



REPUBLIC OF NAMIBIA



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF SPORT, YOUTH AND
NATIONAL SERVICE**

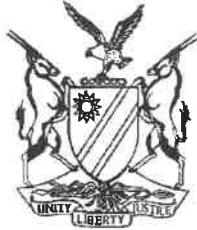
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

Published by authority

Price (Vat excluded) N\$ 44.00

Report no: 29/2019

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 Sport, Youth and National Service for the financial year ended 31 March 2018 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 2019

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

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

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.
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.
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).
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
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.

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**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF SPORT, YOUTH AND NATIONAL SERVICE
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

1. SECTION A: FINANCIAL AUDIT

1.1 UNQUALIFIED AUDIT OPINION

I certify that I have audited the financial statements of the Ministry of Sport, Youth and National Service for the financial year ended 31 March 2018 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 financial year then ended, and a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements of the Ministry of Sport, Youth and National Service as at 31 March 2018 are prepared, in all material respects, in accordance with Section 12 & 13 of the State Finance Act, 1991(Act 31 of 1991) and relevant legislation.

1.2 EMPHASIS OF MATTERS

Without qualifying my audit opinion on the basis of this paragraph, I draw attention to the following matter that relate to my responsibility in the audit of the financial statements, as disclosed by the Ministry of Sport, Youth and National Service in the financial statements:

1.2.1 Outstanding commitments

The Accounting Officer reported N\$ 691 029.04 in respect of outstanding commitments at the end of the year under review. These outstanding commitments were only honored in the next financial year which has a negative impact on the appropriated budget of the ensuing financial year.

It is recommended that the Accounting Officer should ensure that outstanding commitments are paid in the financial year in which expenditure is budgeted for.

Management comment

In her response on the draft report, the Accounting Officer indicated that the Ministry took note of the findings and steps will be taken to address this type of omission.

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. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

No key audit matter is reported for the year under review.

1.4 OTHER MATTERS

Without qualifying my audit opinion on the basis of this paragraph, I draw attention to the following matter(s) that relate to my responsibility in the audit of the financial statements, and excluding matters already disclosed by the Ministry of Sport, Youth and National Service in the financial statements:

1.4.1 Risk Management Policy

The audit noted that management has not come up with a documented risk management policy to provide information and guidance on Risk Management. Risk Management is a process of identifying, assessing, managing and controlling risks within an organisation and it is aimed at providing guidance regarding the management of risk to support the achievement of the Ministry's objectives, protect staff and the Ministry's assets and ensure financial stability.

It is recommended that the Accounting Officer should develop a Risk Management Policy to manage risk to an acceptable level.

Management comment

In her comment on the draft report, the Accounting Officer indicated that the Ministry is working on it.

1.4.2 Disaster Recovery Plan

The audit noted that management has not come up with an approved disaster recovery plan to provide information and guidance in the event of a disaster.

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

It is recommended that the Accounting Officer should develop a disaster recovery plan to ensure operations continue in the event a disaster occurs.

Management comment

In her comment on the draft report, the Accounting Officer indicated that the development of disaster recovery plan is in a draft form and need to be finalized. The Ministry cannot put a timeline in the completion due to various factors beyond its control.

2. FOLLOW UP ON PRIOR YEAR AUDITS

2.1 Unauthorized expenditure

It has been noted with grave concern that unauthorized expenditure have been recurring in the Ministry for five consecutive years. This is despite the fact that the Accounting Officer indicated that the Ministry has been monitoring its financial position.

Management comment

In her comment on the draft report, the Accounting Officer indicated that the controls on the system that are supposed to reject payments if funds are depleted are no longer effective and payments do go through while funds are depleted. A letter was addressed to the Ministry of Finance but the Ministry of Finance did not respond.

3. SECTION B: COMPLIANCE AUDIT AND AUDIT OF PERFORMANCE INFORMATION

3.1 COMPLIANCE TO LAWS AND REGULATIONS

SUBJECT MATTER: Financial Performance and the use of Appropriated Funds

I certify that I have audited the financial performance and the use of appropriated funds of the Ministry of Sport, Youth and National Service for the financial year ended 31 March 2018.

