



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

MEAT BOARD

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2010

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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 Meat Board of Namibia 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, April 2011

JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL

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

1. INTRODUCTION

The accounts of the Meat Board (the Board) for the year ended 31 March 2010 are being reported on in accordance with the provisions set out in the State Finance Act, 1991 (Act 31 of 1991) and the Meat Industry Act, 1981 (Act 12 of 1981) as amended by Amendment Act 21 of 1992.

The firm Mostert Landgrebe Chartered Accountants has been appointed by the Auditor-General under the provisions of Section 26(2) of the State Finance Act, 1991, to audit the accounts of the Board on his behalf and under his supervision.

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

2. ESTABLISHMENT

The Meat Board of Namibia was established in terms of Section 2 of the Act. Section 3 of the Act stipulates the main objective of the Board as being the promotion of the meat industry's interests. The Board has jurisdiction over the marketing of cattle, sheep, goats, pigs, meat and meat products.

3. FINANCIAL STATEMENTS

Statements of the accounts of the Board prepared in compliance with Section 16(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: Report of the Board
- Annexure B: Balance sheet
- Annexure C: Income statement
- Annexure D: Notes to the financial statements

4. 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.

5. AUDIT OBSERVATION AND COMMENTS

5.1 RECOVERABILITY OF THE LOAN TO OTJOMBINDE FARMERS' ASSOCIATION

The recoverability of the loan to Otjombinde Farmers' Association of N\$ 53 568 (2009 - N\$ 59 568) is questionable. The loan is secured over the equipment purchased. The Association has not been able to pay both the interest and the capital on time. The Board is in the process of addressing this repayment of the loan.

A provision for bad debts has been made in the financial statements.

5.2 FINALISATION OF FINANCIAL STATEMENTS

The Board failed to comply with Section 16 (3) of the Meat Industry Act, 1981, which requires that the audited financial statements be submitted to the Minister within six months of the year end.

6. ACKNOWLEDGEMENT

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

7. AUDIT OPINION

The accounts of the Board for the financial year ended 31 March 2010 were audited by me in terms of the provisions of Section 16(2) of the Act, read with Section 25(1)(b) of the State Finance Act, 1991.

I hereby certify that, in my opinion and in consideration of the remarks in this report, the financial statements published, fairly present the financial position of the Meat Board of Namibia and the results of the operations for the year ended 31 March 2010.

WINDHOEK, April 2011

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**MEAT BOARD OF NAMIBIA
REPORT OF THE BOARD
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2010**

The Board has pleasure in presenting its report, which forms part of the audited annual financial statements, for the accounting year ended 31 March 2010.

Nature of functions of the Board

The Board is involved in the promotion of the meat industry's interests. Principally the collection of levies on livestock exported or slaughtered locally is used for various programmes to promote the marketing of livestock/meat products through ensuring Namibia's access to existing markets and the development of new premium markets.

State of affairs and results of operations

All matters material to the appreciation of the state of the Board's affairs and results of operations are accounted for in the annual financial statements and do not call for further comments in the report of the Board.

Going concern

The Board believes that the entity will be a going concern in the year ahead. For this reason it continues to adopt the going concern basis in preparing the annual financial statements.

Internal control

In order for the Board to discharge its responsibility, management has developed and continues to maintain a system of internal control. The Board has the ultimate responsibility for the system of internal control and reviews its operation, primarily through the executive committee.

The Board's approval of the annual financial statements

The annual financial statements of the Meat Board of Namibia are the responsibility of the Board.

