



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

NAMIBIA NATIONAL LIBERATION VETERANS ASSOCIATION

**FOR THE FINANCIAL YEARS ENDED 31 MARCH 2011, 2012, 2013, 2014, 2015,
2016 AND 2017**

Published by authority

Price (Vat excluded) N\$ 41.20

Report no: III/2018

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 National Liberation Veterans Association for the financial year ended 31 March 2011, 2012, 2013, 2014, 2015, 2016 and 2017 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.

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

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

WINDHOEK, October 2018

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
NAMIBIA NATIONAL LIBERATION VETERANS ASSOCIATION
FOR THE FINANCIAL YEARS ENDED 31 MARCH 2011, 2012, 2013, 2014, 2015, 2016
and 2017**

1. DISCLAIMER OF AUDIT OPINION

I certify that I have audited the financial statements of the Namibia National Liberation Veterans Association for the financial years ended 31 March 2011, 2012, 2013, 2014, 2015, 2016 and 2017. These financial statements comprise the Balance Sheet, Income Statement, and Statement of Changes in Equity, Statement of Cash Flow and Notes to the Annual Financial Statements for the year then ended, and a summary of significant accounting policies and other explanatory information.

Because of the significance of the matters described in the Basis for Disclaimer of 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.

2. BASIS OF 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 insufficient and inappropriate to provide a basis for my opinion. A disclaimer audit opinion is being expressed due to the following:

- Differences amounting to N\$ 539 714 (2012-2017) between the balance sheet and trial balance;
- Differences amounting to (NS 44 818) (2013 & 2017) for comparatives figures;
- Lack of Financial reporting framework;
- Unconfirmed Expenditure amounting to N\$ 4 870 666 (2011-2015);
- No approved budget (2011 – 2017);
- No policy on subsistence and travelling allowance (2011-2017);
- No supporting documents for travelling allowance amounting to N\$ 158 131 (2012 – 2014);
- No supporting documents for expenditure amounting to N\$ 302 626 (2011 – 2017);
- No supporting documents for sitting allowance amounting to N\$ 34 000 (2012 – 2014);
- Unapproved expenditure amounting to N\$ 167 055 (2015 – 2017);
- No supporting documents for cash cheques issued amounting to N\$ 37 118;
- No supporting documents for Salaries and wages (2011- 2017);
- Differences amounting to N\$ 1 846 926 between the cheque register book and general ledger;
- PAYE on employees' salaries was not paid to the receiver of revenue (2011 – 2017);
- Opening balances for fixed assets amounting to N\$ 129 760 not brought forward (2014, 2015 and 2016);

- Understatement of fixed assets amounting to N\$ 51 845 (2017);
- No provision for depreciation made (2013 and 2017);
- Assets amounting to N\$ 202 302 (2012, 2014, 2015 and 2016) reflected at cost;
- Differences amounting to N\$ 5 645 869 (2012-2016) between General ledger and cashbook; and
- Differences amounting to N\$ 5 584 798 (2012-2016) between cash book and bank reconciliation.

3. OTHER INFORMATION

Management is responsible for the other information. The auditor's opinion on the financial statements does not cover the other information and, accordingly, the auditor does not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or the knowledge obtained in the audit or otherwise appears to be materially misstated. I have nothing to report in this regard.

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 Generally Recognised Accounting Practice and 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.

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.

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 a 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.

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 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 auditor's 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.

6. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The financial statements were submitted to the Office of the Auditor-General by the Accounting Officer in compliance with Section 28 of the Veterans Regulations Act, Act 2 of 2008, except that they were only submitted on the 19th of March 2018, instead of annually as required by the Act.

7. ACKNOWLEDGEMENT

The co-operation and assistance by the management and staff of the Namibia National Liberation Veterans Association during the audit is appreciated.

WINDHOEK, October 2018



**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**NAMIBIA NATIONAL LIBERATION VETERANS ASSOCIATION
BALANCE SHEET AS AT 31 MARCH**

	2017	2016	2015	2014	2013	2012	2011
	N\$	N\$	N\$	N\$	N\$	N\$	N\$
Non- Current Assets	-	51 845	15 525	56 368	57 867	78 564	-
Computer, Printers and Other Assets	-	51 845	13 430	-	-	7 755	-
Furniture	-	-	2 095	56 368	57 867	70 809	-
Current Assets	125 542	94 836	176 038	161 065	108 373	14 487	58 622
Cash & Cash Equivalents	125 542	94 836	176 038	161 065	108 373	14 487	58 622
Total Assets	125 542	146 681	191 563	217 433	166 240	93 051	58 622
Funds	125 542	146 681	174 111	203 324	166 240	93 051	58 622
Accumulated Funds	125 542	146 681	174 111	203 324	166 240	93 051	58 622
Liabilities	-	-	17 452	14 109	-	-	-
Outstanding Cheques/Payments	-	-	17 452	14 109	-	-	-
Total Funds and Liabilities	125 542	146 681	191 563	217 433	166 240	93 051	58 622

