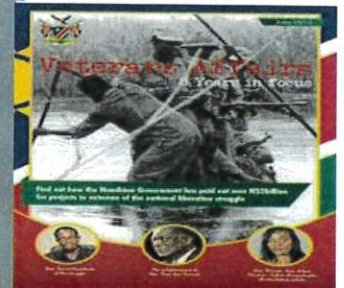




REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

# OFFICE OF THE VICE-PRESIDENT: VETERANS, MARGINALISED & DISABILITY AFFAIRS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

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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 Office of the Vice-President: Veterans, Marginalised and Disability Affairs for the financial year ended 31 March 2020 in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honourable Minister of Finance in terms of Section 27(1) of the State Finance Act, 1991, (Act 31 of 1991) to be laid upon the Table of the National Assembly in terms of Section 27(4) of the Act.

**WINDHOEK, MARCH 2021**

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

**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**



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## DEFINITIONS

<p><b>Types of Audit Opinions:</b></p>	<p><b>Unqualified Opinion.</b> In an unqualified report, the auditors conclude that the financial statements of your O/M/A's present fairly its affairs in all material aspects.</p> <p><b>Qualified Opinion.</b> An auditor's report is qualified when there is either a limitation of scope in the auditor's work, or when there is a disagreement with management regarding application, acceptability or adequacy of accounting policies.</p> <p><b>Disclaimer Opinion.</b> Auditor's do not express an opinion on the financial position of a firm because they have not completed an examination of its accounts or the examination is not broad enough in scope to enable them to form an opinion.</p> <p><b>Adverse Opinion.</b> The Financial statement of an O/M/A's do not fairly present its actual financial position and the required information was either not disclosed, or (if disclosed) was inadequately disclosed or was inaccurate.</p>
<p><b>Treasury:</b></p>	<p>Financial authority in public service. (The department of Government that has control over the collection, management and disbursement of public revenue).</p>
<p><b>Vote:</b></p>	<p>Represents an Office/Ministry/Agency.</p>
<p><b>Appropriation Act:</b></p>	<p>Estimate of expenditure and revenue for a particular financial year presented to the National Assembly, the Act passed by Parliament.</p>
<p><b>Appropriation Account:</b></p>	<p>Government Income and Expenditure statement, showing on receipt side the estimated budgeted amounts and on expenditure side the actual expenditure amounts and the difference thereof.</p>
<p><b>Standard sub-division:</b></p>	<p>Government Balance account, showing balances incurred on each account/activity.</p>
<p><b>Suspension:</b></p>	<p>Reduction on budget (Treasury may from time without or suspend any amount in an estimate of expenditure).</p>
<p><b>Virement:</b></p>	<p>Moving of budgeted funds from one account to another account within the same budget of the same office/ministry/agency. The utilization of a saving under one main division/sub division of a vote to defray an excess under another existing division of the same vote.</p>
<p><b>Unauthorised Expenditure:</b></p>	<p>Expenditure that exceeds the amount appropriated (budgeted) for a vote, main division or subdivision.</p>
<p><b>Under expenditure:</b></p>	<p>Saving on the budget.</p>
<p><b>Miscellaneous Revenue:</b></p>	<p>All revenue collected and not having a specified revenue code.</p>
<p><b>Commitments:</b></p>	<p>Funds reserved to acquire goods or services from a supplier.</p>
<p><b>Suspense accounts:</b></p>	<p>Is an account opened in the books of Government that records movement of transactions of a temporarily nature, for example salary deductions of housing instalments.</p>

