



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

DEPARTMENT OF TRANSPORT OF THE MINISTRY OF WORKS AND TRANSPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

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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 Department of Transport of the Ministry of Works and Transport for the financial year ended 31 March 2019 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 2020

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

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

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Definitions:

Treasury:	Financial authority in public service. (The department of Government that has control over the collection, management and disbursement of public revenue).
Vote:	Represents an Office/Ministry/Agency.
Appropriation Act:	Estimate of expenditure and revenue for a particular financial year presented to the National Assembly, the Act passed by Parliament.
Appropriation Account:	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.
Standard sub-division:	Government Balance account, showing balances incurred on each account/activity.
Suspension:	Reduction on budget (Treasury may from time to time withhold or suspend any amount in an estimate of expenditure).
Virement:	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.
Unauthorised Expenditure:	Expenditure that exceeds the amount appropriated (budgeted) for a vote, main division or subdivision.
Under expenditure:	Saving on the budget.
Miscellaneous Revenue:	All revenue collected and not having a specified revenue code.
Commitments:	Funds reserved to acquire goods or services from a supplier.
Suspense accounts:	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.
S&T Advance Suspense Account:	A suspense account reflecting the outstanding subsistence and travel advances.
Rejection Account:	A suspense account reflecting names and balances of all persons/companies that owe the money to the State.
Budget:	Is an estimation of the revenue and expenses over a specified future period of time.
Subsistence Advance:	Payment given in advance to an employee to reimburse accommodation, meal and incidental expenses, while on an official assignment.

Performance Information:	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).
Key performance indicator (KPI):	A measurable value used to monitor and demonstrates how effectively an organization is achieving key business objectives.
International Standards of Supreme Audit Institutions (ISSAI):	Professional standards and best practice guidelines for public sector auditors, officially authorised and endorsed by the International Organisation of Supreme Audit Institutions (INTOSAI).
Types of Audit Opinions:	<p>Unqualified Opinion. 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>Qualified Opinion. 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>Disclaimer Opinion. Auditors 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>Adverse Opinion. The Financial statements 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>
Reasonable Assurance:	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.
Limited Assurance:	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.

Direct reporting engagement:	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.
Attestation engagement:	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.
Subject matter:	Refers to the information, condition or activity that is measured or evaluated against certain criteria.
Materiality:	Is a concept or convention relating to the importance or significance of an amount, transaction, or discrepancy that affects the decision of the user.
OMA:	Office/Ministry/Agency
IFMS:	Integrated Financial Management System

REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE DEPARTMENT OF TRANSPORT OF THE MINISTRY OF WORKS AND TRANSPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

1. SECTION A: FINANCIAL AUDIT

1.1 UNQUALIFIED AUDIT OPINION

I have audited the financial statements of the Department of Transport of the Ministry of Works and Transport for the year ended 31 March 2019, provided by the Accounting Officer as attached in Annexure A. These financial statements comprise the Appropriation account, Standard subdivisions, Departmental revenue for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements of the Department of Transport of the Ministry of Works and Transport as at 31 March 2019 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 EMPHASIS OF MATTERS

Attention is drawn to the management on the following matters that relate to my responsibility in the audit of the financial statements, and excluding matters already disclosed by the Department of Transport of the Ministry of Works and Transport in the financial statements. My opinion is not modified in respect of these matters:

1.4.1 Revenue outstanding

The Accounting Officer reported revenue outstanding for hiring aircraft amounting to N\$ 23 644 237.38 that is outstanding from the 2015/2016 to 2018/2019 financial years. Furthermore, the Accounting Officer reported revenue outstanding for hiring vehicles to OMAs amounting to N\$ 338 991 049.51

It is recommended that the Accounting Officer should ensure that the outstanding revenue is recovered and should explain why this revenue has not been recovered yet.

Management comment

In his response on the draft report, the Accounting Officer indicated that due to the economic crisis in the country, OMAs were instructed by Treasury to give priority to third party payments before considering accounts of Government Garage.

1.4.2 Subsistence advances

The audit found that the S&T advance suspense account reflects an amount of N\$ 467 614.49 while the Debit balance list reflects a balance of N\$ 239 246.99 resulting in an unexplained difference of N\$ 228 367.50.

It is recommended that the Accounting Officer should ensure that reconciliations are carried out to avoid unexplained differences.

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. I have nothing to report in this regard.

1.6 RECURRING MATTERS

1.6.1 Unauthorized expenditure

It has been noted that unauthorized expenditure has been recurring in the Department of Transport for four (4) consecutive years as follows:

Financial year	Main divisions		Sub-divisions	
	Amount N\$	Number of main divisions	Amount N\$	Number of sub- divisions
2014/2015	-	-	432 438 944.60	47
2015/2016	-	-	696 750 814.82	57
2016/2017	12 932 363.45	3	532 522 923.77	50
2017/2018	8 032 184.34	3	242 279 210.90	40

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 Department of Transport in the Ministry of Works and Transport for the financial year ended 31 March 2019.

2.2 Description of the subject matter information and audit scope

The audit aimed to determine whether the Department of Transport in the Ministry of Works and Transport used the appropriated funds in compliance with the Appropriation Act, 2018 (Act 4 of 2018) Appropriation Amendment Act, 2018 (Act 15 of 2018), 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 2019.

2.3 Audit objective

The objective of this compliance audit is to verify and assess whether the Department of Transport in the Ministry of Works and Transport 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 Department 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 recommendations are taken into consideration.

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, 2018 (Act 4 of 2018);
- Appropriation Amendment Act, 2018 (Act 15 of 2018);
- 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 2019 submitted by the Accounting Officer in order to determine whether this information complied with laws and regulations that governs them.

2.6 BASIS FOR QUALIFIED AUDIT OPINION

2.6.1 Unauthorised expenditure

The following unauthorized expenditure occurred during the financial year and is hereby reported as such in terms of Section 27(6) (a) of the State Finance Act, 1991 (Act 31 of 1991):

- (i) Two (2) main divisions were exceeded with a total amount of N\$ 2 581 812.86. These excess amounts are unauthorised in terms of Section 6(a) (ii) of the Act; and
- (ii) Furthermore, although Treasury approval was obtained to utilise certain expected savings for the defrayal of expenditure through virements during the year, twenty three (23) sub-divisions were exceeded with a total amount of N\$ 292 929 467.73 which is unauthorised in terms of section 6(a) (iii) of the Act.

