



REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

MEAT BOARD OF NAMIBIA

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

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5. AUDITOR GENERAL'S REPORT



THE REPUBLIC OF NAMIBIA TO THE HONOURABLE SPEAKING 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 2018 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, OCTOBER 2018

**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 2018

1. UNQUALIFIED AUDIT OPINION

I certify that I have audited the financial statements of the Meat Board of Namibia for the financial year ended 31 March 2018. These financial statements comprise the statement of financial position statement profit & loss statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In my opinion the financial statements present fairly in all material respects the financial position of the Meat Board of Namibia as at 31 March 2018 and its financial performance and their cash flow for the year then ended.

2. BASIS FOR UNQUALIFIED OPINION

I conducted my audit in accordance with International Standards for Supreme Audit Institutions. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to my audit of the financial statements in Namibia and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion

3. KEY AUDIT MATTERS

Key audit matters are those matters that in my professional judgment were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole and in forming my opinion thereon and I do not provide a separate opinion on these matters.

3.1 REVENUE RECOGNITION

The amounts of revenues recognised during the year were mostly derived from the administration fees and levies to the Meat Board of Namibia. As revenues can be complex significant judgement was applied in selecting the accounting basis. In my view revenue recognition is significant to our audit as Meat Board of Namibia might inappropriately account for revenue too early. Our audit procedures to address the risk of material misstatement relating to revenue recognition which was considered a significant risk included:

Testing of controls; to ensure that the controls with regards to revenue recognition are working or not. Detailed analysis of revenue and the timing of its recognition based on expectations derived from the knowledge we have gathered through understanding the entity and through risk assessment & its response.

However my assessment has found that no material misstatement exists on revenue.

4. OTHER INFORMATION

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with the audit of the financial statements my responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed I conclude that there is a material misstatement of this other information; I am required to report that fact.

I have gone through the Meat Board of Namibia Strategic Plan for the year 2016- 2020 however, I have not found any inconsistency therefore I have nothing to report in this regard.

5. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with legislation and for such internal control as management determines it necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements management is responsible for assessing the Entity's ability to continue as a going concern disclosing as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

6. AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or error and to issue a report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Standards for Supreme Audit Institutions will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards for Supreme Audit Institutions I exercise professional scepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion forgery intentional omissions misrepresentations or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies uses and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists I am required to draw attention in my auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation structure and content of the financial statements including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding among other matters the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable related safeguards.

From the matters communicated with those charged with governance I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS (COMPLIANCE)

I have nothing to report in this regard

8. ACKNOWLEDGEMENT

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

WINDHOEK, October 2018

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

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

	Note	2018 N\$	2017 N\$
ASSETS			
Non-current assets		78 284 071	73 267 501
Property and equipment	2	34 980 632	35 389 995
Investments	4	43 303 439	37 877 506
Current assets		26 313 751	26 184 810
Cash & Cash Equivalent	3	11 381 562	14 665 704
Ear Tag - Accounts/assets	13A	6 944 135	5 254 765
Arboricides stock on hand	20	6 168	6 481
Accounts receivable	8	7 981 886	6 257 860
Total assets		104 597 822	99 452 311
EQUITY AND LIABILITIES			
Funds		100 863 262	90 551 014
Reserve Fund	5	25 799 841	10 784 744
Emergency Vet Levy Fund	9	11 340 241	13 457 549
Fan Meat Fund	10	11 711 678	10 392 353
Stock Brands Registration Fund	11	1 241 624	813 159
NCA Voluntary Levy	12	7 265 327	9 950 322
Ear Tag Fund	13B	6 944 136	5 254 766
DVS Projects Fund	14	360 415	1 768 652
Drought Admin Fund	15	708 376	689 131
Feasibility Study of meat export to Angola & DRC	16	-	691 546
MCA Caprivi	17	1 754 409	1 620 834
Bukalo Zambezi	18	451 613	1 842 355
Shares In AgriBoard Buildings	2	33 285 603	33 285 603
Current liabilities		3 734 559	8 901 297
Accounts payable	7	3 704 181	8 866 460
Accounts payable Stock Brands	11	30 378	34 837
Total funds and liabilities		104 597 822	99 452 311

