



REPUBLIC OF NAMIBIA



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF INFORMATION AND
COMMUNICATION TECHNOLOGY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

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REPUBLIC OF NAMIBIA



TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY

I have the honor to submit herewith my report on the accounts of the Ministry of Information and Communication Technology for the financial year ended 31 March 2016 in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honorable 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.

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

WINDHOEK, March 2017

**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 without 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.
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)
RD cheques	Cheques returned back to drawer due to insufficient funds, stale cheques and incomplete cheques (no signatures) to be recovered
Bills Payable	A cheque account of a particular Ministry/Office in the books of the Government. The balance of the Bills Payable Suspense account should always have a credit balance at the end of the financial year, as it reflects the total of all outstanding cheques.

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**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
MINISTRY OF INFORMATION AND COMMUNICATION TECHNOLOGY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

1. REPORT ON THE FINANCIAL STATEMENTS

1.1 INTRODUCTION

This report on the accounts of the Ministry of Information and Communication Technology for the financial year ended 31 March 2016 is presented to the National Assembly in accordance with the terms of Article 127(2) of the Constitution of the Republic of Namibia and provisions set out in the State Finance Act, 1991(Act 31 of 1991), as amended.

I have audited the accompanying financial statements of the Ministry of Information and Communication Technology for the financial year ended 31 March 2016. These financial statements comprise the following statements submitted for the year then ended:

- Appropriation account,
- Standard subdivisions;
- Departmental revenue,
- Notes to financial statements; and
- General information.

The appropriation accounts were submitted by the Accounting Officer to the Auditor-General in terms of Section 13 of the State Finance Act, 1991.

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

1.2 MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

1.3 AUDITOR'S RESPONSIBILITY

My responsibility is to express an opinion on these financial statements based on the audit. I conducted the audit in accordance with International Standards for Supreme Audit Institutions (ISSAIs). These standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for the qualified audit opinion.

1.4 KEY AUDIT FINDINGS

1.4.1 Unauthorized expenditure

The unauthorised expenditure mentioned below occurred during the financial year and is reported as such in terms of Section 27(6)(a) of the State finance act, 1991 (Act 31 of 1991):

Although the Accounting Officer reported a nil statement for unauthorized expenditure, two (2) main divisions were exceeded by a total amount of N\$ 1 983 559.49. This is contrary to Section 6(a)(ii) of the State Finance Act, 1991 (Act 31 of 1991).

Furthermore, fourteen (14) operational sub-divisions were exceeded by a total amount of N\$ 10 490 737.75. The excess is contrary to Section 6(a)(iii) of the Act.

It is recommended that the Accounting Officer should put measures in place to deter unauthorized expenditure in the future.

Management comment

In his response on the draft report, the Accounting Officer indicated that in future they will ensure that before expenditure is incurred a virement should be sought for.

1.4.2 Non-submission of source documents

(i) Bank Accounts

The Auditor-General's Circular D12/2016 requires that Office/Ministries and Agencies should report on all the bank accounts. However, the Accounting Officer did not submit the bank reconciliations and the cash books for the Annual ICT Summit, Scan ICT Program and Nationhood and National Pride Bank accounts. As a result the correctness of the statement could not be verified.

It was further noted that no income and expenditure statement was submitted for the bank accounts of Scan ICT Program and Nationhood and National Pride as required by the Auditor-General Circular D12/2016 and no evidence for the payments made through the accounts as per the bank statements was provided.

(ii) Vehicle accidents

The Accounting Officer reported that twenty two (22) vehicles were repaired during the year under review, but only submitted evidence for the repair of ten (10) vehicles.

Furthermore, the Accounting Officer did not indicate whether ten (10) vehicles from the previous financial year were repaired.

(iii) Losses and Damages

The Accounting Officer reported losses and damages amounting to N\$ 47 535.61, but did not submit the supporting documents that would enable the auditors to verify the correctness of this statement.

For the above mentioned findings, it is recommended that the Accounting Officer should ensure that in future all supporting documents as required per the Auditor-General Circular D12/2016, is provided for audit purposes.