<b>S&amp;T Advance Suspense Account:</b>	A suspense account reflecting the outstanding subsistence and travel advances.
<b>Rejection Account:</b>	A suspense account reflecting names and balances of all persons/companies that owe the money to the State.
<b>Budget:</b>	Is an estimation of the revenue and expenses over a specified future period of time specified
<b>Subsistence Advance:</b>	Payment given in advance to an employee to reimburse accommodation, meal and incidental expenses, while on an official assignment.
<b>Performance Information:</b>	Measurement of an individual, group, organization, system or component which is collected, analysed and reported. (Includes Strategic plans, annual plans, performance agreements and personal development plans) performance agreements and personal development plans)
<b>Materiality:</b>	Is a concept or convention relating to the importance or significance of an amount, transaction, or discrepancy that effects the decision of the user.
<b>Performance information:</b>	Measurement of an individual, group, organization, system or component which is collected, analysed and reported. (Includes Strategic plans, annual plans, performance agreements and personal development plans) Measurement of (Includes Strategic plans, annual plans, performance agreements and personal development plans) performance agreements and personal development plans)
<b>Key performance indicator (KPI):</b>	A measurable value used to monitor and demonstrates how effectively an organization is achieving key business objectives. ISSAI: International Standards of Supreme Audit Institutions
<b>ISSAI:</b>	International Standards of Supreme Audit Institutions
<b>Reasonable Assurance:</b>	It is when the audit conclusion is expressed positively, conveying that, in the auditor's opinion, the subject matter is or is not compliant in all material respects or, where relevant, that the subject matter information provides a true and fair view, in accordance with the applicable criteria.
<b>Limited Assurance:</b>	It is when the audit conclusion states that, based on the procedures performed; nothing has come to the auditor's attention to cause the auditor to believe that the subject matter is not in compliance with the criteria.
<b>Direct reporting engagement:</b>	It is when an auditor measures or evaluates the subject matter against the criteria. The auditor is responsible for producing the subject matter information. The auditor selects the subject matter and criteria, taking into consideration risk and materiality. By measuring the subject matter evidence against the criteria, the auditor is able to form a conclusion.
<b>Attestation engagement:</b>	It is when a responsible party (the entity) measures the subject matter against the criteria and presents the subject matter information, on which you, the auditor, then gather sufficient and appropriate audit evidence to



	provide a reasonable basis for forming a conclusion.
<b>Materiality:</b>	Is a concept or convention relating to the importance or significance of an amount, transaction, or discrepancy that affects the decision of the user.
<b>OMA:</b>	Office/Ministry/Agency



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE  
OFFICE OF THE VICE-PRESIDENT: VETERANS, MARGINALISED AND DISABILITY AFFAIRS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

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**1. SECTION A: FINANCIAL AUDIT**

**1.1 UNQUALIFIED AUDIT OPINION**

I have audited the financial statements of the Office of the Vice-President: Veterans, Marginalised and Disability Affairs for the financial year ended 31 March 2020, provided by the Accounting Officer as attached in Annexure A. These financial statements comprise the Appropriation account, Standard subdivisions, Departmental revenue, notes to the financial statements and general information for the year then ended and other explanatory information.

In my opinion, the financial statements of the Office of the Vice-President: Veterans, Marginalised and Disability Affairs as at 31 March 2020 are prepared, in all material respects, in accordance with Section 12 and 13 of the State Finance Act, 1991 (Act 31 of 1991) and relevant legislation.

**1.2 BASIS FOR UNQUALIFIED AUDIT OPINION**

I conducted my audit in accordance with International Standards for Supreme Audit Institutions. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to my audit of the financial statements in Namibia and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**1.3 KEY AUDIT MATTERS**

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. I have determined that there were no key audit matters to communicate in my report.

**1.4 OTHER MATTERS**

Attention is drawn to the management on the following matters that relates to my responsibility in the audit of the financial statements, and excluding matters already disclosed by the Office of the Vice-President: Veteran, Marginalised and Disability Affairs in the financial statements. My opinion is not modified in respect of these matters:

**1.4.1 Risk Management**

For the third consecutive financial year, the Accounting Officer has not come up with an approved risk management framework, hence no formal or reliable risk assessment process has been performed to identify and respond to the risks the Office might be facing.

In his comments in the previous two (2) financial years, the Accounting Officer indicated that the Office is in the process of finalising the draft document for implementation. However, no progress has been made at the time of writing this report.

It is recommended that the Accounting Officer should put in place an approved risk management framework that will be followed when the Office performs risk assessments to identify and respond to the risks the Office might be facing.

**Management comment**

The Accounting Officer indicated that the Office takes of the recommendation and since the Ministry has been merged with Defence the draft Risk Management Policy that of Veterans Affairs will be consolidate with that of Defence.

**1.4.2 IT Disaster Recovery Plan**

For the third consecutive year, the Accounting Officer has not come up with an approved disaster recovery plan to provide information and guidance in the event of a disaster.

Disaster recovery plan is an integral part of the overall risk management of the Office. Since all of the risks cannot be eliminated, management should implement a disaster recovery plan to prepare for potentially disruptive events. This process is extremely important because it provides detailed strategies on how the Office will continue after severe interruptions and disasters. In the event of a disaster, the continued operations of the Office depend on the ability to replicate its IT systems and data. The disaster recovery plan stipulates how the Office will prepare for a disaster, what the Office's response will be, and what steps it will take to ensure that operations can be restored.