It is recommended that the Accounting Officer should closely monitor and review the financial position of the Department on a continuous basis and take appropriate action timeously to avoid unauthorised expenditure in future.

Management comment

No comment was provided by the Accounting Officer.

2.6.2 Outstanding subsistence advances

Treasury Instructions HB 0505 states that *"A claim for subsistence and other anticipated expenditure shall be submitted within 30 days after a person return to his headquarters and monthly by a person who is elsewhere for a longer period". Advances which are not standing advances shall be set off against claims for subsistence and other expenditure, and should claim be less than the advance, the difference shall be repaid immediately by the relevant person"*.

The audit found that, according to the statement of accounts and detailed transaction history for the staff members on the debit balance list, out of twenty-three (23) cases, fourteen (14) claims amounting to N\$ 152 500.77 were submitted after 30 days of return to the duty station.

It is recommended that the Accounting Officer should ensure that claims are submitted within the period as prescribed by Treasury Instruction HB 0505.

Management comment

No comment was provided by the Accounting Officer.

2.6.3 Debt to Government

Treasury Instruction EA 0501 (1)(b) stipulates that debt owed to the State may at the discretion of the Accounting Officers and without reference to the Treasury be recovered by means of instalments, provided that the debt is recovered within a period of 12 months.

However, the audit found that out of fifty-one (51) debtors amounting to N\$ 304 116.35 as reported by the Accounting Officer, eighteen (18) cases of debt amounting to N\$ 197 610.95 was not recovered within a period of 12 months and no Treasury approval was granted.

It is recommended that the Accounting Officer should ensure that Treasury Instruction EA 0501 (1)(b) is adhered to.

2.6.4 Annual stocktaking

Treasury Instruction KA 0901 states that; *“Stores, equipment and livestock shall be subjected to stock taking at least once each financial year and the Accounting Officer shall submit the report thereon (as intended in T.I KA 0905) to treasury for approval as soon as possible after the stock taking, but in case within 30 days after the end of the financial year concerned.”*

The audit found that the Accounting Officer did not conduct stocktaking at eleven (11) of the twenty-four (24) stock points as required by Treasury Instruction KA 0901.

Furthermore, the audit found that stock control reports for Ondangwa Government Garage and Government Air Transport Services were not approved by Treasury.

It is recommended that, in future, the Accounting Officer should ensure that Treasury Instruction KA 0901 is adhered to.

Management comment

No comment was provided by the Accounting Officer.

2.6.5 Vehicles

Section 12 (2) (d) of the State Finance Act, 1991(Act 31 of 1991) states that; *“The Accounting Officer shall transmit the statements and accounts referred to in subsection (1) to the Auditor-General for investigation, examination and auditing”.*

The Accounting Officer did not submit a statement in respect of vehicles on hand assigned to the Department of Transport by Government Garage (pool vehicles). The Accounting Officer further did not submit a statement detailing damages and costs of damages to vehicles under the control of the Department during the year under review.

It is recommended that the Accounting Officer should ensure that Section 12 (2)(d) of the State Finance Act, Act 31 of 1991 is adhered to.

Management comment

No comment was provided by the Accounting Officer.

2.7 QUALIFIED OPINION ON THE SUBJECT MATTER

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the Department of Transport in the Ministry of Works and Transport’s financial performance and the use of appropriated funds is in compliance, in all material respects, with the State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015), Appropriation Act, 2018 (Act 4 of 2018), Appropriation Amendment Act, 2018 (Act 15 of 2018), Treasury Instructions, and Public Procurement Regulations.

3. AUDIT OF PERFORMANCE INFORMATION

I have audited the performance information of the Department of Transport in the Ministry of Works and Transport for the financial year ended 31 March 2019.

3.1 Description of the subject matter information and audit scope

A Performance Management System (PMS) is defined as a systematic process for achievement and improvement in obtaining results from an organization and its staff members by 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 Offices, Ministries and Agencies (OMAs) to achieve success in National Development Plans (NDP) and provide improvements in service delivery to the public.

The scoping of the key performance indicators was performed, by looking at the high-level statements, which are indicated in the mandate of the Department of Transport in the Ministry of Works and Transport and the 2017-2022 Strategic Plan. Key performance indicators were selected based on what would be significant to the intended users and their usefulness in assessing the entity's achievements in terms of its service performance objectives.

3.2 Audit objective

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

The objective of this audit is also to provide reasonable assurance to Parliament, members of the general public and other relevant stakeholder whether the reported actual performance has actually occurred and is based on the selected criteria.

3.3 Audit criteria

In this audit, the performance information against the following selected criteria was tested:

Compliance with legislative requirements,
Usefulness;
Reliability;
Existence;
Timeliness;
Presentation;
Measurability;
Relevance;
Consistency;
Validity;
Accuracy; and
Completeness.

3.4 Summary of methods applied

The auditor reviewed the NDP 5, Harambee Prosperity Plan, MTEF and Strategic Plan of the Ministry to confirm whether the Strategic objectives in the Strategic Plan are aligned to the National Development Plans (NDP 5 & Harambee Prosperity Plan) and the MTEF. The auditor also reviewed the annual plan and the directorate quarterly reviews to confirm whether the Strategic Plan objectives, targets and KPIs have been correctly cascaded to the Annual Plan and the selected key performance indicators for the year under review are reported in the Annual Performance Report, Annual plan review and Directorate quarterly reports.

Furthermore, the auditor conducted interviews and used reviewed documents to obtain information that pertains to the selected key performance indicators.

3.5 Key audit findings

(a) Percentage of completion rate: Phase 1 of Eros runway rehabilitated

No:	Finding	Recommendation
(i)	<p>Unrealistic reported achievement: The Department reported 45% achieved for this KPI, however, the Department only managed to submit the Individual Procurement Plan (IPP) for this project to the Procurement Management Unit.</p> <p>The allocated percentage to the work performed is not realistic, thus, too high, compared to the work done.</p>	In future, the Accounting Officer should ensure that reported achieved results are correct.
(ii)	<p>Non achievement of planned targets: The Department planned to achieve 100% during the financial year under review as per Annual Plan; however, the audit found that the Department only managed to achieve 45%. No reasons for the variance were provided by the Accounting Officer.</p>	It is recommended that the Accounting Officer should ensure that targets are achieved as per the annual plan.

