



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 2022

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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 2022 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 2023

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

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

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DEFINITIONS

Treasury:	Financial authority in public service. (The department of Government that has control over the collection, management and disbursement of public revenue).
Vote:	Represents an Office/Ministry/Agency.
Appropriation Act:	Estimate of expenditure and revenue for a particular financial year presented to the National Assembly, the Act passed by Parliament.
Appropriation Account:	Government Income and Expenditure statement, showing on receipt side the estimated budgeted amounts and on expenditure side the actual expenditure amounts and the difference thereof.
Standard sub-division:	Government Balance account, showing balances incurred on each account/activity.
Suspension:	Reduction on budget (Treasury may from time to time withhold or suspend any amount in an estimate of expenditure).
Virement:	Moving of budgeted funds from one account to another account within the same budget of the same office/ministry/agency. The utilization of a saving under one main division/sub division of a vote to defray an excess under another existing division of the same vote.
Unauthorised Expenditure:	Expenditure that exceeds the amount appropriated (budgeted) for a vote, main division or subdivision.
Under expenditure:	Saving on the budget.
Miscellaneous Revenue:	All revenue collected and not having a specified revenue code.
Tender Board Exemptions:	To free from an obligation (Tender Board Regulations) to which others are subjected.
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 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). 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 2022**

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 2022 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.

In my opinion, the financial statements of the Ministry of Sport, Youth and National Service as at 31 March 2022 are prepared, in all material respects, in accordance with Section 12 and 13 of the State Finance Act, 1991 (Act 31 of 1991) and relevant legislation.

1.2 BASIS FOR UNQUALIFIED AUDIT OPINION

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

1.3 KEY AUDIT MATTERS

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

1.4 EMPHASIS OF MATTERS

Without qualifying my audit opinion on the basis of this paragraph, I draw attention to 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:

1.4.1 Virements

The following virements at the undermentioned main divisions as reflected in the Appropriation Account, do not agree with the virements as approved by Treasury:

Main division	Approved virement	Virement as per Appropriation account	Difference
	N\$	N\$	N\$
01. Office of the Minister	-	(187 300.00)	187 300.00
02. Administration	3 480 100.00	4 085 400.00	(605 300.00)
03. Youth Development, Training and Employment	(1 734 700.00)	(2 579 700.00)	845 000.00
06. Sporting, Promotion and Support	(1 745 400.00)	(1 318 400.00)	(427 000.00)

It is recommended that the Accounting Officer should ensure that the virements approved by Treasury agrees with those reflected in the appropriation account

Management comment

The Accounting Officer took note of the recommendation and will ensure that the Ministry reserves funds for virementation and ensure that funds are not utilized before approval by Treasury.

1.4.2 Bills payable

The Bills payable suspense account has debit balance of N\$ 79 643.68 instead of a credit balance.

It is recommended that the Accounting Officer should ensure that reconciliations are conducted to avoid unexplained balances.

Management comment

In his response on the management letter dated 21 October 2022, the Accounting Officer indicated that *“the Ministry will consult Ministry of Finance regarding the clearing of irreconcilable balances as no information came forth regarding the way forward”*.

1.5 RECURRING MATTERS

The following issues were reported in the 2020/2021 audit report however, these matters found not to be addressed by the Accounting Officer during the year under review:

1.5.1 Audit committee

The audit found that the Ministry does not have an established Audit Committee to oversee the function or work of the internal audit department.

It is recommended that the Accounting Officer should ensure for the establishment and appointment of an Audit Committee for the Ministry.

Management comment

The Accounting Officer in his response indicated that *“the appointment of the Audit Committee is still pending. To date no clarity on the criteria for the establishment of Audit Committees has been issued by Treasury to O/M/As”*.

1.5.2 Risk Management Policy

The audit found that the Ministry does not have a documented and approved Risk Management Policy in place.

It is recommended that the Accounting Officer should develop a Risk Management Policy in order to manage risks in the Ministry.

Management comment

In his response, the Accounting Officer indicated that *“the Ministry is still in the process of drafting the policy and hopefully will be finalized during the course of the new financial year”*.

1.5.3 Disaster Recovery Plan (DRP)

The audit found that the Ministry does not have a Disaster Recovery Plan (DRP) in place.

It is recommended that the Accounting Officer should develop a Disaster Risk Management Plan.

Management comment

In his response the Accounting Officer indicated that *the draft Disaster Recovery Plan (DRP) needed some amendment to align with the Ministerial ICT Policy*.

1.5.4 IT Steering Committee

The audit found that the Ministry did not establish an IT Strategic Committee. The primary purpose of an IT Steering Committee is to provide strategic direction for IT-related projects. An IT Steering Committee is a group of high-level stakeholders who are tasked with establishing an institution's IT priorities, as well as a governance framework to support these projects and initiatives.

