



**REPUBLIC OF NAMIBIA**



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE**

**NAMIBIA STUDENTS FINANCIAL**

**ASSISTANCE FUND**

**FOR THE FINANCIAL YEARS ENDED 31 MARCH 2009 AND 2010**

Published by authority

Price (Vat excluded) N\$ 21.00  
Report no: 81/2015

**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 Namibia Students Financial Assistance Fund for the financial years ended 31 March 2009 and 2010, 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, April 2016**

**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE  
NAMIBIA STUDENTS FINANCIAL ASSISTANCE FUND  
FOR THE FINANCIAL YEARS ENDED 31 MARCH 2009 AND 2010**

---

**1. Report on the Financial Statements**

**1.1 INTRODUCTION**

This report on the accounts of the Namibia Students Financial Assistance Fund for the financial years ended 31 March 2009 and 2010 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 Namibia Students Financial Assistance Fund Act, 2000 (Act no. 26 of 2000), read with State Finance Act, 1991(Act 31 of 1991) as amended.

I certify that I have audited the accompanying financial statements of the Namibia Students Financial Assistance Fund for the financial years ended 31 March 2009 and 2010. These financial statements comprise the following statements submitted for the years then ended:

Annexure A: Balance Sheet

Annexure B: Income Statement

The financial statements were submitted untimely by the Accounting Officer to the Auditor-General on 25 November 2014 instead of six months after year end in terms of Section 15 of the Namibia Students Financial Assistant Fund Act , 2000 (Act, no. 26 of 2000), read with Section 13 of the State Finance Act,1991 (Act no.31 of 1991).

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

**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 & 13 of the State Finance Act, 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.

**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 insufficient and not appropriate to provide an audit opinion.

## **4. KEY AUDIT FINDINGS**

### **4.1 Difference between the general ledger and the final copy of financial statements**

Unexplained differences were observed between the general ledger and financial statements for the financial years ended 31 March 2009 amounting to N\$ 342 027 473 and for 2010 amounting to N\$ 373 462 174.

## **Recommendation**

The Accounting Officer is recommended to ensure that correct amounts are accurately recorded and disclosed in the financial statements and differences are explained.

#### **4.2 Suspence account**

Amounts disclosed in the balance sheet amounting to N\$ 288 776 956 for 2009 and N\$ 353 431 626 for 2010 could not be explained and no evidence with regard to the existence of the account balance could be provided.

#### **Recommendation**

The Accounting Officer is recommended to ensure that all differences observed are supported by evidence and explained. The Accounting Officer should also ensure that the financial statements present accurate transactions of the Fund.

#### **4.3 Non-submission of supporting documents**

Expenditure vouchers, revenue supporting documents and bank statements amounting to N\$ 587 703 464 and N\$ 788 302 208 for the financial years ended 31 March 2009 and 2010 respectively, were not submitted for audit purposes.

#### **Recommendation**

The Accounting Officer is recommended to ensure that expenditure vouchers, revenue supporting documents and bank statements are properly filed and provided to the auditors for audit purposes.

#### **4.4 Late submission of financial statements**

The financial statements for the years ended 31 March 2009 and 2010 were only signed by the Accounting Officer on 25 November 2014, which is contrary to Section 15 of the Namibia Students Financial Assistant Fund Act, 2000 (Act no. 26 of 2000), read with Section 13 of the State Finance Act (Act no.31 of 1991).

#### **Recommendation**

The Accounting Officer is recommended to ensure that the financial statements are submitted on time, as required by Section 15 of the Namibia Student Financial Assistance Fund Act 2000 (Act no. 26 of 2000).

#### **4.5 Cash flow statements and notes to the financial statements**

No cashflow statements and notes to the financial statmens were provided for audit purposes.

#### **Recommendation**

The Accounting Officer is requested to submit the cashflow statement as well as notes to the financial statements for audit purposes in future.

### **5. ACKNOWLEDGEMENTS**

The assistance and co-operation given by the staff of the Fund during the audit is appreciated.

## **6. BASIS FOR DISCLAIMED AUDIT OPINION**

- Unexplained differences between the General ledger and the financial statements amounting to N\$ 342 027 473 for 2009 and N\$ 373 462 174 for 2010.
- Unexplained differences between assets and liabilities amounting to N\$ 288 776 956 and N\$ 353 431 626.
- Non submission of supporting documents amounting to N\$ 587 703 464 for 2009 and N\$ 788 302 208 for 2010.

## **7. DISCLAIMED AUDIT OPINION**

The financial statements of the Namibia Students Financial Assistance Fund for the years ended 31 March 2009 and 2010 were audited by me in accordance with the provisions of Section 15 (3) of the Namibia Students Financial Assistance Fund Act, 2000 (Act No. 26 of 2000) read with Sections 25, of the State Finance Act, 1991 (Act No. 31 of 1991).

Because of the significance of the matters described in the Basis for Disclaimed Audit Opinion paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.

**WINDHOEK, April 2016**

**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**

## NAMIBIA STUDENTS FINANCIAL ASSISTANCE FUND

## BALANCE SHEET FOR THE FINANCIAL YEARS ENDED 31 MARCH

	<b>2010</b>	<b>2009</b>	<b>2008</b>
	N\$	N\$	N\$
<b>ASSETS</b>			
Suspense Account	353 431 626	288 776 956	-
Cash in the Bank (Current Account)	79 536 062	45 934 753	1 164 480
Cash in the Bank (Call Account)	18 958 682	30 728 293	412 051
	<b>451 926 369</b>	<b>365 440 002</b>	<b>1 576 531</b>
<b>LIABILITIES</b>			
Accumulated Funds	138 039 043	100 075 402	565 035
Capital Balance	313 886 493	265 283 936	-
Cheques not cashed	834	80 664	-
Balance brought forward	-	-	1 011 496
	<b>451 926 369</b>	<b>365 440 002</b>	<b>1 576 531</b>

## ANNEXURE B

## NAMIBIA STUDENTS FINANCIAL ASSISTANCE FUND

## INCOME STATEMENT FOR THE FINANCIAL YEARS ENDED 31 MARCH

	<b>2010</b>	<b>2009</b>	<b>2008</b>
	N\$	N\$	N\$
<b>Revenue</b>	<b>263 698 412</b>	<b>212 015 145</b>	<b>90 390 218</b>
Government Loans: Current Year	213 722 000	202 869 963	81 709 000
Recovery: Capital	5 840 658	5 897 213	4 713 898
Bank Interest	3 343 526	2 934 051	345 233
Miscellaneous	-	313 918	1 122 087
Institution Refunds	2 792 228	-	-
Transfer from Call Account	38 000 000	-	-
Loan: NQA	-	-	2 500 000
<b>Expenditure</b>	<b>225 734 771</b>	<b>112 504 778</b>	<b>89 825 183</b>
Air Tickets	3 507 110	2 323 022	1 359 854
Tuition Fees	180 110 315	91 450 358	73 507 054
Stipends	19 625 019	18 077 820	8 337 000
Private Accommodation	233 663	226 460	167 500
Refund: Capital (Loans)	31 753	35 038	38 645
Bank Charges	106 005	74 939	66 095
General Transport	111 647	39 966	7 487
Loans repayment	-	-	6 300 000
Medical Insurance	110 362	2 905	41 548
Holiday Classes	-	274 269	-
Transfer to Call Account	21 866 086	-	-
Miscellaneous	32 811	-	-
<b>NET PROFIT/ LOSS</b>	<b>37 963 641</b>	<b>99 510 367</b>	<b>565 035</b>