(b) Percentage of station buildings, platforms and civil works completed (Constructed Oshakati station buildings, platforms and civil works)

No:	Finding	Recommendation
(i)	<p>None achievement of planned targets: The Department planned to achieve 18% during the financial year under review as per Annual Plan; however, the audit found that the Department only managed to achieve 8%.</p>	It is recommended that in future, the Accounting Officer should accelerate the processes to ensure that planned targets are achieved.

(c) Number of transport infrastructure global competitiveness report: Transport infrastructure global competitiveness report.

No	Finding	Recommendation
(i)	Inconsistency with respect to performance targets: As per Annual Plan, four (4) global competitiveness reports were targeted whereas the Annual Plan Performance Review Report indicated a target of three (3) global competitiveness reports to be produced.	The Accounting Officer should ensure the targets in the Annual Plan and in the Annual Performance Reviews are consistent.
(ii)	None achievement of planned outputs: The Department planned to produce four (4) reports during the financial year under review as per Annual Plan. The Annual Plan Review Report indicated that one (1) report was produced.	It is recommended that the Accounting Officer should ensure that targets as per annual plan are met.

(d) Level of compliance to infrastructure standards: Periodic transport infrastructure inspections conducted.

No:	Finding	Recommendation
(i)	Incomplete Annual Plan Performance Review Report The audit found that the selected KPI was not included in the 2018/2019 reviews, therefore, the audit could not determine whether the planned targets were achieved since there were no reviews reported.	It is recommended that the Accounting Officer should provide information requested during the audit at all times.

(e) Number of corridor assessment reports produced: (WBNLDC, Trans Orange and Trans Kunene).

No:	Finding	Recommendation
(i)	None achievement of planned outputs and none submission of documents: The Department planned to produce four (4) reports during the financial year under review as per Annual Plan. The Annual Plan Review Report indicated that one (1) report was produced, however, this output could not be verified because no supporting documents were provided.	It is recommended that in future the Accounting Officer should ensure that targets are met.

3.6 Conclusion on the subject matter

Presentation, accuracy, validity and completeness of performance information is met which concludes that reported information is reliable and useful to the public and stakeholders. The audit revealed that the criteria of consistency, measurability were not satisfactory. The audit further revealed that the Department of Transport did not meet targets for some KPIs as described above.

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 & 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.

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

The management is also responsible for ensuring adherence to the Appropriation Act, 2018 (Act 4 Of 2018), Appropriation Amendment Act, 2018 (Act 15 Of 2018), State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (15 of 2015), Treasury Instructions and Public Procurement Regulations and to ensure that effective and efficient internal controls are implemented to enable compliance to the law that governs the performance information.

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 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 skepticism 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 auditor's 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 auditor's 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 auditor's 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 in compliance with the Appropriation Act, 2018 (Act 4 of 2018), Appropriation Amendment Act, 2018 (Act 15 of 2018), State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (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 complies with the authorities that govern the audited entity in the execution of its roles and responsibilities.

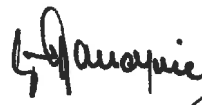
6. GENERAL INFORMATION

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 by the Accounting Officer to the Auditor-General in terms of Section 13 of the State Finance Act, 1991.

7. ACKNOWLEDGEMENT

The co-operation and assistance by the management and staff of the Department of Transport in the Ministry of Works and Transport during the audit is appreciated.

WINDHOEK, MARCH 2020



**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

ANNEXURE A

1. AUDITED FINANCIAL STATEMENTS

1.1. Appropriation account

2018/2019						2017/2018
Service	N\$	Authorized expenditure N\$	Actual expenditure N\$	Variations		Actual expenditure N\$
				Under expenditure/ (Excess) N\$	Percentage %	
01. Government garage:						
Original budget	82 063 000					
Less: Virement	(1 477 748)					
Less: Suspension	(2 500 000)	78 085 252	73 541 566.13	4 543 685.87	5.82	112 223 154.27
02. Transportation infrastructure:						
Original budget	2 021 621 000					
Additional budget	34 000 212					
Plus: Virement	155 844 486					
Less: Suspension	(337 080 812)	1 874 384 886	1 871 490 356.67	2 894 529.33	0.15	1 690 168 342.3 3
03. Railway infrastructure management:						
Original budget	712 087 000					
Less: Virement	(52 998 071)					
Less: Suspension	(129 445 200)	529 643 729	527 628 490.29	2 015 238.71	0.38	836 424 596.94
04. Transportation policy and regulation:						
Original budget	43 092 000					
Less: Virement	(1 031 818)					
Less: Suspension	(6 000 000)	36 060 182	30 607 890.64	5 452 291.36	15.12	41 173 854.19
05. Civil aviation air navigation services:						
Original budget	475 791 000					
Less: Virement	(120 404 742)					
Less: Suspension	(206 294 500)	149 091 758	148 869 183.89	222 574.11	0.15	891 465 317.83
06. Maritime affairs:						
Original budget	39 544 000					
Less: Virement	(3 694 259)					
Less: Suspension	(1 610 000)	34 239 741	31 897 362.74	2 342 378.26	6.84	54 147 229.10
07. Meteorological services:						
Original budget	35 432 000					
Plus: Virement	237 627					
Less: Suspension	(10 295 700)	25 373 927	27 460 468.28	(2 086 541.28)	(8.22)	26 889 937.01
08. Government air transport services:						
Original budget	56 294 000					
Plus: Virement	24 202 000	80 496 000	80 120 908.88	375 091.12	0.47	37 790 794.50
09. Aircrafts accident investigation:						
Original budget	8 674 000					
Less: Virement	(677 475)					
Less: Suspension	(90 000)	7 906 525	8 401 796.58	(495 271.58)	(6.26)	8 683 813.26
Total		2 815 282 000	2 800 018 024.10	15 263 975.90	0.54	3 698 967 039.4 3

ANNEXURE A (Continued)

