

AGRA=S VISION AND MISSION STATEMENT

AGRA IS THE LEADER IN THE SUPPLY OF AGRICULTURAL PRODUCTS, CONSUMER COMMODITIES AND MARKETING SERVICES. WE STRIVE TO CONSISTENTLY GENERATE SUSTAINABLE PROFITS THROUGH OUTSTANDING SERVICE, INNOVATION AND BY UTILISING OUR EXTENSIVE INFRASTRUCTURE AND OUR MOTIVATED PERSONNEL.

i WE TAKE PRIDE IN WHAT WE DO i

CONTENTS	Page
Supervisory Committee's report	1
Chairman's report	3
Chief Executive Officer's report	5
Auditors' report	14
Directors' report	15
Balance Sheets	21
Income Statements	22
Statements of changes in equity	23
Cash Flow Statements	24
Notes to the Annual Financial Statements	26

AGRA SE VISIE EN MISSIE

AGRA IS DIE LEIER IN DIE VERSKAFFING VAN LANDBOU-INSETTE, VERBRUIKERSGOEDERE EN BEMARKINGSDIENSTE OM DEURLOPEND VOLHOUBARE WINSTE TE GENEREER DEUR UITSTAANDE DIENS, INNOVASIE, DIE BENUTTING VAN ONS UITGEBREIDE INFRASTRUKTUUR EN GEMOTIVEERDE PERSONEEL

! ONS IS TROTS OP WAT ONS DOEN !

INHOUD	Bladsy
Verslag van die Toesighoudende Komitee	1
Verslag van die Voorsitter	3
Verslag van die Hoof Uitvoerende Beampte	5
Ouditeursverslag	14
Direkteursverslag	15
Balansstate	21
Inkomstestate	22
State van verandering in ekwiteit	23
Kontantvloeistate	24
Aantekeninge tot die finansiële state	26

for the year ended 31 July 2000

vir die jaar geëindig 31 Julie 2000

The following members served on the committee during the year:

Mr J H Nieuwoudt of Karasburg (Southern Region)
 Mr R van der Merwe of Gobabis (Central Region)
 Mrs S Zensi of Grootfontein (Northern Region)

All meetings of the board of directors were attended by at least one member of the supervisory committee, while the chairman also attended an audit committee meeting and an executive committee meeting. The full Supervisory Committee ("SC") participated in the orientation-action under leadership of the personnel manager. Feedback was received in respect of all matters raised by the SC.

During the year THE RING was used for communication. Firstly we talked with the members. At a next occasion we noted ideas surrounding the requirements for economic co-operation between farmers. Recently we wrote about the directors and the special dedication expected from the directors these days. The purpose thereof was to try and give the readers a wider perspective, stimulate thoughts and invite reaction.

Significant developments in the infrastructure of AGRA during the year were discussed in depth beforehand and decisions were not taken lightly. The transformation of the complex in Windhoek to a beautiful shopping centre should make every member of AGRA proud. The new branch in Karasburg is also a big improvement for the members of that region.

As far as affirmative action is concerned, as required by law, progress has been made. Training of the relevant staff is expensive and therefore a concerted effort should be made by everybody who has a stake in AGRA, to approach this matter with a positive attitude and to make the staff feel at ease. In the historic co-operative culture officials were seldom praised and often approached in a harsh voice. A guard in front of the mouth can be a good beginning for good co-operation.

Although there has been a slight improvement in the agricultural trade and marketing activities during the year, this core business of AGRA is still not performing optimally. This matter needs to be addressed as currently only diversification activities generate money. It is right that diversification must support the primary function. There is however a danger that diversification as such will become the objective since it helps to balance the books. It is unavoidable that the result thereof will be that focus on the core business will be lost.

It is clear that the board of directors and management are eagerly at work to make AGRA a better and more dynamic co-operative. The productivity improvement project initiated with the assistance of consultants, is proof thereof. The re-

Die volgende lede het gedurende die jaar op die komitee gedien:

Mnr J H Nieuwoudt van Karasburg (Suidelike streek)
 Mnr R van der Merwe van Gobabis (Sentrale streek)
 Mev S. Zensi van Grootfontein (Noordelike streek)

Alle vergaderings van die direksie is deur minstens een lid van die toesighoudende komitee bygewoon, terwyl die voorsitter ook 'n ouditkomitee- en UK vergadering bygewoon het. Die volle toesighoudende komitee het deelgeneem aan die oriënteringsaksie onder leiding van die personeelbestuurder. Daar is terugvoer ontvang omtrent alle sake wat deur die TK geopper is.

Gedurende die jaar is DIE RING gebruik vir kommunikasie. Eerstens is daar gesprek gevoer met lede. Op 'n volgende keer is gedagtes neergestig oor die vereistes van ekonomiese samewerking tussen boere. Onlangs is daar geskryf oor die direksie en die besondere toewyding wat deesdae van direkteure verwag word. Die doel daarmee was om 'n bietjie wyer perspektief aan lesers te probeer deurgee, gedagtes te prikkel en om reaksie uit te lok.

Groot ontwikkelings in die infrastruktuur van AGRA gedurende die jaar is vooraf indringend bespreek en besluite is nie ligtelik geneem nie. Die omskepping van die kompleks in Windhoek tot 'n pragtige inkoopentrum behoort vir elke lid van AGRA 'n trots te wees. Eweneens is die nuwe tak op Karasburg 'n aanwinst vir die lede daar.

Ten opsigte van regstellende aksie, soos deur die wet voorgeskryf, word daar vordering gemaak. Die opleiding van die regte personeel is 'n duur item en daarom behoort daar daadwerklike pogings aangewend te word deur almal wat 'n belang by AGRA het, om hierdie saak met 'n positiewe gees te benader en personeel te laat tuis voel. In die historiese koöperasie-kultuur is die amptenaar min geprys en soms geskel. 'n Wag voor die mond kan 'n goeie begin wees vir goeie samewerking.

Hoewel daar 'n effense verbetering in landbouhandel en –bemarking gedurende die jaar was, laat hierdie kernbesigheid van AGRA nog steeds veel te wense oor. Dië saak behoort aangespreek te word want dis eintlik nèt diversifikasie wat nou geld genereer. Dit is reg so dat diversifikasie die primêre doel moet ondersteun. Die gevaar bestaan egter dat diversifikasie op sigself later die doel word omdat dit die boeke laat klop. Die gevolg daarvan is onvermydelik dat die fokus op kernbesigheid vertroebel gaan word.

Dit is duidelik dat direksie en bestuur ywerig aan die werk is om van AGRA 'n beter en meer dinamiese koöperasie te maak. Die winsverbeteringsprojek wat met behulp van konsultante aangepak is, getuig daarvan. Die herstrukturering van die personeelkorps was waarskynlik 'n riller vir diegene wat dit tot uitvoer moes bring. 'n

REPORT OF THE SUPERVISORY COMMITTEE

for the year ended 31 July 2000

structuring of the personnel corps was most likely a thriller for those who had to implement it. A new approach in respect of the motivation and productivity of staff creates big expectations for the future.

Lastly the board of directors and management should once again be congratulated for an excellent financial achievement. It is indeed a privilege to be a member of an organisation who continues to perform like AGRA does, despite the same economic environment which caused other organisations to fail. The boldness of the board of directors and management indicates a trust in our country and its future and in particular of the trust in the continued support and co-operation of our members.

J H NIEUWOUDT

VOORSITTER: TOESIGHOUDEnde KOMITEE

CHAIRMAN: SUPERVISORY COMMITTEE

VERSLAG VAN DIE TOESIGHOUDEnde KOMITEE

vir die jaar geëindig 31 Julie 2000

Nuwe benadering tot die motivering en produktiwiteit van personeel skep groot verwagtinge vir die toekoms.

Ten slotte moet direksie en bestuur weereens gelukkig word met 'n baie goeie finansiële prestasie. Dit is voorwaar 'n voorreg om lid te wees van 'n organisasie wat steeds presteer soos AGRA, ten spyte van dieselfde ekonomiese omgewing wat sommige ander organisasies laat struikel het. Die waagmoed van direksie en bestuur dui op vertroue in ons land en sy toekoms en in besonder op vertroue in die voortgesette ondersteuning en meeewing van ons ledekorps..

It seems that, during the first half of the year 2000, there was an improvement in the economic growth in Namibia compared to the previous year. Further forecasts indicate strong growth later this year which will further improve during 2001 to levels of 4 – 5%.

Interest rates are currently relatively low compared to previous years, but this had little impact thus far. This however should change soon. Different other sectors in the economy show growth potential as a result of investment that takes place, as well as high world market prices. As far as the agricultural sector is concerned, a further good rainy season should make a big difference to the farming environment.

We had a particularly good rainy season, but the re-establishment of our stock will still take some time. It is also too early to make a material difference to the debt situation of our farmers, which will hamper growth in our normal business.

AGRA closes the 1999/2000 financial year with a profit of N\$4,9 m for the group. It is an achievement which personally pleased me a lot, taking into account the downward trend in the agricultural sector in recent years. External investments made a material contribution to the results.

As already communicated to you, a number of capital projects have been completed during the year under review. Auas Valley should also be completed shortly and we trust that this project especially, in the years to come, will lead to the greater stability in the income flow of AGRA.

The intervention of a group of management consultants, the restructuring of our core business namely trade and livestock separately, investigation into and implementation of a new computer system, the bigger emphasis on staff management and especially training as well as the empowerment of people are all actions which, in the new year, will give momentum to the new approach of our business. We would like to focus on our branches and the service they render, combined with a special emphasis on cost effectiveness – to enable us to achieve our budget and to perhaps improve on it.

After much development and investment in recent months, this year will be characterised by consolidation. Another important aspect of our business: Preparations for the implementation of the “Affirmative Action” legislation has been ongoing for a considerable time and will stay a high priority, to ensure that all parties involved will benefit from it. It is AGRA’s aim to be there not only for the benefit of our members but for the benefit of Namibia.

Where these processes and actions have required huge inputs and contributions from management and staff – my sincere thanks to everyone. Also to every member, every supporter and every co-worker of AGRA my sincere thanks for your support and co-operation.

Gedurende die eerste helfte van 2000 blyk daar ‘n verbetering te wees in die ekonomiese groei van Namibia teenoor die vorige jaar. Verdere voorspellings dui op sterk groei later vanjaar wat gedurende 2001 verder sal voortgaan na vlakke van 4 – 5%.

Rentekoerse wat tans redelik laag lê teenoor vorige jare het tot dusver nog nie veel van ‘n impak gehad nie, maar dit sal waarskynlik binnekort verander. Verskillende ander sektore in die ekonomie toon groeipotensiaal vanweë investering wat plaasvind asook hoë wêreldmarkpryse. Ten opsigte van landbou behoort ‘n verdere goeie reënseisoen ‘n groot verskil te maak aan die boerderyklimaat.

Die afgelope reënseisoen was buitengewoon goed, maar die herstel van ons veestapel sal nog geruime tyd duur. So ook is dit te gou om ‘n wesenlike verskil te maak aan die skuldposisie van die boere, wat groei in ons normale besigheid beperk.

Agra sluit die 1999/2000 boekjaar af met ‘n wins van N\$4,9m vir die groep. Dit is ‘n prestasie waaroor ek persoonlik baie verheug is, in ag genome die afgelope swak landboujare. Eksterne beleggings het ‘n wesenlike bydrae gelever tot die resultaat.

Soos aan u gekommunikeer, is ‘n hele paar kapitaalprojekte in die jaar onder oorsig afgehandel. Auas Valley hoort ook binnekort afgehandel te wees en vertrou ons dat juis hierdie projek, in die jare wat voorlê, tot groter stabiliteit in die inkomstevloei van Agra sal bydra.

Die intervensie van ‘n bestuurskonsultante groep, die herstrukturering van ons besigheid, naamlik handel en lewende hawe afsonderlik, die ondersoek na en implementering van ‘n nuwe rekenaarsstelsel, die groter klem op personeelhantering en veral opleiding en die toerus van persone is alles aksies wat, in die nuwe jaar, momentum sal gee aan ‘n nuwe benadering tot ons besigheid. Ons wil fokus op ons takke en die diens wat daar gelever word, tesame met groot klem op koste-effektiwiteit – om sodoende ons begroting te behaal en dalk daarop te verbeter.

Na soveel ontwikkeling en investering in die afgelope tyd, sal hierdie jaar ook een wees wat gekenmerk sal word deur konsolidasie. ‘n Ander belangrike aspek van ons besigheid: Voorbereidings vir die implementering van die “Affirmative Action” wetgewing is reeds geruime tyd aan die gang en sal ‘n hoë prioriteit bly, om te verseker dat alle betrokke partye daarby sal baat. Dit bly Agra se strewe om daar te wees tot voordeel van ons lede, maar ook tot voordeel van ons land.

Waar hierdie prosesse en aksies groot insette en bydraes geverg het van bestuur en personeel – my opregte dank aan elkeen van u. So ook aan elke lid, elke ondersteuner en elke medewerker van AGRA my opregte dank vir u ondersteuning en samewerking.

Lastly I want to thank every co-director and SC member for their support and contributions made in the interest of AGRA and together we thank Him who made everything possible during the past year.

Laastens my dank aan elke mede-direkteur en TK lid vir u ondersteuning en bydraes in belang van AGRA, en saam dank ons Hom wat alles moontlik gemaak het in die afgelope jaar.

**J W CHAPMAN
CHAIRMAN
VOORSITTER**

for the year ended 31 July 2000

vir die jaar geëindig 31 Julie 2000

OVERVIEW

For the first time in many years Namibia experienced an above average rain season which was spread over virtually the whole country.

Whilst this in itself does not improve economic conditions overnight it creates a climate of optimism amongst our farming community which is important for the future existence of agriculture in this country.

Unfortunately there were no significant other positive changes in our economy. Unemployment still presents the major challenge to both the public and the private sector, which can only be addressed through economic growth.

Interest rates have continued their downward trend to the current prime lending rate of 15,5 % per annum. This had a limited positive impact on consumer spending and the general debt situation of individuals.

AGRA embarked on a relatively intensive capital expenditure programme for the year under review, which resulted in cash outflows as well as an increase in AGRA's long-term liabilities.

