



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 2019

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REPUBLIC OF NAMIBIA



TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY

I have the honour to submit herewith my report on the accounts of the Ministry of Sport, Youth and National Service for the financial year ended 31 March 2019 in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honourable Minister of Finance in terms of Section 27(1) of the State Finance Act, 1991, (Act 31 of 1991) to be laid upon the Table of the National Assembly in terms of Section 27(4) of the Act.

WINDHOEK, FEBRUARY 2020

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

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

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DEFINITIONS

Treasury:	Financial authority in public service. (The department of Government that has control over the collection, management and disbursement of public revenue).
Vote:	Represents an Office/Ministry/Agency.
Appropriation Act:	Estimate of expenditure and revenue for a particular financial year presented to the National Assembly, the Act passed by Parliament.
Appropriation Account:	Government Income and Expenditure statement, showing on receipt side the estimated budgeted amounts and on expenditure side the actual expenditure amounts and the difference thereof.
Standard sub-division:	Government Balance account, showing balances incurred on each account/activity.
Suspension:	Reduction on budget (Treasury may from time to time withhold or suspend any amount in an estimate of expenditure).
Virement:	Moving of budgeted funds from one account to another account within the same budget of the same office/ministry/agency. The utilization of a saving under one main division/sub division of a vote to defray an excess under another existing division of the same vote.
Unauthorised Expenditure:	Expenditure that exceeds the amount appropriated (budgeted) for a vote, main division or subdivision.
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, meals 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.
ISSAI: International Standards of Supreme Audit Institutions	Professional standards and best practice guidelines for public sector auditors, officially authorised and endorsed by the International Organisation of Supreme Audit Institutions (INTOSAI).
Types of Audit Opinions:	<p>Unqualified Opinion. In an unqualified report, the auditors conclude that the financial statements of your O/M/A's present fairly its affairs in all material aspects.</p> <p>Qualified Opinion. An auditor's report is qualified when there is either a limitation of scope in the auditor's work, or when there is a disagreement with management regarding application, acceptability or adequacy of accounting policies.</p> <p>Disclaimer Opinion. Auditors do not express an opinion on the financial position of a firm because they have not completed an examination of its accounts or the examination is not broad enough in scope to enable them to form an opinion.</p> <p>Adverse Opinion. The Financial statements of an O/M/A's do not fairly present its actual financial position and the required information was either not disclosed, or (if disclosed) was inadequately disclosed or was inaccurate.</p>
Reasonable Assurance	It is when the audit conclusion is expressed positively, conveying that, in the auditor's opinion, the subject matter is or is not compliant in all material respects or, where relevant, that the subject matter information provides a true and fair view, in accordance with the applicable criteria.
Limited Assurance	It is when the audit conclusion states that, based on the procedures performed; nothing has come to the auditor's attention to cause the auditor to believe that the subject matter is not in compliance with the criteria.
Direct reporting engagement	It is when an auditor measures or evaluates the subject matter against the criteria. The auditor is responsible for producing the subject matter information. The auditor selects the subject matter and criteria, taking into consideration risk and materiality. By measuring the subject matter evidence against the criteria, the auditor is able to form a conclusion.
Attestation engagement	It is when a responsible party (the entity) measures the subject matter against the criteria and presents the subject matter information, on which you, the auditor, then gather sufficient and appropriate audit evidence to provide a reasonable basis for forming a conclusion.

Subject matter	Refers to the information, condition or activity that is measured or evaluated against certain criteria.
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ABBREVIATIONS

MOSYNS	Ministry of Sport, Youth and National Services
IFMS	Integrated Financial Management System
ISSAI	International Standards of Supreme Audit Institutions
INTOSAI	International Organisation of Supreme Audit Institutions

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF SPORT, YOUTH AND NATIONAL SERVICE
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

1. SECTION A: FINANCIAL AUDIT

1.1 UNQUALIFIED AUDIT OPINION

I have audited the financial statements of the Ministry of Sport, Youth and National Service for the financial year ended 31 March 2019 provided by the Accounting Officer as attached in Annexure A. These financial statements comprise the Appropriation account, Standard subdivisions, Departmental revenue, notes to the financial statements and general information for the financial year then ended 31 March 2019, 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 2019 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 BASIS FOR UNQUALIFIED AUDIT OPINION

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

1.3 KEY AUDIT MATTERS

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

1.4 EMPHASIS OF MATTERS

Attention is drawn to the management on the following matters that relate to my responsibility in the audit of the financial statements, as disclosed by the Ministry of Sport, Youth and National Service in the financial statements. My opinion is not modified in respect of these matters:

1.4.1 Accounts payable

It was found that there is a supplier providing cleaning services to the Ministry for which a total amount of N\$ 340 814 was paid during the year under review. No tender contract documents and the appointment letter to render such services were provided for audit purpose.

