

AGRA=S VISION AND MISSION STATEMENT

VISION

AGRA STRIVES TO BE THE MOST EFFECTIVE AND DYNAMIC AGRICULTURAL BUSINESS ORGANISATION IN NAMIBIA. WE ADD VALUE FOR ALL OUR STAKEHOLDERS BY PROVIDING

- **SUPERIOR SERVICE,**
- **A UNIQUE AND EXTENSIVE RANGE OF PRODUCTS AND**
- **A COUNTRYWIDE DISTRIBUTION NETWORK**

MISSION

TO CREATE WEALTH FOR OUR MEMBERS

AGRA SE VISIE EN MISSIE

VISIE

AGRA STREWE DAARNA OM DIE MEES EFFEKTIEWE EN DINAMIESE LANDBOUBESIGHEID IN NAMIBIË TE WEES. ONS VOEG WAARDE TOE VIR AL ONS BELANGEHOERS DEUR DIE VOLGENDE TE LEWER

- **UITSTAANDE DIENS,**
- **'N UNIEKE EN UITGEBREIDE REEKS PRODUKTE EN**
- **'N LANDSWYE VERSPREIDINGSNETWERK**

MISSIE

OM WELVAART VIR ONS LEDE TE SKEP

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REPORT OF THE SUPERVISORY COMMITTEE

for the year ended 31 July 2002

The three members of the SC have remained unchanged. It is the directors' opinion that members who are nominated for the SC should preferably have had previous experience as a director. Although this might be difficult in the short-term, it still remains meaningful.

The review of the past year was performed according to Agra's objectives and vision. Did we provide *excellent service*? Although this issue remains high on the agenda and receives continuous attention, we are sure that the members will be negative regarding this on many levels and places. By the same token it will probably be said that the *unique and extensive range of products* was not always available. The fact that the *countrywide distribution network* remains, is in itself an achievement, which is often taken for granted by members.

When we look at our mission (*To create wealth for our members*), it is always good to take a step back and to look at the whole picture. Of course we must take into account the economy of our country, of the world where we must compete, the business confidence (which leads to people wanting to expand and improve or just tread water without spending) as well as our climate. It is our opinion that we should be careful of our emotions; if it has rained and product prices are good, then we *feel* prosperous and could easily miss the red lights. In the same manner we should remain objective when an unstable world economy or political announcements have an influence on us.

The time, cost and energy which were spent during the year under review on information technology, should bear fruit in the future. Currently it was, however, very difficult and often frustrating for staff as well as members. It is expected that when this teething phase has past, there will be focus with huge success on the streamlining of Retail.

The separate dealings with livestock at branches and in regions appears to be the right decision, seen in the light of the financial results. We, however, want to warn against the spirit of "two businesses" or a "we-and-them" attitude, which will be to a disadvantage of the bigger Agra. Internal co-operation to achieve the goals is necessary!

Regarding staff it should first be noted that staff cost, in relation to turnover, is lower than a decade ago. In the second instance the staff turnover was bigger, with a clear tendency that work performance is managed more actively. Recruitment of more inexperienced staff results in bigger training needs. Knowledge of products is initially a problem which receives continuous attention. This increases the pressure on the existing experienced staff, for which they do not always receive the necessary recognition and appreciation.

VERSLAG VAN DIE TOESIGHOUDENDE KOMITEE

vir die jaar geëindig 31 Julie 2002

Die drie lede van die TK het onveranderd gebly. Die mening van die Direksie is dat lede wat vir die TK genomineer word, liefs ondervinding as direkteur moes opgedoen het. Hoewel dit dalk op die korttermyn moeilik gaan wees, is dit tog sinvol.

Die oorsig van die jaar wat verby is, word gedoen aan die hand van Agra se strewe en visie. Is daar voldoen aan die strewe van *uitstaande diens*? Hoewel dit deurlopend hoog op die agenda is en aandag kry, is ons redelik oortuig dat die lede hieroor op baie vlakke en plekke negatief sal wees. Net so sal daar waarskynlik ook gesê word dat die *unieke en uitgebreide reeks produkte* nie altyd beskikbaar was nie. Dat die *landswye verspreidingsnetwerk* steeds in stand bly, is op sigself 'n prestasie wat ongelukkig as vanselfsprekend aanvaar word.

Wanneer ons na die missie (*Om welvaart vir ons lede te skep*) kyk, is dit altyd goed om effe afstand te kry en na die geheel te kyk. Natuurlik moet die ekonomie van ons eie land, van die wêreld waarin ons moet meeding, die sakevertroue (wat maak dat mense wil uitbrei en verbeter of net watertrap sonder om te spandeer) asook klimaatsomstandighede in aanmerking geneem word. Volgens ons oordeel moet ons versigtig wees vir emosie; as dit goed gereën het en produktepryse is goed, dan *voel* ons welvarend en kan ons maklik rooiligte miskyk. Net so moet ons ook objektief bly wanneer 'n onstabiele wêreld-ekonomie of politieke uitsprake ons beïnvloed.

Die tyd, koste en energie wat gedurende die jaar onder oorsig aan inligtingstechnologie spandeer is, behoort in die toekoms goeie vrugte af te werp. Vir die huidige was dit egter moeilik en dikwels geweldig frustrerend vir personeel sowel as lede. Dit word verwag dat wanneer hierdie "tande-kry" fase verby is, daar met groot sukses gefokus sal kan word op die stroombelyning van Handel.

Die meer afsonderlike hantering van Lewende Hawe op takke en in streke blyk die regte besluit te wees, gesien in die lig van die finansiële resultate. Ons wil egter waarsku teen 'n gees van "twee besighede" of 'n "ons-en-hulle" houding wat vir die groter Agra nadelig kan wees. Interne samewerking ter wille van die doel, is nodig!

Ten opsigte van personeel moet eerstens daarop gewys word dat personeelkoste in verhouding tot omset laer is as 'n dekade gelede. In die tweede plek was personeelomset groter, met 'n duidelik tendens dat werksprestasie meer aktief bestuur word. Innames van meer onervare personeel veroorsaak groter opleidingsbehoefes. Produkkennis is veral 'n aanvanklike leemte waaraan deurlopend aandag gegee word. Dit plaas ekstra druk op die bestaande ervare personeel, waarvoor hulle dalk nie altyd die nodige erkenning en waardering kry nie.

REPORT OF THE SUPERVISORY COMMITTEE

for the year ended 31 July 2002

The Board of Directors is currently functioning well. There is considerable appreciation in the SC for the dedication of the directors, especially since it is a thankless task. The attempt from the directors to identify potential successors and to prepare them for the future is praiseworthy. The board of directors is too small and the responsibility too big; a director that does not do his part and makes no contribution, cannot be afforded. Members will have to express their opinion on the possibility that representation of regions may perhaps clash with availability and / or expertise.