Below follows an analysis of AGRA's results:

1. **LIVESTOCK**

Gross value of livestock transactions for the year under review (excluding karakul pelts and wool) amounted to N\$270 million compared to N\$247 million in 1999. This represents an increase of 9,3 %. Net turnover achieved in this category totalled N\$10,63 million compared to N\$9,48 million in 1999, an increase of 12,1 %. Growth in this division was achieved mostly through AGRA's Livestock Auction Business and a recovery of market share in the small stock category.

1.1 **Karakul**

Pelt quantities offered for sale at the two auctions in Copenhagen during December 1999 and June 2000 amounted to 92 232 which shows a slight increase of 6 % compared to the 87 202 skins sold during the year ending July 1999. Prices of pelts increased from an average of N\$156,40 in the last financial period to N\$161,22 for the year under review.

It still seems as if the fur industry is continuing with its recovery phase and that prices of fur, and for that matter Karakul pelts, can be predicted to remain stable in the foreseeable future.

OORSIG

Vir die eerste keer in baie jare het Namibië 'n bogemiddelde reënseisoen ondervind wat versprei was oor feitlik die hele land.

Alhoewel dit opsigself nie die ekonomiese toestand oornag verbeter nie, skep dit 'n klimaat van optimisme onder ons boeregemeenskap wat belangrik is vir die voortbestaan van landbou in hierdie land.

Ongelukkig was daar geen ander wesenlike positiewe veranderinge in die ekonomie nie. Werkloosheid verskaf nog steeds die grootste uitdaging aan beide die publieke en privaatsektor, wat slegs geadresseer kan word deur ekonomiese groei.

Rentekoerse het hulle afwaartse tendens voortgesit tot by die huidige primaleningskoers van 15,5% per jaar. Dit het 'n beperkte positiewe impak gehad op verbruikersbesteding en die algemene skuldsituasie van individue.

AGRA het gedurende die jaar onder oorsig 'n relatiewe intensiewe kapitale spanderingsprogram aangepak, wat kontantuitvloei tot gevolg gehad het sowel as 'n toename in AGRA se langtermynverpligtinge. Dit sal egter AGRA se toekomstige inkomstestrome verbeter. Hieronder volg 'n ontleding van AGRA se resultate:

1. **LEWENDE HAWE**

Die bruto waarde van lewende hawe transaksies vir jaar onder oorsig (uitgesluit karakoelpelse en wol) het N\$270 miljoen beloop in vergelyking met die N\$247 miljoen in 1999. Dit verteenwoordig 'n toename van 9,3%. Netto omset behaal in hierdie kategorie het N\$10,63 miljoen beloop in vergelyking met N\$9,48 miljoen in 1999, 'n toename van 12,1%. Groei in hierdie afdeling was hoofsaaklik behaal deur AGRA se Lewende Hawe veilingsbesigheid en 'n herwinning van marktaandeel in die kleinveekategorie.

1.1 **Karakoel**

Die hoeveelheid karakoelpelse te koop aangebied by die twee veilings in Copenhagen gedurende Desember 1999 en Junie 2000 beloop 'n totaal van 92 232 pelse wat 'n geringe toename van 6% verteenwoordig in vergelyking met die 87 202 pelse verkoop gedurende die jaar geëindig Julie 1999. Pryse van pelse het toegeneem vanaf 'n gemiddelde van N\$156,40 in die vorige finansiële periode na N\$161,22 gedurende die jaar onder oorsig.

Dit blyk asof die pelsindustrie voortgaan met sy herstelfase en dat ons kan voorspel dat die pryse van pelse, en meer spesifiek van karakoelpelse, stabiel sal

REPORT OF THE CHIEF EXECUTIVE OFFICER

for the year ended 31 July 2000

This will depend to a large extent on the outcome of decisions taken by governments, especially in England and the Netherlands where anti-fur lobbies are trying to have legislation against fur farming enacted.

The AGRA Pelt Centre was once again not in a position to break even and showed a loss of N\$127 000 (1999: N\$113 000) due largely to the low number of pelts sorted against increasing labour costs. We expect pelt quantities offered for sale to increase in the current year, which should result in an improved financial result in the year 2000/2001.

1.2 Overall livestock division

As a result of the increased turnover, cost saving measures and increased margins that were obtained in this division, the net result before Head Office overhead costs achieved increased to N\$1,9 million (1999: N\$1,0 million).

2. TRADE

Total Group Turnover amounted to N\$234 million compared to N\$218 million in 1999. This represents a growth of 7,3 %.

2.1 Agra Branches

Due to the fact that an above average rain season was experienced country wide, the demand for feeds and licks declined by 13 % compared to 1999. This resulted in the turnover for the AGRA branches increasing only by 1,3 % or N\$2,4 million during the financial year. Nevertheless, the profit achieved in this division before Head Office overhead costs increased by 16 % from N\$2,8 million in 1999 to N\$3,3 million due largely to more effective cost control and slightly improved margins.

2.2 Wholesale activities

AGRA's Wholesale Division consists of the AGRA Distribution Depot, Gas Depots in Okahandja and Keetmanshoop and Safari Den Branches in the Auas Valley Shopping Mall, Post Street Mall and Swakopmund.

- Turnover in the Distribution Depot increased by N\$916 000 (5 %) to N\$20,4 million.
- Turnover in the two Gas Depots increased by N\$3,9 million (51 %) to N\$11,6 million.
- The Safari Den Division increased its turnover by N\$1,1 million (16 %) to N\$7,6 million.

VERSLAG VAN DIE HOOF UITVOERENDE BEAMPTE

vir die jaar geëindig 31 Julie 2000

bly in die naby toekoms. Dit sal in 'n groot mate afhang van die besluite wat deur die regerings geneem word, veral in England en Nederland waar anti-pels drukgroepe probeer om wetgewing teen pelsboerdery deur te voer.

Die AGRA pelssentrum was weereens nie in 'n posisie om gelyk te breek nie en het 'n verlies getoon van N\$127 000 (1999 : N\$113 000) hoofsaaklik as gevolg van die lae hoeveelhede pelse gesorteer teenoor 'n toename in arbeidskoste. Ons verwag dat pelshoeveelhede te koop aangebied hierdie jaar sal toeneem, wat verbeterde finansiële resultate in die jaar 2000/2001 tot gevolg behoort te hê.

1.2 Algehele lewende hawe afdeling

As gevolg van 'n styging in die omset en groter marges wat behaal is in hierdie afdeling, het die netto resultaat voor hoofkantoor oorhoofse koste toegeneem na N\$1,9 miljoen (1999 : N\$ 1,0 miljoen).

2. HANDEL

Totale groepsomset het N\$234 miljoen beloop in vergelyking met N\$218 miljoen in 1999. Dit verteenwoordig 'n groei van 7,3%.

2.1 Agra takke

As gevolg van die feit dat 'n bogemiddelde reënvalseisoen landswyd beleef is, het die vraag na voere en lekkies afgeneem met 13% in vergelyking met 1999. Dit het tot gevolg gehad dat die omset vir die Agra takke met slegs 1,3% of N\$2,4 miljoen, gestyg het gedurende die finansiële jaar. Ten spyte daarvan, het die wins behaal in hierdie afdeling voor hoofkantoor oorhoofse koste toegeneem met 16% van N\$2,8 miljoen in 1999 na N\$3,3 miljoen, hoofsaaklik as gevolg van meer effektiewe kostebeheer en 'n klein toename in marges.

2.2 Groothandel-aktiwiteite

AGRA se groothandelafdeling bestaan uit die AGRA Distribusiesentrum, Gasdepots in Okahandja en Keetmanshoop en Safari Den takke in die Auas Valley Winkelsentrum, Post Street Mall en Swakopmund.

- Omset in die distribusiesentrum het toegeneem met N\$916 000 (5%) na N\$20,4 miljoen.
- Omset in die twee gasdepots het toegeneem met N\$3,9 miljoen (51%) na N\$11,6 miljoen.
- Die Safari Den afdeling het sy omset verhoog met N\$1,1 miljoen (16%) na N\$7,6 miljoen.

for the year ended 31 July 2000

vir die jaar geëindig 31 Julie 2000

Due to effective cost saving measures, the total cost component of this division increased by only 5 % during the year resulting in an increased profit before Head Office overhead costs of N\$1,4 million compared to a figure of N\$0,7 million in 1999.

3. SUBSIDIARIES AND ASSOCIATED COMPANIES

3.1 Wire Industries

During the year under review this subsidiary commenced the distribution function for the AGRA branches of Wooden Poles and Droppers. These services are provided at very low margins. In addition the Fencing Material Market remained very competitive which resulted in a lower than expected net profit of N\$95 000. Net profit after taxation however amounted to N\$425 000 (1999: N\$433 000) as a result of a positive deferred taxation adjustment during this year.

3.2 Star Plastics

Once again we have to report a disappointing result for this subsidiary. Although turnover increased by 2 % compared to 1999, costs increased by 18 % mostly as a result of increased building rental and municipal costs both of which increased by more than 100 %.

Due to a positive deferred tax adjustment the current year's loss was transformed into a profit after taxation of N\$43 000 (1999: Loss of N\$249 000).

4. AGRA (CO-OPERATIVE) LIMITED – HEAD OFFICE

During the year under review AGRA appointed a group of Management Consultants for the purpose of streamlining AGRA's strategic focus areas, improving and implementing system controls, and improving productivity in all spheres of AGRA's business. This project was successfully completed at the end of July of this year, and savings to be realised from this intervention will be forthcoming in the next financial years.

We have also committed ourselves to the implementation of a new state-of-the-art on-line computer system. Implementation will commence in October 2000 with completion date approximately May 2001. Most of the preparatory work for the selection of a suitable system, was done and certain hardware costs were incurred during the current year increasing Information Technology Costs by 18 % compared to 1999.

As gevolg van effektiewe kostebeheermaatreëls het die totale kostekomponent van hierdie afdeling met slegs 5% toegeneem gedurende die jaar, wat 'n verbeterde wins voor hoofkantoor oorhoofse koste van N\$1,4 miljoen tot gevolg het in vergelyking met 'n syfer van N\$0,7 miljoen in 1999.

3. FILIALE EN VERWANTE MAATSKAPPYE

3.1 Wire Industries

Gedurende die jaar onder oorsig het hierdie filiaal begin om die verspreidingsfunksie vir die AGRA takke te behartig ten opsigte van houtpale en sparre. Hierdie dienste word verskaf teen baie lae marges. Verder het die kammateriaalmarkt baie mededingend gebly, wat 'n laer as verwagte netto wins van N\$95 000 tot gevolg gehad het. Netto wins na belasting beloop egter N\$425 000 (1999 : N\$433 000) as gevolg van 'n positiewe uitgestelde belasting aanpassing gedurende die jaar.

3.2 Star Plastics

Weereens moet ons teleurstellende resultate rapporteer vir hierdie filiaal. Alhoewel omset met 2% toegeneem het in vergelyking met 1999, het koste met 18% toegeneem hoofsaaklik as gevolg van 'n toename in huur van geboue en munisipale koste, wat beide met meer as 100% toegeneem het.

As gevolg van 'n positiewe uitgestelde belasting aanpassing het die huidige jaar se verlies omgeswaai in 'n wins na belasting van N\$43 000 (1999: verlies van N\$249 000).

4. AGRA (KOÖPERATIEF) BEPERK – HOOFKANTOOR

Gedurende die jaar onder oorsig het AGRA 'n groep van bestuurskonsultante aangestel met die doel om AGRA se strategiese fokusareas meer stroombelyn te maak, vir die verbetering en implementering van stelselkontroles, en vir die verbetering van produktiwiteit in alle aspekte van AGRA se besigheid. Hierdie projek was suksesvol voltooi teen einde van Julie hierdie jaar, en die besparings wat sal voortspruit uit hierdie ingryping sal in die volgende finansiële jare gesien word.

Ons het onself ook verbind tot die implementering van 'n nuwe moderne aanlyn-rekenaarstelsel. Die implementering sal begin gedurende Oktober 2000 met 'n verwagte voltooiingsdatum van Mei 2001. Die meeste van die voorbereidingswerk vir die seleksie van 'n toepaslike stelsel is al gedoen en sekere hardewarekoste is gedurende die huidige jaar aangegaan, wat die inligtingtegnologiese koste met 18% verhoog het in vergelyking met 1999.

for the year ended 31 July 2000

The Human Resources Division Costs increased by 31 % mostly as a result of the increase in the medical aid contributions for pensioners, which increased by 56 % to N\$1,24 million during the financial year.

As a result of the above Head Office costs increased by 29 % compared to 1999.

5. AUAS VALLEY SHOPPING MALL

Probably one of the biggest projects ever undertaken by AGRA was the establishment of the Auas Valley Shopping Mall. It entailed the upgrading of the old Alfa Supermarket, the provision of nineteen Lineshops, the building of a ramp linking the first floor of the building complex with the ground floor, creating additional parking facilities and the linking of AGRA's Windhoek Branch with the Shopping Mall.

Due to various factors including the complexity of renovating an old building that does not comply to many specifications and the fact that virtually all services (electrical, water and sewerage) had to be renewed, the project was not completed in the specified time frame.

The official opening of the Mall took place on 31 August 2000 although the refurbishment of the AGRA Branch, the first floor of the complex and additional parking facilities will only be completed by the end of November 2000.

In the long term this project will contribute substantially to AGRA's profitability. During the current year however it had a major impact on cash outflows and interest payments.

Total cost of the project is estimated to amount to approximately N\$20 million.

6. FINANCIAL RESULTS

Notwithstanding the fact that major changes were effected in AGRA's organisational structure, management consulting fees had to be paid and the Auas Valley Project that increased our interest burden we are pleased to report to our members a group net surplus of N\$4,98 million after taxation for the year under review (1999: N\$4,75 million). AGRA (Co-operative) Ltd achieved a net surplus of N\$4,51 million compared to the budgeted surplus of N\$3,87 million and N\$4,56 million for 1999.

