



Republic of Namibia



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## OFFICE OF THE AUDITOR-GENERAL

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Private Bag 13299  
WINDHOEK  
9000

Our Ref: 12/4/6/D16  
Enquiry: Ms. D.Mwanyekele

Your Ref:

**4 March 2024**

General Manager  
Meat Board of Namibia  
Hochland Road 30  
WINDHOEK  
Namibia

Tel.: 275830  
Fax. 228310

Dear Sir

**RE: MEAT BOARD AUDIT REPORT 2022/2023**

The Office is forwarding you a copy of the above mentioned report as requested by your Office.

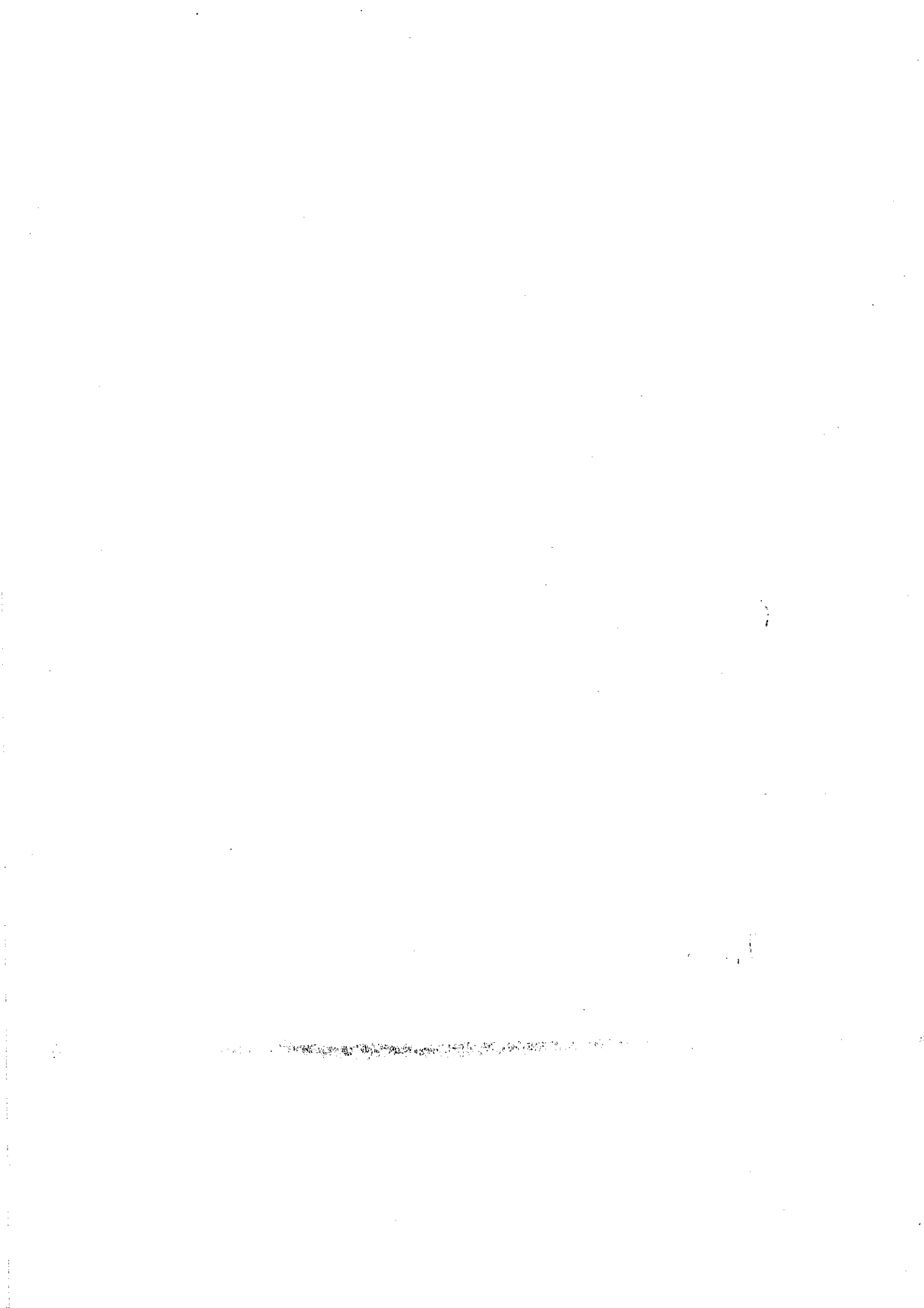
As the report is not yet tabled in Parliament, your Office is requested to kindly handle this report confidential until it is tabled.

Your cooperation is highly appreciated.

Yours sincerely,

  
.....  
**GOMS MENETTE**  
**DEPUTY AUDITOR-GENERAL**







**REPUBLIC OF NAMIBIA**



**Meat Board  
of Namibia**



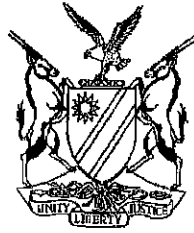
**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE**