In his comments in the previous two (2) financial years, the Accounting Officer indicated that the recommendation is noted and the Office will embark on ways to develop a disaster recovery plan by liaising with other stakeholders. However, no progress has been made at the time of writing this report.

It is recommended that the Accounting Officer should develop and implement a disaster recovery plan as a matter of urgency.

**Management comment**

The Accounting Officer indicated that the recommendation is noted and the office will engage subject experts to develop the plan.

**1.5 OTHER INFORMATION**

Management is responsible for the other information. My opinion on the financial statements does not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. Based on the work I have performed, I have nothing to report in this regard.

## **2. SECTION B: COMPLIANCE AUDIT AND AUDIT OF PERFORMANCE INFORMATION**

### **2.1 COMPLIANCE TO LAWS AND REGULATIONS**

#### **SUBJECT MATTER: FINANCIAL PERFORMANCE AND THE USE OF APPROPRIATED FUNDS**

I have audited the financial performance and the use of appropriated funds of the Office of the Vice-President: Veterans, Marginalised and Disability Affairs for the financial year ended 31 March 2020.

### **2.2 Description of the subject matter information and audit scope**

The audit aimed to determine whether the Office of the Vice-President: Veterans, Marginalised and Disability Affairs used the appropriated funds in compliance with the Appropriation Act, 2019 (Act 2 of 2019); Appropriation Amended Act, 2019 (Act 3 of 2019); the State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015); Treasury Instructions and Public Procurement Regulations during the financial year ended 31 March 2020.

### **2.3 Audit objective**

The objective of this compliance audit is to verify and assess whether Office of the Vice-President: Veterans, Marginalised and Disability Affairs has complied with all laws and regulations that have an impact on the financial statements in accordance with the ISSAIS. This audit is an attestation engagement where the entity presented the subject matter information on which the auditor then gathered sufficient and appropriate audit evidence to provide reasonable assurance in forming an opinion. In forming an opinion, the findings and recommendation are taken into account.

In addition, the objective of this audit is to verify and assess whether public funds have been used appropriately and lawfully, and to report issues of non-compliance so that corrective action is taken and compliance to laws and regulations is strengthened.

### **2.4 Audit criteria**

The audit criteria of this compliance audit are derived from the following laws and regulations stated below:

- Appropriation Act, 2019 (Act 2 of 2019);
- Appropriation Amendment Act, 2019 (Act 3 of 2019)
- State Finance Act, 1991 (Act 31 of 1991);
- Public Procurement Act, 2015 (Act 15 of 2015)
- Treasury Instructions; and
- Public Procurement Regulations.

### **2.5 Summary of methods applied**

I have audited the financial statements for the financial year ended 31 March 2020 submitted by the Accounting Officer, in order to determine whether this information complied with the laws and regulations that governs them. The audit team conducted interviews with management and those charged with governance and document reviews were also carried out.

## **2.6 OPINION ON THE SUBJECT MATTER**

In my opinion, the Office of the Vice-President: Veterans, Marginalised and Disability Affairs' financial performance and use of appropriated funds is in compliance, in all material respects, with the Appropriation Act, 2019 (Act 2 of 2019); Appropriation Amended Act, 2019 (Act 3 of 2019); the State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015); Treasury Instructions and Public Procurement Regulations.

## **3. AUDIT OF PERFORMANCE INFORMATION**

The audit of performance information could not be carried out because the Office did not provide the annual plan review report and the Quarter 4 review report for audit purposes.

#### **4. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Section 12 and 13 of the State Finance Act, 1991 (Act 31 of 1991) and legislation, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The management is also responsible for ensuring adherence to the Appropriation Act, 2019 (Act 2 of 2019); Appropriation Amended Act, 2019 (Act 3 of 2019); the State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015); Treasury Instructions and Public Procurement Regulations to ensure that effective and efficient internal controls are implemented to enable compliance to the law that governs the performance information.

Those charged with governance are responsible of overseeing the entity's financial reporting process.

#### **5. AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs), will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

My powers and duties towards auditing and reporting on the financial statements and compliance to the subject matter are outlined under Section 25 (1) (c), Section 26 (1) and Section 27 (3) of the State Finance Act, 1991 (Act 31 of 1991).