The annual financial statements for the year ended 31 March 2010 set out on pages 4 to 22 were approved by the Board and signed on its behalf by the chairman and general manager:

P.J. Strydom – General Manager

Windhoek, 24 January 2011

J. Hengari – Chairman

ANNEXURE B

**MEAT BOARD OF NAMIBIA
BALANCE SHEET
AT 31 MARCH 2010**

	Note	2010 N\$	2009 N\$
ASSETS			
NON CURRENT ASSETS		56 682 883	43 878 524
Property and equipment	1	4 438 043	3 877 182
Investments	2	52 180 860	39 725 168
Loans granted	3	63 980	276 174
CURRENT ASSETS		7 847 776	4 553 094
Cash resources	4	5 136 482	1 150 091
Trade and other receivables	5	2 653 695	3 247 290
Interest accrued	6	57 599	155 713
TOTAL ASSETS		64 530 659	48 431 618
FUNDS AND LIABILITIES			
FUNDS AND RESERVES		62 626 036	46 304 523
Reserve Fund	7	(5 842 299)	(4 895 842)
Cattle Stabilisation Fund	8	7 576 115	7 896 380
Small Stock Stabilisation Fund	9	838 343	912 029
Goat Fund	10	-	177 426
Animal Health Fund	11	9 277 623	9 103 373
Fan Meat Fund	12	-	-
Northern Communal Areas Abattoir Fund	13	259 643	241 499

Drought Admin Fund	14	539 620	508 753
Stock Brands Registration Fund	15	199 685	151 306
Feasibility Study of meat export to Angola & DRC	16	3 505 888	3 292 412
VCF Task Force Project Fund	17	5 871 475	8 039 099
NCA Marketing Incentive Fund	18	772 536	2 557 589
DVS Contingency Fund	19	55 098	243 174
NCA Levy Fund	20	25 065 860	14 200 143
DVS Project	21	10 068 406	-
Funds utilized for capital assets	1	4 438 043	3 877 182
CURRENT LIABILITIES			
Trade and other payables	22	1 904 623	2 127 095
TOTAL FUNDS AND LIABILITIES		64 530 659	48 431 618

ANNEXURE C

**MEAT BOARD OF NAMIBIA
INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010**

	Note	2010 N\$	2009 N\$
INCOME		12 612 111	9 379 748
General levies on livestock exported or slaughtered		9 504 281	7 575 763
Classification fees		3 107 830	1 803 985
OTHER INCOME		3 012 520	1 122 290
Interest received	23	481 233	675 255
Inspection fees		-	344 510
Administration fees		857 557	37 745
House rent received		16 800	17 100
Profit on Investment	24	1 656 930	47 680
GROSS INCOME		15 624 631	10 502 038
EXPENSES			
CONTRIBUTIONS AND LEVIES		3 854 511	3 241 807
Budgeted contributions to agricultural unions	25	3 581 362	2 983 433
Agents' commission on levies	26	273 149	258 374
ADMINISTRATION EXPENSES		12 840 271	13 263 658
Board administration expenses	27	600 274	640 412

Personnel expenses	28	10 154 180	10 530 587
Travelling and subsistence	29	390 258	495 878
Office expenses	30	1 695 559	1 596 781
		<hr/>	
TOTAL EXPENSES		16 694 782	16 505 465
		<hr/>	
DEFICIT FOR THE YEAR		(1 070 151)	(6 003 427)
TRANSFERRED TO THE RESERVE FUND		1070 151	6 003 427
		<hr/>	
NET SURPLUS FOR THE YEAR		-	-
		<hr/> <hr/>	

**MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

FUND ACCOUNTS

The moneys of the Board are accounted for in fourteen Fund accounts mentioned below:

- (a) General account as stipulated in Section 13(1)(a) of the Act,
- (b) Reserve account as stipulated in Section 13(1)(c) of the Act, and
- (c) Special accounts in terms of Section 13(1)(b) of the Act for each of the three special levies introduced in terms of Section 17(1)(a) of the Act, namely:
 - Cattle Stabilisation Levy account,
 - Small Stock Stabilisation Levy account and Goat Fund, and
 - Animal Health account.

The following funds are specifically dedicated to the respective aims reflected in the names of the Funds.

- (d) Northern Communal Areas Abattoir Fund,
- (e) Drought Relief Administration Fund,
- (f) Quarantine Camp Fund,
- (g) Stock Brands Registration Fund,
- (h) Feasibility study of meat export to Angola & DRC,
- (i) VCF Task Force Project Fund,
- (j) NCA Marketing Incentive Fund,
- (k) DVS Contingency Fund,
- (l) National Traceability Scheme (Fan Meat Fund).