# **MEAT BOARD OF NAMIBIA**

**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**



**REPUBLIC OF NAMIBIA**



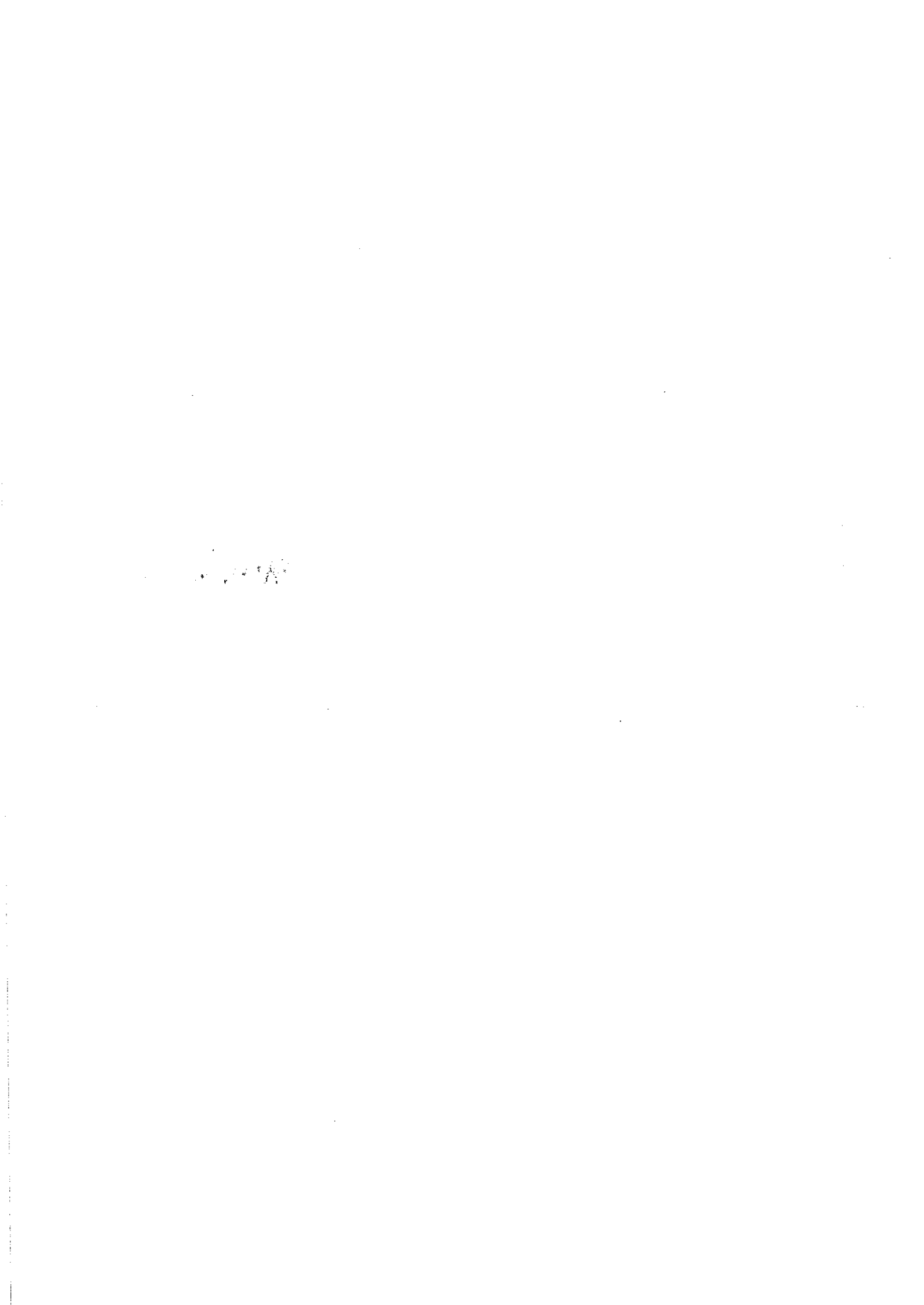
**TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY**

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 2023 in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honorable Minister of Agriculture Water and Forestry in terms of section 16(1) of the Meat Industry Act, 1981 (Act 12 of 1981) to be laid upon the Table of the National Assembly in terms of Section 16(4) of the Act.

A handwritten signature in black ink, appearing to read 'Junias Etuna Kandjeke'.

**WINDHOEK, February 2024**

**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 2023**

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**1. UNQUALIFIED AUDIT OPINION**

I have audited the financial statements of the Meat Board of Namibia for the financial year ended 31 March 2023. These financial statements comprise the statement of financial position, Statement of financial performance, cash flow statement, notes to the annual financial statements for the year then ended.

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 2023 and its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS).

**2. BASIS FOR UNQUALIFIED AUDIT 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, 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. I have nothing to report in this regard.

**4. OTHER INFORMATION**

Management is responsible for the other information. My opinion on the financial statements does not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon. In connection with my 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 my knowledge obtained in the audit or otherwise appears to be materially misstated. 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 Meat Industry Act, 1981 (Act 16 of 1981) as amended by Amendment Act 21, of 1992 and 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 Meat Board'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 of 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 my 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 (ISSAIs), 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, I also;

- 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 Board'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 Meat Board's



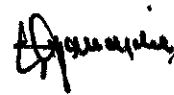
ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause Meat Board's 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.
- 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.
- 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. ACKNOWLEDGEMENT**

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



**WINDHOEK, February 2024**

**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**

## ANNEXURE A

**MEAT BOARD OF NAMIBIA**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH**

	Note	2023 N\$	2022 N\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property Plant and equipment	3	31 948 689	24 028 933
Investment property	2	4 644 000	4 392 000
<b>Current assets</b>			
Cash & Cash Equivalent	4	30 488 263	40 143 838
Investments	5	28 334 840	12 580 020
Receivables from exchange transactions	6	11 951 520	10 401 014
Receivables from non-exchange transactions	7	1 098 072	640 661
Inventories	8	376	879 638
<b>Total assets</b>		<b>108 465 760</b>	<b>93 066 104</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other Payables from exchange transactions	9	3 629 399	5 222 974
Leave pay provisions	10	3 237 920	3 225 118
Payments made in advance from customers		445 730	527 763
<b>Total liabilities.</b>		<b>7 313 049</b>	<b>8 975 855</b>
<b>Net assets</b>		<b>101 152 717</b>	<b>84 090 243</b>
<b>Reserves</b>	11	<b>101 152 717</b>	<b>84 090 243</b>

**MEAT BOARD OF NAMIBIA  
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH**

	2022/2023	2021/2022	2022/2023	2022/2023	Commentary
	ANNUAL	ACTUAL	ACTUAL	PERFORMANCE	Budget info
	BUDGET	ACTUAL	ACTUAL	DIFFERENCE	notes
Note	N\$	N\$	N\$	N\$	
<b>Income</b>	<b>58 054 767</b>	<b>62 929 238</b>	<b>75 158 333</b>	<b>17 103 566</b>	
<b>Revenue from non-exchange transactions</b>					
Levy Income	47 248 298	46 552 188	57 429 495	10 181 197	
	47 248 298	46 552 188	57 429 495	10 181 197	i
<b>Revenue from exchange transactions</b>					
Administration fees	10 806 468	16 377 050	17 728 838	6 922 370	
Financing income (Interest received)	925 567	860 418	916 850	(8 717)	ii
Rendering of service (Classification)	2 179 721	2 224 233	3 176 157	996 436	iii
Other Income	2 479 981	3 672 523	4 842 160	2 362 179	iv
	5 221 199	9 619 876	8 793 671	3 572 472	v
<b>Total Expenditure</b>	<b>68 092 531</b>	<b>62 215 213</b>	<b>65 405 554</b>	<b>(2 686 977)</b>	
Donation	3 466 986	4 892 000	3 995 746	528 760	vi
Board administration expenses	2 024 192	1 621 045	2 189 801	165 609	vii
Personnel expenses	33 760 063	31 317 236	32 227 348	(1 532 715)	viii
Travelling and Subsistence	428 310	430 105	689 772	261 462	ix
Office expenses	15 970 889	16 359 718	18 540 016	2 569 127	x