1.2 Standard subdivisions

Subdivision	2018/2019			2017/2018
	Authorized expenditure N\$	Actual expenditure N\$	Under-expenditure/ (Excess) N\$	Actual expenditure N\$
Operational:				
Current expenditure: Personnel				
001. Remuneration	156 159 805	169 867 573.97	(13 707 768.97)	170 072 847.64
002. Employer's contribution to staff's pension fund	18 129 525	17 909 808.52	219 716.48	18 188 753.35
003. Other conditions of service	5 770 528	5 625 693.01	144 834.99	5 148 780.68
004. Improvement of remuneration structure	-	-	-	15 125.00
005. Employer's contribution to the social security	580 300	564 532.52	15 767.48	483 416.07
Total	180 640 158	193 967 608.02	(13 327 450.02)	193 908 922.74
Current expenditure: Goods and other services				
021. Travel and subsistence expenses	9 118 656	8 025 778.14	1 092 877.86	9 602 596.19
022. Materials and supplies	1 300 241	1 008 505.94	291 735.06	1 875 156.04
023. Transport	3 264 125	3 063 708.54	200 416.46	35 656 774.25
024. Utilities	21 288 962	20 613 627.98	675 334.02	10 882 754.46
025. Maintenance expenses	39 450 000	39 042 824.78	407 175.22	11 269 988.76
026. Property rental and related charges	-	-	-	145 315.82
027. Other services and expenses	39 767 626	38 465 722.76	1 301 903.24	69 728 796.70
028. Training course, symposium and workshops	13 607 597	13 127 489.63	480 107.37	-
029. Printing and advertisements	444 377	424 672.44	19 704.56	-
033. Office refreshments	1 650	1 650.00	-	-
034. Official entertainment / corporate gifts	33 000	31 951.99	1 048.01	-
040. Security contracts	409 350	374 924.92	34 425.08	-
Total	128 685 584	124 180 857.12	4 504 726.88	139 161 382.22
Current expenditure: Membership fees and subscriptions				
041. International	84 630	(81 575.15)	166 205.15	4 529 538.48
043. Government organizations	-	-	-	647 449 648.77
044. Individuals and non-profit organizations	-	-	-	839 072 782.00
045. Public and departmental enterprises and private industries	-	-	-	258 473 476.40
053. Subsidies to other extra budgetary bodies	1 063 336 000	1 063 020 342.54	315 657.46	-
Total	1 063 420 630	1 062 938 767.39	481 862.61	1 749 525 445.65
Total: Operational expenditure	1 372 746 372	1 381 087 232.53	(8 340 860.53)	2 082 595 750.61
Capital expenditure: Acquisition of assets				
103. Operational equipment, machinery and plants	49 345	49 344.86	0.14	17 990.00
Total	49 345	49 344.86	0.14	17 990.00
Total: Operational expenditure	1 372 795 717	1 381 136 577.39	(8 340 860.39)	2 082 613 740.61
Development:				
Current expenditure				
022. Materials and supplies	76 054 500	75 782 987.61	271 512.39	262 495 693.65
Total Development recurrent expenditure	76 054 500	75 782 987.61	271 512.39	262 495 693.65
Capital expenditure: Acquisition of assets				
101. Furniture and office equipment	-	-	-	2 580 789.11
103. Operational equipment, machinery and plants	4 004 300	3 419 560.19	584 739.81	68 282 358.57
105. Feasibility studies, design and supervision	248 432 761	240 553 031.32	7 879 729.68	187 783 973.88

Subdivision	2018/2019			2017/2018
	Authorized expenditure	Actual expenditure	Under-expenditure/ (Excess)	Actual expenditure
	N\$	N\$	N\$	N\$
107. Construction, renovation and improvement	1 009 457 987	998 285 827.26	11 172 159.74	903 133 135.31
Total	1 261 895 048	1 242 258 418.77	19 636 629.23	1 161 780 256.87
Capital transfers:				
129. Capital transfer for state owned enterprises	37 366 735	33 670 040.33	3 696 694.67	-
131. Government organizations	67 170 000	67 170 000.00	-	75 406 015.28
134. Abroad	-	-	-	116 671 333.02
Total	104 536 735	100 840 040.33	3 696 694.67	192 077 348.30
Total: Development expenditure	1 442 486 283	1 418 881 446.71	23 604 836.29	1 616 353 298.82
GRAND TOTAL	2 815 282 000	2 800 018 024.10	15 263 975.90	3 698 967 039.43

1.3 Departmental revenue

Revenue for the financial year is as follows:

Revenue head	Estimate	Actual revenue 2018/2019	More/(Less) than estimated	Actual revenue 2017/2018
		N\$	N\$	N\$
Miscellaneous	759 990	1 013 751.20	253 761.20	749 742.57
Departmental fines	-	400.00	400.00	-
Lost equipment and store	-	412.80	412.80	-
Services rendered to ministries	3 530	6 500.00	2 970.00	1 300.00
Validation of licenses (Non-aeronautical)	6 749	600.00	(6 149.00)	9 051.86
Examination fees for seamen	17 299	34 168.00	16 869.00	21 221.00
Road transportation board	778 027	-	(778 027.00)	650.00
Unclaimed cheques	-	-	-	3 443 055.90
Aeronautical fees and charge for DCA and non-aeronautical fees	-	-	-	32 752.00
	1 565 595	1 055 832.00	(509 763.00)	4 257 773.33

1.4 Notes to the financial statements

1.4.1 Appropriation Account: Explanation of Variations exceeding 2% between authorised and actual expenditure

(i) Underexpenditure

Main division 01 – Government Garage (N\$ 4 543 685.87 – 5.82%)

The variance is as a result of fewer trips that were undertaken than anticipated. The under spending on development funds was reserved for the appointment of subcontractors to finish Swakopmund Government Garage, and this appointment delayed and caused funds not to be used until the end of the financial year.

Main division – 04 Transportation policy and regulation (N\$ 5 452 291.36 – 15.12%)

The underexpenditure was due to a delay experienced during the process of transferring funds for National Road Safety Council.

Funds for the payment of land in Lüderitz on which the vehicle and driver testing station is to be constructed was not utilized because the process of negotiations with the Town Council and to get Treasury approval could not be finalised on time, therefore the underexpenditure.

The process for the appointment of consultancy services to work on the anticipated Monte Cristo Road project could not be finalised during the financial year under review, because the Ministry of Works and Transport together with the City of Windhoek were working on the strategy, which was finalised late. The procurement process to source consulting services started during the fourth quarter of the financial year, but could not be finalised the same year and it was carried over to the 2019/2020 financial year.

Main division 06 – Maritime affairs (N\$ 2 342 378.26 – 6.84%)

Four (4) positions, including the Deputy Director post have been vacant and could not be filled during the financial year under review. The variance on subsistence and travelling allowance was as a result of fewer trips that were undertaken than anticipated. Maritime London office's last quarter payment was delayed pending explanation and submission of the financial needs. Several invoices were rejected by the system towards the end of the financial year, and were only paid in the following financial year.

