



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

AGRONOMIC BOARD

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2010

Published by authority

Price (Vat excluded) N\$ 39.97
Report no: 868

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 Agronomic Board for the financial year ended 31 March 2010, 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, August 2010

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE
NAMIBIAN AGRONOMIC BOARD
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2010**

1. INTRODUCTION

The Namibian Agronomic Board was established on 1 April 1985, and presently exists in terms of Section 3(1) of the Agronomic Board Industry Act, 1992, (Act No. 20 of 1992) hereinafter referred to as the Act. The objectives of the Board are, in terms of Section 9 of the Act, to promote the agronomic industry and to facilitate the production, processing, storage and marketing of controlled products in Namibia. The Board should keep account of its transactions in achieving these objectives in terms of Section 14(5) of the Act.

The firm Mostert Landgrebe of Windhoek has been appointed in terms of Section 26 (2) of the State Finance Act, 1991, to perform the audit of the accounts of the Board on behalf of the Auditor-General.

Figures in the report are rounded off to the nearest Namibian Dollar. Deficits are indicated in brackets.

2. FINANCIAL STATEMENTS

Statements of the accounts of the Board prepared in compliance with Section 17(1) of the Act were received and duly signed. The original version of the financial statements published in this report is filed in the Office of the Auditor-General and comprises:

- Annexure A: Consolidated balance sheet at 31 March 2010
- Annexure B: Consolidated income statement for the financial year ended on 31 March 2010
- Annexure C: Notes to the consolidated financial statements
- Annexure D: Balance sheet - White maize & wheat
- Annexure E: Income statement - White maize & wheat
- Annexure F: Notes to the financial statements - White maize & wheat
- Annexure G: Balance sheet - Horticulture
- Annexure H: Income statement - Horticulture
- Annexure I: Notes to the financial statements - Horticulture
- Annexure J: Balance sheet - Mahangu
- Annexure K: Income statement - Mahangu
- Annexure L: Notes to the financial statements - Mahangu
- Annexure M: Balance sheet - Development Project Division
- Annexure N: Income statement - Development Project Division
- Annexure O: Notes to the financial statements - Development Project Division

3. SCOPE OF THE AUDIT

Management's Responsibility for the Financial Statements

The Accounting Officer of the Board is responsible for the preparation and fair presentation of these financial statements and for ensuring the regularity of the financial transactions. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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 the opinion of the Auditor-General to the National Assembly. The said firm conducted the audit in accordance with International Standards on Auditing. Those standards require that the firm comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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.

4. AUDIT OBSERVATION AND COMMENTS

Investment

During the audit it was observed that the Board invested an amount of N\$ 26 421 984 (N\$ 24 771 252 : 2009) without the approval of the Minister, which contravenes section of the Agronomic Board Industry Act, 1992 (Act no. 20 of 1992). It was also observed that there is no evidence that the portfolio Minister approved the statement on the policy and procedures to be applied as to guide the Board in effectively supervising, monitoring and managing transactions for investing money as contemplated in Section 27 of the State-Owned Enterprises Governance Amendment Act, 2008 (Act no. 5 of 2008). The Board wrote a letter dated 18 May 2009 suggesting procedures to be followed in the draft investment policy but no evidence that the policy is approved by the Minister could be submitted during the audit.

5. ACKNOWLEDGEMENT

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

6. AUDIT OPINION

The accounts of the Namibian Agronomic Board for the financial year end 31 March 2010, summarised in Annexures A to O, were audited in terms of Section 17(2) of the Act, read with Section 25(1)(b) of the State Finance Act, 1991 (Act 31 of 1991). In my opinion these financial statements fairly present the financial position of the Board on 31 March 2010 and the results of the operations for the year then ended.

In all material respects the income and expenditure have been applied to the purposes intended by the Board and the financial transactions conform to the authorities which govern them.

WINDHOEK, August 2010

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

ANNEXURE A

**NAMIBIAN AGRONOMIC BOARD
CONSOLIDATED BALANCE SHEET AT 31 MARCH**

	Note	2010 N\$	2009 N\$
ASSETS			
NON CURRENT ASSETS			
		27 400 495	25 374 212
Property, plant and equipment	1	978 511	602 960
Investments	2	26 421 984	24 771 252
CURRENT ASSETS			
		13 428 996	13 218 524
Trade and other receivables	3	3 050 834	2 600 617
Bank account	4	10 377 660	10 617 407
Petty cash		502	500
TOTAL ASSETS		40 829 491	38 592 736
FUNDS AND LIABILITIES			
FUNDS AND RESERVES			
		26 571 408	24 276 184
General Fund	5	25 426 525	23 131 301
General Administration Fund	6	1 003 148	1 003 148
Commodity Reserve Fund	7	141 735	141 735
SHARES - AGRICULTURAL BOARDS' BUILDING	8	217 913	217 913
CURRENT LIABILITIES			
Trade and other payables	9	14 040 170	14 098 639
TOTAL FUNDS AND LIABILITIES		40 829 491	38 592 736

