



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

# **NATIONAL MONUMENTS COUNCIL**

**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2004**

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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 National Monuments Council for the financial year ended 31 March 2004 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, July 2009**

**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**

**REPORT of the AUDITOR-GENERAL on the  
ACCOUNTS of the NATIONAL MONUMENTS COUNCIL  
for the financial year ended 31 MARCH 2004**

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**1. INTRODUCTION**

The National Monuments Council, hereinafter called the Council, was instituted in terms of Section 2 of the National Monuments Act, 1969 (Act 28 of 1969), as amended up to 1979. Its objectives, embodied in Section 2A of the Act, are mainly:

- (i) to preserve and protect cultural heritage;
- (ii) to encourage and to promote the preservation and protection of the heritage; and
- (iii) to co-ordinate all activities in connection with monuments in order that monuments will be retained as tokens of the past and may serve as inspiration for the future.

Record of the Council's property and of its transactions is kept in terms of Section 9(5) of the Act. The Heritage Council Bill to provide for these and other matters and also to repeal the Act in force, has been in drafting stage since 1990.

**2. FINANCIAL STATEMENTS**

The financial statements were compiled by the accounting and auditing firm BDO Spencer Steward and are in agreement with the general ledger and filed in the Office of the Auditor-General. The abridged balance sheet at Annexure A, is a true reflection of the original. The following annexures are also attached to this report:

- Annexure B: Abridged income statement
- Annexure C: Cash flow statement
- Annexure D: Notes to the financial statements

**3. SCOPE OF THE AUDIT**

The National Monuments Council is responsible for the preparation of the financial statements and for ensuring the regularity of the financial transactions. It is the responsibility of the Auditor-General to form an independent opinion, based on the audit, on those statements and on the regularity of the financial transactions included in them and to report his opinion to the National Assembly.

The audit included:

- (a) Examination, on a test basis, of the evidence relevant to the amounts, disclosure and regularity of financial transactions included in the financial statements;
- (b) assessment of the significant estimates and judgements made by the Accounting Officer of the Council in the preparation of the financial statements and of whether the accounting policies are appropriate to the Council's circumstances, consistently applied and adequately disclosed; and
- (c) evaluation of the overall adequacy of the presentation of information in the financial statements.

The audit was planned and performed so as to obtain all the information and explanations considered necessary to provide sufficient evidence to give reasonable assurance that:

- The financial statements are free from material misstatement, whether caused by error, fraud or other irregularity;
- in all material respects, the expenditure and income have been applied to the purposes intended; and
- the financial transactions conform to the authorities which govern them.

#### 4. AUDIT OBSERVATIONS AND COMMENTS

##### 4.1 Budget control

The following are significant differences between the actual expenditure and the approved budgeted amounts for the respective allocations.

At the time of the audit no explanation(s) could be provided for these deviations.

<b>Budget allocation</b>	<b>Budgeted amount</b>	<b>Actual expenditure/ (income)</b>	<b>Difference</b>
	N\$	N\$	N\$
Heroes Acre entry fees	(60 000)	(1 350)	(58 650)
Bank charges	4 500	14 981	10 481
Fuel and oil	45 000	1 722	43 278
Gas supply	60 000	17 187	42 813
Lease rentals	90 000	61 359	28 641
Professional cleaning	35 000	15 244	19 756
Refuse removal	4 000	1 679	2 321
Repairs and maintenance	3 000	26	2 974
Local travelling	30 000	21 516	8 484

#### 5. ACKNOWLEDGEMENT

The co-operation and assistance of the management and staff of the Council during the audit is appreciated.

#### 6. AUDIT CERTIFICATE

I certify that the financial accounts of the Council have been audited in terms of Section 9(6) of the National Monuments Act, 1969 (Act 28 of 1969), read with Section 25(1)(b) of the State Finance Act, 1991 (Act 31 of 1991), in accordance with generally accepted auditing standards.

I certify that, in my opinion, the financial statements fairly reflect the transactions and the financial position of the Council for the year ended 31 March 2004 and in all material respects the income and expenditure have been applied to the purposes intended and conform to the authorities that govern them.