(ii) Over-expenditure

Main division 07 – Meteorological services (N\$ 2 086 541.28 – 8.22%)

The over spending on remuneration had been caused by less ceilings that were received from the Ministry of Finance, which negatively affected remuneration and could not cater for the whole 2018/2019 financial year. Overexpenditure could not be covered with virements from other divisions, as the budget for the Department of Transport was less.

Main division 09 – Aircrafts accident investigation (N\$ 495 271.58 - 6.26%)

The main division overspent due to leave gratuity which was paid to the Director who went on early retirement without prior notice, thus causing over-expenditure.

1.4.2 Departmental revenue: Explanation of variation exceeding N\$200 000:

(i) Under-estimated

Miscellaneous revenue

An amount of N\$ 1 013 751.20 was received under this revenue head for the period under review, mainly from the Department of Maritime Affairs offices of Lüderitz and Walvis Bay for activities such as issue of logistic and duplicate of logistic, endorsement and exemption, extra attendance, registering a montage for vessel, approval of service supplies equipment and full survey, discharge for seaman (crew), marking and carving, deletion certificate and change of name for vessels etc. Department of Maritime Affairs (DMA) does not have a revenue head and funds collected under DMA are always allocated to miscellaneous. Payments from previous financial years as well as unknown payments are also allocated into this revenue head during the reconciliation process and journals are passed as such.

(ii) Over-estimation

Road transportation board

There is no revenue received during the financial year in question for this revenue head, because the Road Transportation Board has taken over the responsibility from the Department.

2. GENERAL INFORMATION

2.1 Miscellaneous revenue

Miscellaneous revenue amounting to N\$ 1 013 751.20 for the year under review comprised of the following:

Description	Amount
	N\$
Revenue for Maritime Affairs	916 881.00
Manual Air Service Renewal	4 000.00
Lost equipment and stores	6 382.81
Payroll reversal	53 248.24
Journal import created by MOF	33 239.15
Total	1 013 751.20

2.2 Revenue outstanding

The Accounting Officer reported revenue outstanding amounting to N\$ 362 635 286.89 as at 31 March 2019. This amount consist of revenue outstanding for hiring of aircraft amounting to N\$ 23 644 237.38 and revenue outstanding for hiring of government vehicles to O/M/As amounting to N\$ 338 991 049.51.

2.3 Bank accounts

The Accounting Officer reported the following bank accounts with closing balances as at 31 March 2019 as follows:

Account name	Banking institution	Closing balance as at 31/03/2019
Northern Railway Extension Fund	First National Bank	N\$ 14 739.76
MWT – TransNamib Holdings Ltd*	SME Bank	1 310 212.30
MWT – TransNamib Holdings Ltd*	SME Bank	100.00
MWT Air Namibia	Standard Bank	(53.50)
MWT Acquisition of Vehicles for Political Office Bearers	Standard Bank	3 465 222.13
MWT Roads Contractor Company – Current account	Standard Bank	4 746 555.73
MWT Roads Contractor Company – Current account	Bank Windhoek	1 474.11
Government Air Transport Services	First National Bank	652.35
Trans – Kalahari Railway Project	Standard Bank	44 214 601.27

The Accounting Officer reported that these bank accounts are under judicial management.

2.4 Operating/Trade Account – Government Air Transport Services

The Accounting Officer reported a profit of N\$ 303 960.14 for the year ended 31 March 2019 as follows:

Description	Amount
Opening balance	N\$ -
Plus: Operating income	4 983 851.88
Total Income	4 983 851.88
Less: Operating expenditure	4 679 891.74
Profit as at 31 March 2019	303 960.14

2.5 Operating/Trade Account – Government Garage

The Accounting Officer reported a profit of N\$ 3 576 983.12 for the year ended 31 March 2019 as follows:

Description	Amount
	N\$
Opening balance	-
plus: Operating income	168 984 236.46
Total income	168 984 236.46
Less: Operating expenditure	165 407 253.34
Profit as at 31 March 2019	3 576 983.12

2.6 Compensation payments

The Accounting Officer reported compensation payments made to community members affected by the construction of roads or railway projects amounting to N\$ 9 363 462.36 during the period under review.

2.7 Outstanding commitments

The Accounting Officer reported a total amount of N\$ 14 518 402.95 in respect of outstanding commitments.

2.8 Outstanding subsistence advances

The Accounting Officer reported outstanding subsistence advances amounting to N\$ 239 246.99 according to the IFMS debit balance list in respect of twenty-three (23) staff members.

2.9 Bursaries and study assistance

The Accounting Officer reported an amount of N\$ 308 645.28 that was paid in respect of study assistance granted to two (2) staff members during the year under review.

2.10 Aircrafts

The Accounting Officer reported revenue generated and expenditure incurred through the operations of seven (7) aircrafts of the Department during the 2018/2019 financial year as follows:

Description	Amount
	N\$
Revenue	
Hiring of aircrafts by:	
Offices/ Ministries/ Agencies (O/M/As)	2 429 549.64
Total revenue	2 429 549.64
Expenditure	
Fuel	8 867 605.83
Maintenance	17 302 115.38
Other expenses: (Landing fees, Navigation fees, Recurring training for pilots, Catering) etc.	15 093 121.28
Flight personnel (Remuneration and Subsistence)	
Petty Cash - Local	149 266.60
Petty Cash - Foreign	1 591 904.64
Credit card (First National Bank)	2 468 845.85
Total expenditure	45 472 859.58

2.11 Debt to Government

The Accounting Officer reported fifty-one (51) staff members with principle debt of N\$ 304 116.33. An amount of N\$ 128 279.99 was recovered during the financial year under review.

2.12 Exemption from procurement procedures

The Accounting Officer reported an exemption that was granted by the Minister of Finance to procure goods or services to the amount of N\$ 3 905 000.00.

2.13 Vehicles on hand (Own fleet)

The Accounting Officer reported vehicles on hand for the year ended 31 March 2019 as follows:

Own fleet	Sedan	Pick up, combies	Value
Balance at 01 April 2018	1	5	N\$ 1 747 737.77
Depreciation	-	-	(275 638.10)
Balance at 31 March 2019	1	5	1 472 099.67

2.14 Stores and depots

The Accounting Officer reported stock on hand as at 31 March 2019 with a total value of N\$ 69 335 852.23 at its stores and depots.

2.15 Annual stock-taking

The Accounting Officer reported stocktaking results at thirteen (13) stock points as follows:

Description	Amount
	N\$
Shortages	98 836.82
Surpluses	232 974.06
Obsolete/Worn out items	164 146.73
Value of stock	40 430 438.58

2.16 Losses and damages

The Accounting Officer reported two (2) cases of damages to Government vehicles with an estimated repair cost of N\$ 129 813.89 during the 2018/2019 financial year. An amount of N\$ 68 155.98 will be recovered from the responsible staff members.

