



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

MARINE RESOURCES FUND

FOR THE FINANCIAL YEARS ENDED 31 MARCH 2017 AND 2018

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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 Marine Resources Fund for the financial years ended 31 March 2017 and 2018 in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honourable Minister of Fisheries and Marine Resources in terms of Section 23(3) Act, 2000 (Act 27 of 2000) to be laid upon the Table of the National Assembly in terms of Section 27(4) of the Act.

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

WINDHOEK, September 2023

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MARINE RESOURCES FUND
FOR THE FINANCIAL YEARS ENDED 31 MARCH 2017 AND 2018**

SECTION A: FINANCIAL AUDIT

1. ADVERSE AUDIT OPINION

I have audited the financial statements of the Marine Resources Fund for the financial years ended 31 March 2017 and 2018. These financial statements comprise the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flow for the years then ended, and a summary of significant accounting policies.

Because of the significance of matters discussed in the Basis for Adverse audit opinion paragraph, the financial statements do not present fairly the financial position of the Marine Resources Fund for the financial years ended 31 March 2017 and 2018 and its financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

2. BASIS FOR 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 the audit 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 the audit of the financial statements, 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 adverse audit opinion is expressed due to the following:

2.1 INVESTMENT IN EQUITY SHARES

The equity investment made in Sanlam Limited and Old Mutual Limited was overstated by N\$ 427 559 (2017) and N\$ 1 220 900 (2018) respectively. The Fund is advised to request for monthly statements from Computershare Investor Services (Pty) Ltd and perform reconciliations against the Fund accounting records.

2.2 TRADE RECEIVABLES - PROVISION FOR DOUBTFUL DEBTS

The provision for doubtful debts could not be substantiated for the financial years 2017 and 2018. The Fund does not have a credit policy in place. Furthermore, the auditors observed that the Fund has trade receivables netting to N\$ 8 630 326 (2017) and N\$ 30 215 690 (2018) that are 120 days and older.

Paragraph 58 of IAS 39 states, that "an entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. If any such evidence exists, the entity shall apply paragraph 63 (for financial assets carried at amortised cost), paragraph 66 (for financial assets carried at cost) or paragraph 67 (for available-for-sale financial assets) to determine the amount of any impairment loss. The Fund should ensure that it implements a credit policy and provide for doubtful debts.

2.3 TRADE RECEIVABLES – NON SUBMISSION OF SUPPORTING DOCUMENTATION

The Fund did not provide supporting documents for trade receivables amounting to N\$ 2 540 130 (2017) and N\$ 3 206 697 (2018). It is recommended that the Fund ensures that supporting documents are submitted for verification during the agreed audit timeframe.

2.4 TRADE RECEIVABLES – NEGATIVE BALANCES IN THE DEBTORS' AGING ANALYSIS

The Fund has negative balances in the trade receivables age analysis amounting to N\$ 77 243 (2017) and N\$ 490 598 (2018). The Fund is recommended to ensure that it reconciles debtors' balances as per the detailed ledger/age analysis to supporting documents.

2.5 EXPENDITURE - PRESENTATION OF EXPENDITURE IN THE ANNUAL FINANCIAL STATEMENTS

The Fund presented salaries of N\$ 402 055 (2017) and N\$ 36 410 (2018) as other expenditures. IAS 1 states that, "Each material class of similar items must be presented separately in the financial statements. Dissimilar items may be aggregated only if they are individually immaterial. [IAS 1.29]" Other sub-accounts classified under other expenses that are deemed material are:

- Vessel Management Fee of N\$ 748 617 (2017) and N\$ 716 090 (2018); and
- Consultancy Fee N\$ 569 928 (2017).

It is recommended that the Fund discloses its financial information in accordance with its adopted financial reporting framework.

2.6 EXPENDITURE

Supporting documents amounting to N\$ 1 997 939 (2017) and N\$ 4 550 661 (2018) were not provided for audit purposes. The auditors could not test the procurement of goods and services in compliance with the Procurement Act, due to non-submission of source documents (Bid evaluation Reports, PC Report/Minutes, Award Letters and Contracts). Furthermore, the Fund did not submit the Procurement Plan for the years under review.

It is recommended that the Fund ensures that all supporting documents are provided for audit purposes in terms of the State Finance Act, 1991 (Act 31 of 1991) Section 26 (1) (b) (i) and (ii).