Gross Profits increased by 9 % for the group and 8 % for the Co-operative to N\$47 million and N\$42 million respectively.

vir die jaar geëindig 31 Julie 2000

Die personeelafdelingkoste het met 31% toegeneem hoofsaaklik as gevolg van die toename in die mediese-fondsbydraes vir pensioenarisse wat met 56% toegeneem het na N\$1,24 miljoen gedurende die finansiële jaar.

As gevolg van bogenoemde het hoofkantoor koste toegeneem met 29% in vergelyking met 1999.

5. AUAS VALLEY WINKELSENTRUM

Waarskynlik een van die grootste projekte ooit onderneem deur AGRA was die oprigting van die Auas Valley Winkelsentrum. Dit het behels die opgradering van die ou Alfa Supermark, die voorsiening van neëntien lynwinkels, die bou van 'n oloop wat die eerste verdieping van die geboue-kompleks verbind met die grondvloer, die skepping van addisionele parkeerruimte en die verbinding van AGRA se Windhoek-tak met die winkelsentrum.

As gevolg van verskeie faktore, insluitende die kompleksiteit van die opknapping van 'n ou gebou wat nie voldoen aan baie spesifikasies nie, en die feit dat feitlik alle dienste (elektries, water en riool) vernuwe moes word, was die projek nie voltooi in die gespesifiseerde tydskedule nie.

Die amptelike opening van die kompleks het plaasgevind op 31 Augustus 2000, ten spyte daarvan dat die opknapping van die AGRA-tak, die eerste vloer van die kompleks en die addisionele parkeerruimte eers teen die einde van November 2000 voltooi sal wees.

In die langtermyn sal hierdie projek wesenlik bydra tot AGRA se winsgewendheid. Gedurende die huidige jaar het dit egter 'n groot impak gehad op die kontantuitvloei en rentebetalinge.

Die totale koste van die projek word beraam op ongeveer N\$20 miljoen.

6. FINANSIËLE RESULTATE

Nieteenstaande die feit dat groot veranderings aangebring is in AGRA se organisatoriese struktuur, bestuursadviesdienste-fooie wat betaal moes word, en die Auas Valley Winkelsentrum projek wat tot gevolg gehad het dat ons rentelas toegeneem het, is dit vir ons aangenaam om aan ons lede 'n groep surplus van N\$4,98 miljoen na belasting vir die jaar onder oorsig te rapporteer (1999: N\$4,75 miljoen). AGRA (Koöperatief) Beperk het 'n netto surplus van N\$4,51 miljoen behaal in vergelyking met die begrote surplus van N\$3,87 miljoen en N\$4,56 miljoen vir 1999.

Bruto winste het toegeneem met 9% vir die groep en 8% vir die Koöperasie na N\$47 miljoen en N\$42 miljoen onderskeidelik.

REPORT OF THE CHIEF EXECUTIVE OFFICER

for the year ended 31 July 1999

VERSLAG VAN DIE HOOF UITVOERENDE BEAMPTTE

vir die jaar geëindig 31 Julie 1999

Total expenses increased by 8 % for the group and 8,9 % for the Co-operative.

Major Cost Categories performed as follows compared to 1999:

Stock Costs:	Decreased by 6 % as a result of more effective stock controls which will be further developed to result in more savings.
Marketing Costs:	Increased by 19 % mainly due to AGRA's more aggressive advertising policy and the appointment of livestock agents who receive commission on service rendered.
Transport Costs:	Increased by 12 %. This is mainly due to higher fuel prices.
Personnel Costs:	Increased by 3 %. AGRA has continued with its drive to ensure productivity in all areas. This is the main reason for the low increase in these costs.
Admin Costs:	Increased by 25 % mainly as a result of the intervention by the management consultants and higher Information Technology costs.
Financing Costs:	Increased by 2 %. This low increase was achieved because of a drop in interest rates during the year, which off-set the increase in financing costs incurred on the Auas Valley Development.

Balance Sheet Ratios of the Group and the Co-operative remain sound although the debt to equity ratio has changed from 17,5 % in 1999 to 39,7 % in the current year which is a direct result of the upgrading of the Windhoek Erf into the Auas Valley Shopping Mall, as well as the fact that provision of N\$25 million had to be made for the liability of AGRA for the payment of future medical aid benefits to pensioners. Current assets to Current Liabilities ratio declined slightly from 1,87:1 in 1999 to 1,55:1 in 2000.

Totale uitgawes het toegeneem met 8% vir die groep en 8,9% vir die Koöperasie.

Die belangrikste kostekategorieë het as volg presteer in vergelyking met 1999:

Voorraadkoste:	Afgeneem met 6% as gevolg van meer effektiewe voorraad-beheermaatreëls wat verder ontwikkel sal word om verdere kostes te bespaar.
Bemarkingskoste:	Toegeneem met 19% hoofsaaklik as gevolg van AGRA se meer aggresiewe advertensiebeleid en die aanstelling van Lewende Hawe agente wie kommissie ontvang op dienste gelewer.
Vervoerkoste:	Toegeneem met 12%. Dit is hoofsaaklik as gevolg van hoër brandstofpryse.
Personeelkoste :	Toegeneem met 3%. AGRA het voortgegaan met sy strewe om produktiwiteit te verbeter in alle areas. Dit is die hoofrede vir die lae styging in hierdie koste.
Administratiewe koste:	Toegeneem met 25% hoofsaaklik as gevolg van die ingryping van die bestuurskonsultante en die hoër inligtingstegnologie-koste.
Finansieringskoste:	Toegeneem met 2%. Hierdie lae styging was behaal as gevolg van 'n afname in rentekoerse gedurende die jaar, wat afgesit is teen die toename in finansieringskoste aangegaan op die Auas Valley Winkelsentrum-ontwikkeling.

Balanstaatverhoudings van die groep en die koöperasie het gesond gebly, al het die skuld tot ekwiteit-verhouding verander van 17,5% in 1999 tot 39,7% in die huidige jaar, wat die direkte resultaat is van die opgradering van die Windhoek erf na die Auas Valley Winkelsentrum, sowel as die feit dat 'n voorsiening van N\$25 miljoen gemaak moes word vir die aanspreeklikheid wat AGRA het vir die betaling van toekomstige mediese fondsvoordele aan pensioenarisse. Die bedryfsbate tot bedryfslaste verhouding het effens afgeneem van 1,87:1 in 1999 tot 1,55:1 in 2000.

for the year ended 31 July 2000

vir die jaar geëindig 31 Julie 2000

7. CAPITAL EXPENDITURE

During the year under review an amount of N\$15,7 million was spent on capital expenditure compared to the budgeted figure of N\$20,8 million.

Major Categories were:

	N\$
Information Technology	792 000
Commercial Motor Vehicles	96 000
Operational Assets (Shelving, fridges etc)	685 000
Structural upgrading of branches	4 671 000
Auas Valley Shopping Mall	9 212 000
Other	<u>286 000</u>
Total	<u>15 742 000</u>

The process of systematically upgrading AGRA's existing branches, the finalisation of phases 2 and 3 of the Auas Valley project as well as the implementation of a new Information Technology system will form part of next year's Capital Expenditure.

The expenditure is considered necessary in order to maintain your Co-operative's competitiveness in the market place and to ensure future financial viability.

8. FUTURE OUTLOOK

It is our view that the Co-operative is now structured in such a way that it can focus on its various activities of which the Trading and Livestock division are the most important.

Our aim for the forthcoming year is to concentrate on customer service, product and service availability, effective cost control and competitive pricing.

We are of the opinion that conditions in the Namibian economy will not undergo dramatic positive changes, which will mean that there is limited potential for growth in our market.

This means that a period of consolidation of our activities lies ahead in which we have to improve the service levels to our customers and concentrate on cost-effective operations.

The change-over from the General Sales Tax and Additional Sales Levy environ-

7. KAPITALE SPANDERINGS

Gedurende die jaar onder oorsig is 'n bedrag van N\$15,7 miljoen spandeer aan kapitale uitgawes in vergelyking met die begrote syfer van N\$20,8 miljoen.

Die belangrikste kategorieë was:

	N\$
Inligtingstegnologie	792 000
Handelsvoertuie	96 000
Operasionele bates (rakke, yskaste ens)	685 000
Strukturele opgradering van takke	4 671 000
Auas Valley Winkelsentrum	9 212 000
Ander	<u>286 000</u>
Totaal	<u>15 742 000</u>

Die proses van sistematiese opgradering van AGRA se bestaande takke, die finalisering van fase 2 en 3 van Auas Valley projek sowel as die implementering van die nuwe inligtingstegnologiëstelsel sal deel vorm van volgende jaar se kapitale spanderings.

Die uitgawe word nodig geag ten einde die koöperasie se mededingendheid in die mark te behou en om toekomstige finansiële lewensvatbaarheid te verseker.

8. TOEKOMSTIGE VERWAGTINGE

Dit is ons mening dat die Koöperasie nou so gestruktureer is dat dit kan fokus op sy onderskeie aktiwiteite waarvan die handel en lewende hawe afdelings die belangrikste is.

Ons doelwit vir die komende jaar is om te konsentreer op kliëntediens, produk en diens beskikbaarheid, effektiewe kostebeheer en 'n mededingende prysbeleid.

Ons is van mening dat die toestand in die Namibiese ekonomie nie dramatiese positiewe veranderings sal ondergaan nie, wat beteken dat daar 'n beperkte potensiaal vir groei in ons mark is.

Dit beteken dat 'n periode van konsolidasie van ons aktiwiteite voorlê waartydens ons die diensleweringvlakke aan ons klante moet verbeter en sal moet konsentreer op koste-effektiewe bedrywighede.

Die oorskakeling vanaf algemene verkoopsbelasting en addisionele verkoopsheffing na belasting op toegevoegde waarde op 27 November 2000, sal nog 'n groot

REPORT OF THE CHIEF EXECUTIVE OFFICER

for the year ended 31 July 2000

ment to a Value Added Tax environment on 27 November 2000 will present another big challenge to all Namibian organisations and the Ministry of Finance.

We are doing everything in our power to ensure that AGRA will be ready to face this challenge later in this year.

9. BUDGETS FOR THE YEAR ENDING 31 JULY 2001

9.1 Capital expenditure budget

As already mentioned the computer system and the remaining phases of the Auas Valley Shopping Mall represent the largest Capital Items on our budget for this year after which Capital Expenditure will be minimised for the foreseeable future. Capital Expenditure for the 2000/2001 financial year is budgeted as follows:

	N\$ million
Upgrading and development of fixed property	7,051
Information Technology	3,438
Commercial Vehicles	0,159
Furniture and Fittings	0,006
Operational Assets	<u>0,947</u>
	<u>11,601</u>

Depending on AGRA's internal cash flow and the sale of certain investments it is envisaged that an amount of N\$6,1 million will be obtained from financial institutions with the balance of the expenditure being financed from own resources.

9.2 Operational budget

The operational budget for the next financial year incorporates higher costs in the following cost categories:

Information Technology Costs:	The cost of AGRA's new computer system.
Transport Costs:	The continued increases in the price of fuel.
Marketing Cost:	More aggressive advertising for both the Co-operative and Auas Valley Shopping Mall.
Financing Costs:	As a result of Capital Expenditure incurred both in 1999 / 2000 and this year's budget, these costs will be substantially higher than in previous years.

VERSLAG VAN DIE HOOF UITVOERENDE BEAMPTE

vir die jaar geëindig 31 Julie 2000

uitdaging bied aan alle Namibiese organisasies en die Ministerie van Finansies.

Ons doen alles in ons vermoë om te verseker dat AGRA reg sal wees om hierdie uitdaging te hanteer later hierdie jaar.

9. BEGROTINGS VIR DIE JAAR GEËINDIG 31 JULIE 2001

9.1 Kapitaalspanderings begroting

Soos alreeds genoem, is die rekenaarsstelsel en die oorblywende fases van die Auas Valley Winkelsentrum die grootste kapitale items op ons begroting vir hierdie jaar, waarna kapitale spanderings beperk sal word vir die nabye toekoms. Die kapitale spanderings vir 2000/2001 finansiële jaar word as volg begroot:

	N\$ miljoen
Opgradering en ontwikkeling van vaste eiendom	7,051
Inligtingstegnologie	3,438
Handelsvoertuie	0,159
Meubels en toerusting	0,006
Operasionele bates	<u>0,947</u>
	<u>11,601</u>

Afhangende van AGRA se interne kontantvloei en die verkoop van sekere beleggings, word dit voorsien dat 'n bedrag van N\$6,1 miljoen bekom sal word van finansiële instansies met die balans van die spandering wat gefinansier sal word uit eie bronne.

9.2 Operasionele begroting

Die operasionele begroting vir die volgende finansiële jaar sluit in hoër kostes in die volgende koste-kategorie:

Inligtingstegnologieskoste:	Die koste van AGRA se nuwe rekenaarsstelsel.
Vervoerkoste:	Die verdere toenames in die brandstofprys.
Bemarkingskoste:	Meer aggressiewe bemarking van beide die Koöperasie en Auas Valley Winkelsentrum
Finansiëringskoste:	As gevolg van kapitale spanderings aangegaan in beide 1999/2000 en in hierdie jaar se begroting sal hierdie koste aansienlik hoër wees as in vorige jare.

for the year ended 31 July 2000

vir die jaar geëindig 31 Julie 2000

We foresee the retail environment becoming even more competitive as a result of very limited growth potential thus putting pressure on gross margins. In the livestock division the introduction of VAT at the end of November 2000 will also have an influence on the commission earned.

Smaller AGRA Branches are still finding it difficult to produce sustainable results. This position will only change if the purchasing power of individuals in the smaller towns increases which does not seem to be the case during the next financial year.

Taking the above into consideration we would like to present our annual operational budget as follows:

	<u>N\$ million</u>
Gross value of livestock transactions	309 287
Trade division	208 865
Wholesale division	<u>35 819</u>
Total turnover	553 971
Cost of sales	<u>504 786</u>
Gross profit	49 185
Other income	<u>6 853</u>
Gross income	56 038
Less:	
Inventory Costs	(1 009)
Marketing Costs	(3 019)
Building Costs / rental income	1 894
Transport Costs	(5 937)
Personnel Costs	(31 430)
Directors Costs	(551)
Administration Costs	<u>(7 650)</u>
Surplus before finance charges	8 336
Finance charges	<u>(4 906)</u>
Net surplus before tax	<u>3 430</u>

10. CONCLUSION

From AGRA's point of view, a very exciting year lies behind us.