It is recommended that the Accounting Officer should establish and implement the IT Strategic Committee for the Ministry.

Management comment

No comment was provided by the Accounting Officer on this finding.

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 2022.

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, 2021 (Act 1 of 2021), Appropriation Amendment Act, 2021 (Act 4 of 2021), 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 2022. 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.

2.3 Audit objective

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

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, 2021 (Act 1 of 2021);
Appropriation Amendment Act, 2021 (Act 4 of 2021);
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 2022 submitted by the Accounting Officer in order to determine whether this information complied with laws and regulations that governs them.

2.6 BASIS FOR AUDIT OPINION

2.6.1 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, for the year under review:

- (i) The total budget of the Ministry was overspent with an amount of N\$ 625 870.54. This amount is unauthorized in terms of Section 6 (a)(i) of the State Finance Act, 1991.
- (ii) Two (2) main divisions are exceeded with a total amount N\$ 936 205.46. This amount is unauthorized in terms of Section 6 (a) (ii) of the State Finance Act, 1991.
- (iii) Although Treasury authorization was obtained to utilize certain expected savings for the defrayal of expenditure by way of virements during the year, ten (10) operational subdivisions were exceeded by a total amount of N\$ 2 148 355.46. These excesses are 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 comment

In his response the Accounting Officer indicated that *“the Ministry has taken note of this concern and measures will be implemented to strengthen the internal controls”*.

2.7 UNQUALIFIED 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, 2021(Act 1 of 2021) and Appropriation Amendment Act, 2021 (Act 4 of 2021).

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 2022.

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 organisation 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; and
Completeness.

3.4 Summary of methods applied

The auditors 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.

3.5 Selected key performance indicators

The following two (2) key performance indicators from the Directorate of Sport and Youth were the selected key performance indicators from the 2021/2022 Annual plan:

Strategic objective	Key performance indicators
Promote sport development in Namibia	% implementation of Integrated Physical Education and School Sport Programme; and
Enhance youth empowerment	# of trainees' complete one year Skills Development Programs.

3.6 Key audit findings

DIRECTORATE: DIRECTORATE OF SPORT

Indicator/Finding	Comment
<p>% implementation of Integrated Physical Education and School Sport Programme:</p> <ul style="list-style-type: none"> • The quarterly target of Quarter 1 in the Annual plan was 25% and the recorded actual achievement was 25%. • The quarterly target of Quarter 2 in the Annual plan was 35% and the recorded actual achievement was 35%. • The quarterly target of Quarter 3 in the Annual plan was 65% and the recorded actual achievement was 65%. • The quarterly target of Quarter 4 in the Annual plan was 100% and the recorded actual achievement was 100%. 	<p>The audit found a satisfactory outcome on all three performance indicators tested.</p>

DIRECTORATE: DIRECTORATE OF YOUTH

Indicator/Finding	Recommendation
<p>The audit found that the KPI # of trainees completed a one year Skills Development Program” is not documented in the Ministry’s 3rd and 4th Quarter Annual Plan Reviews.</p> <p>Management comment In his response on the Accounting Officer indicated that <i>“The KPI in question formed part of the approved Annual Plan and was removed as there were no one year training courses offered during the period under review due to COVID-19 regulations”</i>.</p>	<p>The Accounting Officer should ensure that set targets are met.</p>

3.7 Conclusion on subject matter

For the “ # of trainees completed a one year Skills Development Program” is not documented in the Ministry’s 3rd and 4th Quarter Annual Plan Reviews and the audit revealed that the compliance with legislative requirements, completeness, presentation, timeliness, measurability, existence and accuracy criteria against the selected key performance indicators are unsatisfactory.

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

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

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. 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), Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions, Public Procurement Regulations, Appropriation Act, 2021 (Act 1 of 2021) and Appropriation Amendment Act, 2021 (Act 4 of 2021) 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 power and duties towards auditing and reporting on the financial statements and compliance to the subject matter are outlined under Section 25 (1) (c), and section 27 (3) of the State Finance Act, (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 uses 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 State Finance Act, 1991 (Act 31 of 1991), Public Procurement Act, 2015 (Act 15 of 2015), Treasury Instructions, Public Procurement Regulations, Appropriation Act, 2021(Act 1 of 2021) and Appropriation Amendment Act, 2021 (Act 4 of 2021). I have conducted the audit in accordance with International Standards for Supreme Audit Institutions (ISSAIs). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the audited entity is in compliance with the authorities that govern the audited entity in the execution of its roles and responsibilities.

6. GENERAL INFORMATION

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

The accounts were submitted timeously by the Accounting Officer to the Auditor-General on 31 October 2022 in terms of Section 13 of the State Finance Act 1991.