## ANNEXURE C

## MEAT BOARD OF NAMIBIA

## STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH

	<b>2023</b>	<b>2022</b>
	N\$	N\$
General fund	50 210 530	52 755 108
FAN Meat fund	19 132 663	19 076 083
Emergency Veterinary Services fund	15 093 883	13 237 749
Surplus/(deficit) for the period	12 324 779	(5 837 976)
Agri Board shares	1 887 054	2 003 146
NCA levy fund	2 503 807	2 856 133
<b>Balance as at 31 March 2023</b>	<b>101 152 717</b>	<b>84 090 243</b>

## ANNEXURE C

**MEAT BOARD OF NAMIBIA**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH**

	<b>2023</b>	<b>2022</b>
	N\$	N\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Cash (utilized)generated from operations	4 439 827	(1 394 938)
Interest Received	3 176 157	2 224 233
<b>Net cash flow from operating activities</b>	<b>7 615 984</b>	<b>829 295</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Movement in property investments	-	(8 217 000)
Additions to property plant and equipment	1 633 641	(142 027)
<b>Net cash flow from investing activities</b>	<b>(1 633 641)</b>	<b>(8 359 027)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Movement in reserve account-Agri Board	377 412	-
Movement in reserve account	(260 486)	1 874 638
<b>Net cash inflow for the period</b>	<b>6 099 269</b>	<b>(5 655 094)</b>
Cash and cash equivalents at the beginning of the period	52 723 834	58 378 928
<b>Cash and cash equivalents at the end of the year</b>	<b>58 823 103</b>	<b>52 723 834</b>
<b>CASH FLOW RECONCILIATION STATEMENT</b>		
Surplus for the year	12 324 779	(5 837 976)
Impairment loss	(2 572 000)	6 552 000
Depreciation	654 667	726 341
Interest received	(3 176 157)	(2 224 233)
<b>Profit before working capital movements</b>	<b>7 231 289</b>	<b>(783 868)</b>
Movement in accounts receivable	(2 007 917)	(3 811 268)
Movement in Stock	879 262	595 940
Movement in accounts payable	(1 662 807)	2 604 258
<b>CASH GENERATED FROM OPERATIONS</b>	<b>4 439 827</b>	<b>(1 394 938)</b>

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

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**MEAT BOARD OF NAMIBIA - ACCOUNTING POLICIES**

**Statement of compliance and basis of preparation - IPSAS 1**

The financial statements of the entity have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Namibia Dollars, which is the functional and reporting currency of the entity. The accounting policies have been consistently applied to all the years presented. The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flows statement is prepared using the indirect method. The financial statements are prepared on an accrual basis.

The following are the critical judgements and estimation that management have made in the process of applying the MBN Accounting Policies and that have most significant effect on the amounts recognized in Annual Financial statements:

**Significant judgements and sources of estimation uncertainty - IPSAS 1**

The preparation of the Board's financial statements in conformity with IPSAS requires management to make judgment, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting period. However, uncertainty about those assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

**Change in accounting policies and estimates - IPSAS 3**

The Board recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**Foreign currency transactions - IPSAS 4**

The transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or are from the reporting of creditors are rated different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

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

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**Revenue recognition - IPSAS 9 & 23**

Revenue is derived from a variety of sources which include sales in respect of trading operations and levies received, excluding Value Added Taxation. Revenue comprises the fair value of the consideration received or receivable for the sale of the goods and services in the ordinary course of the Meat Board's activities.

Revenue is shown net of value-added tax, returns, rebates and discounts.

The Meat Board recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits or service potential will flow to the Meat Board and when specific criteria have been met for each of the Meat Board's activities as described below, except when specifically stated otherwise. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved.

**Revenue for Exchange Transactions** refers to revenue that accrued to the Meat Board directly in return for services rendered/ goods sold, the value of which approximates the consideration received or receivable.

**Revenue from Non-Exchange Transactions** refers to transactions where the Meat Board received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognized to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customers returns, stock rotation, price projection, rebates and other similar allowances.

Revenue from sale of goods and services is recognized when the significant risks and rewards of ownership are transferred to the buyer. The Meat Board revenue/levies is calculated as per the Meat Industry Act of 1981, GRN gazette no. 272 of December 2010 as amended, and is allocated between the funds as follows:

General levy fund 80%, FAN Meat levy fund 15% and Emergency Veterinary levy fund 5%.

**Other Funds Revenue**

Classification fund

Levies is calculated as per Meat Industry Act of 1981,  
 GRN Gazette No. 5783 - 15 July 2015.



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

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**Joint operation**

The interest in the Agricultural Board's Buildings are classified as a joint operation and is accounted for in line with the requirements in terms of IPSAS 37.

The Board deemed this treatment to be the most appropriate taking into account the contractual obligations between the respective parties of the joint operation. The interest of the entity in the assets, liabilities, revenue and expenses of the joint operation has been recognized in the annual financial statements.

**Investment property - IPSAS 16**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement costs of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition, subsequently to initial recognition, investment properties are measured using the fair value model. The fair value of an investment property shall reflect market conditions at the reporting date.

A gain or loss arising from a change in the fair value of an investment property shall be recognized in surplus or deficit for the period in which it arises. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition.

Transfers are made to or from investment properties only when there is a change in use.

Land and buildings that is considered an investment property is carried at fair value and accordingly not depreciated but tested for impairment annually.