The highlights of this year can be summarised as:

10.1 Auas Valley Shopping Mall. I am convinced that this investment will over the long term prove to be a very profitable undertaking and would like to thank the board of directors and all my staff for the support and advice received in making this project a reality.

Ons voorsien dat die kleinhandelomgewing selfs meer mededingend sal word as gevolg van 'n baie beperkte groeipotensiaal, wat gevolglik druk sal sit op bruto marges. In die Lewende Hawe afdeling sal die inwerkingtrekking van BTW teen die einde van November 2000 ook 'n invloed hê op kommissie verdien.

Kleiner AGRA-takke vind dit steeds moeilik om volhoubare resultate te lewer. Hierdie posisie sal slegs verander as die koopkrag van individue in die kleiner dorpe toeneem, wat nie blyk die geval sal wees gedurende die volgende finansiële jaar nie.

Met inagneming van bogenoemde, bied ons graag ons jaarlikse operasionele begroting as volg aan:

	<u>N\$ miljoen</u>
Bruto waarde van lewende hawe transaksies	309 287
Handelsafdeling	208 865
Groothandelaafdeling	<u>35 819</u>
Totale omset	553 971
Koste van verkope	<u>504 786</u>
Bruto wins	49 185
Ander inkomste	<u>6 853</u>
Bruto inkomste	56 038
Min:	
Voorraadkoste	(1 009)
Bemarkingskoste	(3 019)
Geboue-koste/huurinkomste	1 894
Vervoerkoste	(5 937)
Personeelkoste	(31 430)
Direkteurskoste	(551)
Administratiewe koste	<u>(7 650)</u>
Surplus voor finansieringskoste	8 336
Finansieringskoste	<u>(4 906)</u>
Netto surplus voor belasting	<u>3 430</u>

10. SLOT

Uit AGRA se oogpunt het ons 'n uiters opwindende jaar beleef.

Die hoogtepunte van hierdie jaar kan as volg opgesom word:

10.1 Auas Valley Winkelsentrum : Ek is vol vertroue dat hierdie belegging oor die langtermyn homself sal bewys as 'n baie winsgewende onderneming en ek wil graag die Direksie en al my personeel bedank vir die ondersteuning en advies wat ek ontvang het om hierdie projek 'n realiteit te maak.

REPORT OF THE CHIEF EXECUTIVE OFFICER

for the year ended 31 July 2000

- 10.2 The decision to focus on our two most important divisions within AGRA by designing and implementing structures that will hopefully result in better service to our clients was another initiative that was completed during the year. I would once again like to thank my management team including all branch managers for their support, understanding and their willingness to accept the challenge of change.
- 10.3 After long discussions, planning meetings and selection processes I am glad that a decision has been taken to implement a new computer system within AGRA during the course of next year that will improve information availability, control systems and leverage with our suppliers.
- 10.4 The new Karasburg Branch, the opening of a Retail Fuel Station at Ondangwa, the building of a shop and a Retail Fuel Station at Opuwo and the establishment of auction facilities and a Trading Outlet in Otjiwaneho are other highlights which show AGRA's commitment to invest in Namibia for Namibians.

The challenges lying ahead for the new year are enormous. Nothing can be achieved without people, their ideas and their support. I would like to thank every employee in AGRA for the contribution he or she made during the year. I am sure that AGRA can count on all of our employees to face the challenges of the new financial year and that together we will ensure the continued success of our Co-operative.

To my Board of Directors, thank you for giving me the advice and direction and the support when I needed it.

The only reason why AGRA exists is its members and its customers. Thank you for the loyalty and the understanding, especially when we do not conform to your requirements. We will continue to strive to improve our **SERVICE** to you through a competitively priced product **RANGE, COUNTRYWIDE**.

VERSLAG VAN DIE HOOF UITVOERENDE BEAMPTE

vir die jaar geëindig 31 Julie 2000

- 10.2 Die besluit om te fokus op ons twee belangrikste afdelings binne AGRA deur die ontwerp en die implementering van strukture wat hopenlik beter diens aan ons kliënte tot gevolg sal hê, was nog 'n inisiatief wat voltooi is gedurende die jaar. Ek wil weereens my bestuurspan, insluitende die takbestuurders, bedank vir hulle ondersteuning, begrip en bereidwilligheid om die uitdaging van verandering te aanvaar.
- 10.3 Na lang besprekings, beplanningsvergaderings en seleksieprosesse is ek bly dat 'n besluit geneem is om 'n nuwe rekenaarsstelsel binne AGRA te implementeer gedurende volgende jaar, wat inligtingsbeskikbaarheid, kontrolestelsels en bedingingsmag met ons verskaffers sal verbeter.
- 10.4 Die nuwe Karasburg-tak, die opening van 'n kleinhandel vulstasie op Ondangwa, die oprigting van 'n winkel en 'n kleinhandel vulstasie op Opuwo en die oprigting van veilingfasiliteite en 'n handelsafsetpunt in Otjiwaneho is ander hoogtepunte wat wys dat AGRA verbind is om te belê in Namibië vir Namibiers.

Die uitdagings wat voorlê vir die nuwe jaar is geweldig. Niks kan bereik word sonder mense, hulle idees en hulle ondersteuning nie. Ek wil graag elke werknemer in AGRA bedank vir die bydrae wat hy of sy gemaak het gedurende die jaar. Ek is seker dat AGRA kan reken op al sy werknemers ten einde die uitdagings van die nuwe finansiële jaar aan te pak en dat ons saam die voortgesette sukses van ons Koöperasie sal verseker.

Aan my raad van Direkteure, dankie vir die advies, leiding en ondersteuning wat julle my gegee het wanneer ek dit nodig gehad het.

Die enigste rede hoekom AGRA bestaan is sy lede en sy klante. Dankie vir die lojaliteit en die begrip, veral wanneer ons nie aan julle vereistes voldoen nie. Ons sal voortgaan om daarna te streef om ons **DIENS** aan julle te verbeter deur middel van 'n **VERSCHEIDENHEID** produkte wat mededingende pryse het, **LANDSWYD**.

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF AGRA (CO-OPERATIVE) LIMITED**

**VERSLAG VAN DIE ONAFHANKLIKE OUDITEURE
AAN DIE LEDE VAN AGRA (KOÖPERATIEF) BEPERK**

prose behels.

We have audited the annual financial statements and group annual financial statements of Agra (Co-operative) Limited set out on pages 15 to 37 for the year ending 31 July 2000. These financial statements are the responsibility of the directors of the co-operative. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with statements of Namibian Auditing Standards. These standards require that we plan and perform the audit to obtain reasonable assurance that, in all material respects, fair presentation is achieved in the financial statements. An audit includes:

- an examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements;
- assessing the accounting principles and significant estimates made by management;
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

Audit opinion

In our opinion these financial statements fairly present, in all material respects, the financial position of the co-operative and group at 31 July 2000, and the results of their operations, changes in equity and cash flows for the year then ended in accordance with Namibian generally accepted accounting practice and in the manner required by the Namibian Co-operatives Act.

The provisions of the Namibian Co-operatives Act and the co-operative's statute have been complied with.

Ons het die finansiële jaarstate en die groeps- finansiële jaarstate van Agra (Koöperatief) Beperk soos uiteengesit op bladsye 15 tot 37 vir die jaar geëindig 31 Julie 2000 geouditeer. Hierdie finansiële state is die verantwoordelikheid van die koöperasie se direkteure. Ons verantwoordelikheid is om op grond van ons audit 'n mening oor hierdie finansiële state uit te spreek.

Omvang

Ons het die audit ooreenkomstig standpunte van Namibiese auditstandaarde uitgevoer. Hierdie standaarde vereis dat ons die audit beplan en onderneem om redelike gerusstelling te verkry dat daar geen wesentliche wanvoorstelling in die finansiële state is nie. 'n Oudit behels:

- 'n ondersoek, op 'n toetsgrondslag, van bewyse wat die bedrae en openbaarmakings in die finansiële state steun;
- 'n beoordeling van die rekeningkundige beginsels wat gebruik is en beduidende ramings wat deur die bestuur gemaak is;
- 'n oorweging van die algehele aanbieding van die finansiële state.

Ons is van mening dat ons audit 'n redelike grondslag vir ons mening bied.

Ouditmening

Na ons mening is hierdie finansiële state in alle wesentliche opsigte 'n redelike weergawe van die finansiële stand van die koöperasie en van die groep op 31 Julie 2000 en van die resultate van hulle bedrywighede, veranderinge in ekwiteit en kontantvloeï vir die jaar geëindig op daardie datum, in ooreenstemming met Namibiese algemeen aanvaarde rekeningkundige praktyk en op die wyse deur die Namibiese Koöperasiewet bepaal.

Daar is voldoen aan die bepalings van die Namibiese Koöperasiewet en die koöperasie se statute.

**PRICEWATERHOUSECOOPERS
CHARTERED ACCOUNTANTS (NAMIBIA)
WINDHOEK
4 OCTOBER 2000**

DIRECTORS' REPORT

for the year ended 31 July 2000

The board takes pleasure in presenting the financial statements and group financial statements for the year ended 31 July 2000 and reports to the members in terms of Clause 77(2) of the Statute of your co-operative.

AGRA once again achieved a positive result during the year under review. AGRA's actual surplus exceeded budget by N\$0,6 million. The group has in real terms shown a growth in its revenue and gross profit in the Livestock division of 12% while the Trade division increased its revenue and gross profit by 7% and 8% respectively. Expenditure increased by 8% which is in line with the inflation rate.

Financial management

Interest paid decreased compared to the previous year largely as a result of the prime overdraft rate reducing from 18,5% to 15,5% while interest earned decreased by N\$0,7 million due to cash outflows resulting from expansions and capital expenditure.

Expansions and capital expenditure

Fixed assets acquisitions for the group amounted to N\$15,7 million of which N\$13,9 million was spent on the upgrading of Auas Valley Shopping Mall and the structural upgrading of branches. Other capital expenditure consisted of motor vehicles of N\$ 0,1 million, computer equipment of N\$ 0,7 million and other operational assets of N\$1,0 million.

DIREKTEURSVERSLAG

vir die jaar geëindig 31 Julie 2000

Dit is vir die raad aangenaam om die finansiële state en groeps- finansiële state vir die jaar geëindig 31 Julie 2000 aan die lede voor te lê en daarvoor te rapporteer in terme van Artikel 77 (2) van die Statuut van u koöperasie.

AGRA het weereens positiewe resultate behaal gedurende die jaar onder oorsig. AGRA se werklike surplus het die begroting oorskry met N\$0,6 miljoen. Die groep het in reële terme groei getoon van 12% in sy omset en bruto wins in die Lewende Hawe afdeling, terwyl die Handelsafdeling se omset en bruto wins met onderskeidelik 7% en 8% verhoog het. Uitgawes het met 8% toegeneem wat ooreenstem met die inflasiekoers.

Finansiële bestuur

Rente betaal het gedaal in vergelyking met die vorige jaar, hoofsaaklik as gevolg van die daling in die prima oortrekkingskoers van 18,5% na 15,5%, terwyl rente ontvang gedaal het met N\$0,7 miljoen as gevolg van kontantuitvloeï voortspuitend uit uitbreidings en kapitale spanderings.

Uitbreidings en kapitale spanderings

Aankope van vaste bates in die groep het N\$15,7 miljoen beloop, waarvan N\$13,9 miljoen spandeer is aan die opgradering van die Auas Valley Winkelsentrum en die strukturele opgradering van takke. Ander kapitale spanderings het bestaan uit motorvoertuie van N\$0,1 miljoen, rekenaartoerusting van N\$0,7 miljoen en ander operasionele bates van N\$1,0 miljoen.

DIRECTORS' REPORT

for the year ended 31 July 2000

DIREKTEURSVERSLAG

vir die jaar geëindig 31 Julie 2000

Balance sheet ratios

Certain important balance sheet ratios for the co-operative and the group are presented below:

	Consolidated	
	2000 N\$	1999 N\$
Assets exceed liabilities by	N\$59,74m	N\$55,66m
Debt: equity	36,52%	25,33%
Own capital: total assets	46,31%	46,54%
Current asset ratio	1,58:1	1,87:1
Quick ratio	0,74:1	0,91:1

Balansstaatverhoudings

Sekere belangrike balansstaatverhoudings word hieronder weergegee vir sowel die groep as die koöperasie:

	Co-operative	
	1999 N\$	2000 N\$
	N\$55,25m	N\$58,93m
	25,48%	38,68%
	47,42%	46,93%
	1,83:1	1,48:1
	0,96:1	0,75:1

Bates oorskry laste met
Vreemde tot eie kapitaal
Eie kapitaal tot totale bates
Bedryfsbateverhouding
Vuurproefverhouding

The following interest rates were applicable at the end of the financial year:

	Consolidated	
	2000 N\$	1999 N\$
Commercial Bank Ltd: mortgage bond loans	13,95%	15,5%
Other commercial banks : prime overdraft rate	15,5%	18,5%

Die volgende rentekoerse was aan die einde van die finansiële jaar van toepassing:

	Co-operative	
	1999 N\$	2000 N\$
	15,5%	13,95%
	18,5%	15,5%

Commercial Bank Bpk:
verbandlenings
Ander handelsbanke prima oortrekkingskoers

DIRECTORS' REPORT

for the year ended 31 July 2000

DIREKTEURSVERSLAG

vir die jaar geëindig 31 Julie 2000

Revenue

Net revenue for the group and the co-operative for the year under review is presented in the table below:

	Consolidated	
	2000 N\$	1999 N\$
Karakul & Wool	625 070	576 790
Livestock	10 625 945	9 478 798
Trade	222 397 945	208 437 256
Total	233 648 960	218 492 844

Gross profit

Net revenue of the co-operative and the group with regard to livestock, karakul and wool comprises the gross commission income and is therefore identical with the gross profit of the co-operative and the group for those commodities.