ANNEXURE B

MEAT BOARD OF NAMIBIA

INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH

	Note	2018 N\$	2017 N\$
INCOME		50 408 026	36 015 466
General levies on livestock exported and slaughtered		39 970 615	26 604 039
In-transit Levy		258 450	422 407
Meat Products levy (imports)		2 825 724	2 834 124
Administration fees	19	915 120	697 617
Operational profit of Agricultural Boards Building		1 356 724	1 122 794
Poultry scheme Admin fee		814 416	753 461
Disposal of assets		85 000	109 965
Oututa Refund		311 670	-
NTA refund		135 104	76 064
Study Assistance refund		30 158	-
House rent received		35 399	35 721
Arboricides	20	-	(333 127)
Interest Received		3 669 646	3 692 401
TOTAL EXPENSES		32 174 780	36 413 642
Donation to Agricultural Unions	6	4 711 304	11 456 520
Commission on levies		1 197 466	796 561
Board administration expenses	21	1 948 021	1 871 666
Personnel expenses	22	11 002 378	10 143 572
Travelling and Subsistence		159 419	163 055
Office expenses	23	6 588 851	5 433 798
Market Research	24	1 235 095	1 300 874
Depreciation	25	357 332	557 888
Net Border Control Costs	26	4 974 914	4 689 708
Surplus/(Deficit) before classification cost		18 233 246	(398 176)
Less: Net Classification costs	27	(3 180 709)	(2 618 610)
Surplus/(Deficit) for the period		15 052 537	(3 016 786)

MEAT BOARD OF NAMIBIA
CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH

	Note	2018 N\$	2017 N\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (utilized) / generated from operations	28	5 006 410	3 125 161
Interest Received		3 669 646	3 692 401
Net cash flow from operational activities		8 676 056	6 817 562
CASH FLOW FROM INVESTING ACTIVITIES			
Movement in investments	4	(5 425 933)	6 802 720
Additions to property plant and equipment	2	(142 049)	(751 352)
Loss on disposal of assets			2 808
Net cash flow from investing activities		(5 567 982)	6 054 176
CASH FLOW FROM FINANCING ACTIVITIES			
Movement in project account reserves		(4 702 849)	(4 393 118)
Movement in ear-Lag Bank	13B	(1 689 370)	(97 019)
Net cash flows from financing activities		(6 392 219)	(4 490 137)
Net cash in/(outflow) for the period		(3 284 145)	8 381 601
Cash and cash equivalents at the beginning of the period		14 665 704	6 283 981
Cash and cash equivalents at the end of the period	3	11 381 562	14 665 704

ANNEXURE D

MEAT BOARD OF NAMIBIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES

The annual financial statements have been prepared in accordance with Namibia Statement of General Accepted Accounting Practice - NACD01: Financial Reporting for Small and Medium Sized Entities using the historical cost convention.

The following are the principal accounting policies of the Board which are consistent with those applied in prior years:

Revenue recognition

Revenue comprises the gross invoiced value of sales in respect of trading operations and levies received excluding Value Added Taxation.

Revenue from the sale of goods and services is recognized when the significant risks and rewards of ownership are transferred to the buyer.

Property plant and equipment

Land and buildings is considered as immovable property and accordingly not depreciated but tested for impairment annually.

The Board carries plant and equipment at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of assets.

Plant and equipment are depreciated as follows to reduce the book value to the residual value over the useful lives of the relevant assets:

- Furniture and equipment 10% reducing balance method
- Computer equipment 20% straight line method
- Motor vehicles 33% straight line method
- Show equipment 10% reducing balance method

The estimated useful lives residual values and depreciation methods are reviewed at each year-end and the effect of changes in estimated accounted for on a prospective basis. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in income.

Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment assets are grouped at the lowest level for which there is separately identifiable cash flows.

MEAT BOARD OF NAMIBIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (Continued)

Financial instruments

Financial instruments recognized on the balance sheet include cash and cash equivalents investments trade receivables and trade payables.

Cash and cash equivalents

For the purposes of the cash flow statement cash and cash equivalents comprise cash on hand deposits held at call with banks other short term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet bank overdrafts are separately disclosed in current liabilities.