The financial results for the year under review are very good and staff and management are heartily congratulated with that. Members should also be thanked for their contribution. The directors' decision to return the biggest part of the profit to members in relation to their turnover, for the second consecutive year, has most probably been taken against the background that it is the aim to improve members' involvement, as well as the fact that members accept their membership of Agra together with their responsibilities and advantages thereof.

Changes in accounting practices once again had an influence on Agra's financial statements, in respect of the values of our properties. Balance sheet ratios are affected by these changes. This is a new and more conservative way of reporting as was the case with the provision for medical contributions for pensioners two years ago.

The SC would like to thank the management and staff as well as the directors and members for their contributions to the welfare of Agra that was achieved during the past year. We are all looking forward to a new year with new challenges and opportunities.

J H NIEUWOUDT
VOORSITTER: TOESIGHOUDENDE KOMITEE
CHAIRMAN: SUPERVISORY COMMITTEE

VERSLAG VAN DIE TOESIGHOUDENDE KOMITEE

vir die jaar geëindig 31 Julie 2002

Die Direksie funksioneer tans nog goed. Daar is groot waardering in die TK vir die toewyding van direkteure, veral ook omdat dit maar 'n ondankbare werk is. Die poging uit die direksie om potensiële opvolgers te identifiseer en voor te berei vir die toekoms is prysenswaardig. Die direksie is te klein en die verantwoordelikheid te groot; 'n direkteur wat nie sy deel doen en geen bydrae lewer nie, kan nie bekostig word nie. Lede sal hul moet uitspreek oor 'n moontlikheid dat verteenwoordiging van streke dalk in botsing kan kom met beskikbaarheid en/of kundigheid.

Die finansiële resultate vir die jaar onder oorsig is baie goed en personeel en bestuur word van harte gelukgewens daarmee. Dank moet ook betuig word aan lede vir hul bydrae. Die direksie se besluit om vir die tweede agtereenvolgende jaar die grootste deel van die wins terug te gee aan lede in verhouding tot hul omset, is waarskynlik geneem teen die agtergrond dat dit 'n strewe is om ledebetrokkenheid te verbeter asook dat lede hul eienaarskap van Agra saam met die verantwoordelikhede en voordele daarvan sal aanvaar.

Veranderinge in rekeningkundige praktyk het vanjaar weereens 'n invloed op Agra se state, en wel ten opsigte van die waardes van ons eiendomme. Balansstaat-verhoudinge word deur hierdie verandering versteur. Hierdie is 'n nuwe en 'n konserwatiewe wyse van rapportering, soos met die voorsiening van mediese bydraes vir pensioenarisse twee jaar gelede.

Die TK wil graag die bestuur en personeel asook die direksie en lede bedank vir hulle bydraes tot die welvaart van Agra wat gedurende die afgelope jaar gelewer is. Ons sien almal uit na 'n nuwe jaar met nuwe uitdagings en geleenthede.

REPORT OF THE CHAIRMAN

for the year ended 31 July 2002

Agra has completed another year with a good profit, which in my opinion is an exceptional achievement in the current circumstances. Profit alone is, however, not any longer the only criteria for achievements and Agra also performed its function as carrier of social responsibility to the community. Many contributions were made during the year under review by means of sponsorships, information sessions, involvement with agriculture and social events as well as input on a high level where it was in the best interest of our members. In addition to this the influence and impact of our activities on the environment also came under the spotlight. Agra will therefore in future also have to focus in a responsible manner on this.

Agra will however always be judged by the members according to what is happening at the branches. Our service and availability of stock will therefore always remain a high priority.

The reports of both the Supervisory Committee and the Chief Executive Officer, but especially the latter, give a detailed overview of the facets and activities of our business and I concur with the findings.

I would like to assure you that Agra's management is in capable hands. Turnover as reflected in the annual report, does not happen on its own. The sustained responsible investing of money, time and energy in information technology, business systems and the recruiting and training of staff will eventually bear fruit. I am further convinced that our aim to perform even better, will eventually become the organisational culture. Congratulations and thank you very much to everybody who made a contribution to the success during the past year.

VERSLAG VAN DIE VOORSITTER

vir die jaar geëindig 31 Julie 2002

Agra het nog 'n jaar afgesluit met 'n goeie wins, wat myns insiens 'n besondere prestasie in die huidige omstandighede is. Wins alleen is egter nie meer die enigste maatstaf vir prestasie nie en het Agra ook presteer as draer van 'n sosiale verantwoordelikheid in die gemeenskap. Vele bydraes is in die jaar onder oorsig gelewer by wyse van borgskappe, voorligtingsaksies, betrokkenheid by landbou en sosiale geleenthede en insette op hoë vlak waar dit vir ons lede van belang is. Bykomend hiertoe kom die invloed en impak van ons optrede op die omgewing ook meer onder die soeklig. Agra sal dus in die toekoms met groot verantwoordelikheid ook meer hierop moet fokus.

Agra sal egter altyd deur die lid beoordeel word op grond van dit wat by die takke gebeur. Ons diens en beskikbaarheid van voorraad sal dus voortdurend 'n hoë prioriteit moet wees.

Die verslae van beide die Toesighoudende Komitee en die Hoof Uitvoerende Beampte, maar veral laasgenoemde, gee 'n gedetailleerde oorsig oor alle fasette en werksaamhede van ons besigheid en wil ek daarmee volstaan.

Ek wil u verseker dat Agra se bestuur in bekwame hande is. Omsette soos in die jaarverslag weerspieël, kom nie vanself nie. Die volgehoue verantwoordelike investering van geld, tyd en energie in inligtingstechnologie, besigheidstelsels en die werwing en opleiding van personeel, sal beslis mettertyd nog meer vrug oplewer. Ek is verder oortuig dat ons strewe om beter en beter te presteer, mettertyd ons kultuur sal word. Baie geluk en baie dankie aan elkeen wat 'n bydrae gelewer het tot die sukses in die afgelope jaar.

REPORT OF THE CHAIRMAN

for the year ended 31 July 2002

The business environment is continuously changing and Agra will have to continually adjust to make your organisation more relevant and stronger. It is necessary to enable our organisation to play a bigger role in the future for the benefit of all stakeholders.

At Board level we are considering ways and means to involve more specific expertise, whilst at business level we are looking at the critical evaluation of all our current businesses as well as other future business possibilities and strategic alliances.

Lastly during the forthcoming year we will develop a code of ethics to determine what is acceptable and unacceptable behaviour in our organisation. All stakeholders from members to directors are then in a position to enhance the name and reputation of Agra. We will most probably have to try and find a balance between ambitious ideals and plans which are practically implementable.