2.17 Suspense accounts

The final ledger shows the following sixteen (16) suspense account balances of the Department as at 31 March 2019 of which ten (10) had credit balances and six (6) had debit balances:

Description	Balance as at 31 March 2019 Debit/ (Credit)
	N\$
Air transport services trade account	157 383.00
Stores trade account	(956 918.85)
Government garage trade account	(3 576 983.12)
Air transport service trade account	(303 960.14)
Receipt suspense	62 044.13
RD Cheques	(475 811.13)
S&T advance suspense account	467 614.49
Rejection account	(1 987 141.69)
Government garage vehicle replacement	(12 066 427.27)
Bills payable	340 471.73
Electronic fund transfer clearing	1 836 524.44
Social security	(3 483.00)
Pension funds: GIPF	(356 139.68)
First National Bank (Windhoek)	(4 027.05)
Bank Windhoek Main Branch	(4 290.77)
Debt establishment	750.00

ANNEXURE A (Continued)

2.18 Capital projects

The following were development projects of the Department of Transport as reported by the Accounting Officer for the financial year under review:

(i) Internally (Government) funded projects:

No:	Name of project	Approved total budget	Total expenditure as at 31/03/2018	Approved appropriation 2018/2019	Actual expenditure 2018/2019	Total expenditure as at 31/03/2019	Expected year of completion
		N\$	N\$	N\$	N\$	N\$	
1.	Acquisition of New Transport Craft for Zambezi River	1 592 100	14 727 407.01	-	-	14 727 407.01	31/12/2013
2.	Angra Fria Harbour	37 000 000	1 731 628.82	-	-	1 731 628.82	31/03/2013
3.	ATC: New Area Control Centre for Windhoek FIR	955 609 000	617 911 809.50	42 937 000.00	41 434 433.08	659 346 242.58	31/03/2021
4.	Cape Fria - Katima Mulilo Railway Line Development	100 000 000	53 097 513.00	-	-	53 097 513.00	31/03/2030
5.	Construction of ATC Towers	467 926 000	24 108 917.04	13 000 000.00	12 621 502.80	36 730 419.84	31/03/2019
6.	Construction of Bridges linking Okahandja to Ovitoto communal Area	122 893 898	76 316 788.17	-	-	76 316 788.17	31/03/2012
7.	Construction of Gravel Road (DR 3649) Onalulango-Epenbe	126 157 000	76 966 593.60	-	-	76 966 593.60	31/03/2015
8.	Construction of Gravel Road (DR3638)Onamutai-Ongwediva	66 983 000	58 500 814.23	-	-	58 500 814.23	31/03/2012
9.	Construction of gravel road DR 3557: TR 1/11 Oshapapa-Epumbu	47 971 000	56 514 997.72	-	-	56 514 997.72	31/03/2014
10.	Construction of Gravel Road DR 3603: Onayena-Onakali	57 565 000	67 522 652.07	-	-	67 522 652.07	31/03/2014
11.	Construction of Gravel road Dr 3424: Mungunda (Tr 8/4) - Shakambu	2 000 000	1 075 387.18	-	-	1 075 387.18	02/03/2017
12.	Construction of Gravel Road Eembahu (TR10/2) - Oshiweda (MR121)	92 352 000	65 169 525.40	-	-	65 169 525.40	31/03/2013
13.	Construction of Gravel Road Kaisosi (TR8/4)-Cuma (DR 3401)	49 169 347	52 995 799.21	-	-	52 995 799.21	31/03/2013
14.	Construction of Gravel Road MR 125 Lizauli - Sachona TR 8/6 (115km)	73 202 000	33 588.00	-	-	33 588.00	31/03/2015
15.	Construction of Gravel Road MR 125 Masokotwane - Machita DR - 3507	116 400 000	-	2 000 000.00	-	-	31/03/2018
16.	Construction of Gravel Road Ngoma (Izimwe)- Nakabolewa	56 853 000	53 885 799.46	-	-	53 885 799.46	31/03/2021
17.	Construction of Gravel Road Omuthiya-Onanke	71 078 000	54 760 110.29	-	-	54 760 110.29	31/03/2013
18.	Construction of Gravel Road Oshikuku-Ekangolinene (DR 3608)	73 720 000	58 806 595.17	-	-	58 806 595.17	31/03/2013
19.	Construction of Gravel Road Outapi-Okapalelona Border Post	30 953 412	25 824 456.65	-	-	25 824 456.65	31/03/2012
20.	Construction of Gravel Road Tjova (TR8/4)-Divayi	47 916 000	43 475 803.83	-	-	43 475 803.83	07/06/2014