2.7 TRADE PAYABLES AND EXPENDITURE

The Fund did not provide source documents (payment vouchers) for transactions amounting to N\$ 5 050 446 (2017) and N\$ 8 775 335 (2018) related to trade and other payables. It is recommended that the Fund should ensure that all supporting documents are provided for audit purposes in terms of the State Finance Act, 1991 (Act 31 of 1991) Section 26 (1) (b) (i) and (ii).

2.8 MAIN BUDGET OTHER PAYABLES

The Fund did not submit source documents for the Main Budget amounting to N\$ 2 078 369 classified as other payables in the annual financial statements during the financial period 2016/17. It is recommended that the Fund should ensure that all supporting documents are provided for audit purposes.

2.9 EXPENDITURE - INVOICE ISSUED

Expenditure amounting to N\$ 3 231 969 (2017) and N\$ 2 340 324 (2018) are issued to the Ministry of Fisheries & Marine Resources and are captured in the records of the Fund. *Management stated that "MRF is not autonomous yet, but being treated as a section under Finance Sub-Division."* However, the Fund is required by the act to produce annual financial statements and be audited by the Auditor General (Section 45 (8)), therefore the Fund should only account for the expenditure incurred in the name of the Fund.

It is recommended that the Fund ensures that transactions occurred in the name of the Fund to ensure that only transactions that pertain to the Fund are recorded in the Funds financial statements.

2.10 SUBSISTENCE AND TRAVEL ALLOWANCE (S&T)

Transactions amounting to N\$ 413 251 (2017) and N\$ 222 264 (2018) for S&T were paid from the Fund's budget due to insufficient funds at the Ministry vote. These transactions are expensed in the Funds financial statements. These transactions should be classified as receivables so that the Ministry reimburse the Fund.

2.11 TRADE AND PAYABLES AND EXPENDITURE

Unreconciled suspense account balances of N\$ 26 096 (2017) and N\$ 91 648 (2018) disclosed under other payables in the annual financial statements. It is recommended that the Fund performs reconciliations to ensure that transactions are allocated to the correct account balance.

2.12 TRADE PAYABLES AND EXPENDITURE

The Benguella Current Convention (BCC)/ United Nations Development Programme (UNDP) Project amounting to N\$ 1 233 443 classified as other payables in the financial statements have been outstanding since 2012 and the account classified as Main Budget By-Catches amounting to N\$ 415 998 has been outstanding since 2016. Furthermore, the Fund did not provide supporting documents for these transactions. The audit observation is an indication that accounts payables is not reconciled on a regular basis.

It is recommended that the Fund should regularly perform creditors' reconciliations to clear accounts balance that are outstanding for a long period of time.

2.13 PROPERTY, PLANT AND EQUIPMENT

Physical verification of items of property, plant and equipment, except for motor vehicles, could not be performed due to the following:

- The asset register was not updated with unique assets identification numbers/other features that correspondence to the physical assets; and
- The asset register is not updated with the location of the asset for asset tracing purposes.

It is recommended that the Fund should ensure that annual asset verifications are performed and that the fixed asset register is updated with sufficient information that enables identification of assets.

2.14 FRUITLESS AND WASTEFUL EXPENDITURE

Training cost amounted to N\$ 77 000 was incurred in the 2016/17 and 2017/18 financial years, in order to capacitate staff members in the use of the Pastel Evolution Accounting system while the Fund appointed a Consultant to process and prepare their financials.

It is recommended that the Fund staff members should process transactions in Pastel Evolution.

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 determined that there are no key audit matters identified in respective of the financial statement for Marine Resources Fund.

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

The financial statements for the financial years ended 31 March 2017 and 2018 were submitted by the Accounting Officer to the Auditor-General in compliance with Section 45 (8) of the Marine Resources Act, 2000 (Act No. 27 of 2000).

6. 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 deems 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 for overseeing the entity's financial reporting process.

7. 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, 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 to it in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the audit opinion. My conclusions are based on the audit evidence obtained up to the date of the audit 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 the 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; and

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.

SECTION B: AUDIT OF PERFORMANCE INFORMATION

1.1 AUDIT OF KEY PERFORMANCE INFORMATION

I conducted an audit on the performance information of the Marine Resources Fund consecutively with the audit of the financial statements for the years ended 31 March 2017 and 2018.

1.2 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.

1.3 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.

1.4 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.