**JW CHAPMAN
CHAIRMAN
VOORSITTER**

VERSLAG VAN DIE VOORSITTER

vir die jaar geëindig 31 Julie 2002

Die groter sake-omgewing is voortdurend aan die verander en moet Agra voortdurend ook aanpassings maak om tred te hou en u organisasie meer relevant en sterker te maak. Dit is nodig sodat ons organisasie vir al die belanghebbendes in die toekoms 'n groter rol kan speel.

Op Direksievlak kyk ons na maniere om meer spesifieke kundigheid te betrek, terwyl op besigheidsvlak na die kritiese evaluering van al ons bestaande besigheid asook na toekomstige besigheidsmoontlikhede en strategiese bondgenootskappe gekyk word.

Laastens sal ons DV ook in die komende jaar kyk na 'n etiese kode vir Agra en sodoende bepaal wat aanvaarbare en onaanvaarbare gedrag vir ons organisasie is. Alle belanghebbendes - van lede tot direksie - sal dan saam kan bou aan die naam en reputasie van Agra. Hier sal ons waarskynlik moet poog om 'n balans te vind tussen hoë ideale en voornemens aan die een kant en dit wat prakties haalbaar is aan die ander kant.

REPORT OF THE CHIEF EXECUTIVE OFFICER

for the year ended 31 July 2002

VERSLAG VAN DIE HOOF UITVOERENDE BEAMPTE

vir die jaar geëindig 31 Julie 2002

OVERVIEW

The year under review was characterised by a relatively erratic rain season, higher livestock prices, a very competitive retail environment and increases in interest rates.

Internally, our staff had to cope with the implementation of a new computer system which entailed drastic changes in operational procedures. This will however, over time enable the co-operative to take more informed, accurate and timeous decisions.

Unemployment in our country still represents one of the biggest economic challenges to be overcome. There is a direct relationship between stock shortages, theft, bad debts and the rate of unemployment. During the year under review these losses have increased substantially.

As far as Agra's financial performance is concerned we are proud to report a net operating surplus of N\$5,9 million compared to N\$7,4 million last year. The comparative figure for the previous year included a once-off realisation of a N\$2 million investment in subsidiaries and non-recurring investment income of N\$0,6 million. When comparing N\$5,9 million in 2002 to a figure of N\$4,9 million in 2001 (after extraordinary items), the Co-operative increased its net income by 20% during the current financial year.

The operating surplus for the group amounts to N\$5,6 million compared to N\$7,4 million last year.

An analysis of AGRA's results are noted hereunder:

OORSIG

Die jaar onder oorsig was gekenmerk deur 'n relatiewe wisselvallige reënseisoen, hoër lewende hawe pryse, 'n baie kompeterende kleinhandel omgewing en stygings in rentekoerse.

Intern moes ons personeel byhou met die implementering van 'n rekenaarsstelsel wat drastiese veranderinge in operasionele prosedures te weeg gebring het. Dit sal egter oor tyd die koöperasie in staat stel om meer ingeligte, akkurate en tydige besluite te neem.

Werkloosheid in ons land is steeds een van die grootste ekonomiese uitdagings wat voorkom moet word. Daar is 'n direkte verhouding tussen voorraadtekorte, diefstal, slegte skuld en die werkloosheidsyfer. Gedurende die jaar onder oorsig het hierdie verliese wesenlik toegeneem.

Sover dit Agra se finansiële vertoning betref, is ons trots om 'n netto bedryfsurplus van N\$5,9 miljoen te rapporteer in vergelyking met die N\$7,4 miljoen van verlede jaar. Die vergelykende syfer vir die vorige jaar het 'n eenmalige realisasie van 'n N\$2 miljoen belegging in filiale en nie-herhalende beleggingsinkomste van N\$0,6 miljoen ingesluit. As die N\$ 5,9 miljoen van 2002 vergelyk word met 'n syfer van N\$4,9 miljoen van 2001 (na buitengewone items), het die koöperasie sy netto inkomste met 20% verhoog gedurende die huidige finansiële jaar.

Die bedryfsurplus vir die groep beloop N\$5,6 miljoen in vergelyking met N\$7,4 miljoen van verlede jaar.

Hieronder volg 'n ontleding van Agra se resultate:

REPORT OF THE CHIEF EXECUTIVE OFFICER

for the year ended 31 July 2002

1. LIVESTOCK

Gross value of livestock transactions for the year under review (excluding karakul pelts and wool) amounted to N\$437 million compared to N\$330 million in 2001. This represents an increase of 32%. Net turnover achieved in this category totalled N\$19,0 million compared to N\$14,7 in 2001, an increase of 29%. Growth in this division was achieved mostly through AGRA's Livestock Auction Business and the increase in the unit price of livestock during the year.

1.1 KARAKUL

Pelt quantities offered for sale at the two auctions in Copenhagen during December 2001 and June 2002 amounted to 112 652 which shows an increase of 7 % compared to the 105 496 skins sold during the year ending July 2001. Prices of pelts rose from an average of N\$184,94 in the previous financial period to N\$209,13 for the year under review, an increase of 13%.

The AGRA Pelt Centre was once again not in a position to break even and showed a loss of N\$90 000 (2001: N\$213 000). This is largely as a result of lower than expected turnover in both wool commission and pelt sorting fees received as well as an increase in administration costs.

We are convinced that this division will be profitable next year.

VERSLAG VAN DIE HOOF UITVOERENDE BEAMPTE

vir die jaar geëindig 31 Julie 2002

1. LEWENDE HAWE

Die bruto waarde van die lewende hawe transaksies vir die jaar onder oorsig (uitgesluit karakoelpelse en wol) het N\$437 miljoen beloop in vergelyking met die N\$330 miljoen in 2001. Dit verteenwoordig 'n toename van 32%. Netto omset behaal in hierdie kategorie het N\$19,0 miljoen beloop in vergelyking met N\$14,7 miljoen in 2001, 'n toename van 29%. Groei in hierdie afdeling was hoofsaaklik behaal deur AGRA se Lewende Hawe veilingsbesigheid en die toename in die eenheidsprys van lewende hawe gedurende die jaar.

1.1. KARAKOEL

Die hoeveelheid karakoelpelse te koop aangebied by die twee veilings in Copenhagen gedurende Desember 2001 en Junie 2002 beloop 'n totaal van 112 652 pelse wat 'n toename van 7% verteenwoordig in vergelyking met die 105 496 pelse verkoop gedurende die jaar geëindig Julie 2001. Pryse van pelse het toegeneem vanaf 'n gemiddelde van N\$184,94 in die vorige finansiële periode na N\$209,13 vir die jaar onder oorsig, 'n toename van 13%.

Die Agra pelssentrum was weereens nie in 'n posisie om gelyk te breek nie en het 'n verlies getoon van N\$90 000 (2001 : N\$213 000). Dit is hoofsaaklik as gevolg van laer as verwagte omset in beide wolkommissie en pelssorteringsfooie ontvang, sowel as 'n toename in administratiewe koste.

