



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF SAFETY AND SECURITY
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 Ministry of Safety and Security 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, JANUARY 2021

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

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

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| 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 specified. |
| 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). |
| Materiality: | Is a concept or convention relating to the importance or significance of an amount, transaction, or discrepancy that effects the decision of the user. |
| 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. |

DEFINITIONS

| | |
|--|--|
| 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. 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>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> |
| 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. |
| Underexpenditure: | 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. |

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**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF SAFETY AND SECURITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

1. SECTION A: FINANCIAL AUDIT

1.1 UNQUALIFIED AUDIT OPINION

I have audited the financial statements of the Ministry of Safety and Security 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.

In my opinion, the financial statements of the Ministry of Safety and Security 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).

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 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, as disclosed by the Ministry of Safety and Security in the financial statements. My opinion is not modified in respect of these matters:

1.3.1 Standard subdivisions

The standard subdivisions for the following codes are reflected twice under operational current expenditure in GL027 as follows:

| Account name | Code |
|-------------------------------------|-------------|
| Travel and subsistence | 021 and 031 |
| Transport | 023 and 033 |
| Utilities | 024 and 034 |
| Property rental and related charges | 026 and 036 |

As per Treasury Instruction DL 0103 Goods and Other Services codes 031-Travel and subsistence expenses, 033-Transport and 034-Utilities are to be reflected under development expenditure and not operational expenditure. Furthermore, the audit found that the incurred actual expenditure on 031-Travel and subsistence expenses, 033-Transport, 034-Utilities and 036-Property rental and related charges were paid in respect of Politicians entertainment, Office refreshments, Official entertainment and Claims against the state respectively.

It is recommended that the Accounting Officer should ensure that standard subdivision are correctly classified in the GL.

Management comment

In his comment on the draft report the Accounting Officer indicated that Treasurer created new subdivisions in the GL, however funds allocated to those newly created subdivision ended up wrongly reflected as DSA, Transport, with property rental and related charges.

1.3.2 Outstanding subsistence advances

- (i) Differences were noted on outstanding subsistence allowances as follows:

| Balance reported by Accounting Officer | Balance per Debit Balance List | Difference |
|--|--------------------------------|------------------|
| N\$ 1 800 834.08 | N\$ 1 748 114.50 | N\$ 52 719.58 |

Furthermore, a difference between the Debit balance list and the subsistence advance suspense account was observed as follows:

| Balance as per suspense account | Balance per Debit Balance List | Difference |
|---------------------------------|--------------------------------|---------------------|
| N\$ (2 446 726.40) | N\$ 1 748 114.50 | N\$ (698 611.90) |

It is recommended that the Accounting Officer should ensure that proper reconciliation are conducted and differences are accounted for.

Management comment:

In his comment the Accounting Officer indicated that during the reconciliation it was found that amount of N\$652 469 is not appearing on the debit balance list and the amount of N\$46 141.95 is still under investigation.

- (ii) The Ministry had unprocessed (unpaid) direct claims amounting to N\$ 2 526 145.76, meaning that the Ministry owes staff members this amount. This amount accumulated from the previous financial years.

The Accounting Officer should ensure that all direct claims are processed in the financial year they were incurred and that all expenditure incurred is accounted for in the year it occur. The Accounting Officer should explain what controls are in place to ensure that these claims are paid and to prevent claims to accumulate in future.

Management comment:

The Accounting Officer indicated that the Ministry could not process the Direct DSA claims due to insufficient funds, however members were required to attend courts, conduct investigations and anti-poaching operations among others.

1.3.2.1 Non submission of documents

The audit found that a Service Provider was paid an amount of N\$ 1 438 014.69, for the financial years 2018/2019 and 2019/2020, however, the auditors were not provided with a valid contract on which basis those payments were made. Upon enquiry the auditors were provided with an expired contract (Tender no: M23-61/2013.) which got expired in January 2017.

The Accounting Officer should ensure that correct procurement procedures are adhered to.

Management comment:

The Accounting Officer commended that service provider has been repairing radio communication to the Namibian Police in the North through a Tender which expired during January 2017. Due to lack of funds no new Tender could be invited under the new Public Procurement Act 15 of 2015. Hence for future the procurement processes will be followed.

1.3.2.2 Value Added Tax

The audit found that the Ministry was charged an amount of N\$ 454 255, 45 for value -added-tax by the suppliers that are not registered as VAT vendors:

It is recommended that the Accounting Officer should recover the amount paid to these suppliers and proof be forwarded for audit purposes. In addition, the Accounting Officer should ensure that suppliers that are not registered for VAT should not charge VAT.

Management comment:

In his comment the Accounting Officer indicated that the audit finding is correct and the Ministry is in the process to recover the money. The Procurement Committee is strictly directed to ensure that suppliers charging VAT are registered vendors.

1.3.2.3 Segregation of duties

The audit found that three (3) Accountants have access to initiate and approve payments on the system, resulting in no segregation of duties, which could lead to fraud, error and/or irregularities. The Ministry made five thousand four hundred and fifty nine (5 459) transactions amount to N\$ 90 274 420.00 where by these payments were approved without any segregation of duties between these three (3) Accountants.

The Accounting Officer should ensure that segregation of duties is observed at all times.

Management comment

The Accounting Officer indicated that the Ministry agrees with the finding and will ensure that audit recommendations are adhered to at all times.

1.3.2.4 Recruitment

The Ministry's advert on the post designation: Recruit-for the Department of NCS requested for candidates with a minimum requirement of Grade 12 with 25 points. The advert further stipulated that candidates should be between the ages of 21-30 years of age. The audit found that the Ministry has employed candidates with qualifications not meeting the minimum requirements of Grade 12 and that are above the set of age of 30.

The Accounting Officer should ensure that the Ministry adhere to the set recruitment requirements in future.