Gross profits are reflected below:

	Consolidated	
	2000 N\$	1999 N\$
Karakul & Wool	625 070	576 790
Livestock	10 625 945	9 478 798
Trade	35 536 494	32 919 204
Total	46 787 509	42 974 792

Omset

Netto omsette vir die groep en die koöperasie vir die jaar onder oorsig word in die tabel hieronder weergegee:

	Co-operative		
	1999 N\$	2000 N\$	
Karakoel & Wol	576 790	625 070	Karakoel & Wol
Lewende Hawe	9 478 798	10 625 945	Lewende Hawe
Handel	196 957 890	206 066 542	Handel
Totaal	207 013 478	217 317 557	Totaal

Bruto wins

Netto omsette van die koöperasie en die groep met betrekking tot lewende hawe, karakoel en wol bestaan uit die bruto kommissie inkomste en is daarom dieselfde as die bruto wins van die koöperasie en die groep vir daardie kommoditeite.

Bruto wins was die volgende:

	Co-operative		
	1999 N\$	2000 N\$	
Karakoel & Wol	576 790	625 070	Karakoel & Wol
Lewende Hawe	9 478 798	10 625 945	Lewende Hawe
Handel	28 580 443	30 608 177	Handel
Totaal	38 636 031	41 859 192	Totaal

DIRECTORS' REPORT

for the year ended 31 July 2000

DIREKTEURSVERSLAG

vir die jaar geëindig 31 Julie 2000

Financial results

Your co-operative reports an operating surplus before tax of N\$4 514 760 compared to an operating surplus of N\$4 562 185 of the previous year. The group reports an operating surplus before tax of N\$4 147 139 compared to an operating surplus of N\$4 746 487 of the previous year.

The board of directors recommends a transfer to the general reserve from the income statement of N\$3 319 221 (1999: N\$2 417 705) be approved. In terms of the Co-operative's Act, a further N\$1 195 539 (1999: N\$1 137 496) has been transferred from the income statement to a deferred expenditure fund.

During the period ending 31 July 1996 land and buildings were revalued. Your directors are of the opinion that no diminution in the value of land and building has taken place during the year under review and no adjustment is thus necessary to the value placed on land and buildings.

As a result of capital expenditure requirements no recommendation is made for a distribution to its members.

Share capital

The shareholding in your co-operative was as follows:

Number of members
Paid-up share capital

Co-operative

1999 N\$	2000 N\$
6 346	6 432
N\$2 558 089	2 527 192

Finansiële resultate

U koöperasie rapporteer 'n bedryfswins voor belasting van N\$4 514 760 in vergelyking met 'n bedryfswins van N\$4 562 185 van die vorige jaar. Die groep rapporteer 'n bedryfswins voor belasting van N\$4 147 139, in vergelyking met die bedryfswins van N\$4 746 487 van die vorige tydperk.

Die Raad van Direkteure beveel aan dat N\$3 319 221 (1999: N\$2 417 705) vanaf die inkomstestaat na die algemene reserwe oorgeplaas word. 'n Verdere N\$1 195 539 (1999: N\$1 137 496) word ook vanaf die inkomstestaat oorgeplaas na die uitgestelde uitgawe fonds, soos vereis deur die Koöperasiewet.

Gedurende die periode wat op 31 Julie 1996 ten einde geloop het, is grond en geboue herwaardeer. U direkteure is van mening dat geen vermindering in die waarde van grond en geboue gedurende die jaar onder oorsig plaasgevind het nie, en geen aanpassing van die waardes geplaas op grond en geboue is dus nodig nie.

As gevolg van kapitale spanderingsvereistes, word geen toedeling aan lede aanbeveel nie.

Aandelekapitaal

Die aandeelhouding in u koöperasie was as volg:

Ledetal
Opbetaalde aandelekapitaal

DIRECTORS' REPORT

for the year ended 31 July 2000

DIREKTEURSVERSLAG

vir die jaar geëindig 31 Julie 2000

Investment in subsidiaries

Agra (Co-operative) Limited is the holding company of the following subsidiaries with its interest in shares and loans as follows:

	Shares		Loans	
	2000 N\$	1999 N\$	1999 N\$	2000 N\$
100% Shareholding				
Wire Industries (Pty) Ltd (N\$1 shares and share premium)	1 000	1 000	806 624	2 059 535
Agra Verspreiders (Pty) Ltd (N\$1 shares)	2	2	1 526 587	1 151 865
Agra Eiendomme (Pty) Ltd (N\$1 shares)	100	100	--	--
SWA Amalgameerde Afslaers (Pty) Ltd (stated share capital)	350 000	350 000	(317 619)	(317 619)
Star Plastics (Pty) Ltd (N\$ 1 shares)	166 939	166 939	1 535 977	379 811
Agricultural Communications and Services (Pty) Ltd (N\$ 1 share)	1	1	--	--
70% Shareholding				
Ondangwa Service Station (Pty) Ltd (N\$1 shares)	700	--	--	1 662 430

Belegging in filiale

Agra (Koöp) Beperk is die houermaatskappy van die volgende filiale met sy belang in aandele en lenings as volg:

100% Aandeelhouding

Wire Industries (Edms) Bpk
(N\$1 aandele en aandele premie)

Agra Verspreiders (Edms) Bpk
(N\$1 aandele)

Agra Eiendomme (Edms) Bpk
(N\$1 aandele)

SWA Amalgameerde Afslaers
(Edms) Bpk (verklaarde kapitaal)

Star Plastics (Edms) Bpk
(N\$1 aandele)

Agricultural Communications and
Services (Edms) Bpk
(N\$1 aandeel)

70% Aandeelhouding

Ondangwa Service Station (Edms)
Bpk (N\$1 aandele)

DIRECTORS' REPORT

for the year ended 31 July 2000

DIREKTEURSVERSLAG

vir die jaar geëindig 31 Julie 2000

The holding company's interest in the income/(loss) after tax of the subsidiaries is as follows:

	1999 N\$
Wire Industries (Pty) Ltd	433 088
Agra Verspreiders (Pty) Ltd	--
Agra Eiendomme (Pty) Ltd	--
SWA Amalgameerde Afslaers (Pty) Ltd	--
Star Plastics (Pty) Ltd	(248 786)
Agricultural Communications and Services (Pty) Ltd	--
Ondangwa Service Station (Pty) Ltd	--

Investment in Associated Companies

At 31 July 2000 the co-operative had a 50% interest in Lumley Agra Farmers Insurance Brokers (Pty) Ltd, 24,5% interest in Consolidated Sugar Industries (Namibia) (Pty) Ltd, a Namibian sugar packing company and a 33,33% interest in Veekos (Pty) Ltd.

Board of Directors

The following directors retire in terms of the Statute of your co-operative:

Region 1: Mr JF Engelbrecht

Region 3: Mr G Lensing

Supervisory Committee

The following member retires in terms of the Statute from the Supervisory Committee on 31 July 2000:

Region 2: Mr R van der Merwe.

Approval of the annual financial statements

The annual financial statements and group annual financial statements set out on pages 21 to 37 have been approved by the Board of Directors on 4 October 2000 and were signed on their behalf by:

J W CHAPMAN
CHAIRMAN
VOORSITTER

Die houermaatskappy se belang in die inkomste/(verlies), na belasting, van die filiale is die volgende:

	2000 N\$	
	425 584	Wire Industries (Edms) Bpk
	--	Agra Verspreiders (Edms) Bpk
	--	Agra Eiendomme (Edms) Bpk
	--	SWA Amalgameerde Afslaers (Edms) Bpk
	43 396	Star Plastics (Edms) Bpk
	--	Agricultural Communications and Services (Edms) Bpk
	131	Ondangwa Service Station (Edms) Bpk

Belegging in Geassosieerde Maatskappye

Die koöperasie het op 31 Julie 2000 'n 50% belang in Lumley Agra Farmers Insurance Brokers (Edms) Bpk, 24,5% belang in Consolidated Sugar Industries (Namibia) (Edms) Bpk, 'n Namibiese suikerverpakkery en 'n 33,33% belang in Veekos (Edms) Bpk.

Raad van Direkteure

In terme van die Statuut van u koöperasie, tree die volgende direkteure af:

Streek 1: Mnr JF Engelbrecht

Streek 3: Mnr G Lensing

Toesighoudende Komitee

In terme van die Statuut, tree die volgende lid van die Toesighoudende Komitee uit:

Streek 2: Mnr R van der Merwe.

Goedkeuring van finansiële jaarstate

Die finansiële jaarstate en groeps - finansiële jaarstate wat op bladsye 21 tot 37 verskyn, is deur die Raad van Direkteure goedgekeur op 4 Oktober 2000 en namens hulle onderteken.

J F ENGELBRECHT
VICE-CHAIRMAN
ONDER-VOORSITTER

BALANCE SHEETS

31 July 2000

BALANSSTATE

31 Julie 2000

	Notes	Consolidated 2000 N\$	1999 N\$	Co-operative 1999 N\$	2000 N\$	Aan- teke- ninge	
ASSETS							BATES
Non-current assets							Nie-bedryfsbates
Fixed assets	3	71 620 453	62 782 892	61 504 124	70 404 259	3	Vaste bates
Subsidiaries	4	--	-	4 069 610	5 454 764	4	Filiale
Investments	5	3 413 205	420 879	420 879	3 413 205	5	Beleggings
Associates	6	5 258 748	5 943 849	5 943 849	5 258 748	6	Geassosieerdes
Deferred tax assets	7	838 084	--	--	--	7	Uitgestelde belastingbates
		81 130 490	69 147 620	71 938 462	84 530 976		
Current assets							Bedryfsbates
Inventories	8	25 422 590	25 794 723	21 198 784	20 245 287	8	Voorraad
Accounts receivable	9	22 432 991	22 940 211	21 269 741	20 788 253	9	Rekeninge ontvangbaar
Bank and cash	10	--	1,571,740	2 114 761	--	10	Bank en kontant
		47 855 581	50 306 674	44 583 286	41 033 540		
Total assets		128 986 071	119 454 294	116 521 748	125 564 516		Totale bates
EQUITY AND LIABILITIES							EKWITEIT EN AANSPREEKLIKHEDE
Capital and reserves							Kapitaal en reserwes
Share capital		2 527 192	2 558 089	2 558 089	2 527 192		Aandelekapitaal
Members' funds		6 509 175	6 596 309	6 596 309	6 509 175		Ledefondse
Retained income		810 411	341 389	--	--		Onaangewende inkomste
General reserve		11 638 650	5 219 579	5 219 579	11 638 650		Algemene reserwes
Contingency reserve		1 313 028	1 313 028	1 313 028	1 313 028		Gebeurlikheidsreserwe
Revaluation reserve		32 948 110	36 768 122	36 768 122	32 948 110		Herwaardasiereserwe
Deferred expenditure fund		3 992 986	2 797 447	2 797 447	3 992 986		Uitgestelde uitgawe fonds
		59 739 552	55 593 963	55 252 574	58 929 141		
Non-current liabilities							Nie-bedryfslaste
Outside shareholder's interest	11	339	--	--	--	11	Buite-aandeelhoudersbelang
Long-term liabilities	12	13 970 900	11 908 940	11 908 940	13 870 795	12	Langtermynlaste
Retirement benefit obligations	13	25 000 000	25 000 000	25 000 000	25 000 000	13	Na-aftrede voordele
Deferred tax obligations	14	1 402	--	--	--	14	Uitgestelde belasting aanspreeklikheid
		98 712 193	92 502 903	92 161 514	97 799 936		
Current liabilities							Bedryfslaste
Accounts payable		24 535 144	26,951,391	24 360 234	20 948 241		Rekeninge betaalbaar
Bank overdraft	10	5 738 734	--	--	6 816 339	10	Bankoortrekking
		30 273 878	26,951,391	24 360 234	27 764 580		
Total equity and liabilities		128 986 071	119 454 294	116 521 748	125 564 516		Totale ekwiteit en aanspreeklikhede

INCOME STATEMENTS
for the year ended 31 July 2000

INKOMSTESTATE
vir die jaar geëindig 31 Julie 2000

	Notes	Consolidated		Co-operative		Aante- keninge
		2000 N\$	1999 N\$	1999 N\$	2000 N\$	
Revenue		233 648 960	218 492 844	207 013 478	217 317 557	Omset
Cost of sales		186 861 451	175 518 052	168 377 447	175 458 365	Kosprys van verkope
Gross profit		46 787 509	42 974 792	38 636 031	41 859 192	Bruto wins
Income		13 115 913	13 343 162	12 733 624	13 640 000	Inkomste
Management fees		221 000	68 000	68 000	249 904	Bestuursgelde ontvang
Bonuses and dividends received		2 796 443	2 032 581	2 032 581	2 796 443	Bonusse en dividende ontvang
Interest received		136,921	809 776	2 145 326	1 364 068	Rente ontvang
Bad debts recovered		501 311	695 079	695 079	500 512	Slegte skulde verhaal
Profit on disposal of fixed assets		432 822	280 833	280 833	433 850	Wins verkoop van vaste bates
Profit on sale of investment		10 787	--	--	10 787	Wins verkoop van belegging
Rent received		3 460 434	3 894 592	3 894 592	3 460 434	Huur ontvang
Other income		5 556 195	5 562 301	3 617 213	4 824 002	Ander inkomste
Expenditure		(55 756 283)	(51 571 467)	(46 807 470)	(50 984 432)	Uitgawes
Auditors' remuneration						Ouditeursvergoeding
- for the year		157,476	162 471	137 500	148 226	- vir die jaar
- overprovision prior year		(36 202)	--	--	--	- oorvoorsiening vorige jaar
- other services		38 440	3 189	3 189	38 440	- ander dienste
Interest paid		2 002 276	2 637 490	2 637 490	1 966 593	Rente betaal
Bad debts written off		963 783	1 398 061	1 373 644	912 322	Slegte skulde afgeskryf
Depreciation		1 672 352	1 670 809	1 385 790	1 373 066	Waardevermindering
Directors' remuneration						Direkteursvergoeding
- for the year		377 002	390 408	390 408	377 002	- vir die jaar
- overprovision previous year		--	(110 704)	(110 704)	--	- oorvoorsien vorige jaar
Loss on sale of investment		--	90 728	90 728	--	Verlies verkoop van belegging
Rent paid		770 933	574 610	337 046	327 981	Huur betaal
Other operating costs		49 810 223	44 754 405	40 562 379	45 840 802	Ander bedryfsuitgawes
Operating surplus		4 147 139	4 746 487	4 562 185	4 514 760	Bedryfsurplus
Distribution to members		--	(1 006 984)	(1 006 984)	--	Toedeling aan lede
Surplus before taxation		4 147 139	3 739 503	3 555 201	4 514 760	Surplus voor belasting
Taxation	7	836 682	--	--	--	Belasting
Surplus after taxation		4 983 821	3 739 503	3 555 201	--	Surplus na belasting
Outside shareholder's interest in profit	11	(39)	--	--	--	Buite-aandeelhoudersbelang in wins
		4 983 782	3 739 503	3 555 201	4 514 760	