No:	Name of project	Approved total budget	Total expenditure as at 31/03/2018	Approved appropriation 2018/2019	Actual expenditure 2018/2019	Total expenditure as at 31/03/2019	Expected year of completion
		N\$	N\$	N\$	N\$	N\$	
21.	Construction of Gravel Road Dr 3654: Omuthiya and Elambo(3630)	63 284 000	629 083.03	-	-	629 083.03	31/03/2018
22.	Oshikango Boarder Bypass (20km)	4 000 000	1 512 441.02	-	-	1 512 441.02	01/07/2017
23.	Construction of Gravel Road: Amwaanda-Omutambo Maowe	133 640 000	106 715 253.48	-	-	106 715 253.48	18/03/2021
24.	Construction of Head Office for Civil Aviation	432 000 000	224 854 912.48	7 000 000.00	5 475 176.18	230 330 088.66	31/03/2018
25.	Construction, Rehabilitation and Upgrading of Government Garages Nation-Wide	165 315 000	19 807 660.72	6 736 000.00	3 133 319.60	22 940 980.32	31/03/2020
26.	Eenhana - Oshigambo (MR 121) Road Upgrading to bitumen Standard	217 280 000	203 291 157.68	-	-	203 291 157.68	18/09/2018
27.	Government Hanger	119 268 000	188 755 355.76	-	-	188 755 355.76	31/03/2017
28.	Labour based construction of DR3610: TR1/11-Mangetti west quarantine camp	115 503 000	13 554 658.21	-	-	13 554 658.21	31/12/2017
29.	Road Upgrading to Bitumen standard Dr 3603 Onayena-Okankolo (23 km)	72 746 000	110 653 321.68	-	-	110 653 321.68	31/03/2014
30.	Labour Based Construction: Kamupupu-Mbururu	35 811 597	23 939 985.29	-	-	23 939 985.29	31/03/2013
31.	Maintenance of Roads: Paved and none Paved Roads	1 298 865 000	432 706 868.41	25 582 000.00	17 190 728.75	449 897 597.16	31/03/2022
32.	Marine radar system for Namibia	358 000 000	76 791 399.25	-	-	76 791 399.25	31/03/2020
33.	MR 15/1: Tsintsabis-Katwitwi Road Upgrading to Bitumen Standard	1 156 973 000	907 917 475.54	-	-	907 917 475.54	31/03/2013
34.	MR 22: Okahao-Okamkange Road Upgrading to Bitumen Standard	174 566 081	162 369 687.61	-	-	162 369 687.61	31/03/2013
35.	Nation-wide Transport Planning	5 000 000	136 171 438.35	-	-	136 171 438.35	31/03/2017
36.	Northern Railway Extension	2 823 760 000	1 133 054 495.24	48 541 000.00	6 545 239.66	1 139 599 734.90	31/03/2020
37.	Oshikuku-Okalongo (DR3611) Road Upgrading to Bitumen Standard	147 986 000	85 409 041.41	-	-	85 409 041.41	01/06/2018
38.	Omakange - Ruacana upgrading to Bitumen Standard (DR 3608)	61 977 454	113 408 052.28	-	-	113 408 052.28	31/03/2017
39.	Railway Networking Upgrading	5 090 841 000	2 135 538 072.11	248 996 500.00	330 562 971.52	2 466 101 043.63	31/03/2020
40.	Feasibility studies for Railway Infrastructure(Rail Rehab and Rolling Stock Need Analysis)	16 658 404	16 658 403.43	-	-	16 658 403.43	31/03/2018
41.	Feasibility studies for Railway Infrastructure commuter Train service WHK to Hosea K Int	40 000 000	5 781 686.08	-	-	5 781 686.08	31/03/2018
42.	Feasibility studies for Railway Infrastructure commuter Train service WHK to Okahandja 70km	2 978 723	2 978 722.39	-	-	2 978 722.39	31/03/2019
43.	Feasibility studies for Railway Infrastructure commuter Train service WHK to Rehoboth 100km	85 000 000	11 619 730.51	-	-	11 619 730.51	31/03/2020
44.	Feasibility studies for railway infrastructure commuter train service WHK Central to Kat and other	2 749 937	2 748 936.30	-	-	2 748 936.30	31/03/2019

No:	Name of project	Approved total budget	Total expenditure as at 31/03/2018	Approved appropriation 2018/2019	Actual expenditure 2018/2019	Total expenditure as at 31/03/2019	Expected year of completion
		N\$	N\$	N\$	N\$	N\$	
45.	Construction of Gravel Road Kamupupu- Mbururu	52 940 000	37 095 047.64	-	-	37 095 047.64	31/03/2014
46.	Restructuring of the DMA into a National Maritime Authority HQ at Walvis Bay	131 555 000	22 107 583.32	-	-	22 107 583.32	31/03/2018
47.	Road Upgrading to Bitumen standard MR 125 Liselo-TR 8/6 Linyati-Singalamwe-Kongola	864 405 000	555 260 818.57	6 044 000.00	401 557.70	555 662 376.27	30/05/2016
48.	Rundu-Elundu Road Upgrading	941 487 000	562 726 159.56	-	-	562 726 159.56	30/06/2016
49.	To Extend and Upgrade the facilities of the Meteorological Services	201 128 000	93 571 747.59	4 474 583.00	3 881 800.54	97 453 548.13	31/03/2018
50.	TransKalahari Railway Line Development	40 100 000	37 817 511.00	-	-	37 817 511.00	31/03/2019
51.	TR 14/2: Gobabis-Otjinene Road Upgrading	1 099 377 000	1 121 347 044.70	64 342 000.00	203 860 497.98	1 325 207 542.68	30/08/2017
52.	TR7/1: Okahandja - Karibib Rehabilitation	147 420 596	140 581 815.04	-	-	140 581 815.04	30/04/2010
53.	Upgrade and Construction of Aus-Luderitz Railway Line	1 293 965 000	999 062 083.63	14 600 000.00	14 721 085.17	1 013 783 168.80	31/03/2020
54.	Upgrade of Mpacha Airport	350 000 000	96 034 491.16	2 536 000.00	1 031 092.63	97 065 583.79	31/03/2018
55.	Upgrade of NAC Airport Infrastructure (Buildings)	86 724 000	86 724 000.00	-	-	86 724 000.00	31/03/2014
56.	Upgrade of NAC Airport Infrastructure (Runway)	28 000 000	28 000 000.00	-	-	28 000 000.00	28/02/2013
57.	Upgrading of Civil Aviation Infrastructure	452 098 000	427 909 169.14	1 000 000.00	916 119.78	428 825 288.92	31/03/2019
58.	Upgrading of Security & safety infrastructure (Meeting Security Needs)	32 120 000	55 397 987.80	-	-	55 397 987.80	31/03/2014
59.	Upgrading of Vehicle and Driver Testing Stations	280 018 000	270 024 687.17	3 753 000.00	2 328 444.11	272 353 131.28	31/03/2018
60.	Non-Motorised Transport Infrastructure Development	73 331 000	150 179 639.05	3 149 000.00	-	150 179 639.05	31/03/2018
61.	Maintenance of Roads: Flood Damaged Infrastructure Repair	474 000 000	137 030 538.64	-	-	137 030 538.64	31/03/2022
62.	Swakopmund - Henties Bay - Kamanjab Link (412 km)	944 250 000	146 226 672.98	126 853 023.00	84 400 792.07	230 627 465.05	15/02/2020
63.	Upgrading of MR91 Gobabis-Aminius & Mr 40 Aminius-Aranos	1 240 954 000	334 952 122.41	10 724 000.00	27 771 055.92	362 723 178.33	30/11/2019
64.	Upgrading to Bitumen Standards of MR118: Oranjemund Rosh Pinah	508 400 000	570 690 814.30	1 000 000.00	772 617.61	571 463 431.91	01/11/2019
65.	Construction of Gravel Road: Isize- Sifuba- Malindi- Schuuckmansburg (50km)	447 815 000	229 341 698.51	75 790 000.00	58 116 286.27	287 457 984.78	07/12/2017
66.	Dr 3608: Omafo- Ongenga- Outapi Upgrading to Bitumen Standard	177 350 000	227 763 312.28	-	-	227 763 312.28	24/07/2018
67.	Oshakati-Ongenga (Dr 3609) Road Upgrading to Bitumen Standard	255 920 000	215 675 725.01	4 000 000.00	2 455 925.11	218 131 650.12	31/03/2017
68.	Fencing of State Owned Aerodromes	77 545 000	35 951 965.58	3 805 363.00	3 805 362.39	39 757 327.97	31/03/2018
69.	Tr 1/16: Windhoek - Okahandja Road Rehabilitation Phase 1 (67km)	3 309 755 000	285 961 300.92	228 444 472.00	182 950 811.77	468 912 112.69	31/03/2018