1.4.3 Tender Board exemptions

The Accounting Officer did not provide the register that is used to control expenses incurred on the exemptions and as such it was not possible for the auditors to verify the correctness of actual expenditure for the annual exemption.

Exemption in respect of purchasing of HD video cameras was overspend with an amount of N\$ 13 544.60 and no explanation was provided.

It was also noted that the total expenditure for the Ministry on Daily Subsistence Allowance (DSA) as per general ledger amounts to N\$ 8 101 878.11 while the total expenditure for the Daily Subsistence Allowance as per the exemption is reported as N\$ 8 280 384.76, leaving an unexplained difference of N\$ 178 506.85.

It is recommended that the Accounting Officer should ensure that the register is put in place and used accordingly. Furthermore, the Accounting Officer should also explain why the reported expenditure amount on DSA is more than the amount reflected in the general ledger.

Management comment

In his response on the draft report, the Accounting Officer indicated that the Ministry will put up a register starting from 1 April 2017 to avoid same occurrence.

1.4.4 Suspense Accounts

Ten (10) Suspense accounts had outstanding balances at the end of the financial year. Six (6) had credit balances and four (4) had debit balances. The following suspense accounts were in excess of N\$ 100 000 at 31 March 2016:

Description	Balance as at 31/03/2016 Debit / (Credit)
	N\$
Receipt suspense	(534 041.71)
S&T suspense account	395 179.66
Rejection account	(747 035.72)
Bills payable	(661 662.24)
Electronic Fund Transfer Clearing Account (EFT)	3 103 818.40
Debt establishment	179 726.99

It is recommended that the Accounting Officer should put more effort into analysing and reconciling all the suspense accounts.

Management comment

In his response on the draft report, the Accounting Officer indicated that he will put more effort into analysing and reconciling all the suspense accounts.

1.4.5 Miscellaneous Revenue

The detailed analysis of what Miscellaneous revenue comprises, as required by the Auditor-General Circular D12/2016, was not submitted.

It is recommended that the Accounting Officer should ensure that all statements as required by the Auditor-General Circular D12/2016 are submitted to this Office.

Management comment

In his response on the draft report, the Accounting Officer indicated that he will ensure that all statements as required by the Auditor-General are submitted.

1.5 ACKNOWLEDGEMENT

I would like to express my appreciation for the courtesy extended and assistance rendered by the staff of the Ministry of Information and Communication Technology during the audit.

1.6 BASIS FOR QUALIFIED AUDIT OPINION

My opinion has been qualified due to the following:

- Non submission of supporting documents- *Paragraph 1.4.2*

1.7 QUALIFIED AUDIT OPINION

I certify that I have audited the financial statements of the Ministry of Information and Communication Technology for the financial year ended 31 March 2016 in accordance with the terms of Article 127(2) of the Namibian Constitution and Section 25(1) of the State Financial Act, 1991(Act 31 of 1991)

In my opinion, except for the matters discussed in the Basis for Qualified audit opinion paragraph, the financial statements present fairly, in all material respects the financial position of the Ministry of Information and Communication Technology as at 31 March 2016, and their financial performance and receipts and payments for the year then ended in accordance with the terms of Article 127(2) of the Namibian Constitution and Section 25(1) of the State Finance Act, 1991 (Act 31 of 1991).

2. ADDITIONAL REPORTING RESPONSIBILITIES

2.1 OTHER MATTERS

Without expressing an audit opinion on the basis of this paragraph, and excluding matters already disclosed by the Ministry of Information and Communication Technology for the financial year ended 31 March 2016 in the financial statements, I draw attention to the following other matter(s) that relate to my responsibility in the audit of the financial statements:

2.1.1 Deficits

The Ministry conducted Revenue inspections during the financial year under review. However, inspections were only conducted and reported for the 2012/2013, 2013/2014 and 2014/2015 financial years. No inspection was conducted for the 2015/2016 financial year.

Cash deficits totaling to N\$ 4 570 was reported by the Accounting Officer for the revenue inspection that was conducted for the above mentioned financial years in the various regions. No evidence was provided to indicate how the deficits were dealt with.