It is recommended that the Accounting Officer should ensure that suppliers providing services to the Ministry are appointed in terms of the Procurement Act, 2015 (Act 15 of 2015).

Management comments

In her response on the draft letter, the Accounting Officer indicated that the Ministry regrets this omission, however the matter was brought under the attention of the Ministerial Procurement Committee and the Procurement Management Unit was tasked to commence with the process of putting up a tender.

1.5 OTHER MATTERS

Attention is drawn to the management on the following matter that relates 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. My opinion is not modified in respect of these matters:

1.5.1 Cost of damages

The Accounting Officer reported seven (7) vehicle accidents of which seven (7) vehicles were repaired at a cost of N\$ 149 362.49. However, only one (1) accident report was provided for audit purposes.

It is strongly recommended that the Accounting Officer should ensure that accident reports are provided for auditing purposes.

Management comments

No comment was provided.

1.6 RECURRING MATTERS

1.6.1 Risk Management Policy

The audit noted with serious concern that management has not yet designed nor implemented a risk management policy for the past ten (10) years. The risk management policy will provide information and guidance on how to manage risk at organization level. Risk Management is a process of identifying, assessing, managing and controlling risks within an organization 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.

The Accounting Officer during the 2017/2018 financial year indicated that the Ministry was working on a Risk Management Policy, however no policy could be provided for audit purposes.

It is therefore recommended that the Accounting Officer should ensure that a risk management policy is drafted, approved and implemented as a matter of urgency.

Management comments

No comment was provided.

1.6.2 Disaster Recovery Plan (DRP)

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

The Accounting Officer in her response on the 2017/2018 audit report, indicated that the development of the DRP was in a draft form and needed to be finalized.

It is recommended that the Accounting Officer should ensure that a DRP is developed, approved and implemented.

Management comment

In her response on the draft report, the Accounting Officer indicated that the draft policy has been discarded as there was a specific DRP policy with OPM and as such a new draft has to be customized to the needs of the Ministry.

1.6.3 Unauthorized expenditure

It has been noted that unauthorized expenditure on the vote, main divisions and subdivisions has been recurring for the past six (6) financial years as follows:

Financial year	Vote exceeded	Number of main divisions exceeded	Amount exceeded	Number of subdivisions exceeded	Amount exceeded
	N\$		N\$		N\$
2018/2019	-	-	-	6	285 414.44
2017/2018	-	1	142 431.15	7	2 249 043.37
2016/2017	23 487 222.89	3	24 849 304.64	12	26 215 669.80
2015/2016	-	-	-	5	568 903.25
2014/2015	-	-	-	8	520 075.87
2013/2014	7 942 782.97	-	-	2	72 541.23

It is therefore 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 comments

No comment was provided.

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

2.2 Description of the subject matter information and audit scope

The audit aimed to determine whether the Ministry of Sport, Youth and National Service used the appropriated funds in compliance with the Appropriation Act, 2018 (Act 4 of 2018), State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions and the Public Procurement Regulations during the financial year ended 31 March 2019.

2.3 Audit objective

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

- Appropriation Act, 2018 (Act 4 of 2018);
- Appropriation Amendment Act, 2018 (Act 15 of 2018);
- State Finance Act, 1991 (Act 31 of 1991);
- Public Procurement Act, 2015 (Act 15 of 2015);
- Treasury Instructions; and
- Public Procurement Regulations.

2.5. Summary of methods applied

I audited the financial statements for the financial year ended 31 March 2019 submitted by the Accounting Officer in order to determine whether this information complied with laws and regulations that governs them.

2.6 Opinion on the subject matter

In my opinion, the Ministry of Sport, Youth and National Service financial performance and use of appropriated funds is in compliance, in all material respects, with the State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions, Public Procurement Regulations, Appropriation Act, 2018 (Act 4 of 2018) and Appropriation Amendment Act, 2018 (Act 15 of 2018).