Management comment

In his comment the Accounting Officer indicated the terms of the powers vested in the Commissioner General in terms of the Namibian Constitution and the Namibian Correctional Service Act, the Commissioner General may appoint a fit and proper person to be a correctional officer according to the prescribed ranks of correctional officer.

1.3.2.5 Promotion

The audit found that some members were promoted without meeting the minimum years of service; however, a waiver letter from the Inspector General was not provided to support the reason for promotion.

Furthermore, the audit found that a member was promoted on 1 October 2019 from the rank of Constable to Warrant Officer Class 1, in the process skipping three ranks without the waiver letter from Inspector-General.

It is recommended that the Accounting Officer ensure that the Police administrative manual is consistently applied.

Management comment

The Accounting Officer indicated that the ministry agrees with the finding, took note of the auditors concern and will ensure that in future all waivers will be done in writing.

1.3.2.6 Extention of contracts

- (i) It was found that two members' contracts were further extended despite, their direct supervisor's non-agreement to the extension, due to poor performance. Section 13.2 of the contract signed by the members state that *"should the correctional officer's performance be found not to be to the satisfaction of the employer, the employer may terminate the service of the correctional officer on (30) days written notice"*. In addition, it was noted that, all the members appointed on contract, for the extension of service beyond retirement no assessment was performed as per Section 13.1 of their contracts, which states that the employer shall asses the performances of the affidavit six months intervals.

The Commissioner General should explain why the contract was extended granted despite the direct supervisor's non-recommendation. It is further recommended that the Commissioner General should explain why assessments are not performed as required by Section 13.1 of the contracts.

Management comment:

In his comment, the Accounting Officer indicated that no assesement reports were brought to the attention of the Commissioner-General.

- (ii) The audit found that a Non-Namibian Commissioner heading the Directorate: Legal Services and Discipline has been appointed on contract effective from 21 November 1996. His contract has been extended consecutively with the latest extension of 2 years effective from 21 October 2020 to 20 October 2022. Furthermore the contract indicated that skills should be transferred to a Namibian, however no evidence could be provided to confirm if skills were indeed transferred.

It is recommended that the Commissioner General should explain what measures were in place since 1996 to ensure that Namibians obtain the skills to take over this position from the non-Namibian currently still occupying this post and should further indicate what measures are in place to ensure transfer of skills to Namibians for this position.

Management comment:

In his comment the Accounting Officer indicated that the position was never advertised because the incumbent is knowledgeable and has vast experience. Attempts for under study was done, however the officers have been leaving for greener pastures. Currently there are two understudy under his supervision who need time to master other legal matters.

Auditors comment

Audit found that only one officer from the legal service department who was the understudy resigned since 1996 until at the time of writing this report.

1.3.3 Bills payable

The Bills payable suspense account reflected a debit balance of N\$ 932 518.49, whereas this suspense account should have a credit balance.

It is recommended that the Accounting Officer should reconcile this suspense account.

Management comment:

The Accounting Officer indicated that this amount was migrated from the Funds Control System which was used before the introduction of the Integrated Financial Management System. The ministry is unable to reconcile this amount due to unavailability of source documents. The ministry is currently engaging Treasury to write off this amount.

1.4 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.

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 Ministry of Safety and Security 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 Ministry of Safety and Security used the appropriated funds in compliance with the 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 during the financial year ended 31 March 2020.

2.3 Audit objective

The objective of this compliance audit is to verify and assess whether Ministry of Safety and Security 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 Ministry 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:

Namibia Correctional Service Act, 2012 (Act 9 of 2012);
Namibia Police Act, 1990 (Act 19 of 1990),
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 laws and regulations that governs them.

2.6 Key audit findings

2.6.1 Unauthorised expenditure

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

(i) Although Treasury approvals were obtained to utilise certain expected savings for the defrayal of excess expenditure through virements during the year, eleven (11) subdivisions were exceeded by an amount of N\$ 1 258 170.99, which is unauthorised in terms of Section 6(a)(iii) of the Act.

It is recommended that the Accounting Officer should put measures in place to avoid overspending and ensures that planned activities are implemented within the approved budget. Furthermore, if specific activities are expected to exceed the budgeted funds due to unforeseen circumstances, funds should be viremented from activities where savings are expected.

2.7 Opinion on the subject matter

In my opinion, the Ministry of Safety and Security'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), Appropriation Act, 2019 (Act 2 of 2019); Appropriation Amendment Act, 2019 (Act 3 of 2019); Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions and the Public Procurement Regulations.

3. AUDIT OF PERFORMANCE INFORMATION

3.1 Description of the subject matter information and audit scope

A Performance Management System (PMS) is 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 Ministry of Safety and Security 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 the 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:

- Reliability;
- Existence;
- Presentation;
- Measurability;
- Relevance
- Accuracy; and
- Completeness.

3.4 Summary of methods applied

I reviewed the annual plan and Annual Performance Report 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 Directorate/Departments quarterly reports and Annual Performance Report.

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

3.5 Selection of key performance indicators

The following two (2) key performance indicators were selected out of the entire population of key performance indicators from the 2019/2020 Annual plan:

| Strategic Objective | Key Performance Indicators |
|--|---|
| 1.Improve road traffic law enforcement | Number of reduction in serious and fatal traffic accidents on national roads. |
| 2. Improve organisational performance | Number of outreach programs conducted |