For practical and economical reasons, the Board operates one current account at the bank.

The balances at 31 March of the fourteen Funds are reflected in the Balance Sheet and the transactions in the Income and Expenditure statements.

MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

1. PROPERTY, PLANT AND EQUIPMENT

2010 YEAR	<u>Cost</u> N\$	<u>Accumulated depreciation</u> N\$	<u>Carrying value</u> N\$
Land and buildings - Agricultural Board	3 603 650	-	3 603 650
Land and buildings - Meat Board	248 757	-	248 757
Furniture and fittings - Agricultural Board	41 453	(36 156)	5 297
Furniture and fittings - Meat Board	890 226	(434 874)	455 352
Computer equipment – Meat Board	1 227 689	(1 130 873)	96 816
Show equipment - Meat Board	125 725	(97 556)	28 169
Motor vehicles - Meat Board	494 997	(494 995)	2
	<u>6 632 497</u>	<u>(2 194 454)</u>	<u>4 438 043</u>

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

	<u>Carrying value - beginning of year</u> N\$	<u>Additions</u> N\$	<u>Disposals</u> N\$	<u>Depreciation</u> N\$	<u>Carrying value - end of year</u> N\$
Land and buildings - Agricultural Board	2 933 948	669 702	-	-	3 603 650
Land and buildings - Meat Board	248 757	-	-	-	248 757
Furniture and fittings - Agricultural Board	5 886	-	-	(589)	5 297
Furniture and fittings - Meat Board	493 120	12 887	-	(50 655)	455 352
Computer equipment - Meat Board	164 170	5 587	-	(72 941)	96 816
Show equipment - Meat Board	31 299	-	-	(3 130)	28 169
Motor vehicles - Meat Board	2	-	-	-	2
	<u>3 877 182</u>	<u>688 176</u>	<u>-</u>	<u>(127 315)</u>	<u>4 438 043</u>

	Cost	Accumulated depreciation	Carrying value
2009 YEAR	N\$	N\$	N\$
Land and buildings - Agricultural Board	2 933 948	-	2 933 948
Land and buildings - Meat Board	248 757	-	248 757
Furniture and fittings - Agricultural Board	41 453	(35 567)	5 886
Furniture and fittings - Meat Board	877 339	(384 219)	493 120
Computer equipment - Meat Board	1 222 102	(1 057 932)	164 170
Show equipment - Meat Board	125 725	(94 426)	31 299
Motor vehicles - Meat Board	494 997	(494 995)	2
	<hr/> 5 944 321	<hr/> (2 067 139)	<hr/> 3 877 182 <hr/> <hr/>

The recoverable amount of land and buildings is considered to be more than the carrying amount.

MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2010

2. INVESTMENTS

	2010	2009
	N\$	N\$
Section 13(2) of the Act requires of the Board to invest, as determined by the Minister of Agriculture, Water and Rural Development, moneys not immediately needed.		
Balances were as follows on 31 March:		
Agricultural Bank	4 451 805	4 129 368
Agribank bills	3 932 400	3 906 000
Call deposit	519 405	223 368
Simonis Storm Securities: - Call deposit	7 742 827	4 320 149
Investment House of Namibia - Call deposit	-	241 499
First National Bank - Call deposits	15 997 259	7 996 987
Call deposits	11 205 832	1 496 987
Fixed deposit	4 791 427	6 500 000
Sanlam Namibia – Unit trusts	19 981 270	19 324 340
Namibia Equity Brokers - Call deposit	4 007 699	3 712 825
Total	52 180 860	39 725 168

All surplus moneys were regularly invested at financial institutions, in terms of section 13(2) of the Act, after provision has been made for outstanding cheques at month end.

MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2010

3. LOANS GRANTED

	2010 N\$	2009 N\$
The balances of loans granted in terms of Section 10(1)(I)(ii) of the Act were as follows on 31 March:		
Orutumbo Farmer's Association	-	-
A loan of N\$ 106 000 was given to the Orutumbo Farmer's Association at an interest rate of 2% higher than the best 12 months fixed interest rate from any registered financial institution which the Meat Board can obtain. The loan is for the purchase and commissioning of two six ton scales at Ongongoro and Okatjoruu and is to be repaid in 7 equal yearly intallments of N\$ 8 295.14. A repayment of N\$ 23 000 was received during 2009, and the balance of N\$79 was written off.	-	23 079
Provision for loan granted to Orutombo Farmer's Association	-	(23 079)
Vehicle scheme loans to management	63 980	276 174
Six motor vehicle scheme loans were given to management in terms of the directions referred to in Section 10(I)(a) of the Act. The loans repayments are set-off against monthly allowances payable to staff in terms of the scheme.		
Otjombinde Farmers Association	-	-
An unsecured loan was given to the Otjombinde Farmers Association for N\$ 132 500, to be repaid in equal instalments of N\$ 26 500.00 every 12 months, with the first instalment due 12 months after loan capital advancement, and interest levied at 2% above the highest 12 month fixed interest rate which the Meat Board can obtain from any financial institution. The interest is payable every 6 months, commencing six months from the date of capital advancement.	53 568	59 568
Provision for loan granted to Otjombinde Farmers' Association	(53 568)	(59 568)
	63 980	276 174

4. CASH RESOURCES

Favourable balance at the bank	5 137 682	1 154 419
Less: Cheques uncashed at 31 March	(1 200)	(4 328)
	<u>5 136 482</u>	<u>1 150 091</u>

MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

5. TRADE AND OTHER RECEIVABLES

	2010	2009
	N\$	N\$
Arrear income (Net Value Added Tax on accruals)	127 184	211 054
Trade Debtors (Levies)	1 516 248	1 547 133
Fees accrued (Classification/Information/Medical)	109 352	27 761
Levies accrued (Less agents commission)	859 329	1 422 604
Agricultural Board's building	39 072	36 228
Nampower (Electricity deposit)	2 510	2 510
	<hr/>	<hr/>
Cash-book balance	2 653 695	3 247 290
	<hr/> <hr/>	<hr/> <hr/>

6. INTEREST ACCRUED

Interest receivable	57 599	155 713
	<hr/> <hr/>	<hr/> <hr/>

7. RESERVE FUND

INCOME	(1 028 772)	(6 003 427)
Deficit from General Fund - Income statement (Annexure C)	(1 070 151)	(6 003 427)
Adjustment - Motor vehicle loans (VAT)	41 019	-
Proceed on sale of asset	360	-
	<hr/>	<hr/>
EXPENSES	(82 315)	208 330
Capital expenditure	15 603	3 259
PAYE Penalties	-	123 277
Provision for leave accrued (Nett)	(97 918)	(13 206)
Study bursaries	-	45 000
	<hr/> <hr/>	<hr/> <hr/>

DEFICIT FOR THE YEAR
ACCUMULATED FUNDS AT THE BEGINNING OF THE
YEAR

(946 457)	(6 211 757)
(4 895 842)	1 315 915

ACCUMULATED FUNDS AT THE END OF THE
YEAR

(5 842 299)	(4 895 842)
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MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

8. CATTLE STABILISATION FUND

	2010	2009
	N\$	N\$
INCOME	2 960 242	2 507 941
Bush Eradication Project Income	2 929 852	2 476 211
Refund of previous years overpayments	1 390	9 730
Bad debts recover	29 000	22 000
EXPENSES	3 280 507	3 942 536
Agricultural Show	35 100	124 443
Bush Eradication Project Expenses	2 781 736	2 347 761
Competitiveness study	-	23 652
Contribution to Veterinary Services (Laboratory)	-	519 895
Electronic classification	40 503	208 320
International Markets & Trade Relations	141 480	59 328
Market developemnt communal areas	160 221	366 309
Promotions and advertising	121 467	292 828
DEFICIT FOR THE YEAR	(320 265)	(1 434 595)
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	7 896 380	9 330 975
ACCUMULATED FUNDS AT THE END OF THE YEAR	<u>7 576 115</u>	<u>7 896 380</u>

