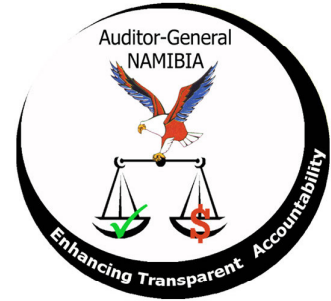




REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

MARINE RESOURCES FUND

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2005

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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 2005 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, December 2010

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**REPORT of the AUDITOR- GENERAL
on the ACCOUNTS of the Marine Resources Fund
of NAMIBIA for the financial year
ended 31 MARCH 2005**

1. INTRODUCTION

The audit on the accounts of the Marine Resources Fund for the financial year ended 31 March 2005 have been completed in accordance with Section 45(8) of the Marine Resources Act, (Act 27 of 2000).

To provide for the conservation of the marine ecosystem and the responsible utilization, conservation, protection and promotion of marine resources on a sustainable basis; for that purpose to provide for the exercise of control over marine resources; and to provide for matters connected therewith.

The objectives of the Fund are stipulated in terms of 44(3) of the Marine Resources Act (Act 27 of 2000) as follows:

The custodian of the fees and levies imposed under section.

Coordinating activities relate to marine resources such as research, development, training and education.

2. FINANCIAL STATEMENTS

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

All figures in this report are rounded to the nearest Namibia Dollar.

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

INCOME STATEMENT ITEMS

4.1. REVENUE

4.1.1 Interest received

The interest received to the amount of N\$ 41 589 was not disclosed in the financial statements.

Recommendation

The Accounting Officer must ensure that all transactions are disclosed in the financial statements.

4.2 EXPENDITURE

4.2.1 Depreciation

The asset register reflects an amount of N\$ 20 974.43 as depreciation for the 2005 financial year, while depreciation is shown as zero on the Income statement. Furthermore the auditors found that the fund does not take into account the purchase date when calculating depreciation.

Recommendation

It is recommended that the Accounting Officer ensures that depreciation is calculated correctly and disclosed in the financial statements.

4.3. BALANCE SHEET

4.3.1 CASH AND BANK

Stale Cheques

Bank reconciliation on the current account reflects cheques which are older than six months and which were not written back.

Date	Cheque Number	Amount(N\$)
21/02/2000	CHQ00889 *	55.00
28/03/2000	CHQ01027 *	1 322.82
07/06/2000	CHQ01219 *	65 609.05
19/10/2000	CHQ01563 *	500.00
18/12/2000	CHQ01723 *	13 002.00
27/02/2001	CHQ01877 *	901.92
30/03/2001	CHQ02009 *	4 000.00

27/06/2001	CHQ02170 *	7 227.33
03/07/2001	CHQ02172 *	5 826.57
16/05/2002	CHQ02931 *	565.74
14/04/2004	CHQ05986	1 417.38

*These cheques were reported on in the previous report.

Recommendation

The Fund is recommended to ensure that stale cheques are written back immediately.

4.3.2 Outstanding Deposits

The Bank Reconciliation reflects an amount of N\$ 274 303.66 as outstanding deposits for the 2005 financial year.

Recommendation

The Fund is recommended to adhere to Treasury Instruction GC 1202, which clearly stipulates that all collections shall, where possible be banked on the date of receipt and any collections which cannot be banked, thus shall be banked on the next official working day.

Recommendation

It is recommended that the Accounting Officer ensures that the amount reflected in the asset register is calculated correctly.

4.3.3 Marking of Assets

The assets of the Marine Resources Fund are marked as assets of the Ministry of Fisheries and Marine Resources.

Recommendation

It is recommended that the Fund clearly mark its Assets in order to distinguish them from that of the Ministry.