ANNEXURE B

**NAMIBIA NATIONAL LIBERATION VETERANS ASSOCIATION
INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 MARCH**

	2017	2016	2015	2014	2013	2012	2011
	N\$	N\$	N\$	N\$	N\$	N\$	N\$
Revenue	1 014 914	1 477 134	1 005 518	1 151 350	1 100 350	1 248 302	541 181
Expenditure	984 208	1 558 337	990 546	1 148 307	1 079 464	1 169 790	482 559
Net Surplus/ (deficit)	30 706	(81 203)	14 972	3 043	20 886	78 512	58 622

**NAMIBIA NATIONAL LIBERATION VETERANS ASSOCIATION
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH**

	2017	2016	2015	2014	2013	2012	2011
	N\$	N\$	N\$	N\$	N\$	N\$	N\$
Beginning Balance as at 1 April	94 832	176 035	161 063	158 020	137 134	58 622	-
Surplus/(Deficit) for the year	30 706	(81 203)	14 972	3 043	20 886	78 512	58 622
Balance as at 31 March	125 538	94 832	176 035	161 063	158 020	137 134	58 622

**NAMIBIA NATIONAL LIBERATION VETERANS ASSOCIATION
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH**

	2017	2016	2015	2014	2013	2012	2011
	N\$	N\$	N\$	N\$	N\$	N\$	N\$
Total cash Receipts	1 014 914	1 477 134	1 005 518	1 151 350	1 100 350	1 248 302	541 181
Cash paid for	984 209	1 558 337	990 546	1 148 307	1 079 464	1 169 780	482 559
Net Cash flow from Operations	30 705	(81 203)	14 972	3 043	20 886	78 522	58 622
Cash flow from investing Activities							
Cash paid for ; Purchasing of Furniture	-	-	(2 095)	(5 625)	-	(78 564)	-
Additional Purchase of Assets (Computers, Printers & PC Devices)	-	(51 845)	(13 430)	-	-	-	-
Net cash flow from investing Activities	-	(51 845)	(15 525)	(5 625)	-	(78 564)	-
Net increase/Decrease in Cash	30 705	29 356	(553)	(4 468)	(28 761)	(44 135)	58 622
Cash and Cash Equivalents at the beginning of the period	-	-	-	-	137 134	58 622	-
Cash and Cash Equivalents at End of Year: 31 March	125 542	94 836	176 038	161 065	108 373	14 487	58 622

**NAMIBIA NATIONAL LIBERATION VETERANS ASSOCIATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
MARCH**

Income Statement as at 31 March 2011

1. Subscriptions-Received were N\$ 41 153.
2. An annual N\$ 500 000 was received from Veterans Affairs for the financial year 2010/2011. and N\$ 482 559 accumulated for expenses was paid for the daily operation of the association.
3. Interest received on the Cheque account was N\$ 28.
4. Monthly allowance summed up to N\$ 298 445.
5. Subsistence and Travelling allowance amounted to N\$ 211 397 for domestic travel costs.
6. Sitting Allowances amounted to N\$ 14 200 for Management Members attending meetings.
7. Utilities amounted to N\$ 6 400 consisting of Telephone Charges.
8. Funeral Assistance N\$ 1 000 was paid to one of its member as per resolution passed by Management.
9. Other Administrative Expenses amounted to N\$ 19 921 consisting of Refreshments, Bank Charges and others.

Statements of changes in equity as at 31 March 2011

1. The opening balance as at 1 April 2010 was N\$ 0.00 as the Government Grant was only received on the 18th of January 2011.
2. The surplus at the end of the financial year 31 March 2011 was N\$ 58 622.

Balance Sheet as at 31 March 2011

1. The current bank account consisted of N\$ 58 622 at the end of the financial year 2011.
2. Accumulated Funds amounted to N\$ 58 622.