9. SMALL STOCK STABILISATION FUND

INCOME	180 206	6 950
Transfer from Goat Fund	177 426	-
Refund of previous years overpayments	2 780	6 950

EXPENSES	253 892	405 993
Advertising and promotions	103 472	249 447
Agricultural show	29 900	106 007
International markets and trade relations	120 520	50 539
DEFICIT FOR THE YEAR	(73 686)	(399 043)
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	912 029	1 311 072
ACCUMULATED FUNDS AT THE END OF THE YEAR	838 343	912 029

ANNEXURE D

MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2010

10. GOAT FUND

	<u>2010</u>	<u>2009</u>
	N\$	N\$
INCOME	-	900
Revenue from goat recipe book	-	900
EXPENSES	177 426	-
Transfer to Small Stock Fund	177 426	-
(DEFICIT)/SURPLUS FOR THE YEAR	(177 426)	900
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	177 426	176 526
ACCUMULATED FUNDS AT THE END OF THE YEAR	-	177 426

11. ANIMAL HEALTH FUND

INCOME	558 281	541 686
Special levies	558 281	541 686
EXPENSES	384 031	1 434 787
Acquisition of landcrusars for DVS	-	612 635
Busk clearing along cordon fences	-	688 480
Contribution to veterinary services (Laboratory)	214 688	-

Fences inspection, specifications and tenders	4 940	60 350
Fuel and maintenance - DVS truck and grader	29 403	73 322
Study bursaries	135 000	-
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SURPLUS/(DEFICIT) FOR THE YEAR	174 250	(893 101)
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	9 103 373	9 996 474
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ACCUMULATED FUNDS AT THE END OF THE YEAR	9 277 623	9 103 373
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MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2010

12. FAN MEAT FUND

	2010	2009
	N\$	N\$
INCOME	1 583 854	1 706 534
Special levies	1 395 778	1 353 815
Contribution from the Contingency Fund	188 076	352 719
EXPENSES	1 583 854	1 706 534
Admin and stationery	87 213	106 544
Communications	108 636	-
Database	780 657	920 059
Extension and training	15 721	17 059
Office rent	123 568	105 057
Staff salaries	468 059	557 815
SURPLUS FOR THE YEAR	-	-
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	-	-
ACCUMULATED FUNDS AT THE END OF THE YEAR	-	-

13. NORTHERN COMMUNAL AREAS ABATTOIR FUND

INCOME	18 144	24 389
Interest received	18 144	24 389
EXPENSES	-	-

SURPLUS FOR THE YEAR
ACCUMULATED FUNDS AT THE BEGINNING OF THE
YEAR

18 144	24 389
241 499	217 110

ACCUMULATED FUNDS AT THE END OF THE YEAR

259 643	241 499
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MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

14. DROUGHT RELIEF ADMINISTRATION FUND

	2010	2009
	N\$	N\$
INCOME	30 867	42 299
Interest received	30 867	42 299
EXPENSES	-	-
SURPLUS FOR THE YEAR	30 867	42 299
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	508 753	466 454
ACCUMULATED FUNDS AT THE END OF THE YEAR	539 620	508 753

15. STOCK BRANDS REGISTRATION FUND

INCOME	301 683	258 984
Brand registration fee	294 018	238 005
Interest received	7 665	20 979
EXPENSES	253 304	210 442
Bank charges	8 594	6 217
Brand registration expenditure	77 717	49 938
Staff salaries	166 993	154 287
SURPLUS FOR THE YEAR	48 379	48 542
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	151 306	102 764