1.5 KEY AUDIT FINDINGS

It was observed that the Fund did not have a Strategic plan and Operational plans encompassing the financial periods ending 31 March 2017 and 2018, furthermore, no Performance Management System was in place during the period under review.

It is recommended that the Fund should compile, finalize and implement Strategic and Operational plans and implement a Performance Management System as a matter of urgency to ensure the attainment and adequate documentation of strategic objectives.

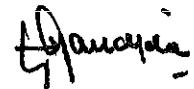
1.6 CONCLUSION ON SUBJECT MATTER

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 Council. Accordingly, I do not express a conclusion.

8. ACKNOWLEDGEMENTS

The assistance and co-operation by the staff of the Marine Resources Fund during the audit is appreciated.

WINDHOEK, September 2023



**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

ANNEXURE A

MARINE RESOURCES FUND
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH

	Note	2018	2017	2016
		N\$	N\$	N\$
ASSETS				
Non-current assets				
Property, plant and equipment	2	628 325	1 943 565	3 257 487
Machinery Equipment		482 030	1 079 356	1 668 557
Office & Furniture Equipment		61 518	52 374	90 051
Computer Equipment		84 777	811 835	1 498 879
Investments & shares in other companies	3	3 050 727	2 444 958	2 622 428
Sanlam		2 229 998	1 761 254	1 790 534
Old Mutual		820 729	683 704	831 894
Current assets		120 080 554	14 921 112	18 364 341
Trade and other receivables	4	32 524 975	9 352 994	8 426 315
Other receivables and pre-payment	4	708 217	148 361	247 288
Main Budget		6 125 267	-	-
Bank and cash balances	5	80 722 095	5 419 757	9 690 738
Total assets		123 759 606	19 309 635	24 244 256
EQUITY AND LIABILITIES				
Equity		121 826 000	13 796 202	19 658 848
Retained income		121 826 000	13 796 202	19 658 848
Current liabilities	6	1 933 606	5 513 433	4 585 408
Trade payables		192 354	477 140	3 041 204
Other payables		1 741 252	5 036 293	1 544 204
Total equity and liabilities		123 759 606	19 309 635	24 244 256

ANNEXURE B

**MARINE RESOURCES FUND
INCOME STATEMENT FOR THE YEARS ENDED 31 MARCH**

	Note	2018	2017	2016
		N\$	N\$	N\$
INCOME		128 764 758	18 736 100	31 865 807
Fund Levies	7	95 528 603	16 638 122	17 168 628
Recreational/Fishing Permits	9	1 445 746	49 170	59 852
By-catch Levies	8	29 554 473	618 161	344 599
Aquarium Fees	10	384 772	438 276	417 736
Subsidy		-	-	12 925 723
Property Rental, Hire & related charge	11	61 745	430 816	479 916
Fuel Rebates		-	304 169	-
Sundry Income		-	-	27 405
Fair Value Adjustment		605 769	(177 470)	-
Dividends received		33 415	36 940	-
Interest earned		1 150 235	397 916	441 948
EXPENDITURE		20 734 960	24 871 242	30 555 194
Subsistence and Travel Allowance	12	232 027	754 537	29 735
Materials and Supplies	13	4 491 629	10 472 138	3 246 677
Utilities	14	1 658 117	1 252 103	1 988 483
Maintenance Expenses	15	11 220 809	7 325 042	13 772 867
Other Services and Expenses	17	1 802 414	2 630 619	10 161 447
Transport		-	3 270	15 998
Subsidies, Grants and Contributions		-	1 032 500	-
Depreciation	16	1 329 964	1 401 033	1 339 987
NET SURPLUS/(DEFICIT) FOR THE YEAR		108 029 798	(6 135 142)	1 310 613

ANNEXURE C

MARINE RESOURCES FUND

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH

	<u>Retained Income</u>	<u>Total Equity</u>
	N\$	N\$
Balance at 01 April 2016	19 931 344	19 931 344
Net Deficit for the year	(6 135 142)	(6 135 142)
Balance at 31 March 2017	13 796 202	13 796 202
Net Surplus for the year	108 029 798	108 029 798
Balance at 31 March 2018	121 826 000	121 826 000

