



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

MARINE RESOURCES FUND

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 Marine Resources Fund 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, May 2010

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

Republic of Namibia
REPORT of the AUDITOR- GENERAL
on the ACCOUNTS of the Marine Resources Fund
of NAMIBIA for the financial year
ended 31 MARCH 2004

1. INTRODUCTION

The Marine Resources Fund was established in terms of Section 45(1) of the Marine Resources Act, 2000 (Act 27 of 2000), to financially assist research and development in connection with sea fisheries, as defined in Section 45(3) of the Act. The Fund's income is derived mainly from levies on harvested or quotas for harvesting sea animals and other products from the sea. The Permanent Secretary: Ministry of Fisheries and Marine Resources is the Accounting Officer in terms of Section 45(4) of the Act.

2. FINANCIAL STATEMENTS

At the time of compiling this report during May 2010, the financial statements relating to the financial years 2005/06 up to 2008/09 have not been received. The State Finance Act of 1991 requires the Auditor-General to report on his audits within a period of twelve months after year-end. The Auditor-General is as such unable to comply with this stipulation.

The financial statements published in this report are filed in the Office of the Auditor-General and comprise the following:

- Annexure A: Balance sheet
- Annexure B: Income statement
- Annexure C: Notes to the financial statements

3. SCOPE OF THE AUDIT

- 3.1 The Accounting Officer of the Fund 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 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 Fund in the accounting of the transactions, his determination of and decision on relevance of the transactions to the Fund and of whether the accounting policies are appropriate to the Fund's circumstances, consistently applied and adequately disclosed; and
 - (c) evaluation of the overall adequacy of the presentation of information for its inclusion in the financial statements.
- 3.2 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

4.1 Expenditure vouchers

The following vouchers were selected for audit purposes, but their supporting documents were not provided:

Date	Cheque no.	Description	Amount
			N\$
23/10/2003	5632	Bio Dynamics	3 100.00
21/11/2003	5676	Orion Computers	3 420.00
04/03/2004	IBST1020	Hydro Bios	7 674.10

Recommendation

It is recommended that the Accounting Officer adheres to the requirements of the State Finance Act, 1991 (Act 31 of 1991), with reference to Section 26(1) (b) (i) and (ii).

All transactions should be supported by the necessary supporting documents.

The Accounting Officer is required to provide the documents not submitted during the audit and or to give explanations on the vouchers in question.

4.2 Cash and bank

The bank reconciliation on a Bank Windhoek current account reflects ten cheques which are older than six months and should have been written back:

Date	Details	Cheque Number	Amount
			N\$
21/02/2000	Mark Systems	CHQ00889	55.00
28/03/2000	PQ Namibia	CHQ01027	1 322.82
07/06/2000	UCT	CHQ01178	110.00
15/06/2000	FNB	CHQ01219	65 609.05
19/10/2000	Nam Underwater Fed	CHQ01563	500.00
18/12/2000	CSIR	CHQ01723	13 002.00
27/02/2001	Chief Resort Officers	CHQ01877	901.92
30/03/2001	Telecom	CHQ02009	4 000.00
27/06/2001	ISS	CHQ02170	7 227.33
03/07/2001	ISS	CHQ02172	5 826.57
16/05/2002	Air Namibia	CHQ02931	565.74

Recommendation

It is recommended that the Accounting Officer ensures that stale cheques are dealt with in the required manner.

4.3. BALANCE SHEET ITEMS

4.3.1 Property, plant and equipment

Similar kinds of assets are recorded as one type of asset in the fixed assets list, e.g. there is more than one computer on hand but the list records them as one. This hampered the identification of tracing individual assets during the audit process.

Recommendation

Each asset item should be reflected individually in the fixed asset list with an identity number and indication of the location.

4.3.2 Marking of assets

The assets are not marked and the use of inventory sheets is not employed so as to differentiate between assets of the Marine Resources Fund and the Ministry of Fisheries and Marine Resources.

Recommendation

It is recommended that the Accounting Officer employs the use of inventory sheets and to clearly mark assets to avoid confusion.