3.6 Audit findings

| | INDICATOR/FINDING | IMPACT | RECOMMENDATION |
|---|--|---|---|
| 1. # OF REDUCTION IN SERIOUS AND FATAL TRAFFIC ACCIDENTS ON NATIONAL ROADS | | | |
| 1.1 | The above indicator was tested against the sub-criteria of accuracy and completeness. The audit found that the Annual plan review report reflected that the above indicator is 78% achieved, however on the Annual Plan, there is no action steps documented and no supporting documents were provided for audit purposes; hence the reported information could not be verified. | The Ministry may be reporting misleading information. | The Accounting Officer should ensure that the Annual Plan reflects action steps for all KPIs and should provide supporting documents for audit purposes are provided. |
| 2. # OF OUTREACH PROGRAMS CONDUCTED | | | |
| 2.1 | The audit tested the indicator against the sub-criteria of existence, presentation, measurability and relevance, which revealed a satisfactory outcome as proof of the actions steps taken on the indicator were provided, thus, the Ministry is | The Ministry may be reporting misleading information. | The Accounting Officer should ensure that information reported on Annual Plan Review are substantiated by verifiable documentation. |

| | | | |
|--|---|--|--|
| | commented on it. | | |
| | However, sub-criteria of accuracy and completeness could not be tested, for the career fairs, exhibitions facilitated and attended as the supporting documents for the actual outputs reported, were not provided for audit purposes. | | |

3.7 Conclusion on the subject matter

The selected Key Performance Indicator (Number of reduction in serious and fatal traffic accidents on national roads reduction in crime rate) could not be tested against actual performance because the Accounting Officer did not provide information for audit purposes.

While for the second KPI (Number of outreach programs conducted), the audit revealed a satisfactory outcome on the existence, presentation, measurability and relevance and unsatisfactory outcome on accuracy and completeness.

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 relevant 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 for overseeing the entity's financial reporting process.

The management is also responsible for ensuring adherence to the Namibia Police Act, 1990 (Act 19 of 1990), Police Administration manual 2006, Namibian Correctional Service Act, 2012 (Act 9 of 2012), Appropriation Act, 2019 (Act 2 of 2019); Appropriation Amendment Act, 2019 (Act 3 of 2018); State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 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 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 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 is 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. 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. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The accounts were submitted not later than required by the Accounting Officer to the Auditor-General on 31 October 2020 in terms of Section 13 of the State Finance Act, 1991.

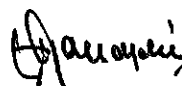
7. GENERAL INFORMATION

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

8. ACKNOWLEDGEMENT

The co-operation and assistance by the management and staff of the Ministry of Safety and Security during the audit is appreciated.

WINDHOEK, JANUARY 2021



**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

1. AUDITED FINANCIAL STATEMENTS

ANNEXURE A

1.1 Appropriation account

| 2019/2020 | | | | | | 2018/2019 |
|---|---------------|------------------------|--------------------|-----------------------------|------------|--------------------|
| Service | N\$ | Authorized expenditure | Actual expenditure | Variations | | Actual expenditure |
| | | | | Under-expenditure/ (Excess) | Percentage | |
| | N\$ | N\$ | N\$ | N\$ | % | N\$ |
| 01. Office of the Ministe | | | | | | |
| Original budget | 4 584 000 | | | | | |
| Additional budget | 100 000 | | | | | |
| Plus: Virement | 748 984 | 5 432 984 | 4 670 853.88 | 762 130.12 | 14.03 | 4 924 911.82 |
| 02. Office of the Executive Director: | | | | | | |
| Original budget | 9 662 000 | | | | | |
| Less: Virement | (3 470 688) | 6 191 312 | 5 975 647.41 | 215 664.59 | 3.48 | 6 384 000.64 |
| 03. Office of the Inspector- General: | | | | | | |
| Original budget | 193 071 000 | | | | | |
| Additional budget | 500 000 | | | | | |
| Plus: Virement | 1 837 445 | 195 408 445 | 194 916 771.53 | 491 673.47 | 0.25 | 190 435 646.84 |
| 04. Office of the Commissioner -General: | | | | | | |
| Original budget | 29 177 000 | | | | | |
| Additional budget | 50 000 | | | | | |
| Less: Virement | (3 810 687) | 25 416 313 | 24 444 251.76 | 972 061.24 | 3.82 | 24 928 618.26 |
| 05. Combating of Crime: | | | | | | |
| Original budget | 3 369 168 000 | | | | | |
| Additional budget | 65 150 640 | | | | | |
| Plus: Virement | 81 424 718 | | | | | |
| Less: Reductions | (76 340 000) | 3 439 403 358 | 3 398 179 252.83 | 41 224 105.17 | 1.20 | 3 239 213 965.99 |
| 06. Training and Development: | | | | | | |
| Original budget | 84 794 000 | | | | | |
| Less: Virement | (1 461 760) | 83 332 240 | 82 850 129.36 | 482 110.64 | 0.58 | 84 779 905.30 |
| 07. Special Field Force: | | | | | | |
| Original budget | 365 351 000 | | | | | |
| Additional budget | 5 000 000 | | | | | |
| Less: Virement | (12 861 600) | | | | | |
| Less: Reductions | (2 000 000) | 355 489 400 | 354 787 590.33 | 701 809.67 | 0.20 | 367 502 983.24 |
| 08. VIP Security Division: | | | | | | |
| Original budget | 529 509 000 | | | | | |
| Additional budget | 300 000 | | | | | |
| Less: Virement | (80 150 485) | | | | | |
| Less: Reductions | (3 250 640) | 446 407 875 | 435 112 101.35 | 11 295 773.65 | 2.53 | 396 900 584.51 |
| 09. Communication: | | | | | | |
| Original budget | 64 014 000 | | | | | |
| Additional Budget | 5 000 000 | | | | | |
| Plus: Virement | 22 074 000 | 91 088 000 | 87 510 705.59 | 3 577 294.41 | 3.93 | 74 832 434.13 |
| 10. Forensic Science Services: | | | | | | |
| Original budget | 25 328 000 | | | | | |
| Additional budget | 1 500 000 | | | | | |
| Less: Virement | (919 130) | | | | | |
| Less: Reductions | (3 000 000) | 22 908 870 | 22 059 881.78 | 848 988.22 | 3.71 | 21 932 366.77 |
| 11. Police Attache: | | | | | | |
| Original budget | 18 736 000 | | | | | |
| Additional budget | 2 500 000 | | | | | |
| Less: Virement | (1 643 188) | 19 592 812 | 19 502 737.01 | 90 074.99 | 0.46 | 19 243 852.81 |