ANNEXURE B

NAMIBIAN AGRONOMIC BOARD
CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH

INCOME	Notes	2010 N\$	2009 N\$
Permits issued		327 450	260 314
Processors registration		210 558	212 800
General producers' levy		1 560 064	1 352 247
Levied		2 426 779	2 103 477
Less: Agronomic Producers' Associations	11	(866 715)	(751 230)
Processors Levy - White Maize		2 888 357	3 371 228
Processors' levy on local production		1 308 078	957 428
Processors' levy on grain imported		1 758 451	2 601 080
Less: Grain Processors Associations		(178 172)	(187 280)
Processors Levy - Wheat		1 814 456	2 091 244
Local		341 129	439 447
Import		1 574 130	1 782 377
Less: Grain Processors Associations		(100 803)	(130 580)
Horticulture Levies		3 999 965	3 768 953
Levied		1 124 491	859 569
Levies to Traders Association		(100 000)	(42 800)
Levies to Area Committees		(166 278)	(149 800)
Levies on Imports		3 141 752	3 101 984
6% of profit - Agricultural Boards' Building		-	-
Interest received		2 203 645	2 427 855
Internal accounting, inspection and management Fees		34 321	41 790
NGPA, ATF and other accounting and administration fees		211 479	473 033
MAWF project support service fees and other	12	479 665	1 334 806
Profit on sale of equipment		5 124	668
Funds from Ministry		1 000 000	1 000 000
Other income		17 393	12 874
		<u>14 752 477</u>	<u>16 347 812</u>
EXPENSES - Per attached schedule		11 074 363	8 871 890
NET SURPLUS FOR THE YEAR		<u>3 678 114</u>	<u>7 475 922</u>

**NAMIBIAN AGRONOMIC BOARD
CONSOLIDATED INCOME STATEMENT - SCHEDULE OF EXPENSES
FOR THE YEAR ENDED 31 MARCH**

	Note	2010 N\$	2009 N\$
Advertisements		31 441	39 129
Auditors remuneration - External		109 101	81 920
Bad debts		1 311	4 163
Bank charges		54 085	47 531
Board fees	13	896 689	713 211
Border control		1 045 453	1 025 026
Capturing of data		77 097	81 587
Chartered Accountant - Financial management committee		6 501	2 458
Consultancy - "Protection abolition"		59 640	39 760
Cost of information centre		45 808	63 507
Depreciation - Equipment		113 775	96 692
Depreciation - Furniture		9 139	7 620
Depreciation - Motor vehicles		61 412	53 937
Farmer days		124 485	83 475
Foreign trade negotiations		486 851	49 726
Insurance		52 178	54 943
Levy collection by trade		347 488	265 849
Liaison		6 277	4 477
Loss on sale of computer		-	553
Motor vehicle expenses		46 039	35 094
Personnel remuneration	14	5 368 831	4 353 980
Postal and freight		32 556	28 390
Producer data collection		162 688	198 175
Professional services and legal costs		52 067	7 177
Promotions		16 625	11 739
Refreshments		24 967	28 032
Rent paid		345 753	322 653
Repairs and maintenance		106 995	94 972
Special functions		247 976	187 411
Staff - Subsistence and travel		664 997	458 978
Stationary and printing (Including annual report)		214 132	203 488
Subscriptions		7 815	6 648
Team building		17 801	19 657
Technical advisor		1 600	21 600
Telephone and fax		86 769	79 840
Training and personnel development		102 851	50 157
Web development and maintenance of website		45 170	48 335
		11 074 363	8 871 890

**NAMIBIAN AGRONOMIC BOARD
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH**

1. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated depreciation	Carrying value
	N\$	N\$	N\$
2010 YEAR			
Land and buildings	219 623	-	219 623
Motor vehicles	650 172	(219 998)	430 174
Furniture and fittings	132 951	(79 461)	53 490
Equipment	694 350	(419 126)	275 224
	1 697 096	(718 585)	978 511

THE CARRYING VALUE OF PLANT AND EQUIPMENT CAN BE RECONCILED AS FOLLOWS:

	Carrying value - beginning of year	Additions	Disposals	Depreciation	Carrying value - end of year
	N\$	N\$	N\$	N\$	N\$
Land and buildings	219 623	-	-	-	219 623
Motor vehicles	17 276	374 310	-	(61 412)	430 174
Furniture and fittings	52 156	43 132	(10 994)	(9 140)	75 154
Equipment	213 905	153 431	-	(113 776)	253 560
	602 960	570 874	(10 994)	(184 328)	978 511

	Cost	Accumulated depreciation	Carrying value
	N\$	N\$	N\$
2009 YEAR			
Land and buildings	219 623	-	219 623
Motor vehicles	275 862	(158 586)	117 276
Furniture and fittings	122 582	(70 426)	52 156
Equipment	529 047	(315 142)	213 905
	1 147 114	(544 154)	602 960

DEPRECIATION IS CALCULATED AS FOLLOWS:

Motor vehicles	5 Years
Furniture and fittings	5 Years
Equipment	3 Years

NAMIBIAN AGRONOMIC BOARD
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

2. INVESTMENTS

	2010	2009
	N\$	N\$
At the period-end the amounts invested in terms of Section 14(5) of the Act were:		
Commercial Banks	16 705 460	19 271 252
Nampost	9 716 524	5 500 000
Total	26 421 984	24 771 252

3. TRADE AND OTHER RECEIVABLES

Trade receivables	1 514 982	1 623 711
Other receivables	1 555 592	996 646
	3 070 574	2 620 357
Less: Provision for bad debts	(19 740)	(19 740)
	3 050 834	2 600 617

4. BANK ACCOUNT

In terms of the Act the Board has four current accounts at a commercial bank for Maize and Weat, Horticulture, Mahangu and the Development Project Division.