5. ACKNOWLEDGEMENT

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

6. AUDIT OPINION

The financial statements of the Marine Resources Fund of Namibia for the financial year ended 31 March 2004 were audited by me in accordance with the provisions of Section 25 (1) of the State Finance Act, 1991 read with Section 45(8) of the Marine Resources Act (Act 27 of 2000).

I certify that, in my opinion the financial statements fairly reflect the transactions and the financial position of the Fund for the financial 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, MAY 2010

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

MARINE RESOURCES FUND

BALANCE SHEET AS AT 31 MARCH 2004

	Notes	2004 N\$	2003 N\$
ASSETS			
Fixed assets			
		4 045 643	5 119 502
Furniture & office equipment	11	27 1636	315 243
Vehicles		17 793	515 77
Operational equipment, machinery & plant		3 756 214	4 752 682
Investments			
		2 300 000	2 300 000
Long term investment		2 000 000	2 000 000
32 Day Notice		300 000	300 000
Current assets			
	12	14 891 224	7 152 714
Commercial bank-Current account		(10 963)	(10 963)
Bank Windhoek-Current account		14 902 187	7 163 677
		21 236 867	14 572 216
EQUITY & LIABILITIES			
Retained income	13	21 236 867	14 521 740
		21 236 867	14 521 740

MARINE RESOURCES FUND

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2004

	Notes	2004	2003
		N\$	N\$
INCOME			
Total income	1	24 191 707	17 489 123
EXPENDITURE			
Subsistence and travel allowances(S&T)	2	167 762	57 781
Materials & supplies	3	2 440 028	2 586 039
Transport	4	72 956	47 880
Utilities	5	250 357	68 538
Maintenance & travel	6	2 296 349	4 212 901
Other services & expenses (OS&E)	7	6 690 216	6 083 045
Transfer & training	8	3 854 775	2 001 540
Miscellaneous expenses	10	(1 196)	3 380
Bank charges	E4	11 640	7 138
Depreciation		1 693 713	309 233
Total expenditure		17 476 580	15 377 475
Net profit /(loss) for the year		6 715 127	2 921 189

MARINE RESOURCES FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004

	Note	2004 N\$	2003 N\$
1. INCOME			
Jetty rentals		571 347	460 994
Refunds		56 883	-
Interest earned current account		1 071 205	809 541
Namibia brief		6 785	1 000
Levies-Horse Mackarel		6 952 921	6 872 873
Levies-Hake		9 123 305	4 824 655
Levies-Tuna		559 873	496 577
Levies-Orange Roughy		596 396	551 480
Levies-Line fish		56 225	33 312
Levies Rock Lobsters		64 235	75 113
Levies-Crab		391 962	424 724
Levies-Beach Trek		72	546
Levies Pelagic		2 747 601	2 023 056
Levies-Monk		590 382	201 225
Levies-Guano		80 000	-
Levies-Ski Boats		-	5
Levies-Shark		-	184 620
Bycatch levies- Horse Mackarel		164 648	6 942
Tuna		18 016	5 567
Midwater		800 930	128 450
Aquarium fees-Adults		134 545	139 193
Aquarium fees-Children		44 123	39 934
Aquarium fees-Pensioners		3 515	6 458
Aquarium fees-School Groups		2 180	3 288
Aquarium fees-Teachers		5 440	1 999
Aquarium fees-Study Groups		3 395	5 948
Aquarium fees Auditorium		7 050	2 600
Miscellaneous		33	14 448
Aquarium fees-Foreign adults	9	118 755	146 385
Aquarium fees-Foreign children		9885	14 635
Aquarium fees-Foreign pensioners		10 000	13 555
		24 191 707	17 489 123
2. SUBSISTENCE & TRAVEL ALLOWANCES			
Air tickets		21 727	-
Accommodation		4 838	-
Subsistence& travel		141 197	57 781
		167 762	57 781

MARINE RESOURCES FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004
(continued)