| 2019/2020 | | | | | | 2018/2019 |
|--|--------------|------------------------|--------------------|-----------------------------|------------|--------------------|
| Service | N\$ | Authorized expenditure | Actual expenditure | Variations | | Actual expenditure |
| | | | | Under-expenditure/ (Excess) | Percentage | |
| | N\$ | N\$ | N\$ | N\$ | % | N\$ |
| 12. Correctional Operations: | | | | | | |
| Original budget | 801 225 000 | | | | | |
| Additional budget | 23 743 360 | | | | | |
| Less: Virement | (13 062 896) | | | | | |
| Less: Reductions | (19 253 360) | 792 652 104 | 775 974 554.14 | 16 677 549.86 | 2.10 | 739 060 198.74 |
| 13. Corporate Management: | | | | | | |
| Original budget | 45 488 000 | | | | | |
| Plus:Virements | 15 226 513 | 60 714 513 | 59 970 924.05 | 743 588.95 | 1.22 | 40 824 394.70 |
| 14. Rehabilitation and re- intergration: | | | | | | |
| Original budget | 10 834 000 | | | | | |
| Less: Virement | (3 931 226) | 6 902 774 | 6 843 814.13 | 58 959.87 | 0.85 | 7 804 439.60 |
| GRAND TOTAL | | 5 550 941 000 | 5 472 799 215.15 | 78 141 784.85 | 1.41 | 5 218 768 303.35 |

ANNEXURE A (continued)

1.2 Standard subdivisions

| Subdivision | 2019/2020 | | | 2018/2019 |
|---|------------------------|-------------------------|-----------------------------|-------------------------|
| | Authorized expenditure | Actual expenditure | Under-expenditure/ (Excess) | Actual expenditure |
| | N\$ | N\$ | N\$ | N\$ |
| Operational: | | | | |
| Current expenditure: Personnel | | | | |
| 001. Remuneration | 3 871 734 828 | 3 867 885 084.98 | 3 849 743.02 | 3 822 744 130.74 |
| 002. Employer's contribution to the G.I.P.F and M.P.O.O.B.P.F | 493 264 562 | 492 184 368 .81 | 1 080 193.19 | 485 053 870.48 |
| 003. Other conditions of service | 134 047 861 | 133 644 988.85 | 402 872.15 | 116 873 911.30 |
| 005. Employers' contribution to Social Security | 18 287 310 | 18 189 061.55 | 98 248.45 | 18 525 484.90 |
| Total | 4 517 334 561 | 4 511 903 504.19 | 5 431 056.81 | 4 443 197 397.42 |
| Current expenditure: Goods and other services | | | | |
| 021. Travel and subsistence allowance | 34 807 113 | 34 489 151.60 | 317 961.40 | 21 549 330.79 |
| 022. Materials and supplies | 84 311 806 | 67 825 976.16 | 16 485 829.84 | 33 475 008.73 |
| 023. Transport | 150 669 580 | 137 675 137.73 | 12 994 442.27 | 125 588 526.07 |
| 024. Utilities | 235 880 318 | 229 051 596.16 | 6 828 721.84 | 181 874 445.60 |
| 025. Maintenance expenses | 4 983 560 | 4 889 094.28 | 94 465.72 | 6 673 702.03 |
| 026. Property rental and related charges | 2 790 582 | 2 790 581.90 | 0.10 | 1 937 301.06 |
| 027. Other services and expenses | 21 462 538 | 19 736 299.04 | 1 726 238.96 | 27 413 710.04 |
| 028. Training Course, Symposiums and Workshops | 1 808 725 | 1 785 393.31 | 23 331.69 | 2 466 989.21 |
| 029. Printing and advertisements | 42 279 004 | 38 473 715.30 | 3 805 288.70 | 42 873 118.51 |
| 031. Entertainment politicians | - | - | - | 4 973.17 |
| 033. Office refreshments | - | - | - | 41 694.13 |
| 034. Office entertainment\corporate gifts | - | - | - | 70 067.95 |
| 031. Travel and subsistence allowance | 63 000 | 44 699.56 | 18 300.44 | - |
| 033. Transport | 12 675 | 7 674.14 | 5 000.86 | - |
| 034. Utilities | 38 341 | 38 318.85 | 22.15 | - |
| 036. Property rental and related charges | 3 416 200 | 2 758 581.58 | 657 618.42 | - |
| Total | 582 523 422 | 539 566 219.61 | 42 957 222.39 | 443 968 867.29 |
| Current expenditure: Subsidies, grants and other transfers | | | | |
| 040. Security Contracts | 293 100 | 293 028.22 | 71.78 | - |
| 041. Membership fees and subscriptions: International | 888 547 | 886 111.09 | 2 435.91 | 709 466.92 |
| 044. Individual and non-profit organisations | - | - | - | (136 901.06) |
| Total | 1 181 647 | 1 179 139.31 | 2 507.69 | 572 562.86 |
| Total: Current expenditure | 5 101 039 650 | 5 052 648 863.11 | 48 390 786.89 | 4 887 738 830.57 |
| Capital expenditure: Acquisition of assets | | | | |
| 101. Furniture and office equipment | 585 000 | 115 038.99 | 469 961.01 | 149 810.50 |
| 102. Vehicles | 6 074 000 | 5 705 404.04 | 368 595.96 | |
| 103. Operational equipment, machinery and plants | 5 163 000 | 4 757 696.02 | 405 303.98 | 41 999.96 |
| Total | 11 822 000 | 10 578 139.05 | 1 243 860.95 | 191 810.46 |
| Total: Operational expenditure | 5 112 861 650 | 5 063 227 002.16 | 49 634 647.84 | 4 887 930 641.03 |