Investments

Investments consist of investments at financial institutions and have maturity dates of higher than three (3) months after financial year-end. Investments are initially recognized at cost but subsequently carried at amortized cost.

Trade receivables

Trade receivables are carried at original invoice amount less provision made for impairment of these receivables. Such provision for impairment of trade receivables is established if there is objective evidence that the Board will not be able to collect all amounts due according to the original terms of receivables.

Trade payables

Trade payables are carried at the fair value of the consideration to be paid in future for goods or services that have been received or supplied and invoiced or formally agreed with the supplier.

Provisions

Provisions are recognized when:

- The Board has a present legal or constructive obligation as a result of past event; and
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate of the amount of the obligation can be made.

Inventory

Merchandise is value at the lower of cost and net realized value. Cost is determined on the weighted average cost basis and includes transport and handling costs. Obsolete redundant and slow moving inventory is identified and written down to their estimated realizable values.

Interest expenses

The Board recognizes interest and expenses in the income statement for all instruments measured at amortized cost using the effective interest method.

Computer software

Computer software is expensed in the year it is incurred.

ANNEXURE D

**MEAT BOARD OF NAMIBIA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
2018 (Continued)****Employee benefits**

The Board recognized in full employees' right to leave entitlement in respect of past service. Staff bonuses are accounted for in the year to which they relate.

Different funds**Reserve fund**

The Reserve fund contains the accumulated reserves. In terms of Section 13(6) of the Meat Industry Act this fund shall be utilized for various purposes as authorized by the Minister on recommendation of the Board from time to time.

Animal Health fund

This fund was established during the 1994/1995 financial year with the objective of accruing a special health levy to be utilized for providing support to the DVS in case of a national emergency. This levy is based on General Levy which is 5% of the total levy received.

Fan Meat fund

The Fan Meat fund was established for the implementation and maintenance of a National Quality Assurance and Traceability Scheme. This levy is based on the General levy and calculated as 15% of the total levy received.

Stock Brands Registration fund

The Registrar of Stock Brands who is also the DVS outsourced the administration of stock brands to the Meat Board. A stock brands registration fee was imposed and special account was open for that purpose.

NCA Voluntary Levy fund

The NCA fund was voluntarily established on 1 July 2007 by producers south of the veterinary cordon fence with the objective to enhance market access to cattle in the NCA. A special levy was imposed and accrues to this fund for a period of 5 years. The levy was abolished on 30 May 2012. While the fund is still in operation..

Ear Tag fund

The Ear Tag fund is for development and maintenance of an animal identification and traceability system administration and distribution of official ear tags in Namibia.

MAWF Project fund

The administration of the Government funds for the purpose of improvement of animal health and marketing services in the NCA Expansion of CVL Construction of Veterinary Clinics and for Plant animal health and inspection systems at borders.

Drought Administration fund

The administration of the Government fund for the establishment of a Drought Aid information Management System for future drought implementation procedures the agreement was signed in 2006 the remaining balance was put in call account to gain interest till is fully utilized.

MEAT BOARD OF NAMIBIA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH
2018 (Continued)

Feasibility Study of meat export to Angola & DRC fund

In May 2004 an amount of N\$2 416 700 was transferred from the Ministry to the Meat Board with an explicit instruction that the money will be used for the purpose of investigating and mounting a campaign towards facilitating the exploration of Namibian's meat to DRC and Angola and only on instructions to be provided under the signature of the Accounting Officer of the Ministry.

MCA Caprivi Project fund

Funding from Millennium Challenge Corporation for the implementation of the MCA-N Livestock Marketing Efficiency (LMEF) project entitled 'Development of export opportunities for beef from the Caprivi.

Bukalo Meat Processing Plant fund

Funds from Ministry of Agriculture Water and Forestry for the commissioning of Bukalo Processing Plant.

