



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
GAME PRODUCTS TRUST FUND
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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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 Game Products Trust Fund for the financial year ended 31 March 2021, in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honourable Minister of Environment and Tourism in terms of the Game Products Trust Fund Act, 1997 (Act 7 of 1997) to be laid upon the Table of the National Assembly in terms of Section 17(3) of the Act.

WINDHOEK, February 2023

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

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
GAME PRODUCTS TRUST FUND
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

SECTION A: FINANCIAL AUDIT

1. ADVERSE AUDIT OPINION

I have audited the financial statements of the Game Products Trust Fund for the financial year ended 31 March 2021. These financial statements comprise the statement of financial position, statement of financial performance, statement of cash flow and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, because of the significance of the matters discussed in the Basis of Adverse audit Opinion paragraph, the accompanying financial statements do not give a true and fair view of the financial position of the Game Products Trust Fund as at 31 March 2021, its financial performance and its cash flow for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

2. BASIS OF ADVERSE 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. An Adverse audit opinion is being expressed due to the following:

2.1. FINANCIAL ACCOUNTING SYSTEM

The Fund does not have an accounting system for recording and processing of its transactions. The Fund makes use of Microsoft Excel to record its transactions. It is recommended that the Fund should ensure that it makes use of an accounting system for capturing and processing of its transactions.

2.2. REVALUATION GAIN

The Fund incorrectly accumulated the revaluation gain amounting to N\$ 565 500 under retained earnings instead of accumulating it in equity under the heading of revaluation surplus. Paragraph 39 of the International Accounting Standard 16: Property, Plant and Equipment states that "If an asset's carrying amount is increased as a result of a revaluation, the increase shall be recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus". The Fund is recommended to ensure that revaluation gains are recognised, presented and disclosed in accordance with International Accounting Standard 16: Property, Plant and Equipment.

2.3. REVENUE: WILDLIFE SALE

The Fund incorrectly recognised revenue from the sale of Buffalos amounting to N\$ 5 000 000 on payment date, which was 23 October 2020, while the performance obligation was only satisfied from June 2021, when the Buffalos were shipped to their intended destination. This resulted in the overstatement of revenue and understatement of liabilities as the International Financial Reporting Standard 15: Revenue from contracts with customer states that “an entity shall recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer.”

The Fund is recommended to ensure that revenue is only recognised when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer.

2.4. REVENUE: TROPHY HUNTING- CONSERVATION FORCE

The Fund did not provide the audit with supporting documents containing the details of the deal that was agreed to by the Ministry of Environment, Forestry and Tourism and the hunter for the trophy hunting of the two lions with a recognised revenue of N\$ 3 260 000. This resulted in the auditors not being able to confirm the completeness of the amount received. The Fund is recommended to ensure that negotiations with the hunters are appropriately documented and shared with the Fund Manager in accordance with the Fund’s Financial Management Policy. These documents should then be provided to auditors during the agreed audit timeframe.

2.5. REVENUE: INVOICE DATE FALLING OUTSIDE THE YEAR UNDER AUDIT

Invoices amounting to N\$ 4 200 000 for trophy hunting has dates falling outside the period under review, this resulted in the overstatement of revenue. The Fund is recommended to ensure that only revenue relating to the financial year under review is recognised.

2.6. REVENUE: CONCESSION CONTRACTS FEES

Income from concession contracts was understated by N\$ 2 931 881 in the current year. This resulted in the Fund incorrectly recognising the entire N\$ 3 909 185 received in February 2020 for the 2020 calendar year in the previous financial year instead of apportioning it and only recognising N\$ 977 304 (for January to March 2020) in the 2020 financial year and the remaining N\$ 2 931 881 (for April to December 2021) in the current year. The Fund is recommended to ensure that it issues invoices for all concession contracts based on the contract amount and that the entire contract amount (taking into account discount allowed) relating to the current year is recognised as revenue and raise a receivable where payments are not received as at year end.