3.2 Description of the Subject Matter Information and Audit Scope

The audit aimed to determine whether the Ministry of Sport, Youth and National Service's financial performance and use of the appropriated funds is in compliance with the Appropriation Act, Act 1 of 2017; State Finance Act, Act 31 of 1991, Public Procurement Act, Act 15 of 2015; Treasury Instructions and the Public Procurement Regulations during the financial year ended 31 March 2018. 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 a opinion, the findings and recommendations are taken into consideration.

3.3 Audit objective

- The objective of this compliance audit is to verify and assess whether Ministry of Sport, Youth and National Service has complied with all laws and regulations that have an impact on the financial statements in accordance with ISSAI 1250.
- 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.

3.4 Audit criteria

The audit criteria used was derived from the following laws and regulations:

Appropriation Act, 2017 (Act 1 of 2017);
State Finance Act, 1991 (Act 31 of 1991);
Public Procurement Act, 2015 (Act 15 of 2015);
Treasury Instructions; and
Public Procurement Regulations.

3.5 Summary of methods applied

I audited the financial statements for the financial year ended 31 March 2018 submitted by the Accounting Officer in order to determine whether this information complied with laws and regulation that governs them.

3.6 OPINION ON THE SUBJECT MATTER

In my opinion, the Ministry of Sport, Youth and National Service's financial performance and use of appropriated funds is in compliance, in all material respects, with the State Finance Act, 1991 (Act of 1991), Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions, Public Procurement Regulations and Appropriation Act, 2017 (Act 1 of 2017).

3.7 KEY AUDIT FINDINGS

3.7.1 Unauthorized expenditure

The Accounting Officer did not comply with Section 6 of the State Finance Act, Act 31 of 1991 in respect of the following:

- (i) One (1) main division was exceeded with a total amount of N\$ 142 431.15 which is unauthorised in terms of Section 6 (a) (ii) of the Act; and
- (ii) Seven (7) sub-divisions were exceeded with a total amount of N\$ 2 249 043.37 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 Ministry on a continuous basis to enable better financial control and take appropriate action timeously to avoid unauthorized expenditure.

Management comment

In her comment on the draft report, the Accounting Officer indicated that the unauthorized expenditure was because of a system failure but not poor controls due to the fact that funds were available when payments were made.

3.7.2 Outstanding subsistence advances

The Accounting Officer reported a total of sixty seven (67) cases of outstanding subsistence advances amounting to N\$ 410 036.99 at 31 March 2018 as per Debit Balance list. This outstanding balance is for all the advances for which claims were not submitted within 30 days. The Accounting Officer did not comply with Treasury Instruction HB 0505 which states that "*A claim for subsistence and other anticipated expenditure shall be submitted within 30 days after a person returned to his headquarters and monthly by a person who is elsewhere for a long 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 Accounting Officer is therefore urged to ensure that steps are taken to clear the S&T Advance Suspense Account at all times. Claims should be submitted within thirty (30) days as stated in Treasury Instruction HB0505. It is further recommended that should the claim amount be less than the advance amount, the difference should be recovered from the staff members or officials as stipulated by Treasury Instruction HB0506.

Management comment

In her response on the draft report, the Accounting Officer indicated that steps are underway to recover the outstanding amount from individual salaries. The deductions will commence during March 2019.

4 AUDIT OF PERFORMANCE INFORMATION

I certify that I have audited the performance information of the Ministry of Sport, Youth and National Service for the financial year ended 31 March 2018.

4.1 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 Sport, Youth and National Service 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

4.2 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.

4.3 Audit criteria

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

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

4.4 Summary of methods applied

I reviewed the Strategic plan, 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 quarterly reports and Annual Performance Report.

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

4.5 Conclusion on the key performance indicators audit

The audit revealed a satisfactory outcome on the measurability sub-criteria as all performance indicators were quantifiable and satisfactory outcome on the timeliness as the performance information was sent to Office of the Prime Minister (OPM) on time as per annual performance management process timetable, and thus the Ministry is commented on it.

The sub-criteria for presentation, existence, consistency, accuracy, validity, relevancy and completeness of performance information are not met which concluded that reported information is not reliable and might not be useful to the general public and stakeholders.

The audit revealed deficiencies in the performance information of the Ministry as indicated in the key audit findings paragraph.

4.6 Key audit findings

The following are the key audit findings found on the performance information of the Ministry:

The strategic plan of the Ministry for the period 2016/2017 to 2021/2022 was approved, however the annual plan and annual plan review for the 2017/2018 were not approved, which makes operations of the Ministry unplanned.