ANNEXURE D

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

2. PROPERTY PLANT AND EQUIPMENT

2018	Immovable property		Furniture and Equipment		Motor		Show		Total
	Agri Boards	Meat board	Meat board	Computer	Vehicle	Equipment	Equipment		
	N\$	N\$	N\$	N\$	N\$	N\$	N\$	N\$	
Opening carrying amount	33 285 603	248 757	750 871	505 888	585 401	13 474		35 389 995	
Cost as at 01/04/2017	33 285 603	248 757	1 161 658	1 430 632	2 586 124	47 268		38 760 042	
Accumulated depreciation			(410 787)	(924 744)	(2 000 723)	(33 794)		(3 370 048)	
Additions	-	-	58 074	83 975	-	-		142 049	
Depreciation for the period	-	-	(77 643)	(175 468)	(296 952)	(1 348)		(551 411)	
Closing Carrying amount	33 285 603	248 757	731 302	414 395	288 449	12 127		34 980 632	
Cost as at 31/03/2018	33 285 603	248 757	1 219 732	1 514 607	2 586 124	47 268		38 902 090	
Accumulated depreciation	-	-	(488 430)	(1 100 212)	(2 297 675)	(35 141)		(3 921 458)	

MEAT BOARD OF NAMIBIA

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

	2018	2017
	N\$	N\$
3. Cash & Cash Equivalents	11 381 562	14 665 704
Stock brands Bank account	1 272 001	847 996
MAWF Project Call account	360 415	1 768 652
Drought Admin Call account	708 376	689 132
Bukalo Processing Plant Call account	451 613	1 842 355
MCA Caprivi Call Account - Simonis Storm	1 754 409	1 620 834
Meat Board Call Account - Simonis Storm	30 845	23 710
Meat Board Call Account -PSG	5 774	4 290
Meat Board Bank Current Account	5 750 965	7 863 433
FAN Meat Levy Current Account	606 755	898
Emergency VET Levy Current Account	181 672	898
Classification Levy Current Account	125 575	898
NCA Levy Current Account	131 452	898
Petty Cash	1 710	1 710
4. INVESTMENTS	43 303 439	37 877 506
Investment at Sanlam Namibia - BNK WHK	497 289	458 616
Investment at Sanlam Namibia - Capricorn	1 850 504	1 698 304
Investment Simonis Storm Securities	10 927 700	10 095 702
Investment Simonis Storm Securities	4 173 000	2 000 000
Namibia Equity Brokers	16 220 946	14 830 676
PSG KONSULT- Treasury Bill	9 634 000	8 794 208
5. RESERVE FUND	25 799 841	10 784 744
Surplus/(Deficit) from General Fund	19 763 841	8 439 733
Accumulated funds at beginning of the year	10 784 744	11 893 966
Prior year corrections	(37 440)	(4 025)
Budgeted donations to agricultural unions	(4 711 304)	(11 456 520)
Accumulated funds from Cattle Stabilization fund	-	1 911 590
6. CONTRIBUTIONS TO AGRICULTURAL UNIONS	4 711 304	11 456 520
Namibian Agricultural Union	942 261	4 582 608
Namibian National Farmers' union	3 769 043	6 873 912

ANNEXURE D

MEAT BOARD OF NAMIBIA

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

	2018	2017
	N\$	N\$
7. ACCOUNT PAYABLES	3 704 181	8 866 460
Provision for leave accrued	1 748 060	1 884 898
Provision for Audit Fee	133 495	95 291
Receiver - VAT	-	7 566
Sundry accruals payments	1 165 683	1 051 790
Debtors overpayments	623 955	-
Accrued Donations to Agricultural Unions	-	5 728 260
Import VAT	32 988	80 257
Scanning	-	18 398
8. ACCOUNT RECEIVABLES	7 981 886	6 257 860
Trade Debtors/(Levies & other receivables)	7 261 240	5 305 313
Accrued Interest	674 319	615 303
Ear Tag Expenses	19 954	322 679
Stock Brands Expenses	7 350	-
VAT	16 513	-
Farm Audit	-	12 055
Nampower (Electricity deposit - Border Post)	2 510	2 510
9. EMERGENCY VET SERVICES LEVY FUND		
Income	2 498 135	1 662 603
Emergency Vet Services Levy	2 498 135	1 662 603
Expenses	4 615 443	1 013 519
Diseases Outbreak Control	2 317 440	583 459
Bank charges	1 378	-
Commission on levy	74 793	49 784
Animal Health Consultative Forum	79 418	380 276
Assistance to DVS	1 524 931	-
Cordon fence	617 483	-
(Deficit)/Surplus for the year	(2 117 308)	649 084
Accumulated funds at beginning of the year	13 457 549	12 808 465
Accumulated funds at end of the period	11 340 241	13 457 549

