTS

The financial statements published in this report are filed in the Office of the Auditor- General and comprise of the following:

Annexure A: Balance sheet

Annexure B: Income statement

All figures in this report are rounded to the nearest Namibian Dollar. Deficits are in brackets.

3. SCOPE OF THE AUDIT

Management's responsibility for the financial statements

The Board of the Fund is responsible for the preparation of the financial statements and for ensuring the regularity of the financial transactions. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

It is the responsibility of the Auditor- General to form an independent opinion, based on the audit, on those statements and on the regularity of the financial transactions included in them and to report his opinion to the National Assembly. The audit was conducted in accordance with International Standards on Auditing. Those standards require that the Office of the Auditor- General comply with ethical requirements and plan and

perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

4. AUDIT FINDINGS AND OBSERVATIONS

No material findings were observed during the audit. Informal queries were addressed in the management letter.

5. ACKNOWLEDGEMENTS

The assistance and co-operation received from staff members of the Fund during the audit is appreciated

6. AUDIT OPINION

The financial statements of the Diamond Board Fund of Namibia for the financial year ended 31 December 2011 was audited by me in accordance with the provisions of Section 25 (1) of the State Finance Act, 1991 read with Section 12(6) of the Diamond Act, 1991 (Act 13 of 1999).

I certify that, in my opinion the financial statements fairly reflect the transactions and the financial position of the Fund for the financial year ended 31December 2011 and in all material respects the income and expenditure have been applied to the purposes intended and conform to the authorities that govern them.

WINDHOEK, November 2013

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

DIAMOND BOARD OF NAMIBIA
BALANCE SHEET FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	N\$	N\$
ASSETS		
NON- CURRENT ASSETS		
Property, plant & equipment	143 467	353 634
CURRENT ASSETS		
Cash in the bank	3 899 295	2 232 376
TOTAL ASSETS	4 042 762	2 586 010
FUNDS AND LIABILITIES		
FUNDS		
Accumulated surplus: Previous year	2 606 670	1 479 360
Surplus/(Deficit) of income over expenditure	1 436 092	1 106 650
	4 042 762	2 586 010
TOTAL FUNDS AND LIABILITIES	4 042 762	2 586 010

DIAMOND BOARD OF NAMIBIA
INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	N\$	N\$
INCOME		
Fees received	2 491 211	2 280 569
Interest received from the Bank	35 717	21 881
Adjustment: Prior year opening balance		-
TOTAL INCOME	2 526 928	2 302 450
EXPENDITURE		
Namibian Police Services	477 563	545 959
Daily allowance(S&T)		13 689
Audit fees		47 504
Bank charges	1 993	1 953
General office expenses	400	-
Depreciation	230 827	230 872
Entertainment	4 222	2 425
Sitting Fees	24 428	13 500
Vehicle Insurance	44 377	58 534
Cellphone payment for Diamond Inspectors	307 026	281 364
TOTAL EXPENDITURE	1 090 836	1 195 800
SURPLUS/DEFECIT OF INCOME OVER EXPENDITURE	1 436 092	1 106 650