WINDHOEK, July 2009

**JUNIAS ETUNA KANDJEKE**  
**AUDITOR-GENERAL**

**NATIONAL MONUMENTS COUNCIL**  
**BALANCE SHEET AS AT 31 MARCH 2004**

<b>ASSETS</b>	<b>Notes</b>	<b>2004</b>	<b>2003</b>
		N\$	N\$
<b>Non- current asset</b>			
Property, plant and equipment	2	61 757	50 242
<b>Current assets</b>		<b>323 054</b>	<b>421 707</b>
Cash and bank	3	323 054	418 482
Accounts receivable		-	3 225
<b>Total assets</b>		<b>384 811</b>	<b>471 949</b>
<b>FUNDS AND LIABILITIES</b>			
<b>Funds and reserves</b>		<b>324 116</b>	<b>444 739</b>
Funds		(311 919)	(190 279)
Capital projects	4	636 035	635 018
<b>Current liabilities</b>			
Trade and other payables		60 695	27 210
<b>Total equity and liabilities</b>		<b>384 811</b>	<b>471 949</b>

## NATIONAL MONUMENTS COUNCIL

**INCOME AND EXPENDITURE STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2004**

	<b>2004</b>	<b>2003</b>
	N\$	N\$
<b>Revenue</b>	<b>1 740 325</b>	<b>1 104 263</b>
Grant from Government	1 732 000	1 046 629
Heroes Acre entry fees	1 350	-
Sundry income	3 375	54 034
Rental income: Hoba Kiosk	3 600	3 600
<b>Other income</b>		
Interest received	47 210	45 009
<b>Total income</b>	<b>1 787 535</b>	<b>1 149 272</b>
<b>EXPENDITURE</b>	<b>1 907 143</b>	<b>1 625 469</b>
Capital expenditure	-	635 018
Advertising	6 588	2 534
Accounting fees	18 045	7 565
Bank charges	14 981	6 216
Bus tickets	21 240	11 096
Cleaning	3 659	6 799
Computer expenses	8 455	440
Council and committee expenses	38 102	59 123
Depreciation	20 090	42 464
Donations	-	20 075
Electricity and water	208 261	766
Films and photo duplication	510	965
Fuel and oil	1 722	-
Gas supply	17 187	-
General expenses	4 424	224
Insurance	70	-
Interest	-	261
Lease rental	61 359	-
National flag and portraits	1 066	-
Postage	435	746
Professional cleaning	15 244	-
Printing and stationery	9 077	8 623
Professional fees	1 608	-
Protective clothing	3 755	399
Refuse removal	1 679	1 876
Repairs and maintenance	26	4 299
Salaries	1 384 976	769 538
Security	2 783	3 030
Telephone and fax	28 545	21 397
Training	11 507	12 753
Transport and freight	233	-
Travel - Local	21 516	9 262
<b>Loss for the year</b>	<b>(119 608)</b>	<b>(476 197)</b>

**NATIONAL MONUMENTS COUNCIL**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2004**

	<b>Note</b>	<b>2004</b>	<b>2003</b>
		N\$	N\$
<b>Cash flow from operating activities</b>			
Cash generated by operations	5	(110 016)	(531 145)
Interest received		47 210	45 009
Interest paid		-	(261)
Net cash flow from operating activities		<b>(62 806)</b>	<b>(486 397)</b>
<b>Cash flow from investing activities</b>			
Expenditure to maintain operating capacity		<b>(32 622)</b>	<b>608 417</b>
Property, plant and equipment acquired		(31 605)	(46 675)
Proceeds of disposals of property, plant and equipment		-	20 075
Other investments		(1 017)	635 017
<b>Net change in cash and cash equivalents</b>		<b>(95 428)</b>	<b>122 020</b>
Cash and cash equivalents at beginning of the year		418 482	296 462
<b>Cash and cash equivalents at end of the year</b>		<b>323 054</b>	<b>418 482</b>

**NATIONAL MONUMENTS COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2004**

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**1. BASIS OF PREPARATION**

The financial statements are prepared in accordance with Namibia statements of Generally Accepted Accounting Practice. The financial statements are prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment, marketable securities and investment properties where appropriate.