**Property, plant and equipment - IPSAS 17**

**Initial Recognition**

Property, Plant and Equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or service, or for administrative purposes, and are expected to be used during more than one year. The cost of an item of Property, Plant and Equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Meat Board, and if the cost or fair value of the item can be measured reliably.

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

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Property, Plant and Equipment are initially recognized at cost on its acquisition date or in the case of assets acquired by grants or donations, deemed cost, being the fair value of the asset on initial recognition. The cost of an item of Property, Plant and Equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Meat Board of Namibia. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

Where an asset is acquired by the Meat Board for none or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired. The cost of an item of property, plant and equipment acquired in exchange for non-monetary assets or monetary assets, or a combination of the two is measured at the fair value of the asset, unless the fair value of the asset received is more clearly evident. If the acquired item could not be measured at its fair value, its cost is measured at the carrying amount of the asset.

Land and buildings are carried at under the revaluation model. Land is not depreciated.

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:

• Plant and equipment	10%	straight line method	10 Years
• Computer equipment	20%	straight line method	5 Years
• Motor vehicle	33%	straight line method	3 Years
• Building	2%	straight line method	50 Years

The estimated useful lives, residual values and depreciation methods are reviewed at each year-end and the effect of changes in estimates accounted for on a prospective basis.

The gain or loss arising from 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.

#### **Subsequent measurement**

Subsequent expenditure relating to property, plant and equipment is capitalized if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the Meat Board and the cost or fair value of the subsequent expenditure can be reliably measured. Subsequent expenditure incurred on an asset is only capitalized when it increases the capitalist or future economic benefits associated with the asset. Where the Meat Board replaces parts of an asset, it derecognizes the part of the asset being replaced and capitalizes the new component.

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

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Subsequently all plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses. Compensation from third parties for the items of property, plant & equipment that were impaired, lost or given up is included in the statement of financial performance when the compensation becomes receivable.

**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.

**De-recognition**

The carrying amount of an item of property, plant and equipment is derecognized on disposal, or when no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from de-recognition of an item of property, plant and equipment is included in surplus or deficit when the item is de-recognized. Gains are not classified as revenue.

Gains or losses are calculated as the difference between the carrying value of assets (cost less accumulated depreciation and accumulated impairment losses) and the proceeds from disposal are included in the Statements of Financial Performance as gain or loss on disposal of Property, Plant and Equipment.

**Financial Instruments - IPSAS 29**

The Meat Board has various types of Financial Instruments and these can be broadly categorized as Financial Assets, Financial Liabilities or Residual Interests in accordance with the substance of the contractual agreement. The Meat Board only recognizes a Financial Instrument when it becomes a party to the contractual provisions of the instrument.

The Meat Board's Financial Instruments recognized on the balance sheet include cash and cash equivalents, investments, trade receivables and trade payables.

**Initial recognition and measurement**

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The entity determines the classification of its financial assets at initial recognition.

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

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**Subsequent measurement**

The subsequent measurement of financial assets depends on their classification.

**Financial assets at fair value through surplus or deficit**

Financial assets at fair value through surplus or deficit include financial assets held for trading and financial assets designated upon initial recognition at fair value through surplus and deficit. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through surplus or deficit are carried in the statement of financial position at fair value with changes in fair value recognized in surplus or deficit.

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

**Held-to-maturity**

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

**De-recognition**

The entity derecognizes a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when:

- The rights to receive cash flows from the asset have expired or is waived.
- The entity has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either: (a) the entity has transferred substantially all the risks and rewards of the asset; or (b) the entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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**Impairment of financial assets**

The entity assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the asset or the group of financial assets that can be reliably estimated.

**Financial assets carried at amortized cost**

For financial assets carried at amortized cost, the entity first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the entity determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in surplus or deficit. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or transferred to the entity. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in surplus or deficit.

**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.

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

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**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 the 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.

**Financial liabilities**

**Initial recognition and measurement**

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The entity determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification.

**Financial liabilities at fair value through surplus or deficit**

Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through surplus or deficit.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. The category includes derivative financial instruments entered into by the entity that are not designated as hedging instruments in hedge relationships as defined by IPSAS 29.

Gains or losses on liabilities held for trading are recognized in surplus or deficit.

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

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**Loans and borrowing**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

**De-recognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in surplus or deficit.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

**Fair value of financial instruments**

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

**Provisions - IPSAS 19**

Provisions are recognized when:

- the Board has a present legal or constructive obligation as a result of past events; 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.

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

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**Inventory - IPSAS 12**

Inventory is measured at cost upon the initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

The cost of inventories shall comprise all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition. After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated cost necessary to make the sale, exchange, or distribution. Inventory are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the entity.

Merchandise is valued 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 Statement of Financial Performance for all instruments measured at amortized cost using the effective interest method.

**Computer software**

Computer software is expensed in the year it is incurred.

**Budget information – IPSAS 24**

IPSAS 24 requires a comparison of budget amounts and actual amounts arising from the execution of the budget to be included in the financial statements of entities that are required to, or elect to, make publicly available their approved budget(s), and for which they are, therefore, held publicly accountable. The MBN prepares its budget on an accrual basis. As such, the budget and the financial statements are already on the same basis and further adjustments are not required to align the financial statements to the budget. The MBN has the option to present this comparison either as a separate additional financial statement or as additional budget columns in the financial statements (IPSAS 24.14). The MBN has chosen to add a column budget in the financial statements.



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

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The differences in comparing the actual amount and the budget amount are as follows:

- i) Actual levy income is higher than estimated levy income, hence the increase.
- ii) Administration fees is based on Ear Tags and Stock brands; income received, less income as estimated hence the decrease.
- iii) Interest received on investments depends on the market rates, funds were invested at a higher rate than projected, hence the increase.
- iv) Rendering of services: Actual classification levy income is higher than the estimated, hence the increase.
- v) Other income decreased as a result of Arborides budgeted for was not purchase.
- vi) Donations to Agricultural unions are calculated as a certain percentage (%) based on income received, more levy income resulting in donation to unions increase.
- vii) The increase in the Board administration expenses is due to traveling being more than projected.
- viii) Personnel expenses cost decreased due to movement in staff some positions were vacant for a period of time.
- ix) Travel and Subsistence costs increased as a result of traveling being more than projected.
- x) Office expenses is less than projected hence the decrease.
- xi) Depreciation increased due to under budget on buildings depreciation.
- xii) The decrease in Market research, some projects/ industry studies were not implemented as anticipated.
- xiii) Commission on the levy is based on levy collected, increase in levy income resulted in an increase in commission paid to producers.
- xiv) Other expenses decreased due to funds that were allocated to Disease outbreak control were not utilized.