Cash-book balance	10 377 660	10 617 407
-------------------	------------	------------

NAMIBIAN AGRONOMIC BOARD
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

5. GENERAL FUND

	2010	2009
	N\$	N\$
The Fund was established to finance the administration expenses of the Board. Transactions were as follows:		
Balance - 1 April	23 131 301	16 075 106
Project support to Conservation Agriculture Forum	-	(30 636)
Project support to farmers organisations for marketing of mahangu, maize and melon seeds	(24 087)	(135 214)
Project support to mahangu, maize and mellon sheet to small scale farmers	-	(84 600)
Project support to marketing of food legume, sunflower and safflower crops and phosphorus	(685 383)	(103 105)
Deficit of the Development Project Division	-	(493 776)
Business skills - Mahangu mill	-	(24 554)
CRIAA - SADC (Mahangu mill training)	-	(41 868)
Deposit from maize and wheat	-	493 776
Prior year adjustment	(248)	250
National Emergency Disaster Fund contribution	(50 000)	-
Contribution to revaluation of building	(500 000)	-
Posters of Mahangu for OSHIPE festival	(123 172)	-
Net surplus for the year	3 678 114	7 475 922
Balance - 31 March	25 426 525	23 131 301

6. GENERAL ADMINISTRATIVE FUND

The Fund was instituted to act as a buffer against effects of poor crops. The Fund can be utilised in years of poor crops to finance the Board's administration functions.

Balance - 1 April	1 003 148	1 003 148
Balance - 31 March	1 003 148	1 003 148

7. COMMODITY RESERVE FUND

The fund was instituted to assist schemes in drought situations, to carry price increases to producers and to be rendered as a guarantee to facilitate production loans. Transactions during the year were as follows:

Balance - 1 April	141 735	141 735
Balance - 31 March	141 735	141 735

NAMIBIAN AGRONOMIC BOARD
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

8. SHARES - AGRICULTURAL BOARDS' BUILDING

	2010	2009
	N\$	N\$
The Agronomic Board holds a 6% share in a joint venture with the Karakul Board of Namibia and the Meat Board of Namibia in the Agricultural Boards' Building.		
Total	217 913	217 913

9. TRADE AND OTHER PAYABLES

Administrative expenses	120 500	44 424
Levies payable	388 901	292 578
Provisions	354 210	272 564
Other payables	13 176 559	13 489 073
	14 040 170	14 098 639

10. TRUST FUNDS: MINISTRY OF AGRICULTURE, WATER AND FORESTRY AND OTHER

FUNDS WERE INVESTED AS FOLLOWS:

Nampost - 3 Months fixed deposit	-	1 000 000
Bank Windhoek - Call	-	16 539 209
Nedbank - Call deposit	-	9 070 239
Standard Bank - Current account	27 938	3 709 586
To be transferred from Funds to NAB	-	-
Standard Bank - 3 Months fixed deposit	-	8 000 000
Investec - Money Market dealer	-	5 031 545
Bank Windhoek Investment Fund - 7,38%	10 989 530	-
Old Mutual - Nedband Platinum Fund - 7,38%	15 116 039	-
	26 133 507	43 350 579

NAMIBIAN AGRONOMIC BOARD
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

10. TRUST FUNDS: MINISTRY OF AGRICULTURE, WATER AND FORESTRY AND OTHER

	2010	2009
	N\$	N\$
FUNDS AVAILABLE:		
Caprivi Region Integrated Storage	9 823 436	10 598 380
Cold Storage	122 864	113 783
Communal Development Production Fund	38 132	35 333
Contill - EU (RPRP)	-	242 993
Contill - GART	1 222 499	1 155 807
Cotton Campaign	442 510	423 053
Draft Animal Power Programme	15 252	516 938
Draft Animal Power Programme - EU (RPRP)	-	3 350 946
Fertilizer Mixing Plant	233 977	-
Fruits & Vegetables Programme Feasibility Study	58 455	54 150
Horticulture	1 319 143	1 312 955
Horticulture marketing infrastructure development	-	18 065 347
Indigenous Plants	55 762	130 778
IPTT - GTZ	248 783	52 634
Interim Seed Council	4 893	469 924
Land Reform Consultancy	255 269	236 372
Mahangu Sorghum Project	-	183
Namibia Small Stock Development Project	135 358	125 351
San - DAPAP	66 852	184 043
Silo Management	5 360 609	-
Tractor Training Programme	1 140 005	1 055 760
Useful Plants Development Project	418 608	519 043
Wild Silk Fund	-	35 123
Woodland management	5 171 100	4 671 683
	26 133 507	43 350 579

11. LEVIES FOR AGRONOMIC PRODUSERS' ASSOCIATIONS

The extent of the levies received by the agronomic producers' associations depends on the size of the crop. A fixed portion of 0,5% of this levy, which is currently charged at 1,4% of the value of the sales, is earmarked for the financing of the agronomic producers' associations. The policy laid down by the Board regarding pay-outs to the associations is based on actual levies received.

12. ACCOUNTING AND ADMINISTRATION FEES

The Board acts as unit co-ordinator for financial controller of various Task Teams under contract of the Government of Namibia. The Board administrates all meetings of the various Task Teams on behalf of the Ministry of Agriculture, Water and Forestry.

**NAMIBIAN AGRONOMIC BOARD
 NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (Continued)
 FOR THE YEAR ENDED 31 MARCH**

13. BOARD MEMBERS

Expenses on members of the Board increased with 25,7% during 2009/2010 (2008/2009 - Increased with 77,6%).

14. STAFF

Remuneration of staff increased with 23,3% during 2008/2010 (2009/2010 - Increased with 34,7%).