2.7. BOARD FEES

The Fund did not provide the audit with the Ministerial approval for the adjustments that were made to the Board’s remuneration. Section 18 (1) of the Public Governance Act 1 of 2019 states that “the remuneration and allowances payable to the members and alternate members of a board of a public enterprise must be determined by the relevant Minister with

the concurrence of the Minister responsible for Finance and with due regard to any directives laid down by the Minister under section 4(1) (e)".The Fund is recommended to ensure that adjustments to the Board's remuneration are done in accordance with the Public Governance Act.

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. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming an audit opinion thereon, and I do not provide a separate opinion on these matters. I have nothing to report in this regard.

4. OTHER INFORMATION

My opinion on the financial statements does not cover the other information and 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. If, based on the work I have performed, I conclude that there is a material misstatement of this other information I am required to report that fact. I have nothing to report in this regard.

5. 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 legislation, and for such internal control as management determines it necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. 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.

6. 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 a 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 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.
- 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.

7. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS (COMPLIANCE)

The financial statement were submitted by the Accounting Officer to the Auditor-General in compliance with Section 17 of the Game Products Trust Fund Act 7 of 1997, except that they were only submitted on 28 February 2022, instead of six months after year-end as required by the Act.

SECTION B: AUDIT OF PERFORMANCE INFORMATION

I conducted an audit on the performance information of the Game Product Trust fund for the Strategic period 2016/2017 to 2020/2021 consecutively with the audit of financial statements for the year ended 31 March 2021.

It comprised of a review of the Strategic Plan, Annual Plans, Annual Performance Reports and other relevant documentation. In terms of determining the execution of set activities in the plans, the audit was concentrated on the work plan and outputs from the 2020/2021 period.

1.1 DESCRIPTION OF THE SUBJECT MATTER INFORMATION AND SCOPE

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

The primary function of the PMS is to enable the Fund to achieve success in fulfilling its mandate and provide improvements in service delivery to the public.

1.2 AUDIT OBJECTIVE

The objective of the Key Performance Indicator (KPI) audit is to provide assurance 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 Fund to inform the Parliament, the public and other stakeholders about its strategic priorities, programs and projects.

1.3 AUDIT CRITERIA

The audit was mainly concentrated on three (3) criteria, namely:

- Compliance to Laws, Regulations and relevant policies and guidelines pertaining to the reporting of performance information;
- Usefulness of reported performance information in terms of measurability and relevancy of indicators, as well as consistency of use of indicators throughout the period under review; and
- Reliability of reported performance information in terms of whether the actual reported performance did occur and was reported accurately.

All Strategic Objectives and performance indicators were selected for audit.

1.4 KEY AUDIT FINDINGS

1.4.1 USEFULNESS AND MEASURABILITY

All performance indicators were relevant in relation to the mandate of the Fund and national planning documents (i.e. NDP4 and Harambee Prosperity Plan). However, the following was observed with regard to measurability:

Performance Indicator	Comments
Increase in Revenue (N\$)	The Fund measured total revenue per year in its report instead of the increase/movement in revenue as per the indicator.
Availability of Funds for Approved Projects (%)	Total amount of funds allocated for projects needs to be known prior to project proposal application. Difficult to ascertain the achievement of the performance indicator without an analysis by the Fund of total funds available, total projects approved and total projects not approved (costed).
% of Claims submitted, processed and paid	Total funds available for Human Wildlife Conflict (HWC) needs to be known prior to receiving the claims.
% Projects Completed on Time, Budget and Specification	Performance indicator was reliant on Project Monitoring and Evaluation Framework and this was not provided for audit.
Audit Findings Closed Out	A number of activities planned, difficult to ascertain the percentage contribution of each activity to the total target (i.e. 100%)
Performance Index	Performance indicator was reliant on the conducting of a resources needs analysis however, this did not filter through to work-plans and was therefore not achieved or measured/Difficult to measure index without the Fund utilising an index and documenting it

The following information related to the performance indicators were not submitted for verification:

- Human Wildlife Conflict scheme – list of all claims submitted for the period;
- Project Monitoring and Evaluation Framework (M&E Framework);
- Reporting Strategy (Game Products Trust Fund funded projects) Board Charter;
- List of Board Governance Trainings attended;
- List of all relevant and appropriate policies, procedures and standard operating procedures developed;
- Resource Needs analysis; and
- Performance Index.