| Subdivision | 2019/2020 | | | 2018/2019 |
|--|----------------------------------|------------------------------|---|------------------------------|
| | Authorized expenditure N\$ | Actual expenditure N\$ | Under- expenditure/ (Excess) N\$ | Actual expenditure N\$ |
| Development: | | | | |
| Recurrent expenditure | | | | |
| 022. Materials and supplies | - | - | - | 231 874.72 |
| Total | - | - | - | 231 874.72 |
| Capital expenditure | | | | |
| 101. Furniture and office equipment | 13 850 000 | 11 637 778.40 | 2 212 221.60 | 2 559 426.16 |
| 105. Feasibility studies, design and supervision | 25 674 000 | 21 771 575.55 | 3 902 424.45 | 1 926 682.94 |
| 106. Purchase of land and intangible assets | 267 600 | 267 516.11 | 83.89 | 3 799 850.00 |
| 107. Construction, renovation and improvement | 398 287 750 | 375 895 342.93 | 22 392 407.07 | 322 319 828.50 |
| Total: Development expenditure | 438 079 350 | 409 572 212.99 | 28 507 137.01 | 330 837 662.32 |
| GRAND TOTAL | 5 550 941 000 | 5 472 799 215.15 | 78 141 784.85 | 5 218 768 303.35 |

1.3 Departmental revenue

Revenue for the year is as follows:

| Revenue head | Estimate | Actual revenue 2019/2020 | More/(Less) than estimated | Actual revenue 2018/2019 |
|---------------------------------------|-------------------|-----------------------------|-------------------------------|-----------------------------|
| | N\$ | N\$ | N\$ | N\$ |
| Private telephone calls | - | - | - | 1 500.00 |
| Unclaimed cheques | - | - | - | 54 899.79 |
| Miscellaneous | 1 610 000 | 3 070 455.41 | 1 460 455.41 | (814 455.97) |
| Departmental fines | 300 000 | 713 264.52 | 413 264.52 | 661 694.70 |
| Lost equipment and stores | 130 000 | 63 283.04 | (66 716.96) | 44 842.29 |
| Copies of plans | 1 350 000 | 1 677 487.00 | 327 487.00 | 1 683 388.00 |
| Traffic control | 7 500 000 | 15 776 610.00 | 8 276 610.00 | 15 099 811.06 |
| Mortuary fees | 18 500 | 30 720.00 | 12 220.00 | 24 630.00 |
| Sale of water & Electricity Employees | 100 000 | - | (100 000.00) | - |
| Prisoners Labour | 200 000 | 21 247.18 | (178 752.82) | 34 177.08 |
| Obsolete, Worn-out and Surplus | 120 000 | 108 395.98 | (11 604.02) | 115 484.69 |
| Total | 11 328 500 | 21 461 463.13 | 10 132 963.13 | 16 905 971.64 |

1.4 Notes to the financial statements**1.4.1 Appropriation account: Explanations of variations exceeding 2% between the authorized and actual expenditure****(i) Underexpenditure****Main division 01 – Office of the Minister (N\$ 762 130.12 – 14.03%)**

The under spending on the main division is as a result of a position of the Special Advisor to the Minister that was not filled. Provision was also made for leave gratuity for the Minister as his term in the office was coming to an end, which was not paid before the end of the financial year. The amount budgeted for entertainment was also not spent as a result of a vacant position of the Special Advisor that was not filled.

Main division 02 – Office of the Executive Director (N\$ 215 664.59 – 3.48%)

The position for a Deputy Director Security was advertised, interviewed and was not filled due to the pending vetting results.

Main division 04 – Office of the Commissioner General (N\$ 972 061.24 – 3.02%)

The position of Deputy Commissioner General who went on retirement was not filled. The underspending is also as a result of a Commissioner who went on early retirement and his position was not filled during the financial year.

Main division 08 -VIP Security (N\$ 11 295 773.65-2.53%)

The funds were budgeted for the uniforms and wet rations for the Cadet Constables that were on training, the uniforms and food were ordered but the supplier could not deliver before the end of the financial year under review and the purchase order had to be cancelled.

Main division 09- Communication (N\$ 3 577 294.41-3.93%)

The funds were intended to buy cartridges for the printing of conduct certificates, crime scene documents to court and accidents sketch plans. The cartridges were ordered, but the supplier could not deliver before the 25 March 2020 and the purchase order had to be cancelled.

Main division 10 – Forensic Science Services: (N\$ 848 988.22-3.71%)

The funds were budgeted for DNA reagents and consumables used in the Police Forensic Science Laboratory. These products are not available in the local market, but these are only available in the foreign market and foreign companies took too long to deliver, hence these products could not be delivered before the end of the financial year.

Main division 12– Correctional Operations: (N\$ 16 677 549.86-2.10%)

The underspending was caused by high staff turnover of which positions could not be filled. The underspending on capital projects was caused by professional fees invoices that were not certified by the Ministry of Works and Transport until the financial year ended.

1.4.2 Revenue: Explanations of variations exceeding N\$ 200 000 between estimated and actual revenue:

Underestimation

Copies of plan –N\$ 327 487.00

This revenue was generated from charging the copies of statement of witness, copies of accident reports, copies of sketch plan and copies of post mortem reports. There was a greater public demand for the above mentioned services.

Miscellaneous revenue – N\$ 1 460 455.41

This revenue was collected from funds recovered from payroll transactions, repayment of debts belonging to the previous financial years, replacement of police certificate and uniform ribbons, services rendered by the Namibian Police Helicopter, renting of Nampol training college hall and shooting range and payment of certificates of second hand goods. This revenue is normally collected from sources that do not have revenue heads which is difficult to estimate.

Traffic control- N\$ 8 276 610.00

There was an increase in the acquisition of vehicles by the public as well as increased traffic law violations for vehicle and individual certificate of conduct.