7. ACKNOWLEDGEMENT

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

WINDHOEK, MARCH 2023


JUNIASETUNA KANDJEKE
AUDITOR-GENERAL

ANNEXURE A

1. AUDITED FINANCIAL STATEMENTS

1.1 Appropriation account

2021/2022			Variation		2020/2021	
Service		Authorized expenditure	Actual expenditure	Under-expenditure/ (Excess)	Percent-age	Actual expenditure
	N\$	N\$	N\$	N\$	%	N\$
01. Office of the Minister:						
Original budget	4 050 000					
Less: Suspension	(187 300)	3 862 700	3 573 682.60	289 017.40	7.48	4 059 206.53
02. Administration:						
Original budget	70 811 000					
Plus: Virement	4 085 400	74 896 400	75 135 196.03	(238 796.03)	(0.32)	58 454 211.23
03. Youth Development, Training and Employment:						
Original budget	158 215 000					
Less: Virement	(2 579 700)	155 635 300	155 613 982.48	21 317.52	0.01	165 238 935.00
04. National Heritage and Culture	-	-	-	-	-	36 538.55
06. Sporting, Promotion and Support:						
Original budget	45 674 000					
Less: Virement	(1 318 400)					
Less: Suspension	(2 500 000)	41 855 600	42 553 009.43	(697 409.43)	(1.67)	40 564 127.34
Total		276 250 000	276 875 870.54	(625 870.54)	(0.23)	268 353 018.65

ANNEXURE A (continue)

Subdivision	2021/2022			2020/2021
	Authorized expenditure N\$	Actual expenditure N\$	Under-expenditure/ (Excess) N\$	Actual expenditure N\$
<u>Operational:</u>				
Current expenditure: Personnel				
001. Remuneration	99 162 178	99 574 923.81	(412 745.81)	101 021 425.85
002. Employer's contribution to GIPF	12 013 621	12 044 865.77	(31 244.77)	12 362 245.18
003. Other conditions of service	2 164 000	3 796 765	(1 632 765)	3 530 256.15
005. Employers contribution to the social security	391 500	393 992.48	(2 492.48)	404 197.90
Total	113 731 299	115 810 547.06	(2 079 248.06)	117 318 125.08
Current expenditure: Goods and other services				
021. Travel and subsistence expenses	2 142 779	1 761 725.77	381 053.23	815 676.27
022. Materials and supplies	1 434 739	1 432 947.99	1 791.01	1 956 403.69
023. Transport	50 354	50 353.13	0.87	1 372 593.76
024. Utilities	24 429 000	24 118 785.78	310 214.22	14 331 391.18
025. Maintenance expenses	2 004 804	2 004 802.77	1.23	1 822 097.43
026. Property rental and related charges	3 209 679	3 209 678.63	0.37	2 120 377.42
027. Other services and expenses	20 796 524	20 409 333.63	387 190.37	13 555 330.17
Total	54 067 879	52 987 627.70	1 080 251.30	35 973 869.92
Current expenditure: membership fees and subscriptions				
041. Membership fees: international	700 000	400 000.00	300 000.00	300 000.00
043. Government organizations	96 421 822	96 421 821.19	0.81	9 269 850.05
044. Individual and non-profit organizations				92 617 998.50
Total	97 121 822	96 821 821.19	300 000.81	102 187 848.55
Total: Operational expenditure	264 921 000	265 619 995.95	(698 995.95)	255 479 843.55
<u>Development:</u>				
Capital expenditure: Acquisition of assets				
115. Feasibility studies, design and supervision	-	-	-	2 825 430.58
117. Construction, renovation and improvement	9 300 000	9 226 874.59	73 125.41	10 047 744.52
131. Government Organizations	2 029 000	2 029 000.00	-	-
Total: Development expenditure	11 329 000	11 255 874.59	73 125.41	12 873 175.10
GRAND TOTAL	276 250 000	276 875 870.54	(625 870.54)	268 353 018.65

ANNEXURE A (continue)

1.3 Departmental revenue

Revenue for the year is as follows:

Revenue head	Estimate 2021/2022	Actual revenue 2021/2022	More/(Less) than Estimated	Actual revenue 2020/2021
	N\$	N\$	N\$	N\$
Unclaimed cheques	-	300.00	300.00	-
Miscellaneous	170 000	56 320.65	(113 679.35)	159 345.21
Sport stadiums	300 000	150.00	(299 850.00)	15 950.00
Youth centres	2 500 000	121 096.00	(2 378 904.00)	92 364.83
College of the Arts	-	50.00	50.00	-
Total	2 970 000	177 916.65	2 792 083.35	267 660.04

1.4 Notes to the financial statements

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

Underexpenditure

Main division 01: Office of the Minister: (N\$ 289 017.40 - 7.48%)

The reason for the underexpenditure of N\$ 289 017.40 was for an envisaged trip for the Honorable Minister however, the last virement was delayed and the trip could not be undertaken hence the underexpenditure.