2.7. Key audit findings

The following are some of the findings that were not in compliance with above mentioned laws:

2.7.1 Debt to Government

Treasury Instruction BB 0101 states that *“An Accounting Officer who, under section 8 of the Act, is charged with the general financial administration of a vote and State Moneys under his control, shall be responsible for: (i) the accuracy of the accounting records, accounts and other financial documents under his control and the establishment and maintenance of effective systems of internal auditing and control of State moneys, other property of the State and securities”*. However, the Accounting Officer reported that no debt was due to the Government during the financial year under review. However, the rejection suspense account indicated a closing balance amounting to N\$ 440 438.85 which is contrary to Treasury Instruction BB0101.

It is recommended that the Accounting Officer should report accurate information for audit purposes.

Management comments

No comment was provided.

2.7.2 Unauthorized expenditure

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

- (i) Six (6) subdivisions were exceeded with a total amount of N\$ 285 414.44, which is unauthorized 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 to take appropriate action timeously to avoid unauthorized expenditure.

Management comments

No comment was provided.

3. AUDIT OF PERFORMANCE INFORMATION

I have audited the performance information of the Ministry of Sport, Youth and National Service for the financial year ended 31 March 2019.

3.1 Description of the subject matter information and audit scope

A Performance Management System (PMS) is defined as a systematic process for achievement and improvement in obtaining results from an organization and its staff members by managing performance within an agreed framework consisting of objectives, outputs, key performance indicators (KPIs) and timeliness.

The primary function of the PMS is to enable Offices, Ministries and Agencies (OMAs) to achieve success in National Development Plans (NDP) and provide improvements in service delivery to the general 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

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, programmes, and projects.

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

3.3 Audit criteria

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

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

3.4 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 Directorates quarterly reports and Annual Performance Report.

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

3.4.1 SELECTED KEY PERFORMANCE INDICATORS

3.4.1.1 Directorate: General Services

The following two (2) key performance indicators from the Directorate of General Services were selected out of the entire population of fifty (50) key performance indicators from the 2018/2019 Annual plan.

Strategic Objective	Key Performance Indicators
Enhance an enabling environment for high performance culture and service	Percentage of compliance with Procurement Act
	Number of internal audit reports produced

3.4.2 KEY AUDIT FINDINGS

DIRECTORATE: GENERAL SERVICES

INDICATOR/FINDINGS	RECOMMENDATION
Number of internal audit reports produced The indicator was tested for existence, completeness, presentation and validity and the audit found material differences from the planned performance to the actual performance in the annual plan review report. The audit found that it is reported that fifty percent (50%) reports have been produced, whereas no internal audit reports were produced.	The Accounting Officer should provide an explanation why targets are set without meeting those targets.

Management comments

In her response on the draft report, the Accounting Officer indicated that the Ministry regrets this omission and with due consideration to avail financial resources during the formulation of annual plans.

3.4.3 Conclusion on the subject matter

The audit revealed a satisfactory outcome on the usefulness and reliability on the KPI information with regard to the KPI % compliance of the Procurement Act.

The information provided for audit on the KPI for Internal Audit reports produced is not satisfactory.

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

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

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

The management is also responsible for ensuring adherence to the State Finance Act, 1991(Act 31 of 1991), Appropriation Act, 2018(Act 4 of 2018), Appropriation Amendment Act, 2018(Act 15 of 2018), Public Procurement Act, 2018(Act 15 of 2015), Treasury Instructions and the 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 matters are outlined under Section 25 (1) (c), Section 26 (1) and Section 27 (3) of the State Finance Act, 1991 (Act 31 of 1991).

As part of an audit in accordance with the International Standards for Supreme Audit Institutions, I exercise professional skepticism throughout the audit, I also;

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence, obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related

disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

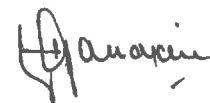
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
- I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
- It is also my responsibility to express an opinion on whether the financial performance and the use of appropriated funds is, in all material respect is in compliance with the Appropriation Act, 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 GENERAL INFORMATION