Furthermore, performance indicators were consistently used in the work-plans with one or two minor changes due to achievement of target (e.g. development of M&E framework).

However, auditors found it difficult to identify a direct relationship between performance indicators in the strategic plan and those in the annual work-plans.

1.4.2 RELIABILITY

In terms of whether the actual reported performance did occur and was reported accurately, the following was observed as illustrated in the table below:

Strategic Objective	No.:	Performance indicator/measure	Target (2020/2021)	Actual (Completed by the Fund)	Actual (Confirmed during the audit)
Financial Sustainability	1	% Budget Variance	5%	15%	(183%)
	2	Increase in Revenue (N\$)	14 641 000	16 576 766	19 203 064
	3	Availability of Funds for Approved Projects (%)	100%	100%	83%
	4	# of Project Proposals Approved	20	14	24
	5	% of Claims submitted, processed and paid	100%	100%	0%
Improve Project M&E	6	% Projects Completed on Time, Budget and Specification	90%	85%	0%
	7	Audit Findings Closed Out	100%	100%	0%
Capacitate Game Products Trust Fund (people, infrastructure and systems)	8	Performance Index	3	3	0%

(a) Two (2) out of the five (5) strategic objectives could not be verified due to a lack of source information, namely:

- Ensure Good Governance; and
- Capacitate Game Products Trust Fund (people, infrastructure and systems);

(b) Three (3) out of the eight (8) performance indicators achieved their targets:

Strategic Objective:	Performance indicator:	Target	Actual
Financial Sustainability	Increase in Revenue (N\$)	16 576 766	19 203 064
Promote Sustainable Co-Existence of People and Wildlife	Availability of Funds for Approved Projects (%)	100%	83%
Promote Sustainable Co-Existence of People and Wildlife	Number of Project Proposals Approved	20	24

(c) Three (3) out of the eight (8) performance indicators could not be verified due to a lack of source information, namely:

- Performance indicator: % of claims submitted, processed and paid
Strategic Objective: Promote Sustainable Co-Existence of People and Wildlife,
- Performance indicator: Audit Findings Closed Out
Strategic Objective: Ensure Good Governance
- Performance indicator: Performance Index
Strategic Objective: Capacitate Game Products Trust Fund (people, infrastructure and systems)

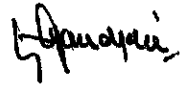
1.5 CONCLUSION ON SUBJECT MATTER

Because of the significance of the key audit findings section of my report, I have not been able to obtain sufficient appropriate evidence to form a conclusion on the Key Performance Information of the Fund. Accordingly, I do not express a conclusion.

8. ACKNOWLEDGEMENT

The co-operation and assistance by the management and staff of the Game Products Trust Fund during the audit is appreciated.

WINDHOEK, February 2023


JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL

GAME PRODUCTS TRUST FUND
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

	Note	2021 N\$	2020 N\$
Assets			
Non-current assets		565 500	1 136
Property plant and equipment	2	565 500	1 136
Current assets		43 328 144	45 851 991
Cash and cash equivalents	4	41 299 832	45 775 591
Trade and other receivables	5	2 028 312	76 400
Total assets		43 893 644	45 853 127
Equity and liabilities			
Capital & reserves		39 869 710	42 153 411
Retained income		42 153 411	28 277 767
Net profit/(loss)		(2 283 701)	13 875 644
Current liabilities		4 023 934	3 699 716
Trade and other payables	6	4 023 934	3 699 716
Total equity & liabilities		43 893 644	45 853 127