MEAT BOARD OF NAMIBIA

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

	2018	2017
	N\$	N\$
10. FAN MEAT FUND		
Income	7 520 354	5 007 553
FAN Meat levy	7 494 401	4 987 718
Seal of Quality	25 953	19 835
Expenditure	6 201 029	4 524 600
Staff Salaries	2 342 012	2 148 456
Admin and Stationery	163 442	290 016
Bank charges	1 362	-
Databases	114 182	267 510
Printing & publications	9 970	49 041
S&T/Training / Workshops	46 811	49 768
Office rent	370 182	211 152
Fan Meat Quality Management System	-	55 691
Vehicle Maintenance	4 108	-
Commission on levy	224 379	149 355
Seal of Quality	130 792	109 039
Animal Welfare	-	77 625
Namlits expenses	2 737 799	646 948
Registration of local Abattoirs	55 990	-
Bad Debts (DVS SALT SLA)	-	469 999
Surplus/(Deficit) for the year	1 319 325	482 953
Accumulated funds at beginning of the year	10 392 353	9 909 400
Accumulated funds at end of the period	11 711 678	10 392 353

ANNEXURE D

MEAT BOARD OF NAMIBIA

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

	2018	2017
	N\$	N\$
11. STOCK BRAND REGISTRATION FUND		
Income	1 230 596	974 137
Interest received	26 720	16 871
Brand registration fee	1 203 876	957 266
Expenditure	802 131	485 239
Staff Salaries	219 443	231 122
Leave accrued	3 795	8 602
Bank charges	173 447	129 720
Admin fees 5% (VAT incl)	66 430	55 301
Databases & internet lines	82 237	-
Office rent	63 064	60 494
Stationery & other consumables	134 472	-
Publications	59 243	-
(Deficit) surplus for the year	428 465	488 898
Accumulated funds at beginning of the year	813 159	324 261
Accumulated funds at end of the period	1 241 624	813 159
Creditors	30 378	34 837
Payables	14 632	22 886
Leave Accrued	15 746	11 951
	1 272 001	847 996
12. NCA LEVY FUND		
Expenditure	2 684 995	3 705 656
NCA/LPF Farmers Mentorship Programme	2 519 063	2 767 213
Bank charges	1 367	-
Activities for Livestock Master Plan	103 944	882 544
Improvement of cattle value NCA	60 621	55 899
(Deficit) surplus for the year	(2 684 995)	(3 705 656)
Accumulated funds at beginning of the year	9 950 322	13 655 978
Accumulated funds at end of the period	7 265 327	9 950 322

MEAT BOARD OF NAMIBIA

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

	2018	2017
	N\$	N\$
13A. EAR TAG INCOME STATEMENT		
Sales	14 675 492	10 352 007
Less: Cost of Sales	11 225 051	7 953 536
Opening stock	2 341 292	1 110 606
Purchased	9 657 359	9 184 223
Closing stock	(773 600)	(2 341 293)
Gross Profit	3 450 441	2 398 471
Interest received	3 172	5 136
Other income	20 422	-
Total Income	3 474 035	2 403 607
Expenditure	2 667 363	2 254 998
Agents Commission on Sales	330 674	312 256
Bank charges	195 062	151 817
Databases	276 727	273 220
Meat Board Admin fees	733 698	519 855
Office Equipment	20 284	-
Office rent	132 041	136 562
Printing & publication info materials	-	5 284
Rent of Equipment	115 611	82 883
S&T Training & meetings	8 904	5 706
Staff Salaries & Leave accrued	647 966	558 463
Stationery & other consumables	180 277	182 411
Water & Electricity	26 119	26 541
Surplus(Deficit) for the period	806 671	148 609
Accumulated funds at beginning of the year	4 400 099	4 251 490
Accumulated funds at end of the period	5 206 770	4 400 099