No:	Name of project	Approved total budget N\$	Total expenditure as at 31/03/2018 N\$	Approved appropriation 2018/2019 N\$	Actual expenditure 2018/2019 N\$	Total expenditure as at 31/03/2019 N\$	Expected year of completion
70.	Construction of Tr 1/4: Windhoek - Rehoboth to a Dual carriage Ways (84km)	25 000 000	17 608 956.14	-	-	17 608 956.14	31/03/2023
71.	Construction of Tr 9/1: Windhoek - Hosea Kutako Road to a Dual Carriage (44km)	2 700 000 000	153 501 676.43	188 935 514.00	153 624 021.63	307 125 698.06	18/01/2019
72.	Mr 44: Swakopmund - Walvis Bay Road Upgrading (44km)	1 015 334 000	84 383 082.58	105 822 000.00	112 119 309.74	196 502 392.32	31/03/2017
73.	Upgrading the Road: Tr 12 Oshikango Via Odibo to Tr 10/2 Ohengobele (35.8km) to bitumen	228 728 000	4 010 848.29	-	-	4 010 848.29	31/03/2017
74.	Upgrading of Karibib - Usakos - Swakopmund (177km) to 2+1 Cross section	3 000 000	706 123.00	-	-	706 123.00	31/03/2018
75.	Construction of Oute Bridge from Opuwo to Etanga Road	31 007 000	3 872 567.44	822 000.00	-	3 872 567.44	31/03/2019
76.	Construction and Tarring of the Road from Opuwo to Epupa	3 000 000	2 867 144.74	-	-	2 867 144.74	31/03/2019
77.	Completion of Mr 120: Okatana - Endola - Onunho Road: (36km)	322 650 000	71 586 143.20	56 688 000.00	76 648 097.25	148 234 240.45	30/11/2020
78.	T 1/11: Omuthiya - Ongwendiva Road Rehabilitation (110km)	35 000 000	9 050 499.83	-	-	9 050 499.83	31/03/2021
79.	Empic - Regulatory Management Tools	180 000 000	15 854 680.34	3 800 000.00	1 490 553.08	17 345 233.42	31/03/2018
80.	Construction of Opuwo Aerodromes	326 720 000	4 179 622.64	-	-	4 179 622.64	31/03/2020
81.	Rehabilitation of the Southern Railway Line Section Sandverhaar-Buchholzbrunn	465 000 000	12 925 573.01	44 574 300.00	2 948 037.03	15 873 610.04	31/03/2017
82.	Widening of Tsumeb Aerodrome	310 000 000	-	-	-	-	31/03/2020
83.	Rehabilitation of Eros Airport Runway, Taxiway and Apron Extension	543 500 000	15 724 164.47	68 528.00	68 527.34	15 792 691.81	31/03/2020
84.	Construction of New Facilities for DAALII	152 000 000	-	2 000 000.00	-	-	31/03/2020
85.	Construction of Gravel Road DR 3639 Etomba-Omundaungilo	161 124 000	50 394 222.93	-	-	50 394 222.93	30/11/2019
86.	Construction of Gravel Road Epato (MR 111) - Onkani	63 977 000	35 900 377.42	-	-	35 900 377.42	31/03/2017
87.	Keetmanshoop - Mariental Road Rehabilitation (386km)	695 940 000	6 440 770.25	27 298 000.00	436 080.00	6 876 850.25	30/09/2018
88.	Construction of gravel road Dr 3650: Onakalunga - Epinga (12km)	19 321 000	-	-	-	-	31/03/2018
89.	Access roads to Schools and Clinics	143 000 000	-	-	-	-	01/04/2017
90.	Construction of Gravel Road Mr 120: Endola - Eembo (19km)	32 134 000	51 696 730.43	67 170 000.00	67 170 000.00	118 866 730.43	31/03/2018
91.	Construction of Gravel road DR 3605: Uukwiyaushona - Omuntele	131 660 000	62 208 357.88	-	-	62 208 357.88	30/06/2019
	TOTAL	36 320 296 549	14 990 639 501.63	1 442 486 283.00	1 418 881 446.71	16 409 520 948.34	

(ii) Externally (Donor) funded projects:

No:	Name of project	Approved total budget	Total expenditure as at 31/03/2018	Approved appropriation 2018/2019	Actual expenditure	Total expenditure as at 31/03/2019	Expected year of completion
1.	Construction of Gravel Road DR 3639 Etomba-Omundaungilo	N\$ 22 487 000	N\$ 50 394 222.93	-	N\$ -	N\$ 50 394 222.93	30/11/2019
2.	Construction of Gravel Road Epato (MR 111) - Onkani	11 295 000	35 900 377.42	-	-	35 900 377.42	31/03/2017
3.	Keetmanshoop - Mariental Road Rehabilitation (386km)	600 000 000	6 440 770.25	27 298 000.00	436 080.00	6 876 850.25	30/09/2018
4.	Construction of gravel road Dr 3650-Onakalunga - Epinga (12km)	12 000 000	-	-	-	-	31/03/2018
5.	Access roads to Schools and Clinics	120 000 000	-	-	-	-	01/04/2017
6.	Construction of Gravel Road Mr 120: Endola - Eembo(19km)	12 000 000	51 696 730.43	67 170 000.00	67 170 000.00	118 866 730.43	31/03/2018
7.	Construction of Gravel road DR 3605: Uukwiyuushona - Omuntele	70 905 000	62 208 357.88	-	-	62 208 357.88	30/06/2019
	TOTAL	848 687 000	206 640 458.91	94 468 000.00	67 606 080.00	274 246 538.91	

WINDHOEK 18-11-2019

WILLEM GOELEMANN
ACCOUNTING OFFICER