Ons is daarvan oortuig dat hierdie afdeling winsgewend sal raak in die nuwe finansiële jaar.

REPORT OF THE CHIEF EXECUTIVE OFFICER

for the year ended 31 July 2002

1.2 OVERALL LIVESTOCK DIVISION

As a result of the increased turnover, cost saving measures and stable margins that were obtained in this division, the Net result before Head Office overhead costs increased to N\$6,7 million (2001: N\$4,7 million). This represents an improvement of 43% on last year's result.

2. TRADE

Total Group Turnover amounted to N\$287 million for the current year compared to N\$249 million in 2001. This represents a growth of 15,3%.

2.1 RETAIL AGRA BRANCHES

Turnover increased by 17,6% compared to last year. This must be seen against the background of fierce competition in the Namibian Retail sector and a stagnating economy. Gross Margins were once again under pressure, especially in the Fuel Sales Department which contributes 17% to Agra's branch turnover.

We are therefore very pleased to report a surplus in the Retail Division before Head Office overhead costs of N\$7,0 million compared to N\$4,4 million in the year 2001. This represents an increase of 59%. This was achieved through effective resource utilisation, improved information technology, notwithstanding a dramatic rise in losses incurred as a result of theft and fraud.

VERSLAG VAN DIE HOOF UITVOERENDE BEAMPTE

vir die jaar geëindig 31 Julie 2002

1.2. ALGEHELE LEWENDE HAWE AFDELING

As gevolg van 'n styging in die omset, kostebesparingsmaatreëls en stabiele marges wat behaal is in hierdie afdeling, het die netto resultaat voor hoofkantoor oorhoofse koste toegeneem na N\$6,7 miljoen (2001 : N\$4,7 miljoen). Dit verteenwoordig 'n verbetering van 43% op verlede jaar se resultate.

2. HANDEL

Totale groepsomset het N\$287 miljoen beloop vir die huidige jaar in vergelyking met N\$249 miljoen in 2001. Dit verteenwoordig 'n groei van 15,3%.

2.1. AGRA KLEINHANDEL TAKKE

Omset het toegeneem met 17,6% in vergelyking met verlede jaar. Dit moet gesien word teen die agtergrond van strawwe kompetisie in die Namibiese kleinhandelsektor en 'n stagnerende ekonomie. Bruto marges was weereens onder druk, veral in die brandstofverkope-departement wat 17% bydra tot Agra se takomset.

Dit is daarom vir ons baie aangenaam om 'n surplus te rapporteer in die kleinhandelaafdeling van N\$7,0 miljoen voor hoofkantoor koste in vergelyking met N\$4,4 miljoen in die jaar 2001. Dit verteenwoordig 'n toename van 59%. Dit was behaal deur effektiewe hulpbronbenutting, verbeterde inligtingstegnologie, niestandaard 'n dramatiese toename in verliese gelyk as gevolg van diefstal en bedrog.

REPORT OF THE CHIEF EXECUTIVE OFFICER

for the year ended 31 July 2002

VERSLAG VAN DIE HOOF UITVOERENDE BEAMPTE

vir die jaar geëindig 31 Julie 2002

2.2 WHOLESALE

This division comprises the Agra Distribution Depot and (until February 2002) the Gas Filling Plant in Okahandja. Turnover remained stable at N\$33 million compared to last year, with the net operating surplus increasing by 28% to N\$1,35 million before Head Office costs

2.3 SAFARIDEN

Turnover increased by 5% compared to last year, and while results are still below expectations, we are confident that with a new management structure in place as from February 2002, this division will contribute positively towards Agra's overall performance in the year 2002/2003.

2.4 PROPERTIES

Rent received increased by 12,5% compared to last year to N\$9,2 million for the year under review.

Auas Valley Shopping Mall is receiving constant attention regarding the retention of current tenants as well as the placing of new tenants.

Specific marketing efforts are planned for the new financial year with special emphasis to increase people traffic throughout the mall. This division achieved an operating surplus before head office overhead costs of N\$2,2 million during the year under review.

2.2. GROOTHANDEL

Hierdie afdeling bestaan uit die Agra distribusiesentrum en (tot met Februarie 2002) die gasdepot in Okahandja. Omset het stabiel gebly op N\$33 miljoen in vergelyking met verlede jaar, met die netto surplus wat gestyg het met 28% tot N\$1,35 miljoen voor hoofkantoorkoste.

2.3. SAFARIDEN

Omset het toegeneem met 5% in vergelyking met verlede jaar, en terwyl resultate steeds nie aan verwagtinge voldoen nie, is ons vol vertroue dat met 'n nuwe bestuurstruktuur in plek vanaf Februarie 2002, sal hierdie afdeling positief bydra tot Agra se totale vertoning in die jaar 2002/2003.

2.4. EIENDOMME

Huur ontvang het toegeneem met 12,5% in vergelyking met verlede jaar tot N\$9,2 miljoen vir die jaar onder oorsig.

Auas Valley Winkelsentrum ontvang deurlopend aandag rakende die retensie van huidige huurders sowel as die plasing van nuwe huurders.

Spesifieke bemarkingsaksies word beplan vir die nuwe finansiële jaar met spesiale klem daarop om meer mense deur die sentrum te laat beweeg.

Hierdie afdeling het 'n bedryfsurplus van N\$2,2 miljoen behaal voor hoofkantoorkoste gedurende die jaar onder oorsig.

for the year ended 31 July 2002

vir die jaar geëindig 31 Julie 2002

3. SUBSIDIARIES AND OTHER INVESTMENTS

3.1 WIRE INDUSTRIES (PTY) LTD / STAR PLASTICS (PTY) LTD

During the year under review the restructuring process of placing both companies under one management team were concluded. The benefits following this process will be forthcoming during the next financial year, as current results already show a promising return to profitability for both companies.

3.2 OTHER INVESTMENTS

3.3.1 LUMLEY AGRA FARMERS INSURANCE BROKERS

This company in which Agra has a 50% shareholding performed well, increasing its turnover by 9% while management fees received by Agra remained virtually constant at N\$330 000 for the year.

3.3.2 CONSOLIDATED SUGAR INDUSTRIES

While this company experienced major competition in the market place it is still the biggest contributor to Agra's investment income although dividends received declined, compared to the previous financial year.

3.3.2 FARMERS MEAT MARKET HOLDING (FMMH)

During the year under review your co - operative took up an option to purchase 1 363 636 shares at N\$1,10 in FMMH.

3. FILIALE EN ANDER BELEGGINGS

3.1. WIRE INDUSTRIES (EDMS) BPK / STAR PLASTICS (EDMS) BPK

Gedurende die jaar onder oorsig is die herstrukturingsproses, wat behels het die bedryf van beide maatskappye deur een bestuurspan, voltooi. Die voordele wat sal voortspruit uit hierdie proses sal in die volgende finansiële jaar gesien word, veral omrede huidige resultate alreeds 'n belowende omswaai na winsgewendheid getoon het vir beide maatskappye.