ANNEXURE D

MARINE RESOURCES FUND
CASH FLOWS STATEMENT FOR THE YEARS ENDED 31 MARCH

	Note	2018	2017	2016
		N\$	N\$	N\$
Cash flows from operating activities				
Net operating (deficit)/surplus for the year		108 029 798	(6 135 142)	1 310 613
Adjusted for non-cash items:				
Depreciation	16	1 329 964	1 401 033	1 339 987
Fair Value Movement		(605 769)	177 470	-
Working capital changes				
(Increase) or decrease in trade and other receivables		(3 579 827)	877 239	760 331
(Increase) or decrease in trade and other receivables		(29 857 104)	(505 680)	(1 014 889)
Adjustment to retained earnings		-	-	(247 257)
<i>Net cash flow from operating activities</i>		75 317 062	(4 185 080)	2 148 785
Cash flows from investing activities				
Investment acquired/redeemed		-	-	247 258
Purchases of property, plant & equipment	2	(14 724)	(87 111)	(1 415 116)
<i>Net cash flow from investing activities</i>		(14 724)	(87 111)	(1 167 858)
Net increase in cash and cash equivalents				
Cash and cash equivalents at the beginning of the year		75 302 338	(4 272 191)	980 927
Cash and cash equivalents at the end of the year	5	80 722 095	5 419 757	9 690 738

MARINE RESOURCES FUND**NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH 2017 AND 2018****1. General information**

Marine Resources Fund was established with effect from 21 December 2000 under the Marine Resources Act, (Act 27 of 2000) and was tasked with the responsibility to provide for the conservation of the marine ecosystem and the responsible utilisation, conservation, protection and promotion of marine resources on a sustainable basis; for that purpose, to provide for the exercise of control over marine resources and to provide for matters connected therewith.

1.1. Basis of preparation and accounting policies

The basis of preparation and principal accounting policies of the fund, are consistent in all material respects with those applied in the previous year, except as otherwise indicated.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IRFS), International Accounting Standards as well as the current conceptual framework of financial reporting. The 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 financial statements incorporate the following principal accounting policies, which have been applied on a basis consistent with that of the previous year and used by the Fund.

1.1.2. Property, plant and equipment

All property, plant and equipment are initially recorded at cost. Cost includes all costs directly attributable to bring the assets to working condition for their intended use as per IAS 16.

Depreciation is calculated on the straight-line method to write off the cost of each asset to their residual values over their estimated useful lives as follows:

	Useful life / Rate
Vehicles	5 years
Computer Equipment	3 Years
Office Equipment	3 years
Furniture & Fittings	5 Years
Machinery & Equipment	5 Years
Land and buildings	No depreciation

**MARINE RESOURCES FUND
NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH 2017 AND
2018 (CONTINUED)**

1.1.2. Property, plant and equipment (continued)

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is impaired immediately to its recoverable amount as per IAS 36. Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit, but however there were no any disposals.

1.1.3. Impairment of Assets (IAS 36)

Non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

1.1.4. Inventory (IAS 2)

Inventory is stated at the lower of cost and estimated net realisable value. Estimated net realisable value is the estimated selling price in the ordinary course of business less any costs of disposal. Inventory is valued at supplier invoice cost while obsolete, slow moving and defective items are written-down to net realisable value.

1.1.5. Accounts receivables

Accounts receivables are carried at original invoice cost amount less provision made for impairment of these receivables. Such provision for impairment of trade receivables is established if there is objective evidence that the corporation will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of the expected cash flows.

1.1.6. 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. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and deposits held at call with banks, net of bank overdrafts. In the balance sheet, bank overdrafts are included in current liabilities.

MARINE RESOURCES FUND**NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH 2017 AND 2018 (CONTINUED)**

1.1.7. Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue arising from the provision of services is recognised when the revenue can be measured reliably and it is probable that the economic benefit will flow to the fund as per IFRS 15.

1.1.8. Financial Instruments

Financial instruments carried on the balance sheet include cash and bank balances, receivables, payables and loans. These instruments are generally carried at their estimated fair value.

1.1.9. Instruments

Investments were recognised based on IAS 28; this investment was initially recorded at cost and accounted for as per equity method.