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 July 2000

STATE VAN VERANDERING IN EKWITEIT

vir die jaar geëindig 31 Julie 2000

	Notes	Consolidated		Co-operative		Aanteke- ninge
		2000 N\$	1999 N\$	1999 N\$	2000 N\$	
Share capital						Aandelekapitaal
Fully paid shares of N\$1 each		2 527 192	2 556 489	2 556 489	2 527 192	Volopbetaalde aandele van N\$1 elk
Add: application fees received		--	1 600	1 600	--	Plus: Aansoekgelde ontvang
		2 527 192	2 558 089	2 558 089	2 527 192	
Members' funds						Ledefondse
Balance: beginning of year		6 596 309	6 703 091	6 703 091	6 596 309	Saldo: begin van die jaar
Repayments during the year		(87 134)	(106 782)	(106 782)	(87 134)	Terugbetalings gedurende die jaar
Balance: end of year		6 509 175	6 596 309	6 596 309	6 509 175	Saldo: einde van die jaar
Retained income						Onaangewende inkomste
Balance: beginning of year		341 389	157 087	--	--	Saldo: begin van die jaar
Surplus for the year		4 983 782	3 739 503	3 555 201	4 514 760	Surplus vir die jaar
Transfer to general reserves		(3 319 221)	(2 417 705)	(2 417 705)	(3 319 221)	Oorplasing na algemene reserwe
Transfer to deferred expenditure fund		(1 195 539)	(1 137 496)	(1 137 496)	(1 195 539)	Oorplasing na uitgestelde uitgawefonds
Balance: end of year		810 411	341 389	--	--	Saldo: einde van jaar
General reserve						Algemene reserwe
Balance: beginning of year as previously reported		5 219 579	27 363 850	27 363 850	5 219 579	Saldo: begin van die jaar
Prior year adjustment in respect of provision for post-retirement benefits	2	--	(25 000 000)	(25 000 000)	--	2 Vorige jaar aanpassing ten opsigte van na-aftrede voordele
Balance: beginning of year as restated		5 219 579	2 363 850	2 363 850	5 219 579	Saldo: begin van die jaar aangepas
Unclaimed cash distribution to members		--	24 452	24 452	--	Onopgeëisde kontanttoedeling lede
Transfer from income statement		6 419 071	2 831 277	2 831 277	6 419 071	Oorgeplaas vanaf inkomstestaat
- Profit after distribution		3 319 221	2 417 705	2 417 705	3 319 221	- Wins na toedeling
- Revaluation reserve realized		3 099 850	413 572	413 572	3 099 850	- Herwaardasie gerealiseer
Balance: end of year		11 638 650	5 219 579	5 219 579	11 638 650	Saldo: einde van die jaar
Contingency reserve		1 313 028	1 313 028	1 313 028	1 313 028	Gebeurlikheidsreserwe
Revaluation reserve						Herwaardasiereserwe
Balance: beginning of year		36 768 122	37 181 694	37 181 694	36 768 122	Saldo: begin van die jaar
Revaluation during year		(720 162)	--	--	(720 162)	Herwaardasie gedurende die jaar
Reserve realized with the sale of fixed assets		(3 099 850)	(413 572)	(413 572)	(3 099 850)	Reserwe gerealiseer met verkoop van bates
Balance: end of year		32 948 110	36 768 122	36 768 122	32 948 110	Saldo: einde van die jaar
Deferred expenditure fund						Uitgestelde uitgawe fonds
Balance: beginning of year		2 797 447	1 659 951	1 659 951	2 797 447	Saldo: begin van die jaar
Transfer from retained income		1 195 539	1 137 496	1 137 496	1 195 539	Oorgeplaas vanaf onaangewende inkomste
Balance: end of year		3 992 986	2 797 447	2 797 447	3 992 986	Saldo: einde van die jaar
Total equity		59 739 552	55 593 963	55 252 574	58 929 141	Totale ekwiteit

CASH FLOW STATEMENTS

for the year ended 31 July 2000

KONTANTVLOEISTATE

vir die jaar geëindig 31 Julie 2000

	Notes	Consolidated		Co-operative		Aante- keninge	Kontantvloei uit bedryfsaktiwiteite
		2000 N\$	1999 N\$	1999 N\$	2000 N\$		
Cash flows from operating activities							
Surplus before taxation		4 147 139	4 746 487	4 562 185	4 514 760		Surplus voor belasting
Adjustments for:							Aansuiwerings vir:
- Interest received		(136 921)	(809 776)	(2 145 326)	(1 364 068)		- Rente ontvang
- Interest paid		2 002 276	2 637 490	2 637 490	1 966 593		- Rente betaal
- Unclaimed cash distribution		--	24 452	24 452	--		- Aanpassing op ledefondse
- (Profit)/Loss on disposal of investment		(10 787)	90 728	90 728	(10 787)		- (Wins)/Verlies met verkoop van belegging
- Provisions		--	8 398	8 399	--		- Voorsienings
- Depreciation		1 672 352	1 670 809	1 385 790	1 373 066		- Waardevermindering
- Profit on disposal of fixed assets		(432 822)	(280 833)	(280 833)	(433 850)		- Wins met verkoop van vaste bates
- Working capital changes	18	(1 536 894)	(2 439 240)	(2 154 883)	(1 977 008)	18	- Bedryfskapitaalveranderinge
Cash generated from operations		5 704 343	5 648 515	4 128 002	4 068 706		Kontant gegenereer deur bedrywighede
Outside shareholder's interest		(39)		--	--		Buiteaandeelhoudersbelang
Interest received		136 921	809 776	2 145 326	1 364 068		Rente ontvang
Interest paid		(2 002 276)	(2 637 490)	(2 637 490)	(1 966 593)		Rente betaal
Distribution to members		--	(1 006 984)	(1 006 984)	--		Toedeling aan lede
<i>Net cash from operating activities</i>		3 838 949	2 813 817	2 628 854	3 466 181		<i>Netto kontant uit bedryfsaktiwiteite</i>
Cash flows from investing activities							Kontantvloei uit beleggingsaktiwiteite
Purchase of fixed assets		(15 980 171)	(2 824 700)	(2 774 011)	(15 742 431)		Koop van vaste bates
Proceeds on disposals of fixed assets		5 182 919	803 504	803 504	5 182 919		Opbrengs met verkoop van vaste bates
Proceeds on sale of investment		10 809	1 723 824	1 723 824	10 809		Opbrengs met verkoop van belegging
Investments made		(2 992 349)	(1 036 819)	(1 036 819)	(2 992 349)		Beleggings gemaak
Loans repaid		685 101	593 582	958 381	685 101		Lenings terugbetaal
Loans advanced		--	(1 434 222)	(1 434 222)	(1 385 154)		Lenings toegestaan
<i>Net cash used in investing activities</i>		(13 093 691)	(2 174 831)	(1 759 343)	(14 241 105)		<i>Netto kontant gebruik in beleggingsaktiwiteite</i>

CASH FLOW STATEMENTS (CONTINUED)

for the year ended 31 July 2000

KONTANTVLOEISTATE (VERVOLG)

vir die jaar geëindig 31 Julie 2000

	Consolidated		Co-operative		
	2000 N\$	1999 N\$	1999 N\$	2000 N\$	
Cash flows from financing activities					Kontantvloei uit finansieringsaktiwiteite
Increase/(Decrease) in long-term loans	2 061 960	(2 175 360)	(2 175 360)	1 961 855	Toename/(Afname) in langtermynlenings
Decrease in members' funds	(118 031)	(147 699)	(147 699)	(118 031)	Afname in ledebelang
Increase in outside shareholder's interest	339	--	--	--	Toename in buiteaandeelhoudersbelang
<i>Net cash from/(used in) financing activities</i>	1 944 268	(2 323 059)	(2 323 059)	1 843 824	<i>Netto kontant gegeneer deur/(gebruik in) finansieringsaktiwiteite</i>
Net decrease in cash and cash equivalents	(7 310 474)	(1 684 073)	(1 453 548)	(8 931 100)	Netto afname in kontant en kontantekwivalente
Cash and cash equivalents at beginning of year	1 571 740	3 255 813	3 568 309	2 114 761	Kontant en kontantekwivalente aan begin van jaar
(Decrease)/Increase in cash and cash equivalents at end of year	(5 738 734)	1 571 740	2 114 761	(6 816 339)	Toename/(afname) in kontant en kontantekwivalente aan einde van jaar

for the year ended 31 July 2000

1. Accounting policy

The financial statements are prepared on the historical cost basis, adjusted by the revaluation of freehold land and buildings. These financial statements comply with Namibian statements of Generally Accepted Accounting Practice. The following are the principal accounting policies adopted by the co-operative and group which are consistent with those of the previous year, except as stated in note 2.

1.1 Fixed assets and depreciation

Land and buildings are revalued periodically on a market value basis. They are valued at the lower of the valuation by a sworn appraiser and the directors. Acquisitions since revaluation are shown at cost. No provision is made for depreciation on land and buildings.

Other fixed assets are depreciated on a straight line basis at rates considered appropriate to reduce book values over the expected useful lives of the assets. The expected useful lives of fixed assets are as follows:

Office and other equipment:	5 years
Motor vehicles:	5 years
Information Technology	3 years

1.2 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is calculated on an average basis. In the case of manufactured products, cost includes production overheads. Provision is made for slow moving and redundant stock on a continuous basis.

1.3 Deferred taxation

Deferred income tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Currently enacted tax rates are used to determine deferred income tax.

The principal temporary differences arise from depreciation on fixed assets, provisions and tax losses carried forward.

Deferred tax assets relating to the carry forward of unused tax losses are recognized to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

No provision for deferred tax is made on building allowances.

vir die jaar geëindig 31 Julie 2000

1. Rekeningkundige beleid

Die finansiële state word volgens die historiese koste grondslag opgestel, behalwe vir die herwaardasie van grond en geboue. Hierdie finansiële state voldoen aan Namibiese standpunte van Algemene Aanvaarde Rekeningkundige Praktyk. Hier volg die hoof-rekeningkundige beleid wat deur die koöperasie en die groep gevolg is en wat ooreenstem met dié van die vorige jaar, behalwe soos aangedui in nota 2.

1.1 Vaste bates en waardevermindering

Grond en geboue word periodiek op 'n beraamde markwaardegrondslag herwaardeer. Grond en geboue word teen die laagste waardasie van die geswore waardeerder en dié van die direksie getoon. Geen waardevermindering word daarop afgeskryf nie en toevoegings sedert herwaardasie word teen kosprys getoon.

Waardevermindering op ander vaste bates word op 'n reguitlynbasis bereken teen koerse wat geskik geag word om die kosprys van hierdie bates oor die verwagte bruikbaarheidsleef tyd daarvan af te skryf. Die verwagte bruikbaarheidsleef tyd is as volg:

Kantoor- en ander toerusting:	5 jaar
Motorvoertuie:	5 jaar
Inligtingstechnologie	3 jaar

1.2 Voorraad

Voorraad word getoon teen die laagste van kosprys, bereken op 'n gemiddelde kosprysmetode, of netto realiseerbare waarde. 'n Proporsionele gedeelte van produksiebokoste word aan vervaardigde klaarprodukte toegedeel. Voorsiening vir stadigbewegende en verouderde voorraad word op 'n deurlopende basis gedoen.

1.3 Uitgestelde belasting

Uitgestelde belasting word bereken, deur gebruik van die aanspreeklikheidsmetode, vir alle tydsberekeningsverskille wat ontstaan tussen die belastingbasisse van bates en laste en hul drawaardes vir finansiële verslagdoeningsdoeleindes. Huidige belastingkoerse word gebruik om uitgestelde inkomstebelasting te bepaal.

Die belangrikste tydsberekeningsverskille ontstaan as gevolg van waardevermindering op vaste bates, voorsienings en belastingverliese.

Uitgestelde belastingbates wat verband hou met die vorentoe dra van onbenutte belastingverliese word erken tot die mate dat dit waarskynlik is dat toekomstige winste beskikbaar sal wees waarteen die onbenutte belastingverliese aangewend kan word.

Geen voorsiening vir uitgestelde belasting word op gebouetoelaes gemaak nie.

for the year ended 31 July 2000

vir die jaar geëindig 31 Julie 2000

1.4 Basis of consolidation

The consolidated financial statements include those of the holding company and of its subsidiaries. The results of the subsidiaries are included from the date effective control was acquired. Intra-group sales and profits are eliminated fully on consolidation.

1.5 Investments

Investments, including investments in associates, are stated at cost and are written down only where there is a permanent impairment in value. Dividends are brought to account as at the last day of registration in respect of listed shares, and when declared in respect of unlisted shares.

1.6 Pension scheme arrangements

All companies within the group provide a defined contribution pension plan for employees. The fund is valued once every three years by professionally qualified independent actuaries. The latest actuarial valuation was carried out on 30 April 1998, and in the actuary's opinion the fund was in a sound financial position.

1.7 Post-retirement obligations

The group provides post-retirement healthcare benefits to their retirees. The entitlement to these benefits is based on the employee remaining in service up to retirement age. The expected costs of these benefits are accrued over the period of employment. Valuations of these obligations are carried out by an independent qualified actuary.

1.8 Trade receivables

Trade receivables are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year-end. Bad debts are written off during the year in which they are identified.

