



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

GAME PRODUCTS TRUST FUND

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

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 2022, 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, April 2024

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 2022**

SECTION A: FINANCIAL AUDIT

1. QUALIFIED AUDIT OPINION

I have audited the financial statements of the Game Products Trust Fund for the financial year ended 31 March 2022. 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, except for the matters outlined in the Basis for Qualified Audit Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Game Products Trust Fund as at 31 March 2022 and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

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 my opinion. The Qualified Audit Opinion is expressed due to the following:

2.1. EQUITY

2.1.1 OPENING BALANCE AND THE BALANCE AS PER THE PREVIOUS AUDITED FINANCIAL STATEMENTS

There is difference of N\$ 2 799 341 between the retained income's balance as at 01 April 2020 of N\$ 39 354 070 and the balance as per the prior year audit report of N\$ 42 153 411.

The Fund is recommended to ensure that comparative information are correctly carried forward and any changes made on comparative information are correctly accounted for in accordance with IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

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.

SECTION B: AUDIT OF KEY PERFORMANCE INFORMATION

I conducted an audit on the performance information of the Game Products Trust Fund for the Strategic period incorporating the financial period ending 31 March 2022 consecutively with the audit of financial statements for the year ended 31 March 2022.

It was envisaged to comprise 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 envisaged to concentrate on the work plan and outputs from the 2021/22 period.

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 timeliness.

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.

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.

3. AUDIT CRITERIA

The audit was mainly concentrated on two (2) criteria, namely:

- 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.

ANNEXURE A

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

	Note	2022 N\$	2021 Restated N\$
Assets			
Non-current assets			
Property plant and equipment	2	424 125	565 500
		424 125	*565 500
Current assets			
Cash and cash equivalents	4	52 902 960	43 328 144
Trade and other receivables	5	45 400 898	41 299 832
		7 502 063	2 028 312
Total assets		53 327 085	43 893 644
Equity and liabilities			
Capital & reserves			
Revaluation Surplus		42 923 380	30 669 710
Retained income		-	565 500
Net profit/(loss)		30 669 710	39 354 070
		12 253 670	(9 249 860)
Current liabilities			
Trade and other payables	6	10 403 705	13 223 935
		10 403 706	13 223 935
Total equity & liabilities		53 327 085	43 893 644

* Note 2 (N\$ 568 743) differs with N\$ 3 243

GAME PRODUCTS TRUST FUND**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH
(CONTINUED)**

	2022	2021
Note	N\$	Restated figures N\$
Other comprehensive income		
Revaluation surplus	-	565 000
Total net profit/loss and other comprehensive income	21 250 240	(8 684 860)

*Note 9 (N\$ 815 331) differs with N\$ 6 364

GAME PRODUCTS TRUST FUND

ANNEXURE D

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

	Retained Income	Revaluation Surplus	Adjustments	Total
	N\$	N\$	N\$	N\$
Balance as at 01 April 2020	39 354 070	-	-	39 354 070
Surplus/(loss) for the year	(2 283 701)	-	-	(2 283 701)
Revaluation Surplus		565 500	-	565 500
Revaluation Surplus-Adjustments on retained earnings	-	-	(565 500)	(565 500)
Revenue Trophy Hunting Concession-Adjustments	-	-	2 931 881	2 931 881
Revenue Wildlife Sale	-	-	(5 000 000)	(5 000 000)
Revenue Trophy Hunting Concession	-	-	(4 200 000)	(4 200 000)
Revenue Head levy- Adjustments	-	-	(132 540)	(132 540)
Total equity at 31 March 2021	37 070 369	565 500	(6 966 159)	30 669 710
Surplus/(loss) for the year	21 250 240	-	(8 996 570)	12 253 670
Total equity at 31 March 2022	58 320 609	565 500	(15 962 729)	42 923 380

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 de-recognised.

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 2022

(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 puttable 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 2022****(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 de-recognised 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 2022****(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

ANNEXURE E

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
(Continued)

	2022	2021
	N\$	Restated Figures N\$
3. INTEREST RECEIVED	760 079	1 049 059
Standard Bank Namibia (SBN) -Notice Deposit	183 612	431 547
First National Bank (FNB) -Call Account	15 388	18 168
FNB -Fixed Maturity Notice	561 079	599 344
4. CASH AND CASH EQUIVALENTS	45 400 898	41 299 832
SBN- current Account	9 390 196	-
SBN- current account	11 341 638	17 414 115
Short term investment: SBN -Notice Deposit	6 692 260	6 485 374
FNB - call account	1 507 103	1 491 721
FNB - fixed maturity notice	16 469 701	15 908 622
5. DEBTORS	7 502 063	2 028 313
Accrued Income (Trophy Hunting)	2 028 313	2 028 313
Conservation fees-Resorts	321 520	-
Ministry of Environment, Forestry and Tourism	4 673 980	-
Ndumo Hunting Safaris	228 750	-
Jamy Waterberg	4 500	-
Kowas Adventures	245 000	-
6. CREDITORS	10 403 706	13 223 934
Sundry Creditors (Outstanding Payments)	713 342	1 922 446
Suppliers control account- Environmental Investment Fund of Namibia (EIF)	690 738	784 021
Other accruals (EIF Admin fee)	2 259 905	987 672
Wildlife breeding stock loan scheme	5 080	263 080
Income received in advance: Trophy Hunting	6 689 140	9 200 000
Provision for leave pay	45 501	66 715

GAME PRODUCTS TRUST FUND**ANNEXURE E****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022
(Continued)**

	2022	2021 Restated Figures
	N\$	N\$
Members of key management	F. Kamenye	
Related party transactions		
Compensation paid to key management		
Remuneration of key management	815 331	728 277
Government grants received		
Ministry of Environment and Tourism	3 631 951	30 300

10. GOING CONCERN

The Fund's annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the Fund to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the Fund from the Ministry of Finance and that the operations of the Fund are scaled according to the available cash resources.

11. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

12. CORRECTION OF PRIOR PERIOD ERRORS

In the 2021 financial period the following revenue streams were incorrectly recognised.

Wildlife Sales

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 after the year under review. This resulted in the overstatement of revenue and understatement of liabilities (income received in advance).