**NAMIBIA NATIONAL LIBERATION VETERANS ASSOCIATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
MARCH (Continued)**

Income statement as at 31 March 2012

1. Annual Grant amounting to N\$ 1 247 833 was received from the Ministry of Veterans Affairs for the financial year 2011/2012 and N\$ 1 169 780 accumulated for expenses.
2. Interest received on the cheque account was N\$ 469.
3. Remuneration amounted to N\$ 950 207 for monthly allowances of the association.
4. Subsistence and travelling allowances amounted to N\$ 12 975.
5. Sitting Allowances for Management Members, attending meetings amounted to N\$ 51 000
6. Utility charges amounted to N\$ 12 907.
7. Rent Expenses amounted to N\$ 77 800 for rental of office.
8. Other Administrative Expenses amounted to N\$ 59 639.
9. Depreciation and Interest Expenses.

Statement of changes in equity 31 March 2012

1. Opening balance as at 1 April 2011 was N\$ 58 622 from the previous financial year.
2. Surplus for the financial year was N\$ 78 522.

Balance Sheet as at 31 March 2012

1. Noncurrent Assets amounted to N\$ 78564.
2. The cash and cash equivalents was N\$ 14 487 for the year end March 2012.

**NAMIBIA NATIONAL LIBERATION VETERANS ASSOCIATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
MARCH (Continued)**

Income Statement as at 31 March 2013

1. Annual Grant received from the Department of Veterans Affairs was N\$ 1 100 000 for the 2012/2013 financial year and expenses amounted to N\$ 1 079 464.
2. Interest received from the Cheque account was N\$ 350.
3. Remunerations consist of N\$ 811 251 in monthly allowances.
4. Subsistence and travel allowances amounted to N\$ 13 000 for domestic travel costs.
5. Sitting Allowances and Board Fees amounted to N\$ 13 000 for Management attending meetings.
6. Maintenance Expenses amounted to N\$ 12 961 for the office.
7. Utilities amounted to N\$ 35 595 consisting of bank charges and others.
8. Rental expenses amounted to N\$ 69 144 for office rental.
9. Fuel expenses amounted to N\$ 2 092 for the Associations Vehicles.
10. Other Administrative Expenses amounted to N\$ 117 160.
11. Depreciation and interest expenses amounted to N\$ 5262.

Statement of changes in equity as at 31 March 2013

1. Opening balance as at 1 April 2012 was N\$ 137 134 from the previous financial year.
2. Surplus for the 2012/ 2013 financial year was N\$ 20 887.

Balance Sheet as at 31 March 2013

1. Furniture bought amounted to N\$ 57 867.
2. Cash and cash equivalents amounted to N\$ 108 373.
3. Accumulated funds amounted to N\$ 166 240.

**NAMIBIA NATIONAL LIBERATION VETERANS ASSOCIATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
MARCH (Continued)**

Income Statement as at 31 March 2014

1. Annual grant received from the Department of Veterans Affairs was N\$ 1 150 000 for the 2013/2014 financial year and expenses amounted to N\$ 993 627.
2. Interest received on the cheque account was N\$ 1 350.
3. Remuneration amounted to N\$ 647 375 of which is a mainly monthly allowance.
4. Subsistence and travel allowances amounted to N\$ 178 886 of domestic travel costs
5. Sitting Allowances amounted to N\$ 15 000 for Management attending meetings.
6. Maintenance Expenses amounted to N\$ 11 416 consisting of property maintenance
7. Utilities amounted to N\$ 26 911 telephone, internet and others.
8. Rent expenses amounted to N\$ 78 018 for rental office.
9. Fuel expenses amounted to N\$ 8 600 for Association Vehicles.
10. Medical Assistance was rendered of N\$ 2 500.
11. Other Administrative expenses consisting of workshops and training and others amounted to N\$ 175 862.

Statement of changes in equity as at 31 March 2014

1. Opening balance as at 1 April 2013 was N\$ 158 021 from the previous financial year.
2. Surplus for the year ending was N\$ 3 044.

Balance Sheet as at 31 March 2014

1. Furniture bought amounted to N\$ 56 368.
2. Cash and cash equivalents amounted to N\$ 161 065.
3. Outstanding cheque or payment for N\$ 14 109.
4. Accumulated funds amounted to N\$ 203 324.