1.9 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks and investments in money market instruments, net of bank overdrafts.

1.10 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, 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.

1.4 Grondslag van konsolidasie

Die gekonsolideerde finansiële state sluit die finansiële state van die houermaatskappy en sy filiale in. Die resultate van alle filiale is ingesluit by die resultate van die groep sedert die datum van effektiewe verkryging. Intergroep verkope en –winste word ten volle uitgeskakel tydens konsolidasie.

1.5 Beleggings

Beleggings, ingesluit die beleggings in geassosieerde maatskappye, word teen kosprys vermeld en slegs afwaardeer waar daar 'n permanente daling in waarde is. Dividende word teboekgestel op die laaste dag van registrasie, ten opsigte van genoteerde aandele, en wanneer dit verklaar is ten opsigte van ongenoteerde aandele.

1.6 Pensioenskema-arrangements

Alle maatskappye in die groep voorsien 'n gedefinieerde bydraepensioenplan aan werknemers. Die pensioenfonds word elke drie jaar deur professionele gekwalifiseerde onafhanklike aktuarisse gewaardeer. Die laaste aktuariële waardasie is op 30 April 1998 gedoen. Die aktuaris het bevind dat die fonds voldoende befonds is.

1.7 Na-aftredevoordele

Die groep voorsien mediese na-aftrede voordele aan sy afgetrede werknemers. Die reg om die voordeel te ontvang is onderhewig daaraan dat die werknemer in diens van die groep bly tot aftree-ouderdom bereik is. Die verwagte koste van hierdie voordele word voorsien oor die dienstydsperk. Waardasies van hierdie verpligtinge word gedoen deur 'n onafhanklike gekwalifiseerde aktuaris.

1.8 Handelsdebiteure

Handelsdebiteure word gedra teen verwagte realiseerbare waarde. 'n Beraming is gemaak vir twyfelagtige ontvangstes gegrond op 'n oorsig van alle uitstaande bedrae teen jaareinde. Slechte skulde word afgeskryf in die jaar waarin dit geïdentifiseer word.

1.9 Kontant en kontantekwivalente

Vir die doeleindes van die kontantvloei-staat bestaan kontant en kontantekwivalente uit kontant voorhande, daggeldeposito's met banke en beleggings in geldmarkinstrumente, netto van bankoortrekkings.

1.10 Voorsienings

Voorsienings word erken wanneer die maatskappy 'n huidige wetlike of konstruktiewe verpligting het as gevolg van gebeure in die verlede, dit waarskynlik

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the balance sheet date.

1.11 Financial instruments

Investments in financial assets are initially recognised at cost. Subsequently financial assets are re-measured at fair value, except for held-to-maturity investments such as debt and loans which are carried at amortised cost. Financial liabilities are recognised at the original debt less principal repayments and amortisations.

1.12 Turnover

Sales, which excludes sales tax and sales between group companies, represents the net value of transactions per commodity.

2. Change in accounting policy

In previous years post-retirement benefits were expensed when incurred. This basis has been changed during the year in order to conform with the revised Accounting Statement AC 116 (Employee benefits), to provide for these cost during the employees' period of employment.

The restatement of the obligation, applying the new policy, resulted in a decrease of reserves at the beginning of the prior year of N\$25 million. This has been shown in the income statements as a prior year adjustment.

The group has decided to comply with the requirements of AC 116, although it will only be compulsory for the financial year ending 31 July 2002.

is dat 'n uitvloei van hulpbronne wat ekonomiese voordele omvat vereis sal word om die verpligting te vereffen, en 'n betroubare beraming van die bedrag van die verpligting gemaak kan word

Werknemers se geregtigheid op jaarlikse verlof en langdiensverlof word erken wanneer dit tot die werknemers ophoop. 'n Voorsiening word gemaak vir die beraamde aanspreeklikheid vir jaarlikse verlof en langdiensverlof as gevolg van dienste wat deur werknemers gelewer word tot op die balansstaatdatum.

1.11 Finansiële instrumente

Beleggings in finansiële bates word aanvanklik teen kosprys ingesluit. Daarna word finansiële bates weer gemeet teen 'n billike waarde, behalwe vir vastevervaldatum-beleggings soos skuld en lenings. Finansiële aanspreeklikhede word ingesluit teen die oorspronklike skuldbedrag min kapitaal terugbetalings en amortisasies.

1.12 Omset

Verkope, wat verkoopbelasting en verkope tussen groepmaatskappye uitsluit, verteenwoordig die netto waarde van kommoditeitstransaksies.

2. Verandering in rekeningkundige beleid

In vorige jare is na-aftrede voordele as uitgawes hanteer wanneer dit betaal is. Hierdie basis is verander gedurende die jaar ten einde te voldoen aan die hersiene Rekeningkundige Standpunt RE 116 (Werknemer-voordele), naamlik om hierdie kostes te voorsien gedurende die werknemers se dienstydperk.

Die aanpassing van hierdie verpligting met die toepassing van hierdie beleid, het tot gevolg dat reserwes aan die begin van die vorige jaar daal met N\$25 miljoen. Dit is getoon in die inkomstestate as 'n vorige jaar aanpassing.

Die groep het besluit om die vereistes van die hersiene RE 116 nou reeds toe te pas, alhoewel dit eers verpligtend sal wees in die finansiële jaar wat eindig op 31 Julie 2002.

for the year ended 31 July 2000

vir die jaar geëindig 31 Julie 2000

	Consolidated		Co-operative		
	2000 N\$	1999 N\$	1999 N\$	2000 N\$	
3. Fixed assets					3. Waste bates
Land and buildings	65 760 956	57 068 681	57 036 300	65 728 575	Grond en geboue
Office and other equipment	5 033 039	4 386 231	3 337 695	3 992 875	Kantoor- en ander toerusting
Motor vehicles	826 458	1 327 980	1 130 129	682 809	Motorvoertuie
Net book value	71 620 453	62 782 892	61 504 124	70 404 259	Netto boekwaarde
3.1 Land and buildings					3.1 Grond en geboue
At revaluation - 1991	34 095 089	34 095 089	34 095 089	34 095 089	Teen herwaardasie - 1991
Revaluation - 1994	8 588 207	8 588 207	8 588 207	8 588 207	Herwaardasie - 1994
Revaluation - 1996	9 060 157	9 060 157	9 060 157	9 060 157	Herwaardasie - 1996
Additions and disposals Since revaluation at cost					Toevoegings en verkope Sedertdien teen kosprys
- 1996	370 621	370 621	(532 490)	(532 490)	- 1996
- 1997	3 439 316	3 439 316	4 310 046	4 310 046	- 1997
- 1998	735 663	735 663	735 663	735 663	- 1998
- 1999	779 628			779 628	- 1999
Additions - 2000	13 907 656	1 265 253	1 265 253	13 907 656	Toevoegings - 2000
Disposals - 2000	(5 215 381)	(485 625)	(485 625)	(5 215 381)	Verkope - 2000
Net book value	65 760 956	57 068 681	57 036 300	65 728 575	Netto boekwaarde
3.2 Office and other equipment					3.2 Kantoor- en ander toerusting
Cost	11 697 964	10 201 318	8 418 115	9 725 597	Kosprys
Beginning of year	10 201 318	9 005 682	7 273 168	8 418 115	Begin van jaar
Additions	1 939 214	1 310 780	1 260 091	1 738 775	Toevoegings
Disposals	(442 568)	(115 144)	(115 144)	(431 293)	Verkope
Accumulated depreciation	6 664 925	5 815 087	5 080 420	5 732 722	Opgehoopte waardevermindering
Beginning of year	5 815 087	4 967 231	4 432 917	5 080 420	Begin van jaar
Charge for the year	1 111 321	936 808	736 455	903 538	Uitgawe vir die jaar
Depreciation on disposals	(261 483)	(88 952)	(88 952)	(251 236)	Komponent toegeskryf aan verkope
Net book value	5 033 039	4 386 231	3 337 695	3 992 875	Netto boekwaarde

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2000

AANTEKENINGE TOT DIE FINANSIËLE STATE

vir die jaar geëindig 31 Julie 2000

	Consolidated		Co-operative		
	2000 N\$	1999 N\$	1999 N\$	2000 N\$	
3.3 Motor vehicles					3.3 Motorvoertuie
Cost	4 624 915	4 764 056	4 340 733	4 164 291	Kosprys
Beginning of year	4 764 056	5 204 829	4 781 506	4 340 733	Begin van jaar
Additions	133 301	248 667	248 667	96 000	Toevoegings
Disposals	(272 442)	(689 440)	(689 440)	(272 442)	Verkope
Accumulated depreciation	3 798 457	3 436 076	3 210 604	3 481 482	Opgehoopte waardevermindering
Beginning of year	3 436 076	3 380 661	3 239 854	3 210 604	Begin van jaar
Charge for the year	561 031	734 000	649 335	469 528	Uitgawe vir die jaar
Depreciation on disposals	(198 650)	(678 585)	(678 585)	(198 650)	Komponent toegeskryf aan verkope
Net book value	826 458	1 327 980	1 130 129	682 809	Netto boekwaarde

Land and buildings comprise numerous properties spread throughout Namibia. Detailed information is maintained in a register which is open for inspection by members and their authorised agents at the co-operative's registered office. The land and buildings were revalued during 1996 on an estimated market value basis. Certain of the land and buildings with a book value of N\$28,8 million have been encumbered as set out in note 12.2.

Grond en geboue bestaan uit verskeie eiendomme reg oor die land. 'n Volledige register, wat alle inligting met betrekking tot vaste eiendomme vervat, is by die koöperasie se geregisteerde kantoor ter insae vir lede en hulle gemagtigde agente. Die grond en geboue is in 1996 herwaardeer op 'n beraamde markwaarde grondslag. Sekere grond en geboue met 'n boekwaarde van N\$28,8 miljoen is beswaar soos aangedui in aantekening 12.2

	Co-operative		
	1999 N\$	2000 N\$	
4. Subsidiaries			4. Filiale
4.1 Shares at cost and directors' valuation	518 042	518 742	4.1 Aandele teen kosprys en direkteurwaardasie
4.2 Loans	3 551 568	4 936 022	4.2 Lenings
	4 069 610	5 454 764	

for the year ended 31 July 2000

vir die jaar geëindig 31 Julie 2000

	Consolidated		Co-operative		
	2000 N\$	1999 N\$	1999 N\$	2000 N\$	
5. Investments					5. Beleggings
5.1 Unlisted trade investments at cost and directors' valuation	3 391 838	399 512	399 512	3 391 838	5.1 Ongenoteerde handelsbeleggings teen kosprys en direkteurswaardasie
5.2 Listed trade investments at book value and market value	21 367	21 367	21 367	21 367	5.2 Genoteerde handelsbeleggings teen boekwaarde en markwaarde
	3 413 205	420 879	420 879	3 413 205	

6. Associates

The investments are in Lumley Agra Farmers Insurance Brokers (Pty) Ltd, Consolidated Sugar Industries (Namibia) (Pty) Ltd and Veekos (Pty) Ltd and are accounted for as follows:

6. Geassosieerdes

Die beleggings is in Lumley Agra Farmers Insurance Brokers (Edms) Bpk, Consolidated Sugar Industries (Namibia) (Edms) Bpk en Veekos (Edms) Bpk. Die beleggings word as volg verantwoord:

	Consolidated		Co-operative		
	2000 N\$	1999 N\$	1999 N\$	2000 N\$	
6.1 Shares at cost and directors' valuation	1 283 333	1 283 333	1 283 333	1 283 333	6.1 Aandele teen kosprys en Direkteurswaardasie
6.2 Loans	3 975 415	4 660 516	4 660 516	3 975 415	6.2 Lenings
	5 258 748	5 943 849	5 943 849	5 258 748	
7. Taxation					7. Belasting
Namibian normal tax					Namibiese normale belasting
Deferred tax					Uitgestelde belasting
Current year charge	(1 402)	--	--	--	Huidige jaar
Creation of deferred tax asset	838 084	--	--	--	Skepping van uitgestelde belasting bate
	836 682	--	--	--	
Gross calculated tax losses at the end of the financial year available for utilisation against future taxable income.	3 365 948	4 581 396	139 083	355 228	Bruto berekende verlies aan die einde van die finansiële jaar beskikbaar vir gebruik teen toekomstige belasbare inkomste.
Less: Applied in reduction of deferred tax	(971 422)	(1 226 543)	(139 083)	(355 228)	Min: Aangewend om uitgestelde belasting te verminder
Net calculated tax losses carried forward	2 394 526	3 354 853	--	--	Netto berekende belastingverliese oorgedra
Tax relief calculated at current tax rates	838 084	1 341 941	--	--	Belastingverligting teen huidige belastingkoerse bereken