ACCUMULATED FUNDS AT THE END OF THE YEAR	199 685	151 306
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16. FEASIBILITY STUDY OF MEAT EXPORT ANGOLA AND DRC		
INCOME	294 874	382 531
Interest received	294 874	382 531
EXPENSES	81 398	342 726
SURPLUS FOR THE YEAR	213 476	39 805
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	3 292 412	3 252 607
ACCUMULATED FUNDS AT THE END OF THE YEAR	3 505 888	3 292 412

MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2010

17. VCF TASK FORCE PROJECT FUND

	2010	2009
	N\$	N\$
INCOME	3 786 625	1 276 051
Money received from Government	3 000 000	-
Interest received	786 625	1 276 051
EXPENSES	5 954 249	13 502 645
Project administration expenditures	1 454 249	13 502 645
Transfer to NCA Lavy Fund	4 500 000	-
DEFICIT FOR THE YEAR	(2 167 624)	(12 226 594)
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	8 039 099	20 265 693
ACCUMULATED FUNDS AT THE END OF THE YEAR	871 475	8 039 099

18. NCA MARKETING INCENTIVE FUND

INCOME	14 819	245 181
Interest received	14 819	245 181
EXPENSES	1 799 872	114 013
Marketing incentive claims	1 799 872	114 013
(DEFICIT)/SURPLUS FOR THE YEAR	(1 785 053)	131 168

ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	2 557 589	2 426 421
	<hr/>	
ACCUMULATED FUNDS AT THE END OF THE YEAR	772 536	2 557 589
	<hr/> <hr/>	

MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2010

19. DVS CONTIGENCY FUND

	2010	2009
	N\$	N\$
INCOME	-	-
EXPENSES	188 076	352 720
Transfer to FAN meat account	188 076	352 720
DEFICIT FOR THE YEAR	(188 076)	(352 720)
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	243 174	595 894
ACCUMULATED FUNDS AT THE END OF THE YEAR	55 098	243 174

20. NCA LEVY FUND

INCOME	13 493 418	8 706 997
NCA Levy income	8 993 418	8 706 997
Transfer from TVSF Project Fund	4 500 000	-
EXPENSES	2 627 701	311 318
Mentorship programme	893 934	311 318
Veterinary cordon fence expenses	1 733 767	-
SURPLUS FOR THE YEAR	10 865 717	8 395 679
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	4 200 143	5 804 464
ACCUMULATED FUNDS AT THE END OF THE YEAR	25 065 860	14 200 143

MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

21. DVS PROJECT

	2010	2009
	N\$	N\$
INCOME	17 110 594	-
Government grant	16 279 724	-
Interest received	830 870	-
EXPENSES	7 042 188	-
Oshambelo	1 753 150	-
Vetenary clinics	665 941	-
Expansion of CVL	959 111	-
5% Admin fee from Government projects	663 986	-
Transfer to Task Force Fund	3 000 000	-
SURPLUS FOR THE YEAR	10 068 406	-
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	-	-
ACCUMULATED FUNDS AT THE END OF THE YEAR	10 068 406	-

22. TRADE AND OTHER PAYABLES

GAP French Project	-	47 241
Outstanding Value Added Tax Payable	391 530	668 810
Outstanding P.A.Y.E.	114 381	-
Provision for leave accrued	486 336	584 254
Sundry accruals	912 376	826 790
	1 904 623	2 127 095

23. INTEREST EARNED

Interest received on loans paid, on investments and on monies in the current bank account were credited to:

General Fund	481 233	675 255
Drought Administration Fund	30 867	42 299
Stock Brand Registration Fund	7 665	20 979
Northern Communal Area Abattoir project Fund	18 144	24 389
Feasibility Study of Meat Export Angola DRC	294 874	382 531
VCF Task Force Project Fund	786 625	1 276 051
NCA Marketing incentives	14 819	245 181
	830 870	
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	2 465 097	2 666 685
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MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

24. PROFIT ON INVESTMENT

	2010	2009
	N\$	N\$
Profit on Sanlam Unit Trust Investment	1 656 930	47 680

25. CONTRIBUTIONS TO AGRICULTURAL UNIONS

Budgeted funding from the General Fund:

Namibian Agricultural Union	1 790 682	1 491 716
Namibian National Farmers' union	1 790 680	1 491 717
	3 581 362	2 983 433

26. AGENTS COMMISSION ON LEVIES

Agents commission excluding 15% Value Added Tax	273 149	258 374
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27. BOARD MEMBERS' ADMINISTRATIVE EXPENSES

Allowance	130 305	162 727
Entertainment	96 245	110 344
Insurance	2 281	2 281
Travelling and subsistence expenses	327 356	359 020
Workshops	44 087	6 040
	600 274	640 412

28. PERSONNEL EXPENSES

Housing allowances	1 208 018	1 373 608
Medical association contributions	1 387 541	1 309 386
Other allowances (cell phone and leave travel)	90 400	97 950
Pension contributions	1 060 716	1 095 664
Salaries	5 500 456	5 815 294
Service bonuses	479 016	422 800
Social security	32 501	32 968
Training	14 902	22 005
Vehicle allowances	380 630	360 912
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	10 154 180	10 530 587
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MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

29. TRAVELLING AND SUBSISTENCE

	2010	2009
	N\$	N\$
Head office	33 234	105 902
Classification	282 915	321 863
Inspectors	74 109	68 113
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	390 258	495 878
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30. OFFICE EXPENSES

Annual report	33 331	14 330
Audit fees	56 333	435
Bank charges	29 218	28 362
Classification services expenses	167 609	190 772
General office administration expenses	112 877	140 359
Human resources services expenses	93 558	109 651
Information systems services expenses	314 304	323 379
Inspection services expenses	88 088	69 134
Insurance	67 593	60 054
Legal costs	126 950	69 157
Maintenance - vehicles	70 186	60 432
Office rent	351 746	271 045
Postage and stamps	16 807	17 522
Printing	28 444	35 638
Rent of office equipment	9 148	20 060
Subscriptions	2 369	2 935
Telecommunications	126 998	183 516
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	1 695 559	1 596 781
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31. THE CONTROLLING BODY OF AGRICULTURAL BOARDS' BUILDINGS

The property and building complex of the Meat Board, Karakul Board and Namibian Agronomic Board is controlled and managed by the Controlling Body of the Agricultural Boards' Buildings in terms of an agreement made in December 1987 between the three joint owners. The controlling body pays for the improvement, maintenance and operating costs and recovers costs and rent from the owners and other tenants. It also pays to or collects from the three owners mainly on the distribution basis of 76%, 18% and 6%, respectively, but allowing in respect of some expenditure items for the size of floor space not proportionally occupied, the net operating profit or loss (whichever the case) for each financial year.

MEAT BOARD OF NAMIBIA
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH

The Meat Board keeps the accounts on behalf of the controlling body. According to the books of accounts, revenue and expenditure for the financial years ended 31 March 2008 and 2007 were:

	2010	2009
	N\$	N\$
REVENUE:		
RENTAL INCOME	1 302 427	1 207 630
Office complex	961 487	867 090
Flats	312 551	316 958
Parking bays	28 389	23 582
OTHER INCOME	543 911	210 640
Interest received	1 088	712
Bad debt recovered	42 823	9 011
VAT penalties waived	-	200 917
Contribution by owners	500 000	-
TOTAL INCOME	1 846 338	1 418 270
EXPENSES	1 973 154	951 412
Expenditure: Administrative costs	39 073	36 229
Agents commission	26 592	23 542
Audit fees	11 857	-
Bank charges	2 197	1 901
Capital expenses	881 187	-
Cleaning and consumables	13 924	14 272
Insurance	41 544	37 551
Legal expenses	2 571	6 295
Maintenance	295 360	201 388
Municipal charges	567 638	561 877
Security services	91 211	68 357
OPERATING SURPLUS/(DEFICIT) FOR THE YEAR	<u>(126 816)</u>	<u>466 858</u>