ANNEXURE D

MEAT BOARD OF NAMIBIA

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

	2018 N\$	2017 N\$
13B. EARTAG BALANCE SHEET		
ASSETS		
Current Assets	6 944 135	5 254 765
Bank	5 841 155	1 949 974
Cash Control	106 179	231 438
Import VAT	216 761	727 260
Receiver of Revenue	6 440	4 800
Ear tag Stock on hand	773 600	2 341 293
Total assets	6 944 135	5 254 765
EQUITY AND LIABILITIES		
Capital and Reserves	5 485 802	4 679 131
Capital Reserves	5 206 770	4 400 099
Ear tags Subsidies	279 032	279 032
Current Liabilities	1 458 334	575 635
Accrued Expenses (Month end Payments)	1 414 262	470 288
Provision for Leave	39 985	33 571
Customers control	4 087	71 776
Total equity and liabilities	6 944 136	5 254 766

MEAT BOARD OF NAMIBIA

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

	2018	2017
	N\$	N\$
14. DVS PROJECTS		
Income	34 446	1 045 218
Interest received	34 446	74 279
Transfer from Angola DRC account	-	500 000
Money received from FAO	-	392 370
Money received from MOH Italy	-	78 569
Expenses	1 442 683	1 081 357
VET Clinic expenses	1 154 493	1 024 238
CVL Expenses	7 500	-
Transfer to NNFU	280 675	56 420
Bank Charges	15	699
Surplus(Deficit) for the year	(1 408 237)	(36 139)
Accumulated funds at beginning of the year	1 768 652	1 804 791
Accumulated funds at end of the period	360 415	1 768 652
15. DROUGHT ADMINISTRATION FUND		
Income	19 245	18 580
Interest received	19 245	18 580
Surplus (Deficit) for the year	19 245	18 580
Accumulated funds at beginning of the year	689 131	670 551
Accumulated funds at end of the period	708 376	689 131

ANNEXURE D

MEAT BOARD OF NAMIBIA

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

	2018	2017
	N\$	N\$
16. FEASIBILITY STUDY OF MEAT EXPORT ANGOLA DRC		
Income	-	305 057
Interest received	-	305 057
Expenses	691 546	4 655 965
Vaccine Botswana Institute	-	2 671 517
Transfer to NNFU - Marketing study	480 164	-
OIE Conference	211 382	1 984 448
Surplus for the year	(691 546)	(4 350 908)
Accumulated funds at beginning of the year	691 546	5 042 454
Accumulated funds at end of the period	-	691 546
17. MCA CAPRIVI PROJECT		
Income	133 575	120 696
Interest received	133 575	120 696
Surplus/Deficit for the year	133 575	120 696
Accumulated funds at beginning of the year	1 620 834	1 500 138
Accumulated funds at end of the period	1 754 409	1 620 834
18. BUKALO MEAT PROCESSING PLANT - ZAMBEZI		
Income	32 610	3 068 266
Money received from GRN	-	3 000 000
Interest received	32 610	68 266
Expenses	1 423 353	1 225 911
Transfer to NNFU - Marketing study	239 161	-
Other expenses	1 184 192	1 225 911
Surplus/Deficit for the year	(1 390 742)	1 842 355
Accumulated funds at beginning of the year	1 842 355	-
Accumulated funds at end of the period	451 613	1 842 355

ANNEXURE D

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

		2018	2017
		N\$	N\$
19.	Administration fees	915 120	697 617
	a) Ear Tags	733 698	519 855
	b) Stock Brands	57 765	54 720
	c) Agricultural Boards Building	112 594	108 168
	d) Commission on 3rd Parties Deductions	11 063	14 874
20.	Arboricides		
	Sales	313	1 994 525
	Less: cost sales	313	2 327 652
	Opening stock	6 481	2 334 133
	Less: Closing stock	(6 168)	(6 481)
	Gross Profit/Loss	-	(333 127)
21.	Board administration expenses	1 948 021	1 871 666
	Sitting Allowance	1 095 483	1 036 283
	Travelling and Subsistence expenses	689 892	616 576
	Insurance	8 060	8 060
	Secretariat & Admin	138 586	171 038
	Workshops	16 000	39 709
22.	Personnel expenses	11 002 378	10 143 572
	Training	220 268	230 233
	Staff remuneration (TCC)	10 431 898	9 762 601
	Leave accrued	133 156	150 738
	NTA (VET Levy)	217 056	-