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.
- It is also my responsibility to express an opinion on whether the financial performance and the use of appropriated funds is, in all material respect is in compliance with the Appropriation Act, 2019 (Act 2 of 2019); Appropriation Amended Act, 2019 (Act 3 of 2019); the State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015); Treasury Instructions and Public Procurement Regulations. I have conducted the audit in accordance with International Standards for Supreme Audit Institutions (ISSAIs). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the audited entity is in compliance with the authorities that govern the audited entity in the execution of its roles and responsibilities.

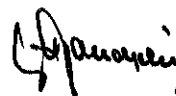
## 6. GENERAL INFORMATION

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

The accounts were submitted timeously by the Accounting Officer to the Auditor-General on 30 October 2020 in terms of Section 12 and 13 of the State Finance Act, 1991.

## 7. ACKNOWLEDGEMENT

The co-operation and assistance by the management and staff of the Office of the Vice-President: Veterans, Marginalised and Disability Affairs during the audit is appreciated.



**JUNIAS ETUNA KANDJEKE**  
**AUDITOR-GENERAL**

**WINDHOEK, MARCH 2021**



## ANNEXURE A

## 1. AUDITED FINANCIAL STATEMENTS

## 1.1 Appropriation account

Service	2019/2020					2018/2019
	N\$	Authorized expenditure N\$	Actual expenditure N\$	Variations		Actual expenditure N\$
				Under expenditure/ (Excess) N\$	Percentage %	
<b>01. Office of the Minister:</b>						
Original budget	1 048 000					
Plus: Virement	136 997	1 184 997	1 173 033.84	11 963.16	1.01	1 338 545.34
<b>02. General Services:</b>						
Original budget	32 958 000					
Additional budget	300					
Plus: Virement	600 975	33 259 275	32 539 103.23	720 171.77	2.17	33 613 434.49
Less: Suspension	(300 000)					
<b>03. Policy, Heritage and Social Affairs:</b>						
Original budget	551 428 000					
Additional budget	55 653 700					
Less: Virement	(3 235 772)	603 345 928	601 787 144.05	1 558 783.95	0.26	650 485 927.98
Less: Suspension	(500 000)					
<b>04. War Veterans Affairs/Development and Project Planning:</b>						
Original budget	26 028 000					
Less: Virement	(1 852 200)	23 503 800	23 231 218.49	272 581.51	1.16	22 160 140.64
Less: Suspension	(672 000)					
<b>05. San Development Programme:</b>						
Original budget	55 161 000					
Plus: Virement	2 150 000	57 311 000	56 998 332.48	312 667.52	0.55	-
<b>06. Disability Affairs:</b>						
Original budget	18 437 000					
Plus: Virement	2 200 000	20 537 000	20 023 106.32	513 893.68	2.50	-
Less: Suspensions	(100 000)					
<b>Total</b>		<b>739 142 000</b>	<b>735 751 938.41</b>	<b>3 390 061.59</b>	<b>0.46</b>	<b>707 598 048.45</b>

**ANNEXURE A (continued)**

**1.2 Standard subdivisions**

Subdivision	2019/2020			2018/2019
	Authorised expenditure	Actual expenditure	Under-expenditure/ (Excess)	Actual expenditure
	N\$	N\$	N\$	N\$
<b>Operational:</b>				
<b>Current expenditure: Personnel</b>				
001. Remuneration	53 995 737	53 974 208.24	21 528.76	36 760 025.33
002. Employer's contribution to the G.I.P.F and M.P.O.O.B.P.F.	6 603 330	6 582 399.41	20 930.59	4 549 322.67
003. Other conditions of service	848 502	848 500.24	1.76	2 178 757.17
005. Employer's contribution to the social security	173 063	172 821.95	241.05	119 166.74
<b>Total</b>	<b>61 620 632</b>	<b>61 577 929.84</b>	<b>42 702.16</b>	<b>43 607 271.91</b>
<b>Current expenditure: Goods and other services</b>				
021. Travel and subsistence allowance	3 743 659	3 646 582.70	97 076.30	880 720.21
022. Materials and supplies	974 203	833 635.36	140 567.64	525 567.64
023. Transport	8 574 674	7 491 935.07	1 082 738.93	7 268 627.72
024. Utilities	6 464 795	6 438 793.53	26 001.47	5 264 758.37
025. Maintenance expenses	392 478	389 634.10	2 843.90	440 976.25
026. Property rental and related charges	610 594	575 112.74	35 481.26	706 823.93
027. Other services and expenses	2 081 817	2 078 816.53	3 000.47	-
028. Training course, symposiums and workshops	797 000	788 086.91	8 913.09	176 607.15
029. Printing and advertisements	249 916	249 175.96	740.04	58 383.49
031. Politicians entertainment	61 946	61 897.16	48.84	39 764.64
033. Office refreshment	254 064	254 056.68	7.32	113 943.38
034. Official entertainment	31 774	31 774	-	-
040. Security contracts	3 964 392	3 961 560.00	2 832.00	4 118 193.53
<b>Total</b>	<b>28 201 312</b>	<b>26 801 060.74</b>	<b>1 400 251.26</b>	<b>19 594 366.31</b>
<b>Current expenditure: Subsidies, grants and other transfers</b>				
046. Subsidies to sub national bodies	50 038 000	50 038 000.00	-	-
047. Subsidies to the other extra budgetary bodies	590 479 492	588 940 700.00	1 538 792.00	638 530 000.00
<b>Total</b>	<b>640 517 492</b>	<b>638 978 700.00</b>	<b>1 538 792.00</b>	<b>638 530 000.00</b>
<b>Total: Current expenditure</b>	<b>730 339 436</b>	<b>727 357 690.58</b>	<b>2 981 745.42</b>	<b>701 731 638.22</b>
<b>Capital expenditure: Acquisition of assets</b>				
101. Furniture and office equipment	285 564	141 463.50	144 100.50	197 719.49
<b>Total: Capital expenditure</b>	<b>285 564</b>	<b>141 463.50</b>	<b>144 100.50</b>	<b>197 719.49</b>
<b>Total: Operational expenditure</b>	<b>730 625 000</b>	<b>727 499 154.08</b>	<b>3 125 845.92</b>	<b>701 929 357.71</b>