**Employee benefits - IPSAS 25**

**Short-term employee benefit**

Remuneration to employees is recognized in the statement of financial performance as the service rendered, except for non-accumulating benefits which are only recognized when the specific event occurs. The Meat Board opted to recognize its provision for leave pay as an accrual.

The cost of all short-term employees benefits such as leave pay, are recognized during the period in which the employee renders the related service. The liability for leave pay is based on the total accrued leave days at year end and is shown as a creditor in the statement of Financial Position. The Meat Board recognizes expected cost of performance bonuses only when a percent legal or constructive obligation to make such payment and reliable estimate can be made.

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

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**Retirement fund**

Membership of the Meat Board's retirement fund is compulsory for all full-time employees in the permanent employment of the Meat Board of Namibia.

**Post-employment benefits**

Meat Board provides retirement benefits to its employees, and has defined contribution post-employment plans.

**Defined Contribution plans**

The Meat Board's contributions to the defined contribution funds are established in terms of the rules governing those plans. Contributions are recognized in the Statement of Financial Performance in the period in which the service is rendered by the relevant employees. The contributions are recognized as employee benefit expenses when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

**Medical aid scheme**

Membership to the Meat Board's Medical Aid Scheme is optional to all employees.

**Social Security Fund**

Membership to the Social Security Fund is compulsory as per the Social Security Act of 1994. All employees of the Meat Board of Namibia, irrespective of their employment status, must be registered according to the Social Security Act, 1994 (Act 34 of 1994).

**Events after the reporting date - IPSAS 14**

The Board is not aware of any material events which occurred after the reporting date (31 March 2023), and up to the date of this report.

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

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**General levy Fund**

The General Levy Fund is based on the General Levy and calculated as 80% of the total levies received. The accumulated reserves is transferred to the Reserve fund. 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.

**Emergency Veterinary Services 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 the General Levy and calculated as 5% of the total General Levy received.

**Fan Meat Fund**

The Fan Meat fund was established with the objective of accruing a special levy 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 General Levy received.

**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 accrued to this fund for a period of 5 years. The levy was abolished on 30 May 2012. The fund is still in operating on accumulating reserves.

**FINANCIAL INSTRUMENTS**

**Financial risk management**

Exposure to currency, commodity, interest rate, liquidity and credit risk arises in the normal course of the Board's operations. This note presents information about the Board's exposure to each of the above risks, policies and processes for measuring and managing risk, and the Board's management of capital. Further quantitative disclosures are included throughout these financial statements.

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

## Fair Values

Set out below, is a comparison by class of the carrying amounts and fair values of the Board's financial instruments.

	<b>2023</b>	<b>2022</b>
	N\$	N\$
<b>Financial assets</b>	<b>71 872 695</b>	<b>63 765 533</b>
Financial instruments at fair value through surplus/deficit		
Held-to-maturity financial instruments	28 334 840	12 580 020
Receivables from exchange transactions	11 951 520	10 401 014
Receivables from non-exchange transactions	1 098 072	640 661
Cash and cash equivalents	30 488 263	40 143 838
<b>Financial liabilities</b>	<b>7 310 049</b>	<b>5 222 974</b>
Trade payables from exchange transactions	7 313 049	5 222 974

The fair value of the financial assets and liabilities are included in the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation.

The following methods and assumptions were used to estimate the fair values:

- a) Cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amount largely due to the short-term maturities of these instruments
- b) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Board based on parameters such as interest rates, specific country risk factors, and individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken to account for the incurred losses of these receivables and market related interest rates. As at 31 March 2022 and 2021, respectively, the carrying amounts of such receivables, net of allowances, are not materially different from their calculated fair values.
- c) The fair value of quoted notes and bonds is based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- d) Fair value of financial assets is derived from quoted market prices in active markets, if available.
- e) Fair value of unquoted available-for-sale financial assets is estimated using appropriate valuation techniques.



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

**Credit risk**

Credit risk is the risk of financial loss to the Board if customers or counterparties to financial instruments fail to meet their contractual obligations, and it arises principally from the Board's investments, loans, receivables, and cash and cash equivalents. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as 31 March was:

	<b>2023</b>	<b>2022</b>
	N\$	N\$
Trade receivables exchange transactions	11 951 520	10 401 014
Trade receivables non-exchange transactions	1 098 072	640 661
Cash and cash equivalents	30 488 264	40 143 838
<b>Maximum exposure to credit risk</b>	<b>43 537 856</b>	<b>51 185 513</b>

**Investments**

The Board limits its exposure to credit risk by investing only with reputable financial institutions which are within the specific guidelines set in accordance with the Board's approved investment policy.

Consequently, the Board does not consider there to be any significant exposure to credit risk.

**Receivables**

Receivables are amounts owed by customers, and are presented net of impairment losses. The Board has a credit risk policy in place, and the exposure to credit risk is monitored on an ongoing basis.

The Board is compelled, by its constituted mandate, to provide all of its customers with basic minimum services, without recourse to an assessment of creditworthiness. There were no material changes in the exposure to credit risk and its objectives, policies and processes for managing and measuring the risk during the year under review. The Board's strategy for managing its risk is regulated by the Meat Industry Act, 1981.

The Board's maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial performance. The Board has no significant concentration of credit risk, with exposure spread over a large number of consumers, and is not concentrated in any particular sector or geographic area. The Board establishes an allowance for impairment that represents its estimate of anticipated losses in respect of receivables.

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

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The outstanding amounts of N\$ 10.4 million, largest debtors represent N\$ 7.7 million of the total outstanding balance. The average credit period on services rendered is 30 days from date of invoice. The Board provided fully for all receivables outstanding over 365 days are provided for based on estimated irrecoverable amounts, determined by reference to past default experience.