If compared to 2008/09 budget, the increase is 23% and the breakdown is as follows:

Inflation	11%
Market escalation (Personnel code D.4.3)	4%
Regrading of positions	2%
Experience Notches (Personnel code D.5.2)	1%
Merit Notches (Personnel code D.3.3.1)	1%
14 th Cheques (Long service Bonus) Personnel code D.6.1)	1%
Mahangu staff (new proposal)	3%
TOTAL	<u>23%</u>

**NAMIBIAN AGRONOMIC BOARD - WHITE MAIZE & WHEAT
BALANCE SHEET AT 31 MARCH**

	Note	2010 N\$	2009 N\$
ASSETS			
NON CURRENT ASSETS			
		20 637 501	17 730 554
Property, plant and equipment	1	793 109	505 977
Investments	2	19 844 392	17 224 577
CURRENT ASSETS			
		10 168 271	11 731 477
Trade and other receivables	3	1 099 361	1 635 675
Bank account	4	9 068 408	10 095 302
Petty cash		502	500
TOTAL ASSETS		30 805 772	29 462 031
FUNDS AND LIABILITIES			
FUNDS AND RESERVES			
		19 974 989	18 471 856
General Fund	5	18 830 106	17 326 973
General Administration Fund	6	1 003 148	1 003 148
Commodity Reserve Fund	7	141 735	141 735
SHARES - AGRICULTURAL BOARDS' BUILDING	8	217 913	217 913
CURRENT LIABILITIES			
Trade and other payables	9	10 612 870	10 772 262
TOTAL FUNDS AND LIABILITIES		30 805 772	29 462 031

**NAMIBIAN AGRONOMIC BOARD - WHITE MAIZE & WHEAT
INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH**

INCOME	Note	2010 N\$	2009 N\$
Permits issued		177 700	223 634
Processors registration		209 558	183 344
General producers' levy	10	1 548 944	1 348 691
Levied		2 409 481	2 097 921
Less: Agronomic producers' associations	11	(860 537)	(749 230)
Processors Levy - White Maize		2 829 177	3 371 228
Processors' levy on local production		1 291 644	957 428
Processors' levy on grain imported		1 694 662	2 601 080
Less: Grain Processors Associations		(157 129)	(187 280)
Processors Levy - Wheat		1 814 456	2 062 836
Local		341 129	434 467
Import		1 574 130	1 742 970
Less: Grain Processors Associations		(100 803)	(114 601)
Interest received		1 655 827	1 761 517
Internal accounting, inspection and management Fees		1 025 694	851 686
NGPA, ATF and other accounting and administration fees		211 479	473 033
Profit on sale of equipment		3 837	668
Penalties - Late submission of returns		-	3 281
Other income		3 177	-
		9 479 849	10 279 918
EXPENSES - Per attached schedule		(5 637 922)	4 744 560
Deficit of the Development Project Division		(1 079 324)	-
NET SURPLUS FOR THE YEAR		2 762 603	5 535 358

ANNEXURE E

NAMIBIAN AGRONOMIC BOARD - WHITE MAIZE & WHEAT
INCOME STATEMENT - SCHEDULE OF EXPENSES FOR THE YEAR ENDED 31 MARCH

	2010	2009
	N\$	N\$
Advertisements	3 835	30 942
Auditors remuneration - External	56 032	37 959
Bank charges	26 124	29 314
Board fees	231 203	185 931
Border control	581 164	793 316
Chartered Accountant - Financial management committee	3 248	1 229
Consultancy - "Protection abolition"	59 640	39 760
Cost of information centre	24 057	37 916
Depreciation - Equipment	79 958	77 801
Depreciation - Furniture	3 831	3 191
Depreciation - Motor vehicles	61 412	53 937
Designing and printing of annual report	40 593	39 130
Foreign trade negotiations	365 138	37 295
Insurance	36 033	38 685
Liaison	3 768	4 042
Motor vehicle expenses	46 039	35 094
Personnel remuneration	3 278 813	2 625 016
Postal and freight	9 738	8 459
Professional services and legal costs	44 477	5 827
Promotions	16 625	11 739
Refreshments	13 401	12 332
Rent - Equipment	7 944	11 193
Rent - Office and parking	198 519	186 369
Rent - P.O. Box	187	134
Repairs and maintenance of computer equipment	57 699	53 948
Special functions	55 774	98 268
Staff - Subsistence and travel	127 673	105 527
Stationary and printing	64 217	58 292
Subscriptions	4 560	3 702
Team building	11 712	12 117
Technical advisor	1 360	19 845
Telephone and fax	45 129	38 373
Training and personnel interview expenses	69 799	35 687
Web development and maintenance of website	8 220	12 190
	5 637 922	4 744 560

NAMIBIAN AGRONOMIC BOARD - WHITE MAIZE & WHEAT
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

1. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated depreciation	Carrying value
	N\$	N\$	N\$
2010 YEAR			
Land and buildings	219 623	-	219 623
Motor vehicles	650 172	(219 998)	430 174
Furniture and fittings	74 339	(64 914)	9 425
Equipment	480 497	(346 610)	133 887
	1 424 631	(631 522)	793 109

THE CARRYING VALUE OF PLANT AND EQUIPMENT CAN BE RECONCILED AS FOLLOWS:

	Carrying value - beginning of year	Additions	Disposals	Depreciation	Carrying value - end of year
	N\$	N\$	N\$	N\$	N\$
Land and buildings	219 623	-	-	-	219 623
Motor vehicles	117 276	374 310	-	(61 412)	430 174
Furniture and fittings	6 876	6 723	(343)	(3 831)	9 425
Equipment	162 202	51 644	-	(79 959)	133 887
	505 977	432 677	(343)	(145 202)	793 109

	Cost	Accumulated depreciation	Carrying value
	N\$	N\$	N\$
2009 YEAR			
Land and buildings	219 623	-	219 623
Motor vehicles	275 862	(158 586)	117 276
Furniture and fittings	69 806	(62 930)	6 876
Equipment	435 631	(273 429)	162 202
	1 000 922	(494 945)	505 977

DEPRECIATION IS CALCULATED AS FOLLOWS:

Motor vehicles	5 Years
Furniture and fittings	5 Years
Equipment	3 Years

NAMIBIAN AGRONOMIC BOARD - WHITE MAIZE & WHEAT
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

2. INVESTMENTS

	2010	2009
	N\$	N\$
At the period-end the amounts invested in terms of Section 14(5) of the Act were:		
Commercial Banks	10 844 392	13 224 577
Nampost	9 000 000	4 000 000
Total	19 844 392	17 224 577