It is therefore recommended that the officials responsible for revenue collection, receive training on how to handle State money. State money should be recovered as per Treasury Instruction GC1100. Furthermore, the Accounting Officer should put control measures in place to prevent cash deficits in the future.

2.1.2 Stores and Depots

A difference was noted between the closing stock on hand at 31 March 2015 amounting to N\$ 54 297 018.46 and the opening stock at 1 April 2015 amounting to N\$ 42 180 000. The difference totaling N\$ 12 117 081.46 was not explained.

Furthermore, the Accounting Officer reported stock on hand at 31 March 2016 amounting to N\$ 40 522 702, but did not report the total amount for stock received and issued during the financial year under review. As a result it was not possible to verify the correctness of the statement.

It is recommended that in future effort should be made to submit all information as required by the Auditor-General as per Circular D12/2016 for audit purposes.

2.1.3 Asset Inspection audits

Asset inspection audits were conducted in the Erongo and Otjozondjupa Regions and the following control weaknesses identified were communicated to the Accounting Officer through a Management Letter. However, at the time of writing this report, no response was received.

2.1.4 Transport

It was found that no fleet management policy was in place to guide the officials in charge of transport; hence there are no proper controls in place over the use of Government vehicles at the offices.

If Government vehicles are not properly managed and controlled, vehicles and fuel cards can be misused and the Ministry will end up paying unnecessary and fruitless transport expenditure.

2.1.5 Consumables and Non-Consumables Items

- Although the Unified Stock Control Manual, Section 2.4.1.7.13 stipulates that the Counter book must be verified weekly by the stores official, there was no evidence of such verification or supervisory checks in the registers.
If the Counter book is not verified on a regular basis, it will be difficult to detect possible misappropriations, and errors /omissions and correct them on time. It will also enable the supervisor to exercise control over the use of consumable items.
- Items that are received to be sold are not recorded in the Counter book or any other register.
Without records the Ministry is not able to confirm that all items received were sold and whether the correct amount of money is collected.

- Treasury Instruction KA0701 stipulates that all Government property must be marked with the official Government marking. However, no Government marks were found on the office furniture and equipment. Failure to mark Government property with the official Government marking is contrary to Treasury Instruction KA 0701 and can lead to possible theft of furniture.

It is recommended that the Accounting Officer should put appropriate control measures in place to address the identified weaknesses in order to prevent and mitigate losses to the Government.

WINDHOEK, March 2017



**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

ANNEXURE A

1. AUDITED FINANCIAL STATEMENTS

1.1 Appropriation account

Service	2015/2016					2014/2015
	Authorized expenditure	Actual expenditure	Variations		Actual expenditure	
			Under-expenditure/ (Excess)	Percent-age		
N\$	N\$	N\$	N\$	%	N\$	
01. Office of the Minister:						
Original budget	9 219 000					
Plus: Virement	550 000					
Less: Suspension	(843 000)	8 926 000	10 747 113.59	(1 821 113.59)	(20.40)	6 291 619.34
02. Administration:						
Original budget	125 049 000					
Less: Virement	(269 152)					
Less: Suspension	(23 267 424)	101 512 424	97 783 512.55	3 728 911.45	3.67	73 601 392.33
03. Print Media and Regional Offices:						
Original budget	42 962 000					
Plus: Virement	328 213					
Less: Suspension	(370 213)	42 920 000	43 082 445.90	(162 445.90)	(0.38)	66 221 237.39
04. Audio Visual Media, Copyright Services and Regional Offices:						
Original budget	418 403 000					
Plus: Virement	1 089 576					
Less: Suspension	(5 350 000)	414 142 576	412 191 587.27	1 950 988.73	0.47	374 809 679.51
05. Information Communication Technology Development:						
Original budget	8 341 000					
Plus: Virement	385 000					
Less: Suspension	(880 000)	7 846 000	6 987 644.10	858 355.90	10.94	7 563 950.20
Total		575 347 000	570 792 303.41	4 554 696.59	0.79	528 487 878.77