ANNEXURE B

GAME PRODUCTS TRUST FUND

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH

	Note	2021 N\$	2020 N\$
Income		18 620 194	36 345 330
Live export/head levy		190 270	90 250
Concession fees		80 000	220 000
Trophy hunting –contracts		8 560 565	29 630 136
Trophy hunting - walk in clients		3 710 000	-
Wildlife sales/lease		5 000 000	5 000 000
Grants/donations		30 300	-
Interest received	3	1 049 059	1 404 943
Expenditure		21 469 395	22 469 686
Salaries and package		728 277	762 280
Vehicle running cost		12 700	6 893
Bank charges		60 516	23 134
General office supplies		17 557	12 570
Depreciation		1 136	16 139
Accommodation & meals		12 852	-
Subsistence and travelling		-	207 371
Board & other committees		382 289	153 906
Grants and special programmers		13 543 765	15 639 518
Self-reliance scheme		2 880 000	1 800 000
Funeral assistance scheme		2 810 250	2 759 250
Insurance		32 382	34 939
Corporate image development		-	20 000
Administration costs		987 672	1 033 686
Other comprehensive income			
Revaluation surplus		565 500	-
Net profit / (loss)		(2 283 701)	13 875 644

ANNEXURE C

GAME PRODUCTS TRUST FUND

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH

	Note	2021 N\$	2020 N\$
Cash flows from operating activities			
Cash generated from operations	7	(4 475 759)	16 389 300
Net cash from operating activities		(4 475 759)	16 389 300
Cash flows from investing activities			
Sale of financial assets		-	21 475 630
Net cash from investing activities		-	21 475 630
Net increase(decrease) in cash and cash equivalents		(4 475 759)	37 864 929
Cash and cash equivalents at the beginning of the year		45 775 591	7 910 661
Cash and cash equivalents at the end of the year		41 299 832	45 775 591

ANNEXURE D

GAME PRODUCTS TRUST FUND

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Retained Income	Total
	N\$	N\$
Balance as at 01 April 2019	28 277 767	28 277 767
Surplus/(loss) for the year	13 875 644	13 875 644
Total equity at 31 march 2020	42 153 411	42 153 411
Balance as at 01 April 2020	42 153 411	42,153,411
Surplus/(loss) for the year	(2 283 701)	(2 283 701)
Total equity at 31 march 2021	39 869 710	39 869 710

GAME PRODUCTS TRUST FUND**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

1. Basis of preparation and summary of significant accounting policies

The financial statements of the Game Products Trust Fund have been prepared in accordance with International Financial Reporting Standards and the Game Products Trust Fund Act 1997. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through surplus or deficit.

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Fund's accounting policies.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1. Property, plant and equipment**Definition**

Property, plant and equipment are tangible items that: are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and are expected to be used during more than one period.

Recognition

Property, plant and equipment is recognised as an asset when: it is probable that future economic benefits associated with the asset will flow to the entity; and the cost of the asset can be measured reliably.

Initial measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost.

The cost of an item of property, plant and equipment includes:

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;

GAME PRODUCTS TRUST FUND**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH****(Continued)**

Initial measurement (Continued)

- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and
- The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Subsequent measurement - Revaluation and Cost model

After initial recognition, property, plant and equipment is measured at cost less any accumulated depreciation and any accumulated impairment losses except for land and building which are measured at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure incurred on items of property, plant and equipment is only capitalized to the extent that such expenditure enhances the value or previous capacity of those assets. Repairs and maintenance not deemed to enhance the economic benefit or service potential of items of property, plant and equipment are expensed as incurred.

Where the entity replaces parts of an asset, it derecognizes the part of the asset being replaced and capitalizes the new component.

Depreciation

Depreciation of an asset commences when it is available for use, and ceases at the earlier of the date that the asset is classified as held for sale, or the date that the asset is derecognised.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset. The depreciable amount of an asset shall be allocated on a systematic basis over its useful life. The depreciable amount of an asset is determined after deducting its residual value.