**Cash and cash equivalents**

The Board limits its exposure to credit risk by investing cash and cash equivalents with only reputable financial institutions that have a sound credit rating, and within specific guidelines set in accordance with the Board's approved investment policy. Consequently, the Board does not consider there to be any significant exposure to credit risk.

**Liquidity risk**

Liquidity risk is the risk of the Board not being able to meet its obligations as they fall due. The Board's approach to managing liquidity risk to ensure that sufficient liquidity is available to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Board's reputation. The Board ensures that it has sufficient cash on demand to meet expected operating expenses. Receivables are settled within 30 days after the due date, and payables are settled within 45 days of invoice.

The following are contractual liabilities of which interest is included in borrowings:

	<b>2023</b>	<b>2022</b>
	N\$	N\$
<b>Liabilities</b>		
Payables	7 313 049	8 975 855

**Capital management**

The primary objective of managing the Board's capital is to ensure that there is sufficient cash available to support the Board's funding requirements, including capital expenditure, to ensure that the Board remains financially sound. The Board monitors capital using a gearing ratio, which is net debt, divided by total capital, plus net debt. In a capital-intensive industry, a gearing ratio of 54.5% or less can be considered reasonable. Included in net debt are interest-bearing loans and borrowings, payables, less investments.

**Currency risk**

The Board is exposed to foreign-currency risk through the importation of goods and services, either directly or indirectly, through the award of contracts to local importers. The Board manages any material direct exposure to foreign-currency risk by entering into forward exchange contracts. The Board manages its indirect exposure by requiring the local importer to take out a forward exchange contract at the time of procurement, in order to predetermine the foreign value of the contracted goods or services.

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

The Board was not a direct party to any outstanding forward exchange contracts at the reporting date. The movement in the currency was not material to the Board's procurement.

**Market Risk**

Market risk is the risk of changes in market prices, such as foreign-exchange rates and interest rates, affecting the Board's income or the value of its financial instrument holdings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on the risk. The weighted average interest rates and maturity profile on financial instruments as at 31 March 2021 are as follows:

	<b>Weighted Average Interest rate</b>	<b>2023</b>	<b>2022</b>
	<b>%</b>	<b>N\$</b>	<b>N\$</b>
<b>Financial assets</b>			
Investments	8%	28 334 840	12 580 020
Cash and cash equivalents	6%	30 488 263	40 143 838
<b>Total financial assets</b>		<b>58 823 103</b>	<b>52 723 858</b>

**RELATED PARTY DISCLOSURE**

Key management personnel

The key management personnel, as defined by IPSAS related party disclosure, are the members of Board who together constitute the governing body of the Entity. The total remuneration of the Board members and the number of individuals, on a full-time equivalent basis, receiving remuneration from the Board are:

	<b>8 972 938</b>	<b>8 336 840</b>
Board members	1 988 511	1 621 045
Key management personnel	6 984 427	6 715 795



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

	<u>2023</u>	<u>2022</u>
	N\$	N\$
<b>2. INVESTMENT PROPERTY</b>		
Investment property	<b>4 392 000</b>	<b>4 392 000</b>
Opening balance	4 392 000	4 392 000
Additions	252 000	-
<b>Closing balance</b>	<b>4 644 000</b>	<b>4 392 000</b>

The fair value of investment property – Erf 744 is N\$ 4 644 000. The fair value was determined based on valuations performed by Gert Hamman Property Valuers CC, an accredited independent valuer, as at April 2023. Gert Hamman Property Valuers CC is an industry specialist in valuing these types of investment properties. The Meat Board of Namibia has restrictions on the realization of its investment property as it only owns 72% of the investment property. The fair values of the properties have been determined on observable transactions in the market.

## ANNEXURE E

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

## 3. PROPERTY, PLANT AND EQUIPMENT

	2023		2022		2021		2020		TOTAL
	Land	Buildings	Furniture & Fixtures	Office Equipment	Motor vehicles	Show equipment	TOTAL	TOTAL	
	N\$	N\$	N\$	N\$	N\$	N\$	N\$	N\$	N\$
<b>Carrying amount at beginning:</b>	<b>14 391 360</b>	<b>8 697 757</b>	<b>404 080</b>	<b>431 472</b>	<b>104 263</b>	<b>1</b>	<b>1</b>	<b>24 028 933</b>	
Cost as at 31/03/2022	14 391 360	8 924 640	1 523 886	2 045 775	3 484 563	47 268		30 417 492	
Accumulated depreciation	-	(226 883)	(1 119 807)	(1 614 303)	(3 380 300)	(47 267)		(6 388 559)	
Additions 18% shareholding of Karakul Board	3 597 840	2 126 160	-	-	-	-	-	5 724 000	
Additions	-	-	49 280	226 191	1 358 170	-	-	1 633 641	
Prior year accumulated depreciation	-	(1 103 223)	-	-	-	-	-	(1 103 223)	
Revaluation gain/loss	-	2 320 000	-	-	-	-	-	2 320 000	
Depreciation for the year	-	(239 508)	(66 212)	(169 224)	(179 718)	-	-	(654 663)	
<b>Carrying amount end of the year</b>	<b>17 989 200</b>	<b>11 801 186</b>	<b>387 148</b>	<b>488 438</b>	<b>1 282 716</b>	<b>1</b>	<b>1</b>	<b>31 948 689</b>	
Cost as at 31/03/2023	17 989 200	13 370 800	1 573 167	2 271 965	4 842 733	47 268		40 095 133	