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2000

AANTEKENINGE TOT DIE FINANSIËLE STATE

vir die jaar geëindig 31 Julie 2000

	Consolidated		Co-operative		
	2000 N\$	1999 N\$	1999 N\$	2000 N\$	
8. Inventories					8. Voorraad
Raw material	501 095	322 616	--	--	Grondstowwe
Finished products	24 690 988	25 286 315	21 012 992	20 014 780	Klaarprodukte
Consumables	230 507	185 792	185 792	230 507	Verbruikersmateriaal
	25 422 590	25 794 723	21 198 784	20 245 287	
9. Accounts receivable					9. Rekeninge ontvangbaar
Trade debtors	21 948 668	22 688 645	20 881 270	20 306 511	Handelsdebiteure
Other debtors	484 323	251 566	388 471	481 742	Ander debiteure
	22 432 991	22 940 211	21 269 741	20 788 253	
10. Bank (overdraft)/Cash and bank					10. Bank (oortrekking)/Kontant en bank
Bank overdrafts	(7 671 321)	(3 116 677)	(2 533 606)	(6 878 344)	Bankoortrekkings
Current accounts	1 932 587	1 025 084	985 034	62 005	Lopende rekeninge
Money market fund	--	3 663 333	3 663 333	--	Geldmarkfonds
	(5 738 734)	1 571 740	2 114 761	(6 816 339)	
The bank overdrafts are unsecured.					Die bankoortrekkings is ongesekureer.
11. Outside shareholder's interest					11. Buite-aandeelhoudersbelang
At beginning of year	--	--	--	--	Aan begin van die jaar
Acquisition	300	--	--	--	Verkryging
Share of net profit of subsidiary	39	--	--	--	Deel van netto wins van filiaal
At end of year	339	--	--	--	Aan einde van jaar

for the year ended 31 July 2000

vir die jaar geëindig 31 Julie 2000

Notes	Consolidated		Co-operative		
	2000 N\$	1999 N\$	1999 N\$	2000 N\$	
12. Long-term loans					12. Langtermynlenings
12.1 Unsecured	59 569	64 603	64 603	59 569	12.1 Onverseker
Interest free loans not subject to any fixed terms of repayment.					Rentevrye lenings wat nie onderhewig is aan enige vaste terugbetalingsvoorwaardes nie.
Shareholder's loan which bears interest at 1% above prime overdraft rate and which is not subject to any fixed terms of repayment.	100 105	--	--	--	Aandeelhouderslening wat rente dra teen 1% bo prima oortrekkingskoers en wat nie onderhewig is aan enige vaste terugbetalingsvoorwaardes nie.
12.2 Secured					12.2 Verseker
Commercial Bank Ltd (1999: Agribank of Namibia)					Commercial Bank Bpk (1999: Agribank van Namibië)
Capital outstanding	15 920 764	14 015 051	14 015 051	15 920 764	Kapitaal uitstaande
Less:					Min:
- Capital repayable in one year, and transferred to accounts payable	(2 109 538)	(2 170 714)	(2 170 714)	(2 109 538)	- Kapitaal binne een jaar betaalbaar en oorgedra na rekeninge betaalbaar
	13 970 900	<u>11 908 940</u>	<u>11 908 940</u>	13 870 795	

The secured loans are due to the Commercial Bank of Namibia Ltd and are secured by a first bond of N\$24,0 million (1999: N\$28,1 million) over certain land and buildings with a book value of N\$28,8 million (1999: N\$19,5 million). The loans bear interest at a rate of 13,95% (1999: 15,5%) per annum compounded monthly, payable on a monthly basis. Capital is repayable as follows:

Yearly instalments of N\$2 109 538 until July 2005
Yearly instalments of N\$152 279 from July 2006 until July 2010

13. Post-retirement obligations

The group provides post-retirement healthcare benefits to their retirees. The liability created in terms of the transitional requirements of the revised AC 116 (Employee benefits) amounts to N\$25 000 000 million.

The principal actuarial assumptions used for accounting purposes were:

- Real rate of return 2,22%

Die versekerde lenings is verskuldig aan die Commercial Bank van Namibië Bpk en is verseker deur 'n eerste verband van N\$24,0 miljoen (1999: N\$28,1 miljoen) oor sekere grond en geboue met 'n boekwaarde van N\$28,8 miljoen (1999: N\$19,5 miljoen). Die lenings dra rente teen 13,95% (1999: 15,5%) per jaar, maandeliks saamgestel, wat maandeliks gedelg word. Die kapitaal is terugbetaalbaar soos volg:

Jaarlikse paaielemente van N\$2 109 538 tot Julie 2005
Jaarlikse paaielemente van N\$152 279 vanaf Julie 2006 tot Julie 2010

13. Na-aftredevoordele

Die groep voorsien na-aftrede mediese voordele aan sy afgetrede werknemers. Die aanspreeklikheid geskep in terme van die oorgangsreëlings van die gewysigde RE 116 (Werknemervoordele) beloop N\$25 miljoen.

Die belangrikste aktuariële aannames gebruik vir rekeningkundige doeleindes, was:

- Reële opbrengskoers 2,22%

for the year ended 31 July 2000

vir die jaar geëindig 31 Julie 2000

• **Current employee members**

Particulars in respect of the current employee members belonging to the medical aid for which AGRA has a post-retirement medical aid liability as at the investigation date are as follows:

Age group	
Below 50:	
Number	120
Average age (years)	37.2
50 to 60:	
Number	32
Average age (years)	55.1
Above 60:	
Number	4
Average age (years)	61.9
Total:	
Number	156
Average age (years)	41.5

• **Current pensioner members**

Details of the current pensioner members belonging to the medical aid are as follows:

Total:	
Number	92
Average age (years)	67.4

- Employees who have joined the group after 1 August 1998 do not receive any post-retirement benefits.

• **Huidige werknemer-lede**

Besonderhede ten opsigte van huidige werknemers wat aan die mediese fonds behoort waarvoor AGRA 'n na-aftrede mediese fonds verpligting het, is tans as volg:

Ouderdomsgroep	
Onder 50:	
Aantal	120
Gemiddelde ouderdom (jare)	37.2
50 tot 60:	
Aantal	32
Gemiddelde ouderdom (jare)	55.1
Bo 60:	
Aantal	4
Gemiddelde ouderdom (jare)	61.9
Totaal:	
Aantal	156
Gemiddelde ouderdom (jare)	41.5

• **Huidige pensioenaris-lede**

Besonderhede van die huidige pensioenaris-lede wat aan die mediese fonds behoort, is as volg:

Totaal:	
Aantal	92
Gemiddelde ouderdom (jare)	67.4

- Werknemers wie aangesluit het by die groep na 1 Augustus 1998 ontvang geen na-aftrede voordele nie.

	Consolidated		Co-operative		
	2000 N\$	1999 N\$	1999 N\$	2000 N\$	
14. Deferred tax obligations					14. Uitgestelde belasting aanspreeklikheid
Balance at beginning of year	--	--	--	--	Saldo aan begin van jaar
Movements during the year attributable to timing differences	1 402	--	--	--	Bewegings gedurende die jaar toeskryfbaar aan tydsberekening verskille
Balance at end of year	1 402	--	--	--	Saldo aan einde van jaar
The balance comprises capital allowances.					Die saldo behels kapitaaltoelaes.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2000

AAANTEKENINGE TOT DIE FINANSIËLE STATE

vir die jaar geëindig 31 Julie 2000

15. Related party transactions

The company is the holding company of the following subsidiaries:

	%
- Star Plastics (Pty) Ltd	100
- Wire Industries (Pty) Ltd	100
- Ondangwa Service Station (Pty) Ltd	70
- Agra Verspreiders (Pty) Ltd	100
- Agricultural Communications and Services (Pty) Ltd	100
- Agra Eiendomme (Pty) Ltd	100
- SWA Amalgameerdes (Pty) Ltd	100

The following are associated companies:

Lumley Agra Farmers Insurance Brokers (Pty) Ltd	50
Consolidated Sugar Industries (Namibia) (Pty) Ltd	24,5

The following transactions were carried out with related parties:

	N\$
i) Interest received:	
- Star Plastics (Pty) Ltd	123 636
- Wire Industries (Pty) Ltd	21 843
- Ondangwa Service Station (Pty) Ltd	<u>24 462</u>
	<u>169 941</u>
ii) Purchases:	
- Star Plastics (Pty) Ltd	1 792 742
- Wire Industries (Pty) Ltd	5 222 512
- Agra Verspreiders (Pty) Ltd	<u>4 366 168</u>
	<u>11 381 422</u>
iii) Management fees and dividends received:	<u>2 454 537</u>

15. Verwante-party transaksies

Die maatskappy is die houermaatskappy van die volgende filiale:

	%
- Star Plastics (Edms) Bpk	100
- Wire Industries (Edms) Bpk	100
- Ondangwa Service Station	70
- Agra Verspreiders (Edms) Bpk	100
- Agricultural Communications and Services (Edms) Bpk	100
- Agra Eiendomme (Edms) Bpk	100
- SWA Amalgameerdes (Edms) Bpk	100

Die volgende is verwante maatskappye:

Lumley Agra Farmers Insurance Brokers (Edms) Bpk	50
Consolidated Sugar Industries (Namibia) (Edms) Bpk	24,5

Die volgende verwante-party transaksies het gedurende die jaar plaasgevind:

	N\$
i) Rente ontvang:	
- Star Plastics (Edms) Bpk	123 636
- Wire Industries (Edms) Bpk	21 843
- Ondangwa Service Station (Edms) Bpk	<u>24 462</u>
	<u>169 941</u>
ii) Aankope:	
- Star Plastics (Edms) Bpk	1 792 742
- Wire Industries (Edms) Bpk	5 222 512
- Agra Verspreiders (Edms) Bpk	<u>4 366 168</u>
	<u>11 381 422</u>
iii) Bestuursfooie en dividende ontvang: :	<u>2 454 537</u>

for the year ended 31 July 2000

vir die jaar geëindig 31 Julie 2000

The following balances were outstanding at year-end:

	N\$
i) Accounts receivable:	
- Star Plastics (Pty) Ltd	147 851
- Wire Industries (Pty) Ltd	59 535
- Ondangwa Service Station (Pty) Ltd	<u>1 453 130</u>
	<u>1 660 516</u>
ii) Long-term receivables:	
- Star Plastics (Pty) Ltd	1 791 810
- Wire Industries (Pty) Ltd	1 750 000
- Ondangwa Service Station (Pty) Ltd	209 300
- Agra Verspreiders (Pty) Ltd	1 151 865
- Lumley Agra Farmers Insurance Brokers (Pty) Ltd	320 000
- Consolidated Sugar Industries (Namibia) (Pty) Ltd	<u>2 541 205</u>
	<u>7 764 180</u>
iii) Long-term loan:	
- Agra Verspreiders (Pty) Ltd	<u>317 619</u>

The above transactions were carried out on commercial terms.

16. Guarantees

Agra (Co-operative) Ltd guarantees the following liabilities:

- 16.1 The bank overdrafts of the subsidiary companies, Wire Industries (Pty) Ltd and Star Plastics (Pty) Ltd, for the amount of N\$4,5 million. At year-end the bank overdraft of Star Plastics amounted to N\$776 768.
- 16.2 The co-operative has a contingent liability in favour of Standard Bank Namibia in respect of guarantees supplied by the bank on behalf of the co-operative. These guarantees are:

	Consolidated	
	2000	1999
	N\$	N\$
Department of Water Affairs	119 069	50 782
Meat Board	25 000	25 000
Customs and Excise	200 000	200 000
Nampower	29 180	29 180
	<u>373 249</u>	<u>304 962</u>

Die volgende balanse was uitstaande op jaareinde:

	N\$
i) Bedrae ontvangbaar:	
- Star Plastics (Edms) Bpk	147 851
- Wire Industries (Edms) Bpk	59 535
- Ondangwa Service Station (Edms) Bpk	<u>1 453 130</u>
	<u>1 660 516</u>
ii) Langtermynbedrae ontvangbaar:	
- Star Plastics (Edms) Bpk	1 791 810
- Wire Industries (Edms) Bpk	1 750 000
- Ondangwa Service Station (Edms) Bpk	209 300
- Agra Verspreiders (Edms) Bpk	1 151 865
- Lumley Agra Farmers Insurance Brokers (Edms) Bpk	320 000
- Consolidated Sugar Industries (Namibia) (Edms) Bpk	<u>2 541 205</u>
	<u>7 764 180</u>
iii) Langtermynlenings:	
- Agra Verspreiders (Edms) Bpk	<u>317 619</u>

Die bogenoemde transaksies is teen kommersiële terme uitgevoer:

16. Waarborge

Agra (Koöperatief) Bpk waarborg die volgende verpligtinge:

- 16.1 Die bankoortrekkinge van filiaalmaatskappye, Wire Industries (Edms) Bpk en Star Plastics (Edms) Bpk tot 'n maksimum van N\$4,5 miljoen. Die bankoortrekking van Star Plastics het op jaareinde N\$776 768 beloop.
- 16.2 Die koöperasie het 'n voorwaardelike verpligting teenoor Standard Bank Namibia ten opsigte van waarborge gegee deur die bank namens die koöperasie ten gunste van:

	Co-operative		
	1999	2000	
	N\$	N\$	
Department of Water Affairs	50 782	119 069	Departement van Waterwese
	25 000	25 000	Vleisraad
	200 000	200 000	Doeane en Aksyns
	29 180	29 180	Nampower
	<u>304 962</u>	<u>373 249</u>	

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2000

AANTEKENINGE TOT DIE FINANSIËLE STATE

vir die jaar geëindig 31 Julie 2000

	Consolidated		Co-operative		
	2000 N\$	1999 N\$	1999 N\$	2000 N\$	
17. Capital expenditure approved					17. Kapitaalluitgawes goedgekeur
Commitments in respect of contracts placed	3 449 400	15 366 000	15 366 000	3 449 400	Verpligtinge ten opsigte van kontrakte aangegaan
Capital expenditure approved by the directors in addition to contracts placed	8 151 405	5 455 681	5 455 681	8 151 405	Goedgekeur deur die direkteure benewens kontrakte aangegaan
	11 600 805	20 821 681	20 821 681	11 600 805	
Finance will be provided by financial institutions and by working capital generated within the group.					Finansiering sal verskaf word deur finansiële instellings en deur bedryfskapitaal wat binne die groep voortgebring word.
18. Working capital changes					18. Bedryfskapitaalveranderinge
- (Increase)/Decrease in accounts receivable	507 220	(857 209)	(389 199)	481 488	- (Toename)/Afname in rekeninge ontvangbaar
- Decrease/(Increase) in inventories	372 133	(1 613 737)	(211 072)	953 497	- (Afname)/Toename in voorraad
- Increase/(Decrease) in accounts payable	(2 416 247)	31 706	(1 554 612)	(3 411 993)	- Toename/(Afname) in rekeninge betaalbaar
	(1 536 894)	(2 439 240)	(2 154 883)	(1 977 008)	
19 Operating lease commitments					19. Bedryfshuurverpligtinge
The future minimum lease payments under operating lease contracts are as follows:					Die toekomstige minimum huurverpligtinge in terme van bedryfshuurkontrakte, is as volg:
Not later than one year	653 324	514 868	507 313	644 168	Nie later as een jaar
Later than one year, but not later than five years	1 181 792	1 780 895	1 762 748	1 172 801	Later as een jaar, maar nie later as vyf jaar nie
Later than five years	5 475	59 696	59 696	5 475	Later as vyf jaar