**MARINE RESOURCES FUND
NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(CONTINUED)**

2. Property, plant and equipment

	Machinery Equipment	Office & Furniture Equipment	Computer Equipment	Total
	N\$	N\$	N\$	N\$
March 2018				
Cost				
Opening balance as at 01/04/2017	12 130 128	2 543 387	3 203 704	17 877 219
Additions	-	12 094	2 630	14 724
Closing balance as at 31/03/2018	12 130 128	2 555 481	3 206 334	17 891 943
Accumulated depreciation				
Opening balance as at 01/04/2017	11 050 722	2 491 063	2 391 869	15 933 654
Depreciation charge for the year	597 376	2 900	729 688	1 329 964
Closing balance as at 31/03/2018	11 648 098	2 493 963	3 121 557	17 263 618
Net book value as at 31/03/2018	482 030	61 518	84 777	628 325
March 2017				
Cost				
Opening balance as at 01/04/2016	12 121 503	2 539 753	3 128 852	17 790 108
Additions	8 625	3 634	74 852	87 111
Closing balance as at 31/03/2017	12 130 128	2 543 387	3 203 704	17 877 219
Accumulated depreciation				
Opening balance as at 01/04/2016	10 452 946	2 449 702	1 629 973	14 532 621
Depreciation charge for the year	597 826	41 311	761 896	1 401 033
Closing balance as at 31/03/2017	11 050 772	2 491 013	2 391 869	15 933 654
Net book value as at 31/03/2017	1 079 356	52 374	811 835	1 943 565

MARINE RESOURCES FUND

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(CONTINUED)

2. Property, plant and equipment (continued)

March 2016	Machinery	Office & Furniture	Computer	Total
	Equipment	Equipment	Equipment	
Cost	N\$	N\$	N\$	N\$
Opening balance as at 01/04/2015	12 107 240	2 456 241	1 811 511	16 374 992
Additions	14 263	83 512	1 317 341	1 415 116
Closing balance as at 31/03/2016	12 121 503	2 539 753	3 128 852	17 790 108
Accumulated depreciation				
Opening balance as at 01/04/2015	9 843 667	2 419 424	929 543	13 192 634
Depreciation charge for the year	609 279	30 278	700 430	1 339 987
Closing balance as at 31/03/2016	10 452 946	2 449 702	1 629 973	14 532 621
Net book value as at 31/03/2016	1 668 557	90 051	1 498 879	3 257 487

3. Investments

	Number of shares			2018	2017	2016
	2018	2017	2016	N\$	N\$	N\$
Sanlam	26 143	26 143	26 143	2 229 998	1 761 254	1 790 534
Old Mutual	20 300	20 300	20 300	820 729	683 704	831 894
				3 050 727	2 444 958	2 622 428

Investments are made of shares in other companies

4. Trade and other receivables

Trade debtors	32 524 975	9 352 994	8 426 315
Other receivables and prepayments			
These include:			
Insurance paid in advance	575 722	-	247 288
Ecoview Software license	132 495	148 361	-
	708 217	148 361	247 288

MARINE RESOURCES FUND

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

	2018	2017	2016
	N\$	N\$	N\$
5. Bank and cash balances	80 722 095	5 419 757	9 690 738
Bank and cash balances at year end comprise:			
Bank Windhoek Current Account	77 580 488	2 597 619	7 045 272
Bank Windhoek – Notice Deposit Call Account	3 005 295	2 811 940	2 629 459
Cash Control Swakop- Fish Permits	168	7 779	-
Cash Control- Walvis Bay	181	181	181
Cash Control- Walvis Bay-sea water	7 434	-	-
Cash Control- Swakopmund	893	1 061	14 108
Cash Control- Aquarium	7 874	596	1 705
Cash Control- Head Quarter	844	581	13
Cash Control- Lüderitz	2 652	-	-
Cash Control- Henties Bay	116 266	-	-
6. Trade and other payables	1 933 606	5 513 433	4 585 408
Trade payables			
Trade Creditors	192 354	477 139	3 041 204
Other Payables	1 741 252	5 036 294	1 544 204
Main Budget By-catches	415 999	415 999	310 599
Main Budget By-catches	-	3 360 594	-
Suspense	91 648	26 096	-
Receiver of Revenue	-	-	-
Social Security	162	162	162
BCC/UNDP Project	1 233 443	1 233 443	1 233 443

MARINE RESOURCES FUND

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH

(CONTINUED)