3.2. ANDER BELEGGINGS

3.3.1 LUMLEY AGRA FARMERS INSURANCE BROKERS

Hierdie maatskappy, waarin Agra 'n 50% aandeelhouding het, het goed vertoon, met 'n toename in omset van 9% terwyl bestuursfooie ontvang deur Agra feitlik konstant gebly het op N\$330 000 vir die jaar.

3.3.2 CONSOLIDATED SUGAR INDUSTRIES

Terwyl hierdie maatskappy strawwe kompetisie beleef het in die mark, is dit steeds die grootste bydraer tot Agra se beleggingsinkomste, alhoewel dividende ontvang afgeneem het in vergelyking met die vorige finansiële jaar.

3.3.3 FARMERS MEAT MARKET HOLDING (FMMH)

Gedurende die jaar onder oorsig het die koöperasie 'n opsie geneem om 1 363 636 aandele in FMMH te koop teen N\$1,10. Hierdie aandele,

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These shares representing 22% in FMMH were duly purchased in September 2002. Agra now holds an effective 15,0% in the company.

FMMH has performed satisfactorily for the year ended 30 June 2002 and prospects are promising that the results for the coming year will be substantially improved.

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

Total head office expenses increased by 15% overall compared to the year ending 31 July 2001.

The most notable increases in costs were as follows:

- Information Technology: As indicated in last year's report, Agra has embarked on the development and implementation of a totally new computer system which entailed the upgrading of most of our computer hardware and the installation of new software. This increased IT costs by 50% compared to the previous year and is in line with Agra's Information Technology Strategy.
- Marketing: In the ever increasing competitive environment in which Agra operates, more resources were allocated to the marketing function increasing the amounts spent from 0,04% of gross turnover in 2001 to 0,13% in 2002. In line with Agra's marketing strategy more focus will be placed on this department in the new financial year.

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wat 22% in FMMH verteenwoordig, is dan ook gekoop in September 2002. Agra hou nou 'n effektiewe 15,0% in die maatskappy.

FMMH het bevredigend getoon vir die jaar wat geëindig het 30 Junie 2002 en vooruitsigte is belowend dat die resultate vir die komende jaar wesenlik sal verbeter.

4. AGRA (KOÖPERATIEF) BEPERK – HOOFKANTOOR

Totale hoofkantoorcostes het toegeneem met 13% in vergelyking met die jaar wat geëindig het op 31 Julie 2001.

Toenames in kostes wat uitgestaan het, was die volgende:

- Inligtingstegnologie: Soos aangedui in verlede jaar se verslag, het Agra begin met die ontwikkeling en implementering van 'n totale nuwe rekenaarstelsel, wat insluit die opgradering van die meeste van ons rekenaar hardware en die installering van nuwe sagteware. Dit het IT koste met 50% verhoog in vergelyking met die vorige jaar en is in ooreenstemming met Agra se inligtingstegnologiestrategie.
- Bemaking: In die steeds toenemende kompeterende omgewing waarin Agra werksaam is, is meer hulpbronne geallokeer na die bemakingsfunksie, wat die bedrae spandeer laat toeneem het van 0,04% van bruto omset in 2001 na 0,13% in 2002. In ooreenstemming met Agra se bemakingstrategie sal meer fokus op hierdie departement geplaas word in die nuwe finansiële jaar.

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All other head office cost centres have increased in line with or below the inflation index.

5. FINANCIAL RESULTS

The Agra Group achieved a net surplus, before taxation and distribution to members, of N\$5,63 million (2001: N\$7,44 million) and the Co-operative a net surplus of N\$5,89 million (2001: N\$7,40 million). The Board of Directors has allocated an amount of N\$5,0 million to members for the year under review.

Gross Profits increased by 19% for the group and 22% for the Co-operative to N\$64 million and N\$58 million respectively.

Total expenses increased by 16% for the Group and 17% for the Co-operative.

Major Cost Categories performed as follows compared to the preceding years:

Other income:	Other income decreased by N\$1 827 144 for the Group and N\$2 146 275 for the Co-operative, mainly as a result of a profit on Sale of Investments of N\$1,8 million in 2001 when Agra's interest in Veekos Sentraal Limited and Veekos Limited were sold. In addition Interest Received in the Co-operative declined by N\$0,48 million due to the restructuring of Wire Industries (Pty) Ltd and Star Plastics (Pty) Ltd.
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Alle ander hoofkantoor kostesentrums het toegeneem in ooreenstemming met of laer as die inflasie-indeks.

5. FINANSIËLE RESULTATE

Die Agra groep het 'n netto surplus, voor belasting en toedeling aan lede, van N\$5,63 miljoen (2001 : N\$7,44 miljoen) behaal en die Koöperasie 'n netto surplus van N\$ 5,89 miljoen (2001 : N\$7,40 miljoen). Die direksie het 'n bedrag van N\$5,0 miljoen toegedeel aan die lede vir die jaar onder oorsig.

Bruto winste het toegeneem met 19% vir die groep en 22% vir die Koöperasie na N\$64 miljoen en N\$58 miljoen onderskeidelik.

Totale uitgawes het toegeneem met 16% vir die groep en 17% vir die Koöperasie.

Die belangrikste kostekategorieë het as volg vertoon in vergelyking met die voorafgaande jare:

Ander inkomste:	Ander inkomste het afgeneem met N\$1 827 144 vir die groep en met N\$2 146 275 vir die Koöperasie, hoofsaaklik as gevolg van 'n wins wat gemaak is met die verkoop van beleggings van N\$1,8 miljoen in 2001 toe Agra se belang in Veekos Sentraal Beperk en Veekos Beperk verkoop is. Verder het rente ontvang in die Koöperasie afgeneem met N\$0,48 miljoen as gevolg van die herstrukturering van Wire Industries (Edms) Bpk en Star Plastics (Edms) Bpk.
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Stock Costs:	As mentioned previously, the incidence of theft and stock losses has increased dramatically. Although we have implemented more controls and systems to minimise stock losses, it has become virtually impossible to contain this cost item to acceptable levels. Current stock shortages represents 0,94% of Total Turnover. Agra's target is 0,3% of Total Turnover.	Voorraadkoste:	Soos reeds vroeër genoem, het die voorkoms van diefstal en voorraadverliese dramaties toegeneem. Alhoewel ons meer kontroles en stelsels geïmplementeer het om voorraadverliese te minimaliseer, het dit feitlik onmoontlik geraak om hierdie koste-item tot aanvaarbare vlakke te beperk. Huidige voorraadtekorte verteenwoordig 0,94% van totale omset. Agra se teiken is 0,3% van totale omset.
Interest Paid:	This item increased by 63% for the Group and by 67% for the Co-operative as a result of higher working capital requirements, capital expenditure funded with outside capital and increases in the prime overdraft rate during the course of the year.	Rente betaal:	Hierdie item het toegeneem met 63% vir die groep en met 67% vir die Koöperasie, as gevolg van hoër bedryfskapitaalvereistes, kapitale spanderings wat befonds word met vreemde kapitaal en toenames in die prima oortrekkingskoers gedurende die loop van die jaar.
Depreciation:	In line with Agra's strategy to invest in effective and up-to-date information technology systems, depreciation increased by 21% for the Group and 31% for the Co-operative.	Waardevermindering:	In ooreenstemming met Agra se strategie om te belê in effektiewe en moderne inligtingstechnologiesstelsels, het waardevermindering toegeneem met 21% vir die groep en 31% vir die Koöperasie.
Staff Costs:	Salaries and wages increased by 9% for the group and by 12% for the Co-operative, while medical aid fund contributions increased by 32% for the Group and 30% for the Co-operative. Total staff costs increased by 11% for the Group and 14% for the	Personeelkoste:	Salarisse en lone het toegeneem met 9% vir die groep en met 12% vir die Koöperasie, terwyl mediese fondsbydraes toegeneem met 32% vir die groep en 30% vir die Koöperasie. Totale personeelkoste het toegeneem met 11% vir die