5 RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

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

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

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

6 AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue 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.

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 report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
- I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my report unless law or regulation precludes public disclosure

about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

- It is also my responsibility is 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,2017 (Act 1 of 2017), 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.

7 POWERS AND DUTIES

Section 25(1) (c) of the State Finance Act, 1991, provides that the Auditor-General should satisfy himself that:

- (a) All reasonable precautions have been taken to ensure that all monies due to the State are collected, and that the laws relating to the collection of such monies have been complied with;
- (b) All reasonable precautions have been taken to safeguard the receipt, custody and issue of and accounting for, the State's assets, such as stores, equipment, securities and movable goods; and;
- (c) The expenditure has taken place under proper authority and is supported by adequate vouchers or other proof.

In addition, Section 26(1) (b)(iv) of the State Finance Act, 1991, empowers the Auditor-General to investigate and report on the economy, efficiency and effectiveness of the use of the State's resources.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

8 GENERAL INFORMATION

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

9 ACKNOWLEDGEMENT

The co-operation and assistance by the management and staff of the Ministry of Sport, Youth and National Service during the audit is appreciated

WINDHOEK, March 2019



**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

1. AUDITED FINANCIAL STATEMENTS

1.1 Appropriation Account

Service	2017/2018		Variations		2016/2017	
	Authorized expenditure	Actual expenditure	Under-expenditure/ (Excess)	Percentage	Actual expenditure	
N\$	N\$	N\$	N\$	%	N\$	
01. Office of the Minister:						
Original budget	2 801 000					
Plus: Virement	359 700	3 160 700	3 303 131.15	(142 431.15)	(4.51)	3 686 773.93
02. Administration:						
Original budget	116 501 000					
Plus: Virement	121 201 300					
Less: Suspension	(63 162 000)	174 540 300	173 430 987.31	1 109 312.69	0.64	97 640 958.41
03. Youth Development, Training and Employment:						
Original budget	190 746 000					
Less: Virement	(6 595 000)					
Less: Suspension	(3 500 000)	180 651 000	179 278 660.24	1 372 339.76	0.76	204 785 426.94
04. National Heritage and Culture Programmes:						
Original budget	-	-	-	-	-	-
05. Arts:						
Original budget	-	-	-	-	-	50 049.42
06. Sporting, Promotion and Support:						
Original budget	74 915 000					
Less: Suspension	(12 923 443)	71 172 000	70 009 036.53	1 162 963.47	1.63	97 582 722.93
Total:		429 524 000	426 021 815.23	3 502 184.77	0.82	403 745 931.63

1.3 Departmental revenue

Revenue for the year is as follows:

Revenue head	Estimate 2017/2018	Actual revenue 2017/2018	More/(Less) than estimated	Actual revenue 2016/2017
	N\$	N\$	N\$	N\$
Miscellaneous	170 000	2 400.00	(167 600.00)	57 896.60
Sport stadiums	300 000	45 965.00	(254 035.00)	45 750.00
Youth centres	2 500 000	1 224 829.43	(1 275 170.57)	1 299 815.80
College of the Arts	-	-	-	30.00
Unclaimed Cheques	-	1 324 119.16	1 324 119.16	-
Private tel calls	-	12 598.00	12 598.00	-
Total	2 970 000	2 609 911.59	(360 088.41)	1 403 492.40

1.4 Notes to the financial statements

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

Over-expenditure**Main division 01 – Office of the Minister (N\$ 142 431.15 – 4.51%)**

The overspending is recorded on personnel expenditure and it is ascribed to the fact that the transfer of the Minister from the Ministry of Home Affairs took place towards the end of the financial year after the virement was processed. Therefore it was not possible to transfer savings to this main division to balance the excess amount.

1.4.2 Departmental Revenue: Explanations of variations exceeding N\$ 200 000

Over-estimated**Youth Centres (N\$ 1 275 170.57)**

The variance of N\$ 1 275 170.57 is ascribed to the fact that it was very difficult to accurately predict the demand for the usage of Ministerial facilities in advance. The demand from the public to utilise the facilities was very low than anticipated for the financial year under review.

Sport Stadiums (N\$ 254 035)

The variance of N\$ N\$ 254 035 is ascribed to the fact that it was very difficult to accurately predict the demand for the usage of Ministerial facilities in advance. The demand from the public to utilise the facilities was very low than anticipated for the financial year under review.