## MEAT BOARD OF NAMIBIA

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

## 3. PROPERTY, PLANT AND EQUIPMENT (continued)

2022	Land N\$	Buildings N\$	Office Equipment N\$	Computer Equipment N\$	Motor vehicles N\$	Show equipment N\$	TOTAL N\$
<b>Carrying amount at beginning:</b>	<b>14 391 360</b>	<b>13 961 547</b>	<b>526 643</b>	<b>445 602</b>	<b>403 743</b>	<b>1</b>	<b>29 728 896</b>
Cost as at 31/03/2021	14 391 360	15 102 419	1 523 886	1 903 748	3 484 563	47 268	36 453 244
Accumulated depreciation	-	(1 140 872)	(997 243)	(1 458 146)	(3 080 820)	(47 267)	(6 724 348)
Accumulated depreciation Adjustment	-	-	-	-	-	-	-
Agri Boards depreciation	-	(1 582)	-	-	-	-	(1 582)
Prior year depreciation adjustments	-	-	(45 142)	-	-	-	(45 636)
Prior year depreciation on buildings	-	5 631	-	-	-	-	5 631
Accumulated Impairment loss buildings	-	(273 778)	-	-	-	-	(273 778)
Impairment loss buildings	-	1 103 223	-	-	-	-	1 103 223
Additions	-	(5 904 000)	-	-	-	-	(5 904 000)
Depreciation for the year	-	(193 283)	(77 421)	(156 156)	(299 480)	-	(726 341)
<b>Carrying amount end of the year</b>	<b>14 391 360</b>	<b>8 697 757</b>	<b>404 080</b>	<b>431 472</b>	<b>104 263</b>	<b>1</b>	<b>24 028 933</b>
Cost as at 31/03/2022	14 391 360	8 924 640	1 523 886	2 045 775	3 484 563	47 268	30 417 492
Accumulated depreciation	-	(226 884)	(1 119 807)	(1 614 303)	(3 380 300)	(47 267)	(6 388 560)

## ANNEXURE E

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

	<b>2023</b>	<b>2022</b>
	N\$	N\$
<b>4. CASH AND CASH EQUIVALENTS</b>	<b>30 488 263</b>	<b>40 143 838</b>
<b>Money market investment funds</b>	<b>18 962 893</b>	<b>34 906 695</b>
Meat Board - Simonis Storm	958 328	905 668
Meat Board - Simonis Storm	12 376 536	14 451 666
Meat Board - Cirrus - Old Mutual money market	509 297	19 478 640
Meat Board -PSG - Capricorn and Old Mutual	5 118 732	70 721
<b>Current Accounts</b>	<b>11 525 370</b>	<b>5 237 143</b>
Meat Board Bank Current Account	6 612 925	1 157 038
FAN Meat Levy Current Account	990 579	1 717 931
Emergency VET Levy Current Account	1 313 821	297 871
Classification Levy Current Account	47 699	50 724
NCA Levy Current Account	381 129	409 154
CVL Account	206 228	176 775
Agricultural Board's Building Current account	1 971 712	1 427 285
Petty Cash	1 277	365
<b>5. INVESTMENTS</b>	<b>28 334 840</b>	<b>12 580 020</b>
<b>Held-to-maturity financial instruments</b>		
Cirrus security - (Fixed deposit 12 months)	20 140 000	-
PSG Treasury Bill (12 months)	8 194 840	12 580 020

## ANNEXURE E

## MEAT BOARD OF NAMIBIA

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

	2023	2022
	N\$	N\$
<b>6. RECEIVABLE FROM NON-EXCHANGE TRANSACTION</b>	<b>11 951 520</b>	<b>10 401 014</b>
Trade Debtors(Levies & other receivables)	11 596 814	10 297 911
Ear Tag Expenses	76 100	32 730
FAN Meat Expenses	222 235	30 724
Stock Brands Expenses	56 371	39 649
<b>7. RECEIVABLE FROM EXCHANGE TRANSACTION</b>	<b>1 098 072</b>	<b>640 661</b>
Agri boards receivables	375 206	287 538
Accrued interest	360 398	-
Import VAT	359 958	350 613
Nampower (Electricity deposit - Border Post)	2 510	2 510
<b>8. INVENTORIES</b>	<b>376</b>	<b>879 638</b>
Closing inventory	376	879 638
<b>TRADE AND OTHER PAYABLES FROM EXCHANGE</b>		
<b>9. TRANSACTIONS</b>	<b>3 629 399</b>	<b>5 222 974</b>
Sundry accruals, payables	3 547 962	5 015 640
Agri Board	81 437	205 181
VAT	-	2 153
<b>10. LEAVE PAY PROVISIONS</b>	<b>3 237 920</b>	<b>3 225 118</b>
Balance at the beginning of the year	3 225 118	2 392 809
Additional provision raised	295 384	1 257 638
Provision utilized	(282 582)	(425 329)

ANNEXURE E

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

**11. RESERVES  
2023**

	General Fund N\$	Emergency Fund N\$	Fan Meat Fund N\$	NCA fund N\$	Agri Board N\$	Gain/Loss N\$	TOTAL N\$
Opening balances	50 210 531	15 093 883	19 132 663	2 503 807	1 887 055	-	88 827 939
Surplus/Deficit	7 179 184	2 967 813	(350 898)	(421 748)	378 428	2 572 000	12 324 779
<b>Closing balances</b>	<b>57 389 715</b>	<b>18 061 696</b>	<b>18 781 765</b>	<b>2 082 059</b>	<b>2 265 483</b>	<b>2 572 000</b>	<b>101 152 718</b>

**2022**

	General Fund N\$	Emergency Fund N\$	Fan Meat Fund N\$	NCA fund N\$	Agri Board N\$	Gain/Loss N\$	TOTAL N\$
Opening balances	52 755 108	13 237 749	19 076 083	2 856 133	2 003 146	-	89 928 219
Surplus/Deficit	(352 859)	1 856 134	56 580	(352 326)	(493 505)	(6 552 000)	(5 837 976)
<b>Closing balances</b>	<b>52 402 249</b>	<b>15 093 883</b>	<b>19 132 663</b>	<b>2 503 807</b>	<b>1 509 641</b>	<b>(6 552 000)</b>	<b>84 090 243</b>

## ANNEXURE E

## MEAT BOARD OF NAMIBIA

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH (continued)