3. TRADE AND OTHER RECEIVABLES

Trade receivables	577 273	896 357
Refunds	-	30 140
Other receivables	541 828	728 918
	1 119 101	1 655 415
Less: Provision for Bad Debts	(19 740)	(19 740)
	1 099 361	1 635 675

4. BANK ACCOUNT

Balance per bank statement	9 155 978	10 095 302
Outstanding cheques	(87 570)	-
Cash-book balance	9 068 408	10 095 302

5. GENERAL FUND

The Fund was established to finance the administration expenses of the Board. Transactions were as follows:

Balance - 1 April	17 326 973	12 638 946
Project support to Conservation Agriculture Forum	-	(30 636)
Project support to farmers organisations for marketing of mahangu, maize and melon seeds	(24 087)	(135 214)
Project support to mahangu, maize and mellon sheet to small scale farmers	-	(84 600)
Project support to marketing of food legume, sunflower and safflower crops and phosphorus	(685 383)	(103 105)
Deficit of the Development Project Division	-	(493 776)
National Emergency Disaster Fund contribution	(50 000)	-
Contribution to revaluation of building	(500 000)	-
Net surplus for the year	2 762 603	5 535 358
Balance - 31 March	18 830 106	17 326 973

**NAMIBIAN AGRONOMIC BOARD - WHITE MAIZE & WHEAT
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH**

6. GENERAL ADMINISTRATIVE FUND

	2010	2009
	N\$	N\$
The Fund was instituted to act as a buffer against effects of poor crops. The Fund can be utilised in years of poor crops to finance the Board's administration functions.		
Balance - 1 April	1 003 148	1 003 148
Balance - 31 March	1 003 148	1 003 148

7. COMMODITY RESERVE FUND

The fund was instituted to assist schemes in drought situations, to carry price increases to producers and to be rendered as a guarantee to facilitate production loans. Transactions during the year were as follows:

Balance - 1 April	141 735	141 735
Balance - 31 March	141 735	141 735

8. SHARES - AGRICULTURAL BOARDS' BUILDING

The Agronomic Board holds a 6% share in a joint venture with the Karakul Board of Namibia and the Meat Board of Namibia in the Agricultural Boards' Building.

Total	217 913	217 913
-------	----------------	----------------

9. TRADE AND OTHER PAYABLES

Administrative expenses	39 675	25 566
Levies payable	130 272	115 875
Provisions	198 015	146 906
Other payables	10 244 908	10 483 915
	10 612 870	10 772 262

NAMIBIAN AGRONOMIC BOARD - WHITE MAIZE & WHEAT
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

10. GENERAL PRODUCERS' & PROCESSORS LEVY

	2010	2009
	N\$	N\$
White maize	1 225 389	937 050
Wheat	323 555	411 641
	1 548 944	1 348 691

A general producers' levy of 1,4% of landed cost is payable by all producers who sell white maize or wheat for his/her own benefit.

11. LEVIES FOR AGRONOMIC PRODUCERS' ASSOCIATIONS

The extent of the levies received by the agronomic producers' associations depends on the size of the crop. A fixed portion of 0,5% of this levy, which is currently charged at 1,4% of the value of the sales, is earmarked for the financing of the agronomic producers' associations. The policy laid down by the Board regarding pay-outs to the associations is based on actual levies received.

12. BOARD MEMBERS

Expenses on members of the Board decreased with 24,3% during 2009/2010 (2008/2009 – Increased with 29,3%)

13. STAFF

Remuneration of staff increased with 25% during 2009/2010 (2008/2009 - Increased with 19%).

**NAMIBIAN AGRONOMIC BOARD - HORTICULTURE
BALANCE SHEET AT 31 MARCH**

	Note	2010 N\$	2009 N\$
ASSETS			
NON CURRENT ASSETS			
		6 263 875	4 357 689
Property, plant and equipment	1	31 500	35 980
Investments	2	6 232 375	4 321 709
CURRENT ASSETS			
		960 640	996 016
Trade and other receivables	3	909 096	785 427
Bank account	4	51 544	210 589
TOTAL ASSETS		7 224 515	5 353 705
FUNDS AND LIABILITIES			
FUNDS AND RESERVES			
General Fund	5	6 248 093	4 877 463
CURRENT LIABILITIES			
Trade and other payables	6	976 422	476 242
TOTAL FUNDS AND LIABILITIES		7 224 515	5 353 705

NAMIBIAN AGRONOMIC BOARD - HORTICULTURE
INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH

INCOME	Note	2010	2009
		N\$	N\$
Levies		3 999 965	3 768 953
Levied		1 124 491	859 569
Levies to Traders Association		(100 000)	(42 800)
Levies to Area Committees		(166 278)	(149 800)
Levies on Imports		3 141 752	3 101 984
Transit permits issued		149 450	36 135
Project support service and accounting fees		8 314	26 700
Interest received		410 417	409 523
Sundry income		5 186	9 593
Profit on sale of equipment		1 287	-
		<hr/> 4 574 619	<hr/> 4 250 904
EXPENSES - Per attached schedule		3 203 741	2 476 632
NET SURPLUS FOR THE YEAR		<hr/> 1 370 878	<hr/> 1 774 272