**ANNEXURE A (continued)**

Subdivision	2019/2020			2018/2019
	Authorised expenditure N\$	Actual expenditure N\$	Under-expenditure/ (Excess) N\$	Actual expenditure N\$
<b>Development:</b>				
<b>Capital expenditure: Acquisition of assets</b>				
105. Feasibility studies, design & supervision	500 000	491 300.00	8 700.00	-
107. Construction, renovation and improvements	8 017 000	7 761 484.33	255 515.67	5 668 690.74
<b>Total</b>	<b>8 517 000</b>	<b>8 252 784.33</b>	<b>264 215.67</b>	<b>5 668 690.74</b>
<b>Total: Development expenditure</b>	<b>8 517 000</b>	<b>8 252 874.33</b>	<b>264 215.67</b>	<b>5 668 690.74</b>
<b>GRAND TOTAL</b>	<b>739 142 000</b>	<b>735 752 028.41</b>	<b>3 390 061.59</b>	<b>707 598 048.45</b>

**1.3 Departmental revenue**

Revenue for the year is as follows:

Revenue head	Estimate N\$	Actual revenue 2019/2020 N\$	More/(Less) than estimated N\$	Actual revenue 2018/2019 N\$
Miscellaneous	25 000	20 525.74	(4 474.26)	46 437.34
Parking fees	2 640	-	(2 640.00)	-
Sale of bidding documents	30 000	4 200.00	(25 800.00)	47 500.00
<b>Total</b>	<b>57 640</b>	<b>24 725.74</b>	<b>(32 914.26)</b>	<b>93 937.34</b>

**1.4 Notes to the financial statements**

**1.4.1 Appropriation account: Explanations of variations exceeding 2% between authorized and actual expenditure**

**Underexpenditure**

**Main division 02: General Services: (N\$ 720 171.77 - 2.17%)**

The underexpenditure is attributed to underspending under materials and supplies (N\$ 62 142.44), transport (N\$ 439 763.04), utilities (N\$ 25 996.68), property rental & related charges (N\$ 35 481.26) and furniture & office equipment (N\$ 144 100.50).

The underspending is as a result of funds not utilised by the end of March 2020, that could not be re-allocated through the application of virement because the office anticipated to utilise the funds, however suppliers that were supposed to deliver the required office needs especially for materials and supplies and office furniture & equipment failed to deliver or did not deliver all items as requested. While in terms of transport, funds could not be utilised as invoices that were outstanding at that time were of an amount higher than the funds available.

## **Main division 06: Disability Affairs: (N\$ 513 893.68-2.50%)**

The underspending is attributed to procurement process for stationeries under materials and supplies which was finalised late and resulted in the supplier to deliver the goods after payment cut off dates for accounts payable. This had resulted in invoice to be outstanding as at 31 March 2020 and could only be processed in the 2020/2021 financial year.