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

7 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, FEBRUARY 2020

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

1. AUDITED FINANCIAL STATEMENTS

1.1 Appropriation Account

Service	2018/2019		Variations		2017/2018	
	Authorized expenditure	Actual expenditure	Under-expenditure/ (Excess)	Percentage	Actual expenditure	
	N\$	N\$	N\$	%	N\$	
01. Office of the Minister:						
Original budget	3 463 000					
Plus: Virement	508 000	3 971 000	3 951 673.04	19 326.96	0.49	3 303 131.15
02. Administration:						
Original budget	81 854 000					
Plus: Virement	15 607 802	97 461 802	96 562 913.53	898 888.47	0.92	173 430 987.31
03. Youth Development, Training and Employment:						
Original budget	157 463 000					
Less: Virement	(12 780 064)					
Less: Suspension	(3 231 000)	141 451 936	140 754 621.40	697 314.60	0.49	179 278 660.24
04. National Heritage and Culture Programmes:						
Original budget	-	-	-	-	-	
05. Arts:						
Original budget	-	-	-	-	-	
06. Sporting, Promotion and Support:						
Original budget	45 507 000					
Plus: Virement	4 664 262					
Less: Suspension	(3 000 000)	47 171 262	46 816 880.84	354 381.16	0.75	70 009 036.53
Total:		290 056 000	288 086 088.81	1 969 911.19	0.68	426 021 815.23

1.2 Standard subdivisions

Subdivision	2018/2019			2017/2018
	Authorized expenditure	Actual expenditure	Under-expenditure/ (Excess)	Actual expenditure
	N\$	N\$	N\$	N\$
Operational:				
Current expenditure: Personnel				
001. Remuneration	108 874 400	108 818 749.96	55 650.04	111 285 835.17
002. Employer's contribution to GIPF	13 867 000	13 600 039.40	266 960.60	13 813 979.64
003. Other conditions of service	5 074 921	4 979 918.32	95 002.68	3 866 839.95
004. Improvement of remuneration structure	13 000	11 104.49	1 895.51	-
005. Employers contribution to the social security	437 500	438 104.19	(604.19)	373 882.85
Total	128 266 821	127 847 916.36	418 904.64	129 340 537.61
Current expenditure: Goods and other Services				
021. Travel and subsistence expenses	3 222 791	2 864 655.34	358 135.66	1 770 622.10
022. Materials and supplies	1 113 830	1 038 654.77	75 175.23	6 186 474.06
023. Transport	4 000 000	3 980 869.93	19 130.07	17 880 926.02
024. Utilities	20 545 022	20 239 250.16	305 771.84	28 252 701.37
025. Maintenance expenses	20 883 741	21 041 125.32	(157 384.32)	4 499 954.53
026. Property rental and related charges	5 000 000	4 844 534.19	155 465.81	938 937.12
027. Other services and expenses	27 436 536	27 107 079.79	329 456.21	104 129 302.53
031. Entertainment Politicians	49 000	48 985.63	14.37	-
Total	82 250 920	81 165 155.13	1 085 764.87	163 658 917.73
Current expenditure: Membership Fees and Subscriptions				
040. Security contracts	14 000 000	13 768 594.37	231 405.63	-
041. Membership fees: International	400 000	399 999.42	0.58	318 672.89
043. Government organisations	-	-	-	91 829 769.56
044. Individuals and non-profit organisations	-	-	-	21 631 000.00
049. Support for Non-profit organization	7 200 000	7 200 000.00	-	-
053. Subsidies for state owned enterprises	53 800 000	53 800 000.00	-	-
Total	75 400 000	75 168 593.79	231 406.21	113 779 442.45
Total: Current expenditure/Operational	285 917 741	284 181 665.28	1 736 075.72	406 778 897.79
Development:				
Capital expenditure: Acquisition of Assets				
107. Construction, renovation and improvements	4 138 259	3 904 423.53	233 835.47	19 242 917.44
Total: Development expenditure	4 138 259	3 904 423.53	233 835.47	19 242 917.44
GRAND TOTAL	290 056 000	288 086 088.81	1 969 911.19	426 021 815.23

1.3 Departmental revenue

Revenue for the year is as follows:

Revenue head	Estimate 2018/2019	Actual revenue 2018/2019	More/(Less) than estimated	Actual revenue 2017/2018
	N\$	N\$	N\$	N\$
Miscellaneous	170 000	12 060.00	(157 940.00)	2 400.00
Sport stadiums	300 000	24 930.00	(275 070.00)	45 965.00
Youth centres	2 500 000	1 033 409.00	(1 466 591.00)	1 224 829.43
College of the Arts	-	60.00	60.00	-
Unclaimed cheques	-	-	-	1 324 119.16
Private Telephone Calls	-	-	-	12 598.00
Total	2 970 000	1 070 459.00	(1 899 541.00)	2 609 911.59

1.4 Notes to the financial statements**1.4.1 Departmental Revenue: Explanations of variations exceeding N\$ 200 000****Overestimation****Youth Centres (N\$ 1 466 591)**

The demand for the Youth Centres has declined a great deal due to the current economic situation and the state of the facilities. Due to the declining demand a variance of N\$ 1 466 591.00 was recorded.