REPORT OF THE CHIEF EXECUTIVE OFFICER**for the year ended 31 July 2002****VERSLAG VAN DIE HOOF UITVOERENDE BEAMPTTE****vir die jaar geëindig 31 Julie 2002**

Co-operative. This figure includes an amount of N\$0,7 million on Agra's Affirmative Action Programme.

Balance Sheet Ratios:

Due to a change in Accounting Policy, Agra Properties have been re-valued during the current financial year. Under this policy all property in which the Co-operative is the tenant, has been restated at cost less depreciation, while all properties rented to outside tenants were re-valued at market value. As a result of the implementation of this much more conservative policy, Agra's total reserves were reduced by N\$16,1 million which had a material effect on Agra's Balance Sheet Ratios. The debt to equity ration currently stands at 55,2% (2001:66,9%) for the Group and at 55,12% (2001:71,53%) for the Co-operative. It is the intention of the Board and management of Agra to manage this ratio down to 40% over the next two years.

The Current Assets to Current Liabilities Ratio has improved slightly from 1,27:1 for the Co-operative in 2001 to 1,34:1 in 2002. Over the next five years this ratio should be improved to 2:1.

groep en 14% vir die Koöperasie. Hierdie syfer sluit in 'n bedrag van N\$0,7 miljoen ten opsigte van Agra se Regstellende Aksie Program.

Balansstaatverhoudings:

As gevolg van 'n verandering in Rekeningkundige Beleid, is Agra se eiendomme herwaardeer gedurende die finansiële jaar. In terme van hierdie beleid sal alle eiendomme waarin die Koöperasie 'n huurder is, herstateer word teen kosprys min waardevermindering, terwyl alle eiendomme wat uitverhuur word aan buitehuurders herwaardeer sal word teen markwaarde. As gevolg van die implementering van hierdie baie meer konserwatiewe beleid, het Agra se totale reserwes afgeneem met N\$16,1 miljoen wat 'n wesenlike effek gehad het op Agra se balansstaatverhoudings. Die skuld tot ekwiteitsverhouding is tans 55,2% (2001 : 66,9%) vir die groep en 55,12% (2001 : 71,53%) vir die Koöperasie. Die direksie en bestuur van Agra se voorneme is om hierdie verhouding afwaarts te bestuur tot 40% gedurende die volgende twee jaar.

Die bedryfsbates tot bedryfslaste verhouding het 'n geringe verbetering getoon vanaf 1,27:1 vir die Koöperasie in 2001 na 1,34:1 in 2002. Gedurende die volgende vyf jaar behoort hierdie verhouding te verbeter na 2:1.

6. TAXATION

The net surplus of the Group, after a N\$5 million distribution to members has been deducted, amounts to N\$0,63 million. The Board of Directors has decided to provide for deferred tax. A tax credit of N\$0,55 million for the Group resulted in the net surplus after taxation being adjusted to N\$1,2 million for the Group in 2002.

7. FUTURE OUTLOOK

There seems to be a definite tendency in the commercial farming community to keep new investments into farming infrastructure to a minimum.

As this market segment still comprises the biggest share of Agra's turnover, it will definitely have a negative impact on our results in the coming year.

The Retail Market in Namibia is becoming overtraded with competition increasing continuously which in turn puts pressure on Gross Profit Margins.

It is also a fact that with higher fuel prices and a general increase in the inflation rate the disposable income of consumers is declining.

Taking all of the above factors into account we forecast a difficult trading year with a lower net surplus than achieved during the current year.

6. BELASTING

Die netto surplus van die groep, na 'n N\$5 miljoen toedeling aan lede afgetrek is, beloop N\$0,63 miljoen. Die direksie het besluit om te voorsien vir uitgestelde belasting. 'n Belastingkrediet van N\$0,55 miljoen vir die groep het tot gevolg dat die netto surplus na belasting aangepas is na N\$1,2 miljoen vir die groep in 2002.

7. TOEKOMSTIGE VERWAGTINGE

Dit blyk dat daar 'n definitiewe tendens in die kommersiële boerderygemeenskap is om nuwe beleggings in boerdery infrastruktuur tot die minimum te beperk.

Omrede hierdie marksegment steeds die grootste gedeelte van Agra se omset behels, sal dit beslis 'n negatiewe impak op ons resultate hê in die komende jaar.

Die kleinhandelmark in Namibië raak nou oorstroom met kompetisie wat aanhoudend toeneem en wat dan gevolglik druk uitoefen op bruto wins marges.

Dit is ook 'n feit dat met hoër brandstofpryse en 'n algemene toename in die inflasiekoers die bestebare inkomste van verbruikers afneem.

Met al bogenoemde faktore in ag geneem voorspel ons 'n moeilike handelsjaar wat voorlê met 'n veel laer netto surplus as wat behaal is gedurende die huidige jaar.

REPORT OF THE CHIEF EXECUTIVE OFFICER

for the year ended 31 July 2002

8. BUDGETS FOR THE YEAR ENDING 31 JULY 2002

a. CAPITAL EXPENDITURE BUDGET

In line with a drop in expected earnings the capital expenditure budget has been drawn up in such a way that only capital items absolutely necessary for the continued operation of Agra have been budgeted for the year 2002/2003.

The structural upgrading of certain branches plus the investment in auction pens at the Windhoek Show Grounds and the development of an Agra branch in Ondangwa make up the bulk of Fixed Property Expenditure.