Departmental fines – N\$ 413 264.52

More members were charged and fined than anticipated

1.4.3 Miscellaneous revenue

The breakdown of miscellaneous revenue for the year under review is as follows:

| Description | Amount |
|---------------------------------------|---------------------|
| | N\$ |
| Cellphone payment | 8 066.00 |
| Traffic Escort | 480 117.81 |
| Hiring of shooting range | 2 520.00 |
| Police Band Performance | 15 000.00 |
| Loss of Overall | 1 129.35 |
| Duplicate of Certificates | 700.00 |
| Cattle heads sold | 800.00 |
| Payment of Tender Documents | 47 700.00 |
| Replacement of Ribbons | 140.00 |
| Salary Refund | 92 363.54 |
| Cleared Payables | 241 820.32 |
| Hiring of Helicopter | 27 367.00 |
| Petrol Refund | 101.67 |
| Surplus | 115.65 |
| Treasury | 392 936.78 |
| Erongo region journal from previos FY | 179 486.00 |
| NCS Translation | 214 969.15 |
| Payroll deductions | 1 365 122.14 |
| TOTAL | 3 070 455.41 |

2. GENERAL INFORMATION

2.1 Bank accounts

The Accounting Officer reported ten (10) bank accounts with the following closing balances:

| Name of account | Banking Institution | Balance as at 31 March 2020 |
|--|---------------------|-----------------------------|
| Namibia High Commission – Pretoria, RSA | FNB | R629 203.12 |
| Namibian Police Petty Cash Main Account | Standard Bank | N\$ 1 286 125.92 |
| Namibia High Commission: Harare, Zimbabwe | Stanbic Bank | USD 42 360.34 |
| Consulado Da Reublic da Namibia-Ondjiva | BFA | USD 6 553.86 |
| Traffic Law Enforcement Support Account | Standard Bank | N\$ 3 494 391.25 |
| Namibian Police Forensic Account | Nedbank | N\$ 1 154 197.36 |
| Consulate General of the Republic of Namibia-Cape Town | FNB | R 13 094.21 |
| Embaixada Da Namibia- Angola-Luanda | BFA | USD 1 060.61 |
| High Commission of the Republic of Namibia in Lusaka | Stanbic Bank | USD 11 724.89 |
| Nampol/Gender Based Violence Protection unit | Standard Bank | N\$ 128 978.86 |

2.2 Capital projects

During the financial year under review, the Ministry operated the following development projects:

| Name of the project | Approved total budget | Actual expenditure as at 31/03/2019 | Approved appropriation 2019/2020 | Actual expenditure 2019/2020 | Total expenditure up to 31/03/2020 | Expected year of completion |
|---|-----------------------|-------------------------------------|----------------------------------|------------------------------|------------------------------------|-----------------------------|
| | NS | NS | NS | NS | NS | NS |
| Police Station Upgrading | 983 996 000 | 808 837 173.47 | 52 224 054 | 48 643 546.49 | 857 480 719.96 | 31-Mar-21 |
| Construction of Police Accommodations (Housing Various Centre) | 851 125 000 | 671 182 979.17 | 31 319 350 | 30 102 248.12 | 701 285 227.29 | 31-Mar-21 |
| Rehabilitation and Renovation of Police Facilities | 106 215 000 | 101 056 689.11 | 8 000 000 | 7 844 332.58 | 108 901 021.69 | 31-Mar-21 |
| Construction P. J. Kaundu Training Centre | 104 219 000 | 52 092 124.64 | 1 500 000 | 820 476.88 | 52 912 601.52 | 31-Mar-21 |
| Upgrading of Ruben Danger Ashipala Training Centre | 51 874 000 | 26 312 513.87 | 2 830 000 | 2 530 220.54 | 28 842 734.41 | 31-Mar-21 |
| Construction of Oshikuku Class C Police Station | 93 809 000 | 52 673 438.49 | 14 500 000 | 14 110 782.06 | 66 784 220.55 | 31-Mar-21 |
| Construction of Omusati Regional Headquarters | 55 034 000 | 45 837 610.59 | - | - | 45 837 610.59 | 31-Mar-18 |
| Construction of Zambezi Regional Headquarters | 48 432 000 | 48 077 443.77 | - | - | 48 077 443.77 | 31-Mar-18 |
| Construction of Hardap Regional Headquarters | 56 267 000 | 53 055 599.72 | - | - | 53 055 599.72 | 31-Mar-18 |
| Construction of Oshikoto Regional Headquarters | 186 705 000 | 193 376 325.32 | 2 976 340 | 2 976 334.56 | 196 352 659.88 | 31-Mar-18 |
| Purchases of Farms | 72 250 000 | 1 264 000.00 | 1 434 000 | 399 034.70 | 1 663 034.70 | 31-Mar-21 |
| Construction of Ojomauiwe Class B Police Station | 64 490 000 | 66 019 373.08 | - | - | 66 019 373.08 | 31-Mar-18 |
| Construction of Oshana Regional Headquarters | 77 471 000 | 57 590 847.39 | 11 000 000 | 11 000 000.00 | 68 590 847.39 | 31-Mar-21 |
| Construction of Israel Patrick Iyambo College | 93 583 000 | 25 683 433.90 | 5 000 000 | 4 709 128.92 | 30 392 562.82 | 31-Mar-21 |
| Construction of Additional Offices within the National Headquarters | 319 898 000 | 342 880 000.87 | 60 000 000 | 55 733 557.86 | 398 613 558.73 | 31-Mar-21 |
| Construction of Kavango Regional Headquarters | 91 839 000 | 6 000 000.00 | 3 610 000 | 3 610 000.00 | 9 610 000.00 | 31-Mar-21 |
| Construction of Okangwari Police Station | 59 384 000 | 44 665 474.06 | - | - | 44 665 474.06 | 31-Mar-18 |
| Construction of Nkurenkuru Class C Police Station | 118 466 000 | 21 679 735.26 | 6 700 000 | 5 306 363.17 | 26 986 098.43 | 31-Mar-21 |
| Construction of Forensic Laboratory | 277 664 000 | 131 838 721.96 | 108 499 606 | 106 300 849.30 | 238 139 571.26 | 31-Mar-22 |
| Construction of Housing Accommodation at Border Post and Outpost | 400 000 000 | 209 807 854.70 | 36 140 000 | 35 279 529.94 | 245 087 384.64 | 31-Mar-21 |
| Construction of Kunene Regional Headquarters | 87 000 000 | - | 4 000 000 | 2 242 363.62 | 2 242 363.62 | 31-Mar-21 |
| Construction of Kuisebmond Police Station | 138 000 000 | - | 5 000 000 | 5 000 000.00 | 5 000 000.00 | 31-Mar-22 |
| Construction of Noordoewer Police Station | 63 000 000 | - | 6 600 000 | 5 484 466.77 | 5 484 466.77 | 31-Mar-21 |
| Construction of Babylon Police Station | 120 000 000 | - | 1 400 000 | 670 362.82 | 670 362.82 | 31-Mar-21 |
| Construction of Ongha Police Station | 89 000 000 | - | 2 660 000 | 1 324 566.68 | 1 324 566.68 | 31-Mar-21 |
| Construction of Elizabeth Nepemba Correctional Facility Extension | - | - | 1 601 600 | 1 601 587.38 | 1 601 587.38 | 31-Mar-21 |
| Conversion of Walvisbay Correctional Facility Unit Management | 89 500 000 | 8 603 373.84 | 2 716 600 | 2 716 455.00 | 11 319 828.84 | 31-Mar-21 |
| Construction of Outapi Correctional Facility | 311 608 000 | 100 280 670.49 | - | - | 100 280 670.49 | 31-Mar-19 |
| Minor Renovations and Rehabilitation | 212 510 000 | 86 472 837.02 | 13 600 000 | 11 226 309.00 | 97 699 146.02 | 31-Mar-31 |
| Construction of New Oluno Correctional Facility | 50 000 000 | 34 480 283.56 | - | - | 34 480 283.56 | 31-Mar-30 |