5. ACKNOWLEDGEMENTS

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

6. AUDIT OPINION

The financial statements of the Marine Resource Fund of Namibia for the financial years ended 31 December 2005 was 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 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 December 2005 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, DECEMBER 2010

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

BALANCE SHEET AS AT 31 DECEMBER

	Notes	2005 N\$	2004 N\$
ASSETS			
Fixed Assets	11	4 417 811	4 045 643
Furniture & Office Equipment		430 892	271 636
Vehicles		17 792	17 792
Operational Equipment, Machinery & Plant		3 969 127	3 756 215
Investments		10 300 000	2 300 000
Long Term Investment		2 000 000	2 000 000
32Day Notice		8 300 000	300 000
Current assets		11 393 565	14 891 224
Commercial Bank Current Account		(10 963)	(10 963)
Current Account	12	11 404 528	14 902 187
		26 111 376	21 236 867
Equity & Liabilities			
Equity			
Retained Income	13	26 111 376	21 236 867
		26 111 376	21 236 867

ANNEXURE B

INCOME STATEMENTS FOR THE YEAR ENDED 31 MARCH

	Notes	2005	2004
		N\$	N\$
INCOME			
Total income	1	21 956 217	24 191 707
EXPENDITURE			
Subsistence and travel allowances	2	22 419	167 762
Materials & supplies	3	2 208 413	2 440 028
Transport	4	69 346	72 956
Utilities	5	635 131	250 357
Maintenance & travel	6	220 306	2 296 349
Other services & expenses	7	9 737 097	6 690 216
Transfer & training	8	4 174 775	3 854 755
Miscellaneous expenses	10	-	(1 196)
Bank charges		11 199	11 640
Depreciation	11	-	1 693 713
Total expenditure		17 081 708	17 476 580
Net Profit /(loss) for the year		4 874 509	6 715 127

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

	Note	2005 N\$	2004 N\$
1. INCOME			
Jetty Rentals		505 516	571 347
Refunds		314 750	56 883
Recreational Fishing		1 264	-
Interest earned current account		1 066 588	1 071 205
Namibia Brief		-	6 785
Printed Materials		3 500	-
Income Others		417 390	-
Levies-Horse Mackarel		7 018 257	6 952 921
Levies-Alfonsino		24 138	-
Levies-Hake		7 371 588	9 123 305
Levies-Tuna		568 599	559 873
Levies-Orange Roughy		305 799	596 396
Levies-Line fish		44 423	56 225
Levies Rock Lobsters		63 375	6 235
Levies-Crab		326 041	391 962
Levies-Beach Trek		48	72
Levies Pelagic		2,788 212	2 747 601
Levies-Monk		399 799	590 382
Levies-Guano		-	80 000
Bycatch Levies- Horse Mackarel		53 558	164 648
Bycatch Levies-Tuna		240	18 016
Bycatch Levies- Midwater		333 552	800 930
Aquarium Fees-Adults		142 050	134 545
Aquarium Fees-Children		46 480	44 123
Aquarium Fees-Pensioners		5 075	3 515
Aquarium Fees-School Groups		4 361	2 180
Aquarium Fees-Teacher		2 385	5 440
Aquarium Fees-Study Groups		2 729	3 395
Aquarium Fees-Hire Auditorium		9 050	7 050
Miscellaneous	9	-	33
Aquarium Fees Foreign Adult		116 925	118 755
Aquarium Fees-Foreign Child		12 090	9 885
TOTAL		21 956 217	24 191 707

2.Subsistence & Travel Allowance

Air tickets	22 419	21 727
Accommodation	1 280	4 838
Subsistence& Travel	1 742	141 197
	25 441	167 762

3.Materials & Supplies

Stationery	32 100	73 627
Cleaning Materials	5 391	8 186
Provision	18 020	10 588
Subscriptions	39 498	264 299
Protective Clothing	9 965	39 133
Vessel Fuel	1 849 910	1 566 133
Computer Software	9 433	59 306
Books	3 599	5 043
Lab consumable	63 158	102 775
Computer Consumables	45 290	39 045
Other	132 050	271 893
	2 208 413	2 440 028