Capital Expenditure for the 2002/2003 financial year is thus budgeted as follows:

	2002/2003	2001/2002
	N\$ million	N\$ million
Upgrading and development of Fixed Property	6,84	2,75
Information Technology	1,43	1,99
Commercial Vehicles	0,36	0,20
Furniture and Fittings	0,05	0,02
Operational Assets	<u>0,25</u>	<u>0,22</u>
Total	<u>8,93</u>	<u>5,18</u>

Depending on AGRA's internal cash flow it is envisaged that an amount of N\$3 million will be obtained from financial institutions with the balance of the expenditure being financed from own resources.

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vir die jaar geëindig 31 Julie 2002

8. BEGROTINGS VIR DIE JAAR GEËINDIG 31 JULIE 2002

a. KAPITALE SPANDERINGS BEGROTING

In ooreenstemming met die verwagte daling in verdienste, is die kapitale spanderings begroting opgestel op so 'n manier dat slegs kapitale items wat absoluut noodsaaklik is vir die voortgesette bedryf van Agra begroot is vir die jaar 2002/2003.

Die strukturele opgradering van sekere takke plus die investering in veilingskrale by die Windhoek Skougronde en die ontwikkeling van 'n tak in Ondangwa vorm die grootste gedeelte van die vaste eiendom uitgawes.

Kapitale uitgawes vir die 2002/2003 finansiële jaar is dus as volg begroot:

	2002/2003	2001/2002
	N\$ miljoen	N\$ miljoen
Opgradering en ontwikkeling van vaste eiendom	6,84	2,75
Inligtingstechnologie	1,43	1,99
Handelsvoertuie	0,36	0,20
Meubels en toerusting	0,05	0,02
Operasionele bates	<u>0,25</u>	<u>0,22</u>
Totaal	<u>8,93</u>	<u>5,18</u>

Afhagende van Agra se interne kontantvloei, word dit voorsien dat 'n bedrag van N\$3 miljoen bekom sal word van finansiële instansies met die balans van die spandering wat gefinansier sal word uit eie bronne.

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b. OPERATIONAL BUDGET

The operational budget for next year incorporates higher costs in the following cost categories compared to actual year to date July 2002 figures:

Information Technology Costs:	Upgrade of computer hardware and implementation of the new integrated system.
Transport Costs:	The continual increases in the price of fuel.
Marketing Costs:	Due to increased competition the marketing function becomes more and more important. Provision has been made for the appointment of a marketing manager.
Personnel Costs:	In order to comply with the Affirmative Action Legislation of Namibia an amount of N\$1,0 million has been allocated to the training, development and recruitment of affirmative action employees in the new financial year.
Administration Costs	IT costs will increase by 28% compared to the year under review.

b. OPERASIONELE BEGROTING

Die operasionele begroting vir die volgende finansiële jaar sluit in hoër kostes in die volgende kostekategorieë, in vergelyking met die werklike huidige jaar tot datum Julie 2002 syfers:

Inligtingstegnologieskoste:	Opgradering van rekenaar hardeware en implementering van die nuwe geïntegreerde stelsel.
Vervoerkoste:	Die aanhoudende toename in die brandstofprys.
Bemarkingskoste:	As gevolg van toenemende kompetisie raak die bemarkingsfunksie al hoe belangriker. Voorsiening is gemaak vir die aanstelling van 'n bemarkingsbestuurder.
Personeelkoste:	Ten einde te voldoen aan die Regstellende Aksie Wetgewing in Namibië is 'n bedrag van N\$1,0 miljoen geallokeer na opleiding, ontwikkeling en werwing van regstellende aksie werknemers in die nuwe finansiële jaar.
Administratiewe koste:	IT koste sal toeneem met 28% in met vergelyking met die jaar onder oorsig.

REPORT OF THE CHIEF EXECUTIVE OFFICER**for the year ended 31 July 2002**

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	411,791
Trade division	276,266
Wholesale division	28,473
Safari Den	8,373
Property Division	<u>9,884</u>
Total turnover	734,787
Cost of sales	<u>(662,177)</u>
Gross profit	72,610
Other income	<u>6,784</u>
Gross income	79,394
Less:	
Inventory Costs	(1,411)
Marketing Costs	(4,363)
Building Costs / Rental Income	(7,872)
Transport Costs	(7,421)
Personnel Costs	(38,268)
Directors Costs	(537)
Administration Costs	<u>(11,262)</u>
Surplus before finance charges	8,260
Finance charges	<u>(4,265)</u>
Net surplus before tax	<u>3,995</u>

9. CONCLUSION

We have achieved some of our objectives and still lag behind in others. Both our main divisions, namely Livestock and Retail, have really performed well.

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

	<u>N\$ miljoen</u>
Bruto waarde van lewende hawe transaksies	411,791
Handelsafdeling	276,266
Groothandelaafdeling	28,473
Safari Den	8,373
Eiendomsafdeling	<u>9,884</u>
Totale omset	734,787
Koste van verkope	<u>(662,177)</u>
Bruto wins	72,610
Ander inkomste	<u>6,784</u>
Bruto inkomste	79,394
Min:	
Voorraadkoste	(1,411)
Bemarkingskoste	(4,363)
Gebou-koste/huurinkomste	(7,872)
Vervoerkoste	(7,421)
Personeelkoste	(38,268)
Direkteurskoste	(537)
Administratiewe koste	<u>(11,262)</u>
Surplus voor finansieringskoste	8,260
Finansieringskoste	<u>(4,265)</u>
Netto surplus voor belasting	<u>3,995</u>

9. SLOT

Ons het sommige van ons doelwitte bereik, maar van die ander is nog uitstaande. Beide ons hoofafdelings, naamlik Lewende hawe en Kleinhandel, het regtig goed vertoon. Die

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for the year ended 31 July 2002

The most noticeable improvement being the excellent improvement of 59% in the operating surplus before head office overheads being achieved in the Agra Branches. Training and Development of staff especially in managerial and customer care skills is an ongoing process that will hopefully deliver the expected results during the current year. We have to take cognisance of the fact that the major challenges facing Agra in the future is the optimal management of our working capital, price competitiveness in the market place and improved customer service.

The year ahead will once again be a test for all of us at Agra to adapt to ever changing market conditions in order to achieve our objectives.

I would like to thank all our staff for the dedication and the hard work during the year. A special word of thanks for the cooperation and the willingness to change long-standing procedures with the implementation of the new computer system.

Now that our system provides us with improved information and better controls we are in a position where we can take more accurate and faster decisions which will benefit both our customers and the Co-operative.

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

To all members of Agra: Thank you for your continued support. Be assured that everything we as management endeavour to achieve is ultimately intended to create wealth for you, the members.