1.2 Standard subdivisions

Subdivision	2015/2016			2014/2015
	Authorized expenditure	Actual expenditure	Under-expenditure/ (Excess)	Actual expenditure
	N\$	N\$	N\$	N\$
Operational:				
Current expenditure: Personnel				
001. Remuneration	58 898 576	65 907 452.21	(7 008 876.21)	58 247 372.99
002. Employer's contribution to GIPF	6 691 000	7 243 989.01	(552 989.01)	6 708 868.44
003. Other conditions of service	660 000	2 635 288.88	(1 975 288.88)	838 439.62
004. Improvement of remuneration structure	424	-	424.00	-
005. Employees contribution to the social security	208 000	59 824.11	148 175.89	-
Total	66 458 000	75 846 554.21	(9 388 554.21)	65 794 681.05
Current expenditure: Goods and other services				
021. Travel and subsistence expenses	9 924 000	8 101 878.11	1 822 121.89	8 843 259.24
022. Materials and supplies	2 550 000	2 210 008.48	339 991.52	1 918 841.08
023. Transport	7 108 000	7 082 445.49	25 554.51	9 661 587.18
024. Utilities	6 747 000	6 329 446.59	417 553.41	10 104 849.57
025. Maintenance	989 000	1 274 106.50	(285 106.50)	3 546 917.00
026. Property rental and related charges	1 350 000	1 012 772.29	337 227.71	814 671.73
027. Other services and expenses	9 550 000	9 137 885.36	412 114.64	21 820 841.47
Total	38 218 000	35 148 542.82	3 069 457.18	56 710 967.27
Current expenditure: Membership fees and subscriptions				
041. International	880 000	904 616.08	(24 616.08)	49 580 771.66
042. Domestic	45 000	44 812.01	187.99	-
Total	925 000	949 428.09	(24 428.09)	49 580 771.66
Current expenditure: Subsidies, grants and other transfers				
044. Individuals and non-profit organizations	396 667 000	390 742 000.00	5 925 000.00	329 384 404.61
Total	396 667 000	390 742 000.00	5 925 000.00	329 384 404.61
Total: Current expenditure	502 268 000	502 686 525.12	(418 525.12)	501 470 824.59
Capital expenditure: Acquisition of assets				
101. Furniture and office equipment	3 879 000	3 615 690.57	263 309.43	1 249 183.01
Total	3 879 000	3 615 690.57	263 309.43	1 249 183.01
Total: Operational expenditure	506 147 000	506 302 215.69	(155 215.69)	502 720 007.60
Development:				
Capital expenditure: Acquisition of assets				
107. Construction, renovation and improvements	69 200 000	64 490 087.72	4 709 912.28	25 767 871.17
Total	69 200 000	64 490 087.72	4 709 912.28	25 767 871.17
Total: Development expenditure	69 200 000	64 490 087.72	4 709 912.28	25 767 871.17
GRAND TOTAL	575 347 000	570 792 303.41	4 554 696.59	528 487 878.77

1.3 Departmental revenue

Revenue for the year is as follows:

Revenue head	Estimate	Actual revenue 2015/2016	More/(Less) than estimated	Actual revenue 2014/2015
	N\$	N\$	N\$	N\$
Public Address System	450 000	268 438.15	(181 561.85)	72 498.00
Miscellaneous	550 000	1 240 589.38	690 589.38	140 854.64
Sale of Constitution	1 000	24 325.00	23 325.00	15 587.10
Sale of Photos	4 000	1 359 380.00	1 355 380.00	66 880.00
Sale of Namibian Review	1 000	3 295.00	2 295.00	3 830.00
TOTAL	1 006 000	2 896 027.53	1 890 027.53	299 649.74

1.4 Notes to the financial statements

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

(i) Over-expenditure

Main division 01-Office of the Minister (N\$ 1 821 113.59-20.40%)

The over-expenditure was incurred due to the fact that the salary structure for members of the Political Office Bearers is never given beforehand so that it can be incorporated into the main budget planning, for example the salary/allowances increment that were paid out during the period under review. In addition, the Ministry had to pay leave gratuity for the former Minister and his private secretary when their contracts expired and this resulted in the over-expenditure.