Sport Stadiums (N\$ 275 070)

The estimate of the stadiums was ambitious. The Ministry would like to collect as much as possible for the usage of the stadiums, however the fees that were charged for the stadiums could not attain the desired estimates thus a variance of N\$ 275 070 was recorded.

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 2018/2019	Total expenditure as at 31/03/2018	Actual expenditure 2018/2019	Total expenditure as at 31/03/2019	Expected year of completion
	N\$	N\$	N\$	N\$	N\$	
Construction of Eenhana Sports Complex	69 170 000	369 089	37 579 073.92	369 088.64	37 948 162.56	31/03/2021
Construction of Frans Dimbare Intergrated Rural Youth Development Centre	33 060 000	1 000 020	4 341 925.27	1 000 000.00	5 341 925.27	31/03/2019
Construction of Otjivarongo Multi-Purpose Youth Resource Centre	87 817 000	666 938	3 427 205.94	666 938.26	4 094 144.20	10/03/2023
Construction of Ministerial Head Quarters	300 000 000	1 702 212	35 716 826.57	1 702 211.69	37 419 038.26	31/03/2021
Construction of Maria Mwegere/Rundu Multi-Purpose Youth Resource Centre	23 750 000	400 000	4 204 901.68	166 184.94	4 371 086.62	31/03/2021
	513 797 000	4 138 259	85 269 933.38	3 904 423.53	89 174 356.91	

ANNEXURE A (continued)

2.2 Vehicles

2.2.1 Vehicles on hand (own fleet)

The Accounting Officer reported that the Ministry has one hundred and thirteen (113) vehicles valued at N\$ 56 270 000 as at 31 March 2020.

2.2.2 Motor vehicle accidents

The Accounting Officer reported seven (7) vehicle accidents during the year under review. The vehicles were repaired at a total cost of N\$ 149 362.49.

2.3 Points keeping stock and annual stocktaking

The Accounting Officer reported forty one (41) points for annual stocktaking. Annual stocktaking was conducted at only eleven (11) points and no stocktaking was conducted at thirty (30) points. The following were found during stock taking:

Description	Amount
	N\$
Shortages/Deficits	1 193.00
Obsolete/Redundant	2 833.00

2.4 Livestock

The Accounting Officer reported sixty (60) livestock with a total value of N\$ 73 000.00 at Frans Dimbare Integrated Rural Development and Environment Centre and forty three (43) livestock with a total value of N\$ 222 000.00 at Berg Aukas Rural Development Centre as at 31 March 2019.

2.5 Outstanding subsistence advances

The Accounting Officer reported eighty four (84) cases of outstanding subsistence advances amounting to N\$ 454 254.28 as at 31 March 2019.

2.6 Donation to Government

The Accounting Officer reported that Nkurenkuru Town Council donated land to the Ministry with a value of N\$ 11 063 859.63. Treasury authorization for this donation was obtained.

2.7 Outstanding commitments

The Accounting Officer reported six (6) outstanding commitments with a total amount of N\$ 661 252.36 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\$ 124 235.91 was paid as compensation to a third party in respect of a motor vehicle accident during the year under review.

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 31/03/2019
		N\$
Children of the Liberation Struggle	Bank Windhoek	3 080 967.59
Commonwealth Youth Credit Initiative	First National Bank	707 206.22
Commonwealth Youth Credit Initiative (Social Security)	First National Bank	3 535 695.78

2.10 Suspense accounts

The Ministry had the following outstanding balances on ten (10) suspense accounts at 31 March 2019 of which five (5) had debit and five (5) had credit balances:

Description	Balance as at 31 March 2019 Debit/(Credit)
	N\$
Receipt suspense	(666 720.01)
RD cheques	123 681.92
S&T advance suspense account	455 919.76
Rejection account	440 438.85
Bills payable	76 853.68
Electronic Fund Transfer Clearing Account (EFT)	(35 265.24)
Social Security	(32 961.27)
Pension Funds: GIPF	(5 320.95)
First National Bank (Windhoek)	10 938.07
Debt establishment	(200.00)

WINDHOEK, 2019-10-14

EMMA KANTEMA-GAOMAS
ACCOUNTING OFFICER