**NAMIBIAN AGRONOMIC BOARD - HORTICULTURE
INCOME STATEMENT - SCHEDULE OF EXPENSES
FOR THE YEAR ENDED 31 MARCH**

	2010	2009
	N\$	N\$
Advertisements	2 532	7 707
Auditors remuneration - External	28 069	18 961
Bad debts	1 311	4 163
Bank charges	18 442	10 920
Board member expenses	293 706	292 890
Border control	414 266	209 835
Capturing of data	77 097	81 587
Chartered Accountant - Financial management committee	1 627	615
Cost of accounting (NAB)	149 882	113 762
Cost of information centre	12 021	13 107
Depreciation - Equipment	14 517	11 930
Depreciation - Furniture	1 284	1 154
Designing and printing of annual report	20 296	19 565
Farmer days	124 485	83 475
Foreign trade negotiations	97 370	9 945
Insurance	5 946	9 321
Levy collection by Trade	347 488	265 849
Loss on sale of computer	-	553
Management fee (NAB)	136 727	120 522
Personnel remuneration	772 289	667 201
Postal and freight	20 593	15 071
Producer data collection	162 688	198 175
Professional services and legal costs	1 387	-
Refreshments	4 759	4 578
Rent - Equipment	7 883	11 193
Rent - Office and parking	65 096	54 624
Rent - P.O. Box	93	-
Repairs and maintenance of computer equipment	25 121	25 877
Special functions	134 394	-
Stationary and printing	38 468	31 754
Subscriptions	1 551	1 499
Subsistence and transport	102 270	76 932
Supportive personnel (NAB)	57 983	53 099
Team Building	3 048	3 950
Technical advisor	160	1 170
Telephone and fax	16 685	14 033
Training and personnel development	8 257	9 770
Web development and maintenance of website	33 950	31 845
	3 203 741	2 476 632

**NAMIBIAN AGRONOMIC BOARD - HORTICULTURE
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH**

1. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated depreciation	Carrying value
2010 YEAR	N\$	N\$	N\$
Furniture and fittings	7 034	(4 398)	2 636
Equipment	75 076	(46 212)	28 864
	82 110	(50 610)	31 500

THE CARRYING VALUE OF PLANT AND EQUIPMENT CAN BE RECONCILED AS FOLLOWS:

	Carrying value - beginning of year	Additions	Disposals	Depreciation	Carrying value - end of year
	N\$	N\$	N\$	N\$	N\$
Furniture and fittings	2 334	1 798	(212)	(1 284)	2 636
Equipment	33 646	9 735	-	(14 517)	28 864
	35 980	11 533	(212)	(15 801)	31 500

	Cost	Accumulated depreciation	Carrying value
2009 YEAR	N\$	N\$	N\$
Furniture and fittings	5 769	(3 435)	2 334
Equipment	65 340	(31 694)	33 646
	71 109	(35 129)	35 980

DEPRECIATION IS CALCULATED AS FOLLOWS:

Furniture and fittings	5 Years
Equipment	3 Years

NAMIBIAN AGRONOMIC BOARD - HORTICULTURE
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

2. INVESTMENTS

	2010	2009
	N\$	N\$
At the period-end the amounts invested in terms of Section 14(5) of the Act were:		
Commercial Banks - At interest rates at year-end between 1,7% and 7,57%	6 232 375	3 321 709
Nampost - At a interest rate of 10,55%	-	1 000 000
Total	6 232 375	4 321 709

3. TRADE AND OTHER RECEIVABLES

Trade receivables	837 629	682 373
Sundry receivables	71 467	103 054
	909 096	785 427

4. BANK ACCOUNT

Balance per bank statement	52 640	210 589
Outstanding cheques	(1 096)	-
Cash-book balance	51 544	210 589

5. GENERAL FUND

The Fund was established to finance the administration expenses of the Board.
 Transactions were as follows:

Balance - 1 April	4 877 463	3 102 941
Prior year adjustment	(248)	250
Net surplus for the year	1 370 878	1 774 272
Balance - 31 March	6 248 093	4 877 463

NAMIBIAN AGRONOMIC BOARD - HORTICULTURE
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

6. TRADE AND OTHER PAYABLES

	2010	2009
	N\$	N\$
Administration expenses	55 696	18 855
Levies payable	213 429	158 724
Provisions	60 256	43 032
Sundry payables	647 041	236 190
Refunds	-	19 441
	976 422	476 242

**NAMIBIAN AGRONOMIC BOARD - MAHANGU
BALANCE SHEET AT 31 MARCH**

	Note	<u>2010</u> N\$	<u>2009</u> N\$
ASSETS			
NON CURRENT ASSETS			
		470 830	837 444
Property, plant and equipment	1	129 930	37 368
Investments	2	340 900	800 076
CURRENT ASSETS			
		1 300 007	44 747
Trade and other receivables	3	53 236	30 417
Bank account	4	1 246 771	14 330
TOTAL ASSETS		<u>1 770 837</u>	<u>882 191</u>
FUNDS AND LIABILITIES			
FUNDS AND RESERVES			
General Fund	5	247 757	826 296
CURRENT LIABILITIES			
Trade and other payables	6	1 523 080	55 895
TOTAL FUNDS AND LIABILITIES		<u>1 770 837</u>	<u>882 191</u>

NAMIBIAN AGRONOMIC BOARD - MAHANGU
INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH

	2010	2009
	N\$	N\$
INCOME		
Permits issued	300	545
Processors registration	1 000	29 456
General producers' levy	11 120	3 556
Levied	17 298	5 556
Less: Agronomic producers' associations	(6 178)	(2 000)
Processors levy	59 180	28 408
Local	16 434	4 980
Import	63 789	39 407
Less: Grain processors associations	(21 043)	(15 979)
Interest received	39 426	90 140
Funds from Ministry	1 000 000	1 000 000
Other income	716	-
	1 111 742	1 152 105
EXPENSES - Per attached schedule	1 567 109	1 086 382
NET SURPLUS FOR THE YEAR	(455 367)	65 723

