



**REPUBLIC OF NAMIBIA**



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE  
DIAMOND BOARD FUND  
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2012, 2013 And 2014**

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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 Diamond Board for the financial years ended 31 December 2012, 2013 and 2014 in terms of Article 127(2) of the Namibian Constitution. My report is transmitted to the Board in terms of Section 12(4)(a) of the Diamond Act, 1999(Act 13 of 1999) to be laid upon the Table of the National Assembly by the Minister of Mines and Energy in terms of Section 12(8) of the Act.

**WINDHOEK, April 2016**

**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**

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**1. INTRODUCTION**

This report on the accounts of the Diamond Board Fund for the financial years ended 31 December 2012, 2013 and 2014 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 section 12(6) of the Diamond Act, (Act 13 of 1999).

Figures in this report are rounded off to the nearest Namibia dollar and deficits are indicated in (brackets).

I certify that I have audited the accompanying financial statements of the Diamond Board Fund for the financial years ended 31 December 2012, 2013 and 2014. These financial statements comprise of the following statements submitted for the year then ended.

Annexure A: Balance Sheet

Annexure B: Income Statement

The financial statements were submitted to the Auditor-General by the Accounting Officer in compliance with section 12(6) of the Diamond Act, (Act 13 of 1999), except that they were only submitted on 24 July 2015 instead of three months after the year end as required by the Act.

**2. MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Board of the Fund is responsible for the preparation of the financial statements in accordance with Section 12(3) of the Diamond Act, (Act 13 of 1999), 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. 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.

- d) 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 audit opinion.

## **5. ACKNOWLEDGEMENT**

The co-operation and assistance given to the auditors by the Diamond Board Fund personnel during the audit is appreciated.

## **6. KEY AUDIT FINDINGS**

For the years audited no major audit findings were observed.

## **7. UNQUALIFIED AUDIT OPINION**

The accounts of the Diamond Board Fund for the financial year ended 31 December 2012, 2013 and 2014, summarized in Annexure A and B, were audited in terms of the provisions of Section 12(6) of the Diamond Act, (Act 13 of 1999).

In my opinion, the financial statements present fairly, in all material respects the financial position of the Diamond Board Fund as at 31 December 2014 and that the financial performance and cash flows (accruals) for the years then ended are in accordance with GAAP (Generally Accepted Accounting Practices).

**WINDHOEK, April 2016**

**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**

## DIAMOND BOARD FUND

## BALANCE SHEET FOR THE YEARS ENDED 31 DECEMBER

	2014	2013	2012	2011
	N\$	N\$	N\$	N\$
<b>ASSETS</b>				
<b>NON CURRENT ASSETS</b>				
Property, Plant and Equipment	727 776	603 698	628 658	143 467
<b>CURRENT ASSETS</b>				
Bank	7 552 734	8 656 262	5 489 146	3 899 295
Cash	503	-	-	-
<b>TOTAL ASSETS</b>	<b>8 281 013</b>	<b>9 259 960</b>	<b>6 117 804</b>	<b>4 042 762</b>
<b>EQUITY AND LIABILITIES</b>				
<b>CAPITAL AND RESERVES</b>				
Retained Income	9 259 960	6 117 804	4 402 762	2 606 670
Surplus/Deficit for the year	(978 947)	3 142 156	2 075 042	1 436 092
<b>TOTAL FUNDS AND LIABILITIES</b>	<b>8 281 013</b>	<b>9 259 960</b>	<b>6 117 804</b>	<b>4 042 762</b>

## DIAMOND BOARD FUND

## INCOME STATEMENT FOR THE YEARS ENDED 31 DECEMBER

INCOME	2014	2013	2012	2011
	N\$	N\$	N\$	N\$
Royalties Received	4 894 352	4 066 765	3 186 202	2 491 921
Interest Received from Bank	162 794	122 941	90 767	35 717
Sundry Income		196		
<b>TOTAL INCOME</b>	<b>5 057 146</b>	<b>4 189 902</b>	<b>3 276 969</b>	<b>2 526 928</b>
<b>EXPENDITURE</b>				
Advertising and Promotion	4 261 001	-	59 377	-
Bank Charges	6 988	3 772	2 717	1 993
Depreciation	409 974	271 855	254 411	230 827
Entertainment Expenses	1 374	9 102	5 345	4 222
Printing and stationery	46 323	7 360	-	-
General Expenses	20 652	-	2 610	400
Salaries and Wages	417 749	67 855	-	-
Cell phone Expenses	353 019	195 907	287 923	307 026
Insurance	48 808	67 983	96 839	44 377
Travel and Accommodation	95 070	22 724	21 800	-
Namibia Police Services	332 270	377 189	368 341	477 563
Sitting fees	42 865	24 000	37 674	24 428
Training & Information sharing workshop	-	-	64 800	-
<b>TOTAL EXPENDITURE</b>	<b>6 036 093</b>	<b>1 047 747</b>	<b>1 201 927</b>	<b>1 090 836</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(978 947)</b>	<b>3 142 155</b>	<b>2 075 042</b>	<b>1 436 092</b>