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

Overestimation

Sport Stadiums (N\$ 299 850.00)

Due to Covid-19 restrictions stadium usage was limited hence the variance of N\$ 299 850.00.

Youth Centres (N\$ 2 378 904.00)

The demand for the Youth Centres has declined a great deal due to the current economic situation and the state of the Ministry's facilities. Due to the declining demand a variance of N\$ 2 378 904.00 was recorded.

2 GENERAL INFORMATION

2.1 Capital projects

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

Project name	Approved total budget	Total expenditure at 31/03/2021	Approved appropriation 2021/2022	Actual expenditure 2021/2022	Total expenditure at 31/03/2022	Expected year of completion
	N\$	N\$	N\$	N\$	N\$	
Construction of Frans Dimbare Intergrated Rural Youth Development Centre	35 181 000	11 060 827.59	4 400 000	4 369 789.48	15 430 617.07	31/03/2023
Construction of Opuwo Multi-Purpose Youth Resource Centre	39 824 000	12 059 955.20	1 000 000	957 085.11	13 017 040.31	31/03/2022
Construction of Eenhana Sport Complex	70 158 000	44 688 609.67	3 900 000	3 900 000.00	48 588 609.67	31/03/2024
Construction of Luderitz Water Front (Sport Facilities)	57 598 935	44 888 896.00	2 029 000	2 029 000.00	46 917 896.00	31/03/2024
Total	202 761 935	112 698 288.46	11 329 000	11 255 874.59	123 954 163.05	

2.2 Vehicles on hand (own fleet)

The Accounting Officer reported that the Ministry had one hundred and nine (109) vehicles valued at N\$ 51 010 000.00 as at 31 March 2022.

2.3 Motor vehicle accidents

The Accounting Officer reported three (3) vehicle accidents for the year under review and further reported that two (2) motor vehicles were repaired at a combined total cost of N\$ 25 000.00.

2.4 Points keeping stock and annual stocktaking

The Accounting Officer reported forty-two (42) points for annual stocktaking. Annual stocktaking was conducted at only seven (7) points and no stocktaking was conducted at thirty-five (35) stock points. The following were found during the stocktaking:

Description	Amount
	N\$
Value of stock	3 595 431.50
Worn-out/Damaged	293.00

2.5 Livestock

The Accounting Officer reported thirty-six (36) livestock at National Youth Service (NYS) in Rietfontein as at 31 March 2022.

2.6 Outstanding subsistence advances

The Accounting Officer reported forty (40) cases of outstanding subsistence advances amounting to N\$ 122 682.03 as at 31 March 2022.

2.7 Internal inspections

The Accounting Officer reported nine (9) out of twenty (20) internal informal inspection conducted by the Ministry, which were classified as satisfactory.

2.8 Bank accounts

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

Account name	Balance as at 31 March 2022
	N\$
Children of the Liberation Struggle	52 022.20
Commonwealth Youth Credit Initiative	64 119.64
Commonwealth Youth Credit Initiative (Social Security)	821 340.78
Government To Government (G2G) Project	1 027 748.13

2.9 Subsidies by Government

The Accounting Officer reported an amount of N\$ 96 421 821.19 paid in respect of subsidies during the financial year under review as follows:

Institution	Amount
	N\$
National Youth Service	71 269 987.19
National Youth Council	13 314 012.00
Namibia Sports Commission	10 837 822.00
Namibia Boxing Federation	1 000 000.00
Total	96 421 821.19

2.10 Donations: Other Governments

The Accounting Officer reported a donation of N\$ 5 625 000.00 by the United States Agency (USAID) during the financial year under review for the implementation of primary gender based violence and HIV preventing activities among the Namibian youth.

2.11 Suspense accounts

The Ministry had the following outstanding balances on nine (9) suspense accounts at 31 March 2022 of which five (5) had debit and four (4) had credit balances:

Description	Balance as at 31 March 2022 Debit/Credit
	N\$
Receipt suspense	(1 166 469.93)
RD cheques	120 184.92
S&T advance suspense account	278 483.01
Rejection account	(20 838.68)
Bills payable	79 643.68
Electronic Fund Transfer clearing account (EFT)	(203 566.40)
Social Security	(81.00)
First National Bank (Windhoek)	10 938.07
Debt establishment	1 133.34

WINDHOEK, 2022-10-31

MR. MBUMBA ERASTUS HAITENGELA
ACCOUNTING OFFICER