**NAMIBIA NATIONAL LIBERATION VETERANS ASSOCIATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
MARCH (Continued)**

Income statement as at 31 March 2015

1. Annual Grant received from the Department of Veterans Affairs was N\$ 1 000 000 for the 2014/2015 financial year, expenses amounted to N\$ 988 584.
2. Interest received on the cheque account was N\$ 5 518.
3. Remuneration amounted to N\$ 662 444 for monthly allowances only.
4. Subsistence and travel allowances amounted to N\$ 22 960 of domestic travel cost.
5. Sitting Allowances amounted to N\$ 50 905 for Management Members attending meetings.
6. Maintenance expenses amounted to N\$ 3 040.
7. Utilities amounted to N\$ 37 610.
8. Rent expenses amounted to N\$ 70 530 for Office rental.
9. Fuel expenses amounted to N\$ 4 411 for Association Vehicles.
10. Token of Appreciation amounted to N\$ 2 000.
11. Other Administrative Expenses amounted to N\$ 114 516 consisting of Bank Charges, Petty cash expenses and others.

Statement of changes in equity as at 31 March 2015

1. Opening balance as at 1 April 2014 was N\$ 161 065.
2. Surplus for the financial year 2014/2015 was N\$ 14 973.

Balance Sheet as at 31 March 2015

1. Non-current assets amounted to N\$ 15 525 computers and furniture.
2. Cash and cash equivalents amounted to N\$ 176 038.
3. Outstanding payments for N\$ 17 452.
4. Accumulated Funds amounted to N\$ 174 111.

**NAMIBIA NATIONAL LIBERATION VETERANS ASSOCIATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
MARCH (Continued)**

Income statement as at 31 March 2016

1. Annual Grant received from Department of Veterans Affairs was N\$ 1 000 000 for the 2015/2016 financial year and expenses amounted to N\$ 1 514 196.
2. Interest Income amounted to N\$ 634.
3. Additional income received from the Department of Veterans Affairs amounted to N\$ 476 500.
4. Remunerations amounted to N\$ 896 279 for monthly salaries.
5. Subsistence and Travelling Allowances amounted to N\$ 247 361 domestic travel costs.
6. Sitting Allowances amounted to N\$ 15 000 for Management Attending meetings.
7. A maintenance expense was 0.00.
8. Utilities amounted to N\$ 10 464 consisting of Telephone, Internet and Vehicle licencing fees.
9. Rent Expenses amounted to N\$ 25 956 for Office Rental.
10. Fuel Expenses amounted to N\$ 14 000 for Association Vehicles.
11. Funeral Assistance amounted to N\$ 15 000 to assist colleagues who have deaths in their families.
12. Other Administrative Expenses amounted to N\$ 276 089 consisting of transfer to regional branches accounts and others.
13. Depreciation and Interest expenses amounted to N\$ 14 046.

Statement of changes in equity as at 31 March 2016

1. Opening Balance as at 1 April 2015 was N\$ 176 038.
2. Surplus /Deficit for the year was (N\$ 81 202).

Balance Sheet as at 31 March 2016

1. Non-current Assets amounted to N\$ 51 845 for computers and other Office Equipment bought.
2. Cash and cash equivalents amounted to N\$ 94 836.
3. Accumulated Funds amounted to N\$ 146 681.

**NAMIBIA NATIONAL LIBERATION VETERANS ASSOCIATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
MARCH (Continued)**

Income statement as at 31 March 2017

1. Annual Grant received from Department of Veterans Affairs for the 2016/2017 financial year was N\$ 1 000 000 with additional funds of N\$ 11 150 for S&T for regional members to attend Heroes day at Walvis Bay.
2. Interest received amounted to N\$ 393.
3. Other income received was N\$ 3 371.
4. Remunerations amounted to N\$ 780 411 for salaries.
5. Subsistence and travelling allowances amounted to N\$ 13 743 for domestic travel costs.
6. Sitting allowances and board fees amounted to N\$ 27 000 for Management members attending meetings.
7. Maintenance expenses amounted to N\$ 550 for property maintenance for the office.
8. Utilities amounted to N\$ 25 986 consisting of Telephone, software licenses and P.O Box charges.
9. Rent Expenses amounted to N\$ 72 674 for office rental.
10. Fuel Expenses amounted to N\$ 6 000 for Associations Vehicles.
11. Funeral Assistance amounted to N\$ 10 000 to assist colleagues when there is death in the family.
12. Other Administrative Expenses amounted to N\$ 47 846 consisting of Bank Charges, Security Services, Stationeries and others.
13. Depreciation and Interest expenses amounted to N\$ 24 112.

Statement of changes in equity as at 31 March 2017

1. Opening Balance as at 1 April 2016 was N\$ 94 836.
2. Surplus for the year was N\$ 30 706.

Balance Sheet as at 31 March 2015

1. Cash and cash equivalents amounted to N\$ 57 289.
2. Accumulated funds amounted to N\$ 125 542.