GAME PRODUCTS TRUST FUND**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH****(Continued)****Depreciation (Continued)**

Residual values, useful lives and depreciation methods are reviewed at each financial year end. Where there are significant changes in the expected pattern of economic consumption of the benefits embodied in the asset, the relevant changes will be made to the residual values and depreciation rates, and the change will be accounted for as a change in accounting estimate.

The measurement base, useful life or depreciation rate as well as the depreciation method for all major classes of assets are as follows:

Asset class	Useful life/ depreciation rate	Depreciation method
Land	Infinite	Straight line
Motor vehicles	25%	Straight line
Fixtures and fixture	33.33%	Straight line
Computer equipment	33.33%	Straight line
Office Equipment	33.33%	Straight line

Impairments

The entity tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount. The resulting impairment loss is recognised immediately in surplus or deficit, except where the decrease reverses a previously recognised revaluation increase for the same asset the decrease is recognised in other comprehensive income to that extent and reduces the amount accumulated in equity under revaluation surplus, and future depreciation charges are adjusted in future periods to allocate the revised carrying amount, less its residual value, on a systematic basis over its remaining useful life.

Where the estimated impairment loss exceeds the carrying amount of the asset to which it relates, the resulting liability is only recognised if it is required by another standard.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up are included in surplus or deficit when the compensation becomes receivable.

GAME PRODUCTS TRUST FUND**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH****(Continued)**

1.2. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial asset is any asset that is:

- cash;
- an equity instrument of another entity;
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include potable financial instruments classified as equity instruments in accordance with paragraphs 16A and 16B, instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation and are classified as equity instruments in accordance with paragraphs 16 C and 16 D, or instruments that are contracts for the future receipt or delivery of the entity's own equity instruments.

A financial liability is any liability that is:

- a contractual obligation to deliver cash or another financial asset to another entity to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; and
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Also, for these purposes the entity's own equity instruments do not include puttable financial instruments that are classified as equity instruments, instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation and are classified as equity instruments, or instruments that are contracts for the future receipt or delivery of the entity's own equity instruments.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

GAME PRODUCTS TRUST FUND**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH****(Continued)**

1.2. Financial instruments (Continued)

A derivative is a financial instrument or other contract with all three of the following characteristics:

- its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying');
- it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and
- it is settled at a future date.

A financial liability at fair value through profit or loss is a financial liability that meets one of the following conditions:

- It meets the definition of held for trading. A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term, on initial recognition it is part of a portfolio of identified financial instrument that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking or it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument);
- upon initial recognition it is designated by the entity as at fair value through profit or loss
- it is designated either upon initial recognition or subsequently as at fair value through profit or loss

Classification and recognition

Classification of a financial instrument, or its component parts takes place on initial recognition. Each instrument is classified as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument.

Financial assets classification

The Fund classifies financial assets into the following categories:

- Financial assets subsequently measured at fair value through profit or loss;
- Financial assets subsequently measured at fair value through other comprehensive income (OCI); and
- Financial assets subsequently measured at amortised cost.

GAME PRODUCTS TRUST FUND**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH****(Continued)**

1.2. Financial instruments (Continued)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in profit or loss or in OCI. For investments in equity instruments that are not held for trading, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

Financial liabilities classification

The Fund classifies financial liabilities into the following categories:

- Financial liabilities subsequently measured at amortised cost; and
- Financial liabilities subsequently measured at fair value through profit or loss.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Recognition

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the company commits to purchase or sell the asset.

De-recognition

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or when it is transferred and the transfer qualifies for de-recognition.

GAME PRODUCTS TRUST FUND**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH****(Continued)**

De-recognition(Continued)

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Trade and other receivables

Up to 31 March 2021, trade receivables were recognised initially at the transaction price. Trade and other receivables were classified as concessions contracts and receivables up to 31 March 2021.

Other financial assets

Other financial assets are recognised initially at the fair value, including transaction costs except where the asset will subsequently be measured at fair value.

Other financial assets (continued)

Other financial assets that are equity investments are subsequently measured at fair value through profit or loss. Other investments are subsequently measured at cost less impairment.