Another contributing factor, is the late approval/posting to the general ledger, the virement of funds which was identified for transport. Although funds were made available under the priority area (transport), payment could not be effected due to the payment cut-off date of the Ministry of Finance.

## **2. GENERAL INFORMATION**

### **2.1 Fund account**

The Accounting Officer reported that the Veterans Fund Account had a closing balance of N\$ 3 147 894.55 at 31 March 2020.

### **2.2 Outstanding commitments**

The Accounting Officer reported outstanding commitments amounting to N\$ 571 264.32 for the year under review.

### **2.3 Outstanding subsistence advance**

The Accounting Officer reported outstanding subsistence advances amounting to N\$ 25 846.37 according to the IFMS debit balance list in respect of five (5) cases during the year.

### **2.4 Capital projects**

The Accounting Officer reported the following development projects of the Office:

<b>Nature of project</b>	<b>Approved total budget</b>	<b>Total expenditure as at 31/03/2019</b>	<b>Approved appropriation 2019/2020</b>	<b>Actual expenditure 2019/2020</b>	<b>Total expenditure at 31/03/2020</b>	<b>Expected year of completion</b>
	N\$	N\$	N\$	N\$	N\$	
Erection and preservation of liberations struggle monuments	49 699 000	1 940 255.68	1 000 000	991 300.00	2 931 555.68	31/03/2022
Acquisition/Construction of Veteran Affairs regional offices	71 445 000	24 059 403.47	6 017 000	5 772 335.49	29 831 738.96	31/03/2022
Construction of veterans recreational facilities at Onesi	369 730 000	13 505 786.57	1 500 000	1 489 148.84	14 994 935.41	31/03/2022
<b>Total</b>	<b>490 874 000</b>	<b>39 505 445.72</b>	<b>8 517 000</b>	<b>8 252 784.33</b>	<b>47 758 230.05</b>	

### **2.5 Bursary and study assistance**

The Accounting Officer reported that study assistance was provided to eleven (11) staff members amounting to N\$ 205 946.50 during the financial year under review.

## 2.6 Donations by Government

The Accounting Officer reported an amount of N\$ 10 000.00 donated towards building of classrooms at the Circle of Hope Academy Cc.

## 2.7 Donations to the Government by foreign instances

The Accounting Officer reported donations received valued at N\$ 48 220.51 from Basic Affordable Sustainable Service (BAAS) to assist people with disabilities in Namibia.

## 2.8 Donations to the Government by local instances

The Accounting Officer reported a donation of chairs valued at N\$ 4 097.45 from I-Tech Namibia.

## 2.9 Annual stocktaking

The Accounting Officer reported that annual stocktaking has been conducted at fourteen (14) stock points. Items/stock valued at N\$ 8 846 147.74 and obsolete/worn-out items/stock valued at N\$ 14 230.00 has been reported.

## 2.10 Internal inspections

The Accounting Officer reported that the Office has five (5) inspection points and the Internal Audit division has conducted internal audits at four (4) points during the financial year under review.

## 2.11 Vehicles

### 2.11.1 Vehicles on hand (Government Garage)

The Accounting Officer reported the following vehicles on hand as at 31 March 2020:

Balances	Vehicle type				Value
	Sedans	Pick-ups and Combies	Heavy vehicles	Other	
Balance as at 01/04/2019	9	24	2	1	N\$ 504 913.52
Receipt	6	24	2	-	483 927.60
<b>Balance as at 31/03/2020</b>	<b>15</b>	<b>48</b>	<b>4</b>	<b>1</b>	<b>988 841.12</b>

### 2.11.2 Vehicle accidents

The Accounting Officer reported three (3) vehicle accidents during the financial year under review. The balance brought forward of the vehicles not repaired from the 2018/2019 financial year were two (2), of which one (1) was repaired at a cost of N\$ 14 671.37 during the financial year under review, while four (4) vehicles were still to be repaired as at 31 March 2020, with repair cost not yet determined.

## 2.12 Suspense accounts

The Office had the following outstanding credit balances on six (6) suspense accounts at 31 March 2020:

Description	Balance as at 31 March 2020
	NS
Receipt suspense	(14 432.00)
S&T advance suspense account	(176 258.00)
Rejection account	(7 836.73)
Bills payable	(364 535.54)
Electronic Fund Transfer Clearing Account (EFT)	(649.50)
Pension funds: GIPF	(777.45)

WINDHOEK 30-10-2020

MR ABRAHAM IILONGA  
ACCOUNTING OFFICER