	2004	2003
	N\$	N\$
3. MATERIALS & SUPPLIES		
Stationery	73 627	41 002
Cleaning materials	8 186	1 744
Provision	10 588	6 726
Subscriptions	264 299	187 729
Protective clothing	39 133	50 099
Vessel fuel	1 566 133	2 167 369
Computer software	59 306	-
Books	5 043	1 407
Lab consumables	102 775	86 816
Computer consumables	39 045	25 441
Other	271 893	17 706
	2 440 028	2 586 039
4. TRANSPORT		
Fuel	39 965	32 478
Tyres	1 292	-
Repairs	5 595	8 354
Services	26 104	7 048
	72 956	47 880
5. UTILITIES		
Water & electricity charges	138 073	35 137
Telephone & fax charges	60 628	22 323
Courier charges	8 202	10 242
Postage	726	836
Photocopy machine rentals	5 829	-
Fax rentals	11 504	-
Communication expenses	25 395	-
	250 357	68 538
6. MAINTENANCE EXPENSES		
Computer equipment	33 288	10 564
Research vessels	2 051 778	3 825 292
Buildings	158 173	167 538
Other craft	53 110	209 507
	2 296 349	4 212 901

MARINE RESOURCES FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004
(continued)

	2004	2003
	N\$	N\$
7. OTHER SERVICES & EXPENSES		
Vessel management fee	4 397 354	4 607 710
Advertisements	410 445	-
Printing	-	4 920
Security services	-	25 809
Laundry	-	104
Vehicle/Plain/Vessel Hire	86 820	-
Consultancy fees	104 731	176 475
Insurance	635 322	80 258
Cleaning services	7 775	504
Salaries	823 029	934 395
Receiver of Revenue	24 108	15 642
Social security	1 157	1 360
Port dues	116 405	5 878
Contributions	-	235 000
Other	77 070	-
Main budget	-	24 490
Sitting allowance	6 000	(29 500)
	6 690 216	6 083 045
8. TRAINING & TRANSFERS		
NAMFI	3 600 000	1 903 400
Training	15 845	-
Bursaries	230 530	93 176
Course fees	8 400	4 964
	3 854 775	2 001 540
9. MISCELLANEOUS INCOME		
Unknown deposit	33	2 724
Sale of CD books	-	11 350
Corrections	-	180
	33	14 254
10. MISCELLANEOUS EXPENSES		
Under-deposit	(1 196)	2 180
Re-deposits of Awal	-	1 200
	(1 196)	3 380

MARINE RESOURCES FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004
(continued)

	2004	2003
	N\$	N\$
11. ASSETS NET COST		
Office furniture	385 447	358 613
Furniture & fittings	118 559	118 559
Computer equipment	683 113	677 453
Vehicles-Sedans	198 451	198 451
Bakkies	133 859	133 859
Quad bike	39 117	39 117
Operational equipment-Air conditioner	6 947	6 947
Generator	258 768	258 768
Vessel	8 277 467	7 639 631
	10 101 728	9 431 398
Accumulated depreciation		
Office furniture	152 553	106 241
Furniture & fittings	84 628	55 688
Computer equipment	678 302	677 453
Vehicles-Sedans	183 203	157 242
Bakkie	133 859	133 859
Quad bike	36 572	28 749
Operational equipment- Air conditioner	6 252	-
Generator	132 008	92 682
Vessels	4 648 709	3 055 852
	6 056 086	4 307 766
Fixed assets- Net book value		
Office furniture – Net book value	232 894	252 372
Furniture & fittings-Net book value	33 931	62 871
Computer equipment	4 811	-
Vehicles- Sedans	15 248	41 209
Bakkie		
Quad bike	2 545	10 368
Operational equipment-Air conditioner	695	2 817
Generator	126 760	166 086
Vessel	3 628 759	4 583 779
	4 045 643	5 119 502
12. CURRENT ASSETS		
Bank		
Balance as per bank statement 31/03/04	16 124 429	8 083 181
Less: Outstanding payments	1 226 505	922 792
Plus: Outstanding receipts	4 263	3 288
	14 902 187	7 163 677
13. RETAINED INCOME		
Retained income: Previous year	14 521 740	12 410 242
Net Profit/(loss) for the year	6 715 127	2 111 498
Retained income for the year	21 236 867	14 521 740