NAMIBIAN AGRONOMIC BOARD - MAHANGU
INCOME STATEMENT - SCHEDULE OF EXPENSES FOR THE YEAR ENDED 31 MARCH

	2010	2009
	N\$	N\$
Advertisements	22 295	480
Auditors remuneration - External	15 000	15 000
Bank charges	5 495	3 698
Board fees	302 263	164 777
Border Control	50 023	21 875
Chartered Accountant - Financial management committee	813	307
Cost of Accounting (NAB)	117 718	86 885
Cost of information centre (Internet, email)	4 131	6 250
Depreciation - Equipment	11 590	949
Depreciation - Furniture and fittings	1 483	1 194
Designing and printing of Annual Report	10 148	9 783
Foreign trade negotiations	24 343	2 486
Insurance	7 319	4 250
Management Fee (NAB)	91 151	80 348
Personnel remuneration	388 016	283 763
Postal and freight	1 491	3 682
Professional services and legal costs	6 062	1 350
Refreshments	3 986	5 874
Rent - Equipment	629	-
Rent - Office and parking	24 948	20 033
Rent - P.O. Box	173	-
Repairs and maintenance of computer equipment	6 863	3 609
Special functions	57 808	89 143
Stationary and printing	12 790	10 201
Subscriptions	757	530
Subsistence and transport	361 099	248 632
Subsistence and transport - Milling inspection	1 200	-
Supportive personnel (NAB)	4 027	-
Team building	1 640	2 250
Technical advisor	80	585
Telephone and fax	12 652	15 033
Training and personnel interview expenses	18 336	1 700
Web development and maintenance of website	780	1 715
	1 567 109	1 086 382

NAMIBIAN AGRONOMIC BOARD - MAHANGU
 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

1. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated depreciation	Carrying value
	N\$	N\$	N\$
2010 YEAR			
Furniture and fittings	38 874	(4 741)	34 133
Equipment	107 387	(11 590)	95 797
	146 261	(16 331)	129 930

THE CARRYING VALUE OF PLANT AND EQUIPMENT CAN BE RECONCILED AS FOLLOWS:

	Carrying value - beginning of year	Additions	Disposals	Depreciation	Carrying value - end of year
	N\$	N\$	N\$	N\$	N\$
Furniture and fittings	3 119	32 498	-	(1 484)	34 133
Equipment	34 249	83 577	(10 439)	(11 590)	95 797
	37 368	116 075	(10 439)	(13 074)	129 930

	Cost	Accumulated depreciation	Carrying value
	N\$	N\$	N\$
2009 YEAR			
Furniture and fittings	6 376	(3 257)	3 119
Equipment	34 249	-	34 249
	40 625	(3 257)	37 368

DEPRECIATION IS CALCULATED AS FOLLOWS:

Furniture and fittings	5 Years
Equipment	3 Years

2. INVESTMENTS

	2010	2009
	N\$	N\$
At the period-end the amounts invested in terms of Section 14(5) of the Act were:		
Commercial Banks	340 900	300 076
Nampost	-	500 000
Total	340 900	800 076

NAMIBIAN AGRONOMIC BOARD - MAHANGU
NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH

3. TRADE AND OTHER RECEIVABLES

	2010	2009
	N\$	N\$
Trade receivables	15 963	1 557
VAT receivable	27 240	-
Other receivables	10 033	28 860
	53 236	30 417

4. BANK ACCOUNT

Balance per bank statement	1 246 771	15 032
Outstanding items	-	(702)
Cash-book balance	1 246 771	14 330

5. GENERAL FUND

The Fund was established to finance the administration expenses of the Board. Transactions were as follows:

Balance - 1 April	826 296	826 995
Net surplus for the year	(455 367)	65 723
Business skills - Mahangu mill	-	(24 554)
CRIAA - SADC (Mahangu mill training)	-	(41 868)
OSHIPE festival expenses	(123 172)	-
Balance - 31 March	247 757	826 296

6. TRADE AND OTHER PAYABLES

Administration expenses	19 957	-
Provisions	56 694	34 005
Levies payable	45 200	17 979
Sundry payables	1 401 229	292
Refunds	-	3 619
	1 523 080	55 895

**NAMIBIAN AGRONOMIC BOARD - DEVELOPMENT PROJECT DIVISION
BALANCE SHEET AT 31 MARCH**

	Note	2010 N\$	2009 N\$
ASSETS			
NON CURRENT ASSETS			
Property plant and equipment	1	28 289	2 448 523
Investments	2	23 972	23 634
		4 317	2 424 889
CURRENT ASSETS			
Trade and other receivables	3	1 539 402	472 431
Bank account	4	1 528 465	175 245
		10 937	297 186
TOTAL ASSETS		1 567 691	2 920 954
FUNDS AND LIABILITIES			
FUNDS AND RESERVES			
General Fund	5	100 569	100 569
CURRENT LIABILITIES			
Trade and other payables	6	1 467 122	2 820 385
TOTAL FUNDS AND LIABILITIES		1 567 691	2 920 954