(ii) Underexpenditure

Main division 02 –Administration (N\$ 13 728 911.45 – 3.67%)

Unfilled vacant positions contributed to the underspending and this negatively affected contribution to the GIPF and payments to the Social Security Commission.

Staff members could also not attend workshops that were budgeted for and this led to an underexpenditure. There have also been delays in appointing the contractors by the Department of Works and therefore, the work could not be done on time as planned. In addition, when contractors were appointed at a later stage, they could not honor their obligations in relation to starting with construction on time, contractors could also not meet phase deadline and they on the other hand could not attend site inspections meeting.

Furthermore, most of the invoices especially on the capital project were received and processed on the last day of the financial year but unfortunately they could not go through the IFMS due to the payment cut off time, this resulted in an underexpenditure.

Main division 05–Directorate of Information and Communication Technology (N\$ 858 355.90 – 10.94%)

The main division had one (1) management cadre and two (2) operational staff vacancies that resulted in an under expenditure. The three vacancies listed above contributed to the underexpenditure coupled with the fact that the ICANN international meetings were sponsored with minimal DSA expenses. In addition, the vacancies as listed above contributed to an underexpenditure in that fewer officials needed materials and supplies and less equipment were maintained.

The vacancies contributed to the variance in that training and staff upgrading for fewer officials were conducted. Most of the symposiums and workshops attended were free through (International Telecommunication Union), (Universal Postal Union) and SADC. The vacancies also contributed to an underexpenditure due to the fact that furniture and office equipment could not be procured and only fewer officials needed furniture and office equipment.

Budget allocated to secure funds for the consultant on E-waste Policy was lower than the amount requested by the consultant and as a result the consultancy did not take place.

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

(i) Under estimation

Miscellaneous revenue

The Ministry under estimation was due to the fact that revenue collected was more than anticipated due to the tender that was sold for the construction of the head office and regional offices.

Sale of photos

Most Government, Ministries, Agencies and private businesses did not have a photo of our current president and as a result there has been an increase in the sales of the President's photos thereby causing an underestimation.

2. GENERAL INFORMATION

2.1 Bank Accounts

The Accounting Officer reported that the following bank accounts has been kept and operated within the financial year under review:

Account Name	Financial institutions	Closing balance at 31 March 2016
		N\$
Scan-ICT Program	Standard Bank	285 820.98
Nationhood and National Pride Campaign Program	First National Bank	55 523.82
Annual National ICT Summit	Standard Bank	363 953.30

2.2 Capital projects

The following are the development projects of the Ministry for the financial year:

Name of project	Approved total budget	Total expenditure as at 31/03/2015	Approved appropriation 2015/2016	Actual expenditure 2015/2016	Total expenditure as at 31/03/2016	Expected year of completion
	N\$	N\$	N\$	N\$	N\$	
Construction of MICT head office complex in the regions.	360 605 000	60 881 256.91	32 200 000	28 957 627.49	89 838 884.40	31/03/2019
MICT Office Construction (Regional Offices)	230 000 000	9 319 469.63	37 000 000	35 532 460.23	44 851 929.86	31/03/2020
Total	590 605 000	70 200 726.54	69 200 000	64 490 087.72	134 690 814.26	

2.3 Exemption from normal Tender procedures

The Tender Board approved the following exemptions from normal Tender procedures to the value of N\$ 440 449 116:

Exemption number	Description	Approved exemption	Actual expenditure	Difference
		N\$	N\$	N\$
E1/4 – 1/2015*	Annual exemption	439 117 000	337 291 827.21	101 825 172.79
E1/4 – 2/2015	Purchasing of furniture for political office bearers	162 500	145 998.25	16 501.75
E1/4 – 3/2015	Purchasing of HD video camera and accessories	216 000	229 544.60	(13 544.60)
E1/4 – 4/2015	Purchasing of sound and Editing studio equipment for Oshikoto and Onhangwena regional offices	953 616	767 300.58	186 315.42
Total		440 449 116	338 434 670.64	102 014 445.36

- The annual exemption comprises of the following:

Exemption number	Description	Approved exemption	Actual expenditure	Difference
		N\$	N\$	N\$
E1/4 – 1/2015*	Travel and Subsistence Allowance	9 400 000	8 280 384.76	1 119 615.24
	Materials and Supplies	2 900 000	2 152 468.47	747 468.53
	Transport	7 000 000	6 989 000.00	11 000.00
	Utilities	6 500 000	6 282 745.81	217 254.19
	Maintenance	2 600 000	1 192 625.72	1 407 374.28
	Property Rental and Related Charges	1 500 000	844 571.15	655 8.85
	Other Services and Expenses	12 100 000	8 853 225.33	3 246 774.67
	Membership Fees and Subscriptions	1 050 000	904 616.08	145 383.92
	Individuals and None Profit Organization	396 067 000	301 792 189.89	94 274 810.11
Total		439 117 000	337 291 827.21	101 825 172.79

2.4 Vehicle Accidents

The Accounting Officer reported twenty three (23) vehicle accidents during the financial year under review. Twenty two (22) vehicles were repaired at a total cost of N\$ 195 630.95 and one vehicle valued at N\$ 460 218 was written off as it was damaged beyond economical repair.

2.5 Points keeping stock and stocktaking

The Accounting Officer reported that the Ministry has nineteen (19) points keeping stock and equipment. Stocktaking was conducted at all points. Surpluses of N\$ 3 020.00, deficiencies of N\$ 71 920.00 and worn and damaged items to the value of N\$ 45 568.00 were identified during these stock takings.

2.6 Stock (Depots)

The Accounting Officer reported stock at the stores (Depots) as follows:

Heading	Amount
	N\$
Stock on hand as at 01 April 2015	42 180 000
Received during the year	-
Issued during the year	-
Written off/losses during the year	(117 488)
Surpluses	3 020
Stock on hand as at 31 March 2016	40 522 702

2.7 Contributions/Grants/Financial Aid

The Accounting Officer reported that the Ministry subsidised the following parastatals during the financial year under review at a total cost of N\$ 278 345 750.

Parastatal	Subsidy budget	Subsidy amount	Variance
	N\$	N\$	N\$
Namibia Film Commission	8 925 000	8 925 000	-
NamZim Newspaper	13 000 000	13 000 000	-
Namibia Broadcasting Corporation(NBC)	341 742 000	232 345 750	109 396 250
Namibia Press Agency (NAMPA)	20 000 000	20 000 000	-
New Era Newspaper	13 000 000	13 000 000	-
Total	387 742 000	278 345 750	109 396 250

2.8 Suspense accounts

The following ten (10) Suspense accounts had outstanding balances at the end of the financial year, of which six (6) had credit balances and four (4) had debit balances:

Description	Balance as at 31/03/2016 Debit / (Credit)
	N\$
Receipt suspense	(534 041.71)
S&T advance suspense account	395 179.66
Rejection account	(747 035.72)
Bills payable	(661 662.24)
Electronic Fund Transfer Clearing Account (EFT)	3 103 818.40
Debt establishment	179 726.99
RD cheques	17 760.00
Social Security	(928.10)
Pension Funds: GIPF	(46 948.33)
Commercial Bank of Namibia	(6 582.07)

2.9 Bursaries and Study Assistance

The Accounting Officer reported that the Ministry provided study assistance to twenty two (22) of its staff members to a total amount of N\$ 289 139.00 during the financial year under review.

2.10 Property Transferred within the Government

The Ministry transferred computer equipment totalling to an amount of N\$ 19 198 to the Ministry of Labour, Industrial Relations and Employment Creation. Treasury approval was obtained.

2.11 Losses and Damages

The Accounting Officer reported losses and damages arising from theft, lost and damaged items amounting to N\$ 47 535.61.

2.12 Commissions and special committees

Payments amounting to N\$ 19 440 were made to two committee members of the Namibian Film Commission.

2.13 Wellness

The Accounting Officer reported that the Ministry did not budget for wellness activities during the year under review.

WINDHOEK, 11-10-2016

**M.UA-NDJARAKANA
ACCOUNTING OFFICER**