	2018	2017	2019
	N\$	N\$	N\$
7. Income - Fund Levies	95 528 603	16 638 122	17 168 628
Horse Mackerel	47 229 905	7 884 284	8 509 283
Hake	39 916 862	7 629 517	6 408 902
Tuna	7 334	84 556	104 737
Line fish	541 215	7 962	100 463
Rock Lobster	604 118	48 865	55 160
Crab	3 200 690	414 863	296 699
Pelagic	2 066 167	222 577	1 396 815
Monk	1 740 338	196 854	295 922
Mulletts	4 215	121	-
Orange	62 663	-	-
Beach trek	-	28 035	-
Kingklip	-	-	647
Alfonsino	155 096	16 306	-
Experimental	-	57 411	-
Snoek	-	46 771	-
8. Income - Bycatch Levies	29 554 473	618 161	344 599
Horse Mackerel	10 253 486	138 325	344 295
Hake	15 174 361	479 227	304
Line Fish	68 237	-	-
Midwater	201 152	609	-
Pelagic	27 734	-	-
Rock Lobster	341	-	-
Monk	3 829 162	-	-
9. Income - Recreational/Fishing Permits	1 445 746	49 170	59 852
Fresh Water	127 737	42 601	59 852
Sea Water	1 318 009	6 569	-

MARINE RESOURCES FUND
NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(CONTINUED)

	2018	2017	2016
	N\$	N\$	N\$
10. Income - Aquarium Fees	384 772	438 276	417 736
Adults	262 760	270 780	252 356
Children	46 804	55 290	66 040
Others	4 827	700	4 340
Pensioners	16 660	10 580	7 250
School Groups	8 362	8 668	10 145
Study Groups	1 596	1 503	-
Teacher	5 235	6 140	5 545
Foreign Adult	31 850	67 865	59 775
Foreign Child	2 190	4 300	3 480
Foreign Pensioner	4 488	12 450	8 805
11. Income - Property Rental and Hire	61 745	430 816	479 916
Jetty Rental	55 345	423 566	474 666
Auditorium	6 400	7 250	5 250
12. Subsistence and Travel	232 027	754 537	29 735
Accommodation	232 027	731 419	28 083
Air tickets	-	23 118	1 652
13. Materials and Suppliers	4 491 629	10 472 138	3 246 677
Stationery	-	-	8 954
Cleaning Materials	179 439	9 544	2 362
Provision	386 870	1 054 739	732 600
Protective Clothing	681	50 831	-
Vessel Fuel	3 775 597	9 144 129	2 448 688
Books	15 212	6 146	6 668
Laboratory Consumable	5 193	158 475	-
Computer Consumable	98 163	21 556	-
Medical Supplies	30 474	26 718	47 405

MARINE RESOURCES FUND

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH

(CONTINUED)

	2018	2017	2016
	N\$	N\$	N\$
14. Utilities	1 658 117	1 252 103	1 988 483
Water and Electricity	824 049	942 093	1 040 571
Telephone and Fax	121 836	-	343 016
Courier	-	4 237	64 273
Communication Expenses	712 232	305 773	540 623
15. Maintenance Expenses	11 220 809	7 325 042	13 772 867
Office Furniture	-	-	11 163
Computer Equipment	-	32 250	53 507
Fishing Gears	4 808	-	-
Buildings	21 402	-	12 535
Research Vessels	7 214 805	7 247 639	13 695 662
Operational Vessels	3 973 624	-	-
Aquarium	6 170	45 153	-
16. Depreciation	1 329 964	1 401 033	1 339 987
Computer Equipment	729 688	761 896	700 430
Furniture Fittings	2 901	1 688	1 822
Office Equipment	36 521	39 623	28 456
Operational and Machinery Equipment	560 854	597 826	609 279

MARINE RESOURCES FUND
NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(CONTINUED)

	2018	2017	2016
	N\$	N\$	N\$
17. Other Services and Expenses	1 802 414	2 630 619	10 161 447
Training	455	22 748	17 600
Vessel Management Fee	716 090	748 617	4 829 250
Symposiums and Workshops	-	74 695	29 540
Advertisements	98 196	-	-
Equipment Rental	39 996	-	-
Printing	-	13 249	114 269
Security Services	-	-	644 635
Vehicle/Plane/Crew/Vessel Hire	-	-	27 335
Consultancy Fees	68 951	569 928	565 295
Licenses & Subscriptions	182 180	227 706	2 407 860
Consultancy Kilometer Claim	-	43 829	51 410
Insurance	411 231	247 289	454 655
Salaries	36 410	402 055	375 580
Laundry	6 733	34 740	21 600
Port Dues	-	26 821	16 792
Refreshments & Entertainment	20 987	81 734	248 618
Interest Paid on Overdue Accounts	66 954	23 453	-
Sitting Allowance	96 819	72 000	91 150
Bank Charges	57 412	40 945	31 536
Miscellaneous Expenses	-	810	234 322