ANNEXURE D

MEAT BOARD OF NAMIBIA

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

	2018	2017
	N\$	N\$
23. Office expenses	6 588 851	5 433 798
Annual Report	21 260	58 400
Audit Fees	38 203	35 704
Bank Charges	106 649	105 596
Insurance	158 297	151 522
Capital expenses	30 937	31 826
Office rent	1 501 818	1 391 084
Water & Electricity	197 281	167 236
Postage and Stamps	10 944	35 022
Printing	38 623	22 990
Stationery levy adverts & other consumables	382 173	314 495
Information Systems Services Expenses	370 722	384 812
Database upgrade	307 851	634 192
Human Resources/ admin Services Expenses	213 594	152 780
Market Share Promotion scheme	32 057	84 890
Assessment on Internal Control	-	90 408
Telecommunications	254 605	206 880
Maintenance - vehicles	54 943	96 836
Legal costs	1 904 948	416 354
Rent of office Equipment	86 655	77 415
PRO	877 291	975 356
24. Market Research	1 235 095	1 300 874
Industry Studies	150 529	107 545
Agricultural Shows	78 450	90 750
Adhoc Studies	25 743	62 354
International Market	-	40 334
Arboricides	-	10 882
Scholarships for Veterinary students	272 994	255 150
Local Market Development	707 379	733 859

MEAT BOARD OF NAMIBIA

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

	2018	2017
	N\$	N\$
25. Depreciation	357 332	557 888
Motor vehicles	139 781	347 382
Furniture & Fittings	59 365	64 682
Computer Equipment	156 838	144 451
Show Equipment	1 348	1 373
26. Net Border Control Costs	4 974 914	4 689 708
Inspection fee	(1 083 861)	(1 153 583)
Inspection Expenses	6 058 775	5 843 291
Staff Salary	4 260 512	4 522 900
Overtime	630 426	-
S&T allowance	173 549	267 271
Office rent	156 562	190 283
Clothing	33 062	59 369
Accommodation rent	180 375	163 861
Courier Service	15 461	28 944
Telephone	83 859	69 014
Water & Electricity	36 025	46 626
Maintenance House	-	23 000
Vehicle Maintenance	11 555	2 539
Depreciation of Assets	194 079	205 999
Other consumables	185 604	148 113
SLA & Software Internet lines	97 706	113 696
Border office cleaner	-	1 676

ANNEXURE D

MEAT BOARD OF NAMIBIA

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

	2018	2017
	N\$	N\$
27. Net Classification Costs		
Income	4 466 606	5 015 676
Classification levy income	4 466 606	5 015 676
Expenses	(7 647 315)	(7 634 286)
Classification Salary	7 255 159	7 306 538
Classification S&T	134 458	98 075
Bank charges	1 334	-
Marking Ink & instruments	114 906	65 917
Registration of abattoir	-	12 761
Protective Clothing	15 785	59 740
Stationery & Other consumables	42 721	-
Telecommunication & internet lines	35 189	38 233
Office Rent & water and electricity	43 263	46 992
Medical Examinations / check-ups	4 500	6 030
(Deficit)/Surplus for the year	(3 180 709)	(2 618 610)
Accumulated funds at end of the period to be transferred to the General Fund	(3 180 709)	(2 618 610)
28. RECONCILIATION OF SURPLUS FOR THE PERIOD TO CASH		
Surplus for period	15 015 097	(3 016 788)
Depreciation	551 411	763 887
Interest received	(3 669 646)	(3 692 401)
Profit before working capital movements	11 896 862	(5 945 302)
Movement in accounts receivable	(1 724 026)	1 857 028
Movement in Stock	313	2 327 652
Movement in accounts payable	(5 166 739)	4 885 783
	(6 890 452)	9 070 463
CASH GENERATED FROM OPERATIONS	5 006 410	3 125 161