| Name of the project | Approved total budget | Actual expenditure as at 31 March 2019 | Approved appropriation 2019/2020 | Actual expenditure 2019/2020 | Total expenditure as at 31 March 2020 | Expected year of completion |
|---|-----------------------|--|----------------------------------|------------------------------|---------------------------------------|-----------------------------|
| Conversion of Windhoek Correctional Facility Unit Management | N\$ 52 373 000 | N\$ 65 335 325.34 | N\$ 173 400 | N\$ 173 207.97 | N\$ 65 508 533.31 | 31-Mar-19 |
| Conversion of Hardap Correctional facility Unit Management | 67 700 000 | 37 699 731.12 | - | - | 37 699 731.12 | 31-Mar-19 |
| Construction of a New Swakopmund Correctional Facility | 201 660 000 | 1 549 850.00 | - | - | 1 549 850.00 | 31-Mar-19 |
| Conversion Divundu Correctional facility Unit Management | 4 804 000 | 26 994 633.59 | 874 100 | 874 019.86 | 27 868 653.45 | 30-Mar-22 |
| Construction of Evaristus Shikongo Correctional facility | 426 655 000 | 244 442 284.65 | 4 979 500 | 4 530 367.97 | 248 972 652.62 | 31-Mar-28 |
| Construction and Renovation of Official Accommodation | 932 727 000 | 39 267 110.09 | 8 400 000 | 7 899 568.09 | 47 166 678.18 | 31-Mar-32 |
| Construction of Walvisbay Correctional Facility High Security Fence | 51 365 000 | 23 575.00 | 1 884 000 | 1 772 039.73 | 1 795 614.73 | 31-Mar-22 |
| Omaruru Correctional Facility Renovation and Expansion | 20 000 000 | 99 133.44 | 1 799 400 | 1 324 537.13 | 1 423 670.57 | 31-Mar-23 |
| North-Eastern, Regional Command Headquarters Construction | 1 500 000 | 540 000.00 | 781 600 | 780 712.50 | 1 320 712.50 | 31-Mar-24 |
| Gobabis Correctional Facility Renovation and Extension | 26 000 000 | 78 645.75 | 4 720 000 | 3 322 683.48 | 3 401 329.23 | 31-Mar-23 |
| Construction of new Pigery Farm at Okatyali Village | 50 000 000 | 125 325.00 | 7 507 200 | 6 661 982.15 | 6 787 307.15 | 31-Mar-22 |
| Installation of New Hot Water Reticulation System and Fire Suppression System at Hardap Correctional Facility | - | - | 41 500 | 41 433.12 | 41 433.12 | - |
| Installation and upgrade of Integrated Security system at E.Shikongo CF, and Windhoek CF including Cellphone blockade | 98 800 000 | 1 000 000.00 | 4 403 400 | 4 104 560.75 | 5 104 560.75 | 31-Mar-32 |
| Construction of New Grootfontein Correctional Facility | 34 500 000 | 2 250 000.00 | 267 600 | 267 516.11 | 2 517 516.11 | 31-Mar-28 |
| Construction of NCS and Central Depot | 75 150 000 | 98 727.50 | 6 488 900 | 6 438 084.71 | 6 556 812.21 | 31-Mar-25 |
| Renovations and Rehabilitations of Walvisbay Correctional Facility | - | - | 12 447 200 | 11 728 983.03 | 11 728 983.03 | - |
| Total | 7 793 831 000 | 3 609 272 845.76 | 438 079 350 | 409 572 212.99 | 4 018 845 058.75 | |

2.3 Compensation payments (Valid Claims against the State)

During the financial year under review, the Accounting Officer reported that the Ministry made compensation payments amounting to N\$ 3 065 818.12 with the necessary Treasury approvals.

2.4 Bursary and study assistance

The Accounting Officer reported that during the financial year under review, the Ministry provided study assistance amounting to N\$ 687 428.20 to five (5) staff members to pursue their studies at various institutions of higher learning.