4.Transport

Fuel	53 655	39 965
Tyres	720	1 292
Batteries	440	
Repairs	11 302	5 595
Services	3 229	26 104
TOTAL	69 346	72 956

5. Utilities

Water & Electricity Charges	489 933	138 073
Telephone & Fax charges	111 521	

		60 628
Courier Charges	4 175	8 202
Postage	-	726
Photocopy Machine Rentals	2 932	5 829
Fax Rentals	2 576	11 504
Communication Expenses	23 495	25 395
Building Rentals	500	-
	635 131	250 357

6. Maintenance Expense

Computer Equipment	21 988	33 288
Research Vessels	130 886	2 051 778
Buildings	13 353	158 173
Other Craft	54 078	53 110
	220 306	2 296 349

7. Other Services & Expenses

Vessel Management Fee	4 882 601	4 397 354
Symposiums and Workshops	5 750	
Advertisement	1 560	410 445
Printing	15 386	-
Laundry	145	-
Vehicle/Plain/Vessel Hire	694 640	86 820
Consultancy Fees	259 912	104 731
Insurance	561 506	635 322
Cleaning Services	7 160	7 775
Accounting Fees	8 863	
Salaries	751 184	823 029
Receiver of Revenue	57 945	24 108
Social Security	905	1 157
Port Dues	140 509	116 405
Clearing Charges	8 610	
Contributions	-	
Other	7 801	77 070
Main budget	2 301 513	-
Sitting Allowance	31 100	6 000
	9 737 097	

		6 690 216
8. Training & Transfers		
NAMFI	3 907 335	3 600 000
Training	-	15 845
Bursaries	264 241	230 530
Course Fees	3 200	8 400
	4 174 775	3 854 775

9. Miscellaneous Income		
Miscellaneous	-	33
	0.10	33

10. Miscellaneous Expenses		
Under-deposit	-	(1 196)
	-	(1 196)

11. Fixed Assets: 2004

Furniture and office equipment	Net cost	Depreciation	Net book
Office furniture	385 447	152 553	232 894
Furniture & Fittings	118 559	84 628	33 931
Computer Equipments	683 113	678 302	4 811
	1 187 119	915 483	271 636

Vehicles			
Vehicles-Sedans	198 451	183 204	15 247
Bakkies	133 859	133 859	-
Quad Bikes	39 117	36 572	2 545
	371 427	353 635	17 792

Operational Equipment, Machinery & Plant			
Operational Equipment-Air Conditioner	6 947	6 252	695
Generator	258 768	132 007	126 761
Vessel	8 277 467	4 648 709	3 628 759
	8 543 182	4 786 968	3 756 215

Fixed Assets: 2005

Furniture and office equipment			
Office Furniture	392 175	152 553	239 623
Furniture & Fittings	118 559	84 628	33 931
Computer Equipments	807 353	678 302	129 050
Office Equipment	28 288	-	28 288
	1 346 375	915 483	430 892

Vehicles

Vehicles-Sedans	198 451	183 204	15 247
Bakkies	133 859	133 859	-
Quad Bikes	39 117	36 572	2 545
	371 427	353 635	17 792

Operation Equipment, Machinery & Plant

Operational Equipment-Air conditioner	6 947	6 252	695
Generator	263 184	132 007	131 177
Vessel	8 277 468	4 648 709	3 628 759
Vessel Equipment	208 496	-	208 496
	8 756 095	4 786 968	3 969 127

12. Current Assets

Bank

Balance as per Bank Statement 31/03/05		11 253 828	16 124 429
Less: Outstanding Payments		(123 604)	(1 226 505)
Plus: Outstanding Receipts		274 304	4 263
		11 404 528	14 902 187

13. Retained Income

Retained Income: Previous Year		21 236 867	14 521 740
Net Profit/(loss) for the Year		4 874 509	6 715 127
Retained Income for the Year		26 111 376	21 236 867