NAMIBIAN AGRONOMIC BOARD - DEVELOPMENT PROJECT DIVISION
INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH

	Note	2010	2009
		N\$	N\$
INCOME		1 656 964	1 474 781
Interest received		97 975	166 675
MAWF project support service fees	7	479 665	1 308 106
Deposit from maize and wheat		1 079 324	-
EXPENSES		1 656 964	1 374 212
Advertisements		2 779	-
Auditors remuneration - External		10 000	10 000
Bank charges		4 024	3 599
Board fees		69 517	69 613
Chartered Accountant - Financial management committee		813	307
Cost of Accounting (NAB)		264 945	205 259
Cost of information centre (Internet, email)		5 599	6 234
Depreciation - Equipment		7 710	6 012
Depreciation - Furniture		2 541	2 081
Designing and printing of Annual Report		10 148	9 783
Insurance		2 880	2 687
Liaison		2 509	435
Management Fee (NAB)		136 727	120 522
Professional services and legal costs		141	-
Personnel remuneration		929 713	778 000
Postal and freight		734	1 178
Refreshments		2 821	5 248
Rent - Equipment		3 948	9 867
Rent - Office and parking		36 286	29 197
Rent - P.O. Box		47	43
Repairs and maintenance of computer equipment		17 312	11 538
Stationary and printing		17 472	24 980
Subscriptions		947	917
Subsistence and transport		72 755	27 887
Supportive personnel (NAB)		32 213	29 499
Team building		1 401	1 340
Telephone and fax		12 303	12 401
Training and personnel interview expenses		6 459	3 000
Web development and maintenance of website		2 220	2 585
NET SURPLUS/(DEFICIT) FOR THE YEAR		-	100 569

NAMIBIAN AGRONOMIC BOARD - DEVELOPMENT PROJECT DIVISION
 NOTES TO THE ANNUAL FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH

1. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated depreciation	Carrying value
2010 YEAR	N\$	N\$	N\$
Furniture and fittings	12 704	(5 408)	7 296
Equipment	31 390	(14 714)	16 676
	44 094	(20 122)	23 972

THE CARRYING VALUE OF PLANT AND EQUIPMENT CAN BE RECONCILED AS FOLLOWS:

	Carrying value - beginning of year	Additions	Depreciation	Carrying value - end of year
	N\$	N\$	N\$	N\$
Furniture and fittings	7 724	2 113	(2 541)	7 296
Equipment	15 910	8 476	(7 710)	16 676
	23 634	10 589	(10 251)	23 972

	Cost	Accumulated depreciation	Carrying value
2009 YEAR	N\$	N\$	N\$
Furniture and fittings	10 591	(2 867)	7 724
Equipment	22 914	(7 004)	15 910
	33 505	(9 871)	23 634

DEPRECIATION IS CALCULATED AS FOLLOWS:

Furniture and fittings	5 Years
Equipment	3 Years

2. INVESTMENTS

	2010	2009
	N\$	N\$
At the period-end the amounts invested in terms of Section 14(5) of the Act were:		
Commercial Banks	4 317	2 424 889

NAMIBIAN AGRONOMIC BOARD - DEVELOPMENT PROJECT DIVISION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2010

3. TRADE AND OTHER RECEIVABLES

	2010	2009
	N\$	N\$
Trade debtors	84 117	43 425
Sundry debtors	36 291	131 820
White maize and wheat - Deficit to be made good	539 324	-
EU projects - Pre financing	865 000	
VAT refundable	3 733	
	1 528 465	175 245

4. BANK ACCOUNT

Balance per bank statement	13 963	298 759
Outstanding cheques	(3 026)	(1 573)
Cash-book balance	10 937	297 186

5. GENERAL FUND

The Fund was established to finance the administration expenses of the Board.
Transactions were as follows:

Balance - 1 April	100 569	(493 776)
Net surplus/(deficit) for the year	-	100 569
Deposit from maize and wheat	-	493 776
Balance - 31 March	100 569	100 569

6. TRADE AND OTHER PAYABLES

Administration expenses	5 173	-
Provisions	39 244	48 621
Sundry payables	1 422 705	2 768 679
Refunds	-	3 085
	1 467 122	2 820 385

7. ACCOUNTING AND ADMINISTRATION FEES

The Board acts as unit co-ordinator for financial controller of various Task Teams under contract of the Government of Namibia. The Board administrates all meetings of the various Task Teams on behalf of the Ministry of Agriculture, Water and Forestry.

NAMIBIAN AGRONOMIC BOARD - DEVELOPMENT PROJECT DIVISION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2010

8. TRUST FUNDS: MINISTRY OF AGRICULTURE, WATER AND FORESTRY AND OTHER

	2010	2009
	N\$	N\$
FUNDS WERE INVESTED AS FOLLOWS:		
Nampost - 3 Months fixed deposit	-	1 000 000
Bank Windhoek - Call	-	16 539 209
Nedbank - Call deposit	-	9 070 239
Standard Bank - Current account	27 938	3 709 586
Standard Bank - 3 Months fixed deposit	-	8 000 000
Investec - Money Market dealer	-	5 031 545
Bank Windhoek Investment Fund - 7,38%	10 989 530	-
Old Mutual - Nedband Platinum Fund - 7,38%	15 116 039	-
	26 133 507	43 350 579
FUNDS AVAILABLE:		
Caprivi Region Integrated Storage	9 823 436	10 598 380
Cold Storage	122 864	113 783
Communal Development Production Fund	38 132	35 333
Contill - EU (RPRP)	-	242 993
Contill - GART	1 222 499	1 155 807
Cotton Campaign	442 510	423 053
Draft Animal Power Programme	15 252	516 938
Draft Animal Power Programme - EU (RPRP)	-	3 350 946
Fertilizer Mixing Plant	233 977	-
Fruits & Vegetables Programme Feasibility Study	58 455	54 150
Horticulture	1 319 143	1 312 955
Horticulture marketing infrastructure development	-	18 065 347
Indigenous Plants	55 762	130 778
IPTT - GTZ	248 783	52 634
Interim Seed Council	4 893	469 924
Land Reform Consultancy	255 269	236 372
Mahangu Sorghum Project	-	183
Namibia Small Stock Development Project	135 358	125 351
San - DAPAP	66 852	184 043
Silo Management	5 360 609	-
Tractor Training Programme	1 140 005	1 055 760
Useful Plants Development Project	418 608	519 043
Wild Silk Fund	-	35 123
Woodland management	5 171 100	4 671 683
	26 133 507	43 350 579