2.5 Aircraft

The Accounting Officer reported the following expenditure on various aircrafts as follows:

| Description | Amount |
|---------------------------------|---------------------|
| | N\$ |
| Fuel | 89 626.96 |
| Maintenance / Other expenditure | 1 065 194.08 |
| Insurance | 3 591 503.88 |
| Landing Fees | 2 000.00 |
| Total | 4 748 324.92 |

Revenue to the amount of N\$ 27 367.00 was received in respect of the renting/hiring of the aircraft.

2.6 Livestock

The Accounting Officer reported the following livestock as at 31 March 2020:

| Description | Balance as at 31/03/2020 |
|-------------|-----------------------------|
| Cattle | 318 |
| Sheep | 117 |
| Goats | 201 |
| Pigs | 2 033 |
| Dogs | 41 |
| Horses | 45 |

2.7 Losses: Irregularities by persons employed by Government

The Accounting Officer reported thirteen (13) cases of losses through irregularities by persons employed by the Government, during the financial year under review amounting to N\$ 62 824.26.

2.8 Losses and damages through unavoidable causes

The Accounting Officer reported losses and damages through unavoidable causes amounting to N\$ 424 045.35.

2.9 Wellness

During the financial year under review, the Accounting Officer reported that no budgetary provision was made for wellness activities, hence no expenditure was incurred.

2.10 Donations to Government

During the financial year under review, the Ministry received donations, valued at N\$ 3 376 029.00 from various donors with the necessary Treasury approval:

2.11 Suspense accounts

Fifteen (15) suspense accounts had outstanding balances at the end of the financial year under review, six (6) with credit and nine (9) with debit balances as follows:

| Details | Balance as at 31 March 2020 Debit/(Credit) |
|---|--|
| | N\$ |
| Receipt suspense | 3 324 127.91 |
| Petty Cash | 392 936.78 |
| S&T advance suspense account | (2 446 726.46) |
| Rejection account | (385 844.58) |
| Bills payable | 932 518.49 |
| Electronic Fund Transfer Clearing Account (EFT) | (183.25) |
| First Capital Housing Loan Fund | 7 053.16 |
| Social Security | 26.24 |
| Taxcode | 0.54 |
| Namibian Police Assistance Fund | 1 999.63 |
| Pension funds: GIPF | (614.57) |
| Standard Bank (Windhoek) | 6 229.95 |
| Bank Windhoek Main Branch | 5 195.00 |
| Debt Establishment | (49 406.93) |
| Helao Nafidi Town Council | (1 958.58) |

2.12 Trade account (Auditor to get back on where the money is kept)

The Accounting Officer reported that the Ministry operated a trade account with a profit of N\$ 297 533.85 as at 31 March 2020.

2.13 Points keeping stock and annual stocktaking

The Accounting Officer reported that the Ministry has thirty-eight (38) points keeping stock with a combined value of stock on hand amounting to N\$ 1 593 617 614.62. Stocktaking was carried out at all points during the financial year under review. A surplus of N\$ 186 655, 42, deficiencies of N\$ 186 403.00 and obsolete/worn-out items amounting to N\$ 1 280 399.96 were reported.

2.14 Stores and depots

The Accounting Officer reported thirty-three (33) stores and depots for the financial year under review with a total value of stock amounting to N\$ 478 652 033.46.

2.15 Vehicle accidents

The Accounting Officer reported a total of three hundred and sixty-four (364) motor vehicle accidents with an estimated repair cost of N\$ 3 158 378.26 during the year under review. Thirty nine (39) vehicles were repaired at a cost of N\$ 617 604.06

2.16 Internal inspections

The Accounting Officer reported the following internal inspections for the year under review:

| Category of inspection | Number of inspection points | Number of points inspected |
|------------------------|-----------------------------|----------------------------|
| Financial | 32 | 8 |
| Stock and equipment | 49 | 25 |
| Others: Administration | 32 | 8 |
| Total | 113 | 41 |
| Percentage | 100% | 25% |

2.17 Fixed property bought

The Accounting Officer reported an amount of N\$ 8 500 000 spend to buy fixed property with 14 unit (flats) at Erf no 237 Nkurenkuru.

2.18 Debt to Government

The Accounting Officer reported an amount of N\$ 783 253.78 in respect of debts owed to the Government.

2.19 Exemption from procurement procedures

The Accounting Officer reported that the following projects were exempted from the normal procurement procedures.

| Number | Project name | Amount N\$ |
|--------|--|---------------|
| 1. | Kavango West Police Reegional Headquarters | 93 839 000 |
| 2 | Kunene Police Reegional Headquarters | 62 300 000 |
| 3 | Nkurenkuru Class Police Station | 120 466 000 |
| 4 | Kuisebmond Police Station | 140 000 000 |
| 5 | Babylon Police Station | 75 869 000 |
| 6 | Noordoewer Police Station | 91 500 000 |
| 7 | Ongha Police Station | 91 000 000 |
| 8 | VIPP Barracks Near the State House | - |

2.20 Vehicles on hand

The Accounting Officer reported vehicles on hand for the year under review as follows:

| Own fleet | Sedan | Pick-up and Combies | Heavy Vehicles (Lorries, Tractors & Busses | Motor Bikes | Other (Trailors & Caravans) | Value |
|---------------------------------|------------|---------------------|--|-------------|-----------------------------|-----------------------|
| Opening | | | | | | |
| Balance 1/04/2019 | 686 | 2077 | 157 | 98 | 190 | 518 732 658.50 |
| Acquisition 2019/2020 | - | 15 | - | - | - | 5 719 557.82 |
| Donations | - | 4 | - | - | 1 | 2 173 966.33 |
| Written off 2019/2020 | (60) | (185) | (16) | (1) | (11) | (6 326 431.10) |
| Balance on 31 March 2020 | 625 | 1911 | 141 | 97 | 180 | 520 299 751.55 |

WINDHOEK 30-10-2020

MR. ETIENNE MARITZ
ACCOUNTING OFFICER