	2022/2023 ANNUAL BUDGET	2021/2022 ACTUAL	2022/2023 ACTUAL
	N\$	N\$	N\$
<b>REVENUE FROM NON-EXCHANGE</b>			
<b>12. TRANSACTIONS</b>	<b>47 248 298</b>	<b>46 552 188</b>	<b>57 429 495</b>
General levies on livestock exported and slaughtered (80%)	35 742 120	34 185 079	43 557 982
In-transit Levy	413 156	592 391	419 177
Meat Products levy (imports)	2 157 492	3 222 662	2 699 984
Emergency Vet Levy (5%)	2 233 883	2 136 858	2 700 580
FAN Meat Levy (15%)	6 701 648	6 415 198	8 051 772
<b>13. ADMINISTRATION FEE</b>	<b>925 567</b>	<b>860 418</b>	<b>916 850</b>
Ear Tags	576 000	572 062	702 996
Stock Brands	60 582	53 910	76 907
Agricultural Boards Building	131 405	116 999	131 069
Arboricides	150 000	110 412	-
Commission on 3rd Parties Deductions	7 580	7 035	5 878
<b>14. FINANCING INCOME</b>	<b>2 179 721</b>	<b>2 224 233</b>	<b>3 176 157</b>
Interest received General fund	2 179 721	2 224 233	3 176 157
<b>15. RENDERING OF SERVICES</b>	<b>2 479 981</b>	<b>3 672 523</b>	<b>4 842 160</b>
Classification levy	2 479 981	3 672 523	4 842 160
<b>16. OTHER INCOME</b>	<b>5 221 199</b>	<b>9 619 876</b>	<b>8 793 671</b>
CVL Cost recovery	-	1 434 620	2 294 616
Market compliance Audit	100 000	8 102	42 150
Agri board		3 476 820	4 056 980
Seal of Quality	-	8 446	330
Operational profit Agri Board shares	1 856 818	1 802 834	1 358 680
NTA refund	150 402	703 663	62 909
Water Refund Border	33 048	29 446	25 088
House rent received	80 931	58 119	49 868
Arboricides	3 000 000	2 097 826	903 050

## ANNEXURE E

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

	<b>2022/2023</b>	<b>2021/2022</b>	<b>2022/2023</b>
	<b>ANNUAL</b>	<b>ACTUAL</b>	<b>ACTUAL</b>
	<b>BUDGET</b>		
	N\$	N\$	N\$
<b>17. DONATIONS</b>	<b>3 466 986</b>	<b>4 892 000</b>	<b>3 995 746</b>
NAU	1 126 770	1 467 600	1 298 617
NNFU	1 213 446	1 956 800	1 398 512
NECFU	1 126 770	1 467 600	1 298 617
<b>18. BOARD ADMINISTRATION EXPENSES</b>	<b>2 024 192</b>	<b>1 621 045</b>	<b>2 189 801</b>
Sitting Allowance	1 184 680	984 797	1 104 143
Travelling and Subsistence expenses	672 327	513 911	884 368
Insurance	-	7 731	7 963
Telephone Chairperson	10 000	11 026	65 589
Secretariat & Admin	127 185	81 080	110 488
Workshops	30 000	22 500	17 250
<b>19. PERSONNEL EXPENSES</b>	<b>33 760 063</b>	<b>31 317 236</b>	<b>32 227 348</b>
General fund remuneration(TCC)	28 750 335	27 593 240	28 296 027
FAN Meat fund remuneration(TCC)	5 009 728	3 723 996	3 931 321
<b>20. TRAVELLING &amp; SUBSISTANCE</b>	<b>428 310</b>	<b>430 105</b>	<b>689 772</b>
General fund S&T	247 892	359 197	482 562
FAN Meat fund S&T	180 418	70 908	207 210
<b>21. OFFICE EXPENSES</b>	<b>15 970 889</b>	<b>16 359 718</b>	<b>18 540 016</b>
General fund expenses	11 039 374	10 001 415	10 798 128
Agri Board	-	3 970 325	3 678 552
FAN Meat fund expenses	4 931 515	2 387 978	4 063 336



## MEAT BOARD OF NAMIBIA

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

	2022/2023 ANNUAL BUDGET	2021/2022 ACTUAL	2022/2023 ACTUAL
	N\$	N\$	N\$
<b>22. DEPRECIATION</b>	<b>406 343</b>	<b>726 340</b>	<b>654 663</b>
Motor vehicles	51 411	299 480	179 718
Furniture & Fittings	13 408	77 421	66 213
Computer Equipment	30 414	156 156	169 224
Buildings	311 110	193 283	239 508
<b>23. MARKET RESEARCH</b>	<b>4 399 109</b>	<b>1 594 328</b>	<b>2 344 012</b>
Industry Studies	350 000	87 445	100 595
Agricultural Shows	100 000	33 750	48 600
Renovation of Auction kraals	350 000	-	-
Adhoc Studies	100 000	-	-
Market Exploration	300 000	-	146 451
International Markets	337 840	300 000	361 640
NCA levy expenses	1 901 269	352 326	421 748
Local Market Development	960 000	820 807	1 264 978
<b>24. COMMISSION</b>	<b>1 344 594</b>	<b>1 280 874</b>	<b>1 624 593</b>
General levy fund	1 072 264	1 024 495	1 300 216
FAM Meat levy fund	201 049	192 285	243 283
Emergency Vet Services levy fund	71 281	64 094	81 094
<b>25. OTHER EXPENSES</b>	<b>6 292 045</b>	<b>3 993 567</b>	<b>3 139 603</b>
Scholarships for Veterinary students	290 304	243 728	192 928
Assistance to DVS	1 000 000	1 790 098	1 000 000
Emergency Vet Serv expenses	5 001 741	1 651 250	1 946 675
<b>26. GAIN/LOSS</b>			
Revaluation gain/loss	-	(6 552 000)	2 572 000
Revaluation gain	-	(5 904 000)	2 320 000
	-	(648 000)	252 000

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

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**ABBREVIATIONS**

CVL	Central Veterinary Laboratory
DVS	Directorate Veterinary Services
FAN Meat	Farm Assured Namibian Meat Scheme
FMD	Food and Mouth Disease
ISO	International Organization for Standardization
LPF	Livestock Producer Forum
MAWLR	Ministry of Agriculture Water and Land Reform
MCA	Millennium Challenge Account
MBN	Meat Board of Namibia
NamLITS	Namibian Livestock Identification and Traceability System
NAU	Namibia Agricultural Union
NCA	Northern Communal Areas
NECFU	Namibia Emerging Commercial Farmers' Union
NNFU	Namibia National Farmers Union
NTA	Namibia Training Authority
SLA	Service Level Agreement
SVCF	South of the Veterinary Cordon Fence
S&T	Subsistence & Travelling
TCC	Total Cost to Company
VAT	Value Added Tax
VET	Veterinary
VCF	Veterinary Cordon Fence