Under-estimated**Unclaimed Cheques N\$ 1 324 119.16**

The Ministry of Finance is no longer printing cheques hence no revenue estimates were projected for the financial year. The revenue of N\$ 1 324 119.16 represents stale cheques for previous financial years that were cancelled during 2017/2018 financial year.

2. GENERAL INFORMATION

2.1 Development projects

The following were development projects of the Ministry during the year under review:

Project name	Approved total budget	Approved appropriation 2017/2018	Total expenditure at 31/03/2017	Actual expenditure 2017/2018	Total expenditure at 31/03/2018	Expected year of completion
Construction of Eenhana Sports Complex	N\$ 68 388 000	N\$ 10 121 000	N\$ 28 724 633.04	N\$ 8 854 440.88	37 579 073.92	31/03/2019
Construction of Fran's Dimbare Intergrated Rural Youth Development Centre	31 181 000	1 000 000	3 953 448.71	388 476.56	4 341 925.27	31/03/2018
Construction of Katima Mulilo Stadium	85 000 000	10 000 000	-	10 000 000.00	10 000 000.00	31/03/2021
Total	184 569 000	21 121 000	32 678 081.75	19 242 917.44	51 920 999.19	

ANNEXURE A (continued)

2.2 Vehicles

The Accounting Officer reported that the Ministry had one hundred and thirteen (113) vehicles (own fleet) valued at N\$ 59 250 000 at 31 March 2018.

2.3 Points keeping stock and annual stocktaking

The Accounting Officer reported that four (4) points were inspected by the Ministry for the year under review. During the inspections, shortages amounting to N\$ 283 and damaged items of N\$ 2 557 were discovered.

2.4 Outstanding subsistence advances

The Accounting Officer reported a total of sixty seven (67) cases of outstanding subsistence advances amounting to N\$ 410 036.99 at 31 March 2018.

2.5 Donation to Government

The Accounting Officer reported the following donation:

Name of Donor	Beneficiary	Purpose	Description	Value
United Nations High Commissioner for Refugees	Ministry of Sport, Youth and National Service	Administrative	Iveco 20 Seater Bus and Trailer	N\$ 225 000
Total				225 000

Treasury authorization for this donation was obtained.

2.6 Vehicle accidents

The Accounting Officer reported three (3) vehicle accidents during the year under review. The vehicles were repaired at a total cost of N\$ 70 879.70.

2.7 Outstanding commitments

The Accounting Officer reported four (4) outstanding commitments with a total amount of N\$ 691 029.04 at the end of the financial year under review.

2.8 Compensation payments (Valid Claims Against the State)

The Accounting Officer reported that an amount of N\$ 73 191.83 was paid as compensation for the year under review in respect of a motor vehicle accident.

2.9 Bank accounts

The Accounting Officer reported the following bank accounts during the financial year under review:

Account name	Bank name	Balance as at 31/03/2018
		N\$
Children of the Liberation Struggle	Bank Windhoek	15 713 931.09
Commonwealth Youth Credit Initiative	First National Bank	1 279 060.00
Commonwealth Youth Credit Initiative (Social Security)	First National Bank	3 537 257.70

2.10 Suspense accounts

The Ministry had the following outstanding balances on ten (10) suspense accounts at 31 March 2018 of which five (5) had debit and five (5) had credit balances:

Description	Balance as at 31 March 2018
	Debit/(Credit)
	N\$
Rejection account	470 316.66
RD Cheques	123 681.92
S&T advance suspense account	389 912.78
Pension funds: GIPF	(3 343.55)
Receipt suspense	528 038.59
Bills payable	76 853.68
Electronic Fund Transfer Clearing Account (EFT)	(9 600.03)
Social Security	(32 961.27)
First National Bank (Windhoek)	1 400.63
Debt Establishment	(200.00)

2.11 Livestock

The Accounting Officer reported livestock on hand as at 31 March 2018 as follows:

Centre	Calves	Bull	Cow	Castrated Goat	Ram Goat	Ewe Goat	Lambs Goat	Total
Fran's Dimbare Integrated Rural Youth Development Centre	4	3	7	11	2	35	4	66
Berg Aukas Rural Youth Development Centre	15	14	14	-	-	-	-	43

WINDHOEK, 2018-10-18

EMMA KANTEMA-GAOMAS
ACCOUNTING OFFICER