Other financial assets that are debt instruments are subsequently measured at amortised cost. Interest income is recognised on the basis of the effective interest method and is included in finance income.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

1.3. Provisions and contingencies

A provision is a liability of uncertain timing or amount. A liability is a present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

GAME PRODUCTS TRUST FUND**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH****(Continued)**

1.3. Provisions and contingencies (Continued)

A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A provision is recognised when:

- there is a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when it is virtually certain that reimbursement will be received when the obligation is settled. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement will not exceed the amount of the provision.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating losses.

The present obligation under an onerous contract is recognised and measured as a provision.

GAME PRODUCTS TRUST FUND**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(Continued)****1.3. Provisions and contingencies (Continued)**

A constructive obligation to restructure arises only when:

- there is a detailed formal plan for the restructuring identifying at least the business or part of a business concerned, the principal locations affected, the location, function, and approximate number of employees who will be compensated for terminating their services, the expenditures that will be undertaken and when the plan will be implemented; and
- there has been raised a valid expectation in those affected that the restructuring will be carried out by starting to implement that plan or announcing its main features to those affected by it.

After initial recognition and until the liability is settled, cancelled or expires, a contingent liability is recognised in a business combination at the higher of the amount that would be recognised as a provision, and the amount initially recognised less cumulative amortisation.

Contingent assets and liabilities are not recognised, but details are disclosed in the notes to the annual financial statements.

2. PROPERTY, PLANT AND EQUIPMENT

	MOTOR VEHICLES	COMPUTER EQUIPMENT	OFFICE EQUIPMENT	Total
	N\$	N\$	N\$	N\$
2021				
At cost :	833 756	68 816	29 860	932 432
Less: accumulated depreciation	(833 756)	(68 816)	(28 725)	(931 296)
Less: current depreciation	-	-	(1 136)	(1 136)
Revalued amount	565 500	-	-	565 500
Net book value	565 500	-	-	565 500
2020				
At cost :	833 756	68 816	29 860	932 432
Less: accumulated depreciation	(823 131)	(65 573)	(26 454)	(915 158)
Less: current depreciation	(10 625)	(3 243)	(2 271)	(16 139)
Net book value	-	-	1 136	1 136

ANNEXURE E

GAME PRODUCTS TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

(Continued)

	2021	2020
	N\$	N\$
3. INTEREST RECEIVED	1 049 059	1 404 943
Standard Bank Namibia (SBN) -Notice Deposit	431 547	115 799
First National Bank (FNB) -Call Account	18 168	48 274
FNB -Fixed Maturity Notice	599 344	1 240 871
4. CASH AND CASH EQUIVALENTS	41 299 832	45 775 591
SBN current account	17 414 115	22 895 398
Short term investment: SBN -Notice Deposit	6 485 374	6 097 361
FNB -call account	1 491 721	1 473 554
FNB -fixed maturity notice	15 908 622	15 309 279
5. TRADE AND OTHER RECEIVABLE	2 028 312	76 400
Accounts receivable (revenue)	2 028 313	-
Accounts receivable (duplicate cheque cashed)	-	76 400
6. TRADE AND OTHER PAYABLE	4 023 934	3 699 716
Sundry creditors	1 922 446	1 392 546
Suppliers control account- Environmental Investment Fund of Namibia (EIF)	784 021	961 938
Other accruals (EIF Admin fee)	987 672	1 033 686
Wildlife breeding stock loan scheme	263 080	254 140
Provision for leave pay	66 715	57 406
7. CASH GENERATED FOR USE IN OPERATIONS	(4 475 759)	16 389 300
Cash received from customers	17 571 135	34 940 386
Add: interest received	1 049 059	1 404 943
Less: cash paid for employees	(728 277)	(762 280)
Less: cash paid for goods and services	(20 739 983)	(21 691 268)
Less: increase in debtors	(1 951 912)	-
Add: increase in creditors	324 219	2 497 517