**1.1 Revenue recognition**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership are transferred to the buyer or if and when grants are received.

Revenue comprises of grants by the Government, donations and interest earned.

**1.2 Property, plant and equipment and depreciation**

All property, plant and equipment are initially recorded at cost and depreciated at rates considered appropriate to reduce carrying values to estimated residual values over their estimated useful lives.

Impairment losses and reversal of impairment losses are recognised in the income statement.

Depreciation is calculated on the straight –line method to write off the cost of each asset, or the revalued amounts, to their residual values over their estimated useful lives. The depreciation rates applicable to each category of property, plant and equipment are as follows:

The actual rates used are:

Camping equipment	20%
Furniture and Fittings-	15%
Library books	20%
Office equipment	20%
Computer and Office equipment	20%
Tools	10%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount.



## NATIONAL MONUMENTS COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2004 (continued)

**2. PROPERTY, PLANT AND EQUIPMENT****2004**

	<b>Cost/ Valuation</b>	<b>Accumulated depreciation</b>	<b>Carrying value</b>
	N\$	N\$	N\$
<i>Owned assets</i>			
Tools	8 521	4 712	3 809
Office equipment	73 732	59 195	14 537
Computer equipment & software	153 757	113 795	39 962
Camping equipment	15 932	12 483	3 449
<b>Total assets</b>	<b>251 942</b>	<b>190 185</b>	<b>61 757</b>

The carrying Amounts of property, plant and equipment can be reconciled as follows:

<b><u>2004</u></b>	<b>Carrying value at beginning of the year</b>	<b>Additions/ Transfer or (disposals)</b>	<b>Depreciation</b>	<b>Carrying value at the end of the year</b>
	N\$	N\$	N\$	N\$
Tools	3 839	759	(789)	3 809
Office equipment	21 271	4 098	(10 832)	14 537
Computer equipment & software	25 132	23 241	(8 411)	39 962
Camping equipment	-	3 507	(58)	3 449
Statues	635 018	(635 018)	-	-
	<b>685 260</b>	<b>(603 413)</b>	<b>(20 090)</b>	<b>61 757</b>

**2003**

	<b>Cost/ Valuation</b>	<b>Accumulated depreciation</b>	<b>Carrying value</b>
	N\$	N\$	N\$
Tools	7 762	3 923	3 839
Office equipment	69 634	48 363	21 271
Computer equipment & software	130 516	105 384	25 132
Camping equipment	12 425	12 424	1
Library books	(1)	-	(1)
Statues	635 018	-	635 018
<b>Total assets</b>	<b>855 354</b>	<b>170 094</b>	<b>685 260</b>

## NATIONAL MONUMENTS COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2004 (continued)

**3. CASH AND CASH EQUIVALENTS**

	<b>2004</b>	<b>2003</b>
	N\$	N\$
Commercial Bank - Current account	67 478	61 098
Commercial Bank - Call account	255 576	356 367
Bank- Hosea Kutako statues	-	1 017
	<b>323 054</b>	<b>418 482</b>

**4. CAPITAL PROJECTS**

Cost for new monuments and statues	586 018	586 018
Unveiling of statues	49 000	49 000
Inauguration of Omugulugombashe	1 017	-
	<b>636 035</b>	<b>635 018</b>

**5. NOTES TO THE CASH FLOW STATEMENT**

Net (loss)/profit for the year	(119 608)	(476 197)
Adjustments:		
Depreciation	20 090	42 464
Investments income	(47 210)	(45 009)
Finance costs	-	261
	<b>(146 728)</b>	<b>(478 481)</b>
Movements in working capital:		
Decrease/(Increase) in accounts receivable	3 225	(2 833)
Increase in accounts payable	33 487	4 203
Decrease in Hosea Kutako	-	(54 034)
	<b>(110 016)</b>	<b>(531 145)</b>