P M KAZMAIER

CHIEF EXECUTIVE OFFICER

HOOF UITVOERENDE BEAMPTE

VERSLAG VAN DIE HOOF UITVOERENDE BEAMPTE

vir die jaar geëindig 31 Julie 2002

mees uitstaande verbetering was die uitstekende verbetering van 59% in die bedryfsurplus voor hoofkantoor oorhoofse koste wat behaal is in die Agra takke. Opleiding en ontwikkeling van personeel, veral in bestuurs- en kliëntediensvaardighede, is 'n voortdurend proses wat hopelik die verwagte resultate sal lewer in die huidige jaar. Ons sal moet kennis neem van die feit dat die groot uitdagings wat Agra vorentoe in die gesig staar die optimale bestuur van ons bedryfskapitaal sal wees, om pryskompetend te wees in die mark en verbeterde kliëntediens.

Die jaar wat voorlê sal weereens 'n toets vir almal van ons by Agra wees om aan te pas by die steeds veranderende marktoestande ten einde ons doelwitte te bereik.

Ek wil graag al ons personeel bedank vir hulle toewyding en harde werk gedurende die jaar. 'n Spesiale woord van dank vir die samewerking en die bereidwilligheid om ou bekende prosedures te verander met die implementering van die nuwe rekenaarstelsel.

Omrede ons stelsel ons nou met verbeterde inligting en beter kontroles voorsien, is ons in 'n posisie waar ons meer akkurate en vinnige besluite kan neem wat tot die voordeel van beide ons klante en die Koöperasie sal strek.

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

Aan al die lede van Agra: Dankie vir u voortgesette ondersteuning. Wees verseker dat alles wat ons as bestuur probeer bereik, is uiteindelik daarop gemik om welvaart te skep vir u, die lede.

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF AGRA (CO-OPERATIVE) LIMITED

We have audited the annual financial statements and group annual financial statements of Agra (Co-operative) Limited set out on pages 20 to 47 for the year ending 31 July 2002. 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 2002, and the results of their operations and cash flows for the year then ended in accordance with statements of Namibian Generally Accepted Accounting Practice and in the manner required by the Namibian Co-operatives Act.

VERSLAG VAN DIE ONAFHANKLIKE OUDITEURE

AAN DIE LEDE VAN AGRA (KOÖPERATIEF) BEPERK

Ons het die finansiële jaarstate en die groeps- finansiële jaarstate van Agra (Koöperatief) Beperk soos uiteengesit op bladsye 20 tot 47 vir die jaar geëindig 31 Julie 2002 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 ouditstandaarde 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 2002 en van die resultate van hulle bedrywighede en kontantvloei vir die jaar geëindig op daardie datum, in ooreenstemming met standpunte van Namibiese Algemeen Aanvaarde Rekeningkundige Praktijk en op die wyse deur die Namibiese Koöperasiewet bepaal.

DIRECTORS' REPORT

for the year ended 31 July 2002

DIREKTEURSVERSLAG

vir die jaar geëindig 31 Julie 2002

The board takes pleasure in presenting the financial statements and group financial statements for the year ended 31 July 2002 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\$3,8 million. The group has in real terms shown a growth in its revenue and gross profit in the Livestock division of 29% while the Trade division increased its revenue and gross profit by 15% and 14% respectively. Other expenditure increased by 14%, due mainly to increased stock costs, marketing and administrative costs.

Financial management

Interest paid increased by N\$1,8 million compared to the previous year largely as a result of the cash outflows resulting from investing activities.

Expansions and capital expenditure

Fixed assets acquisitions for the group amounted to N\$4,3 million of which N\$1,9 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\$0,4 million, computer equipment of N\$1,4 million and other operational assets of N\$0,6 million.

Dit is vir die raad aangenaam om die finansiële state en groeps-finansiële state vir die jaar geëindig 31 Julie 2002 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\$ 3,8 miljoen. Die groep het in reële terme groei getoon van 29% in sy omset en bruto wins in die Lewende Hawe afdeling, terwyl die Handelsafdeling se omset en bruto wins met onderskeidelik 15% en 14% verhoog het. Ander uitgawes het met 14% toegeneem wat hoofsaaklik as gevolg van die styging in voorraadkoste, bemarkings- en administrasiekoste was.

Finansiële bestuur

Rente betaal het gestyg met N\$1,8 miljoen in vergelyking met die vorige jaar, hoofsaaklik as gevolg van kontantuitvloei voortspruitend uit beleggingsaktiwiteite.

Uitbreidings en kapitale spanderings

Aankope van vaste bates in die groep het N\$4,3 miljoen beloop, waarvan N\$1,9 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\$0,4 miljoen, rekenaartoerusting van N\$1,4 miljoen en ander operasionele bates van N\$0,6 miljoen.

DIRECTORS' REPORT

for the year ended 31 July 2002

DIREKTEURSVERSLAG

vir die jaar geëindig 31 Julie 2002

Balance sheet ratios

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

	Consolidated	
	2002 N\$	2001 N\$
Assets exceed liabilities by	N\$54,15m	N\$48,28m
Debt: equity	55,16%	66,93%
Own capital: total assets	34,45%	32,56%
Current asset ratio	1,38:1	1,40:1
Quick ratio	0,80:1	0,81:1

Balansstaatverhoudings

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

	Co-operative	
	2001 N\$	2002 N\$
	N\$47,37m	N\$53,48m
	71,53%	55,12%
	32,21%	35,14%
	1,27:1	1,34:1
	0,77:1	0,80:1

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

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

	Consolidated	
	2002 N\$	2001 N\$
Commercial Bank Ltd: mortgage bond loans	15,75%	13,05%
Other commercial banks : prime overdraft rate	17,50%	14,50%

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

	Co-operative	
	2001 N\$	2002 N\$
	13,05%	15,75%
	14,50%	17,50%

Commercial Bank : verbandlenings
Ander handelsbanke : prima oortrekkingskoers

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Revenue

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

	Consolidated	
	2002 N\$	2001 N\$
Livestock	19 450 200	15 048 543
Trade	287 000 627	249 183 865
Total	306 450 827	264 232 408

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	
	2002 N\$	2001 N\$
Livestock	19 450 200	15 048 543
Trade	44 359 488	38 745 308
Total	63 809 688	53 793 851

Omset

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

	Co-operative		
	2001 N\$	2002 N\$	
Livestock	15 048 543	19 450 200	Lewende Hawe
Trade	226 244 953	258 203 799	Handel
Total	241 293 496	277 653 999	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		
	2001 N\$	2002 N\$	
Livestock	15 048 543	19 450 200	Lewende Hawe
Trade	32 809 891	38 947 137	Handel
Total	47 858 434	58 397 337	Totaal

DIRECTORS' REPORT

for the year ended 31 July 2002

DIREKTEURSVERSLAG

vir die jaar geëindig 31 Julie 2002

Financial results

Your co-operative reports an operating surplus before tax of N\$5 892 202 compared to an operating surplus of N\$7 398 437 of the previous year. The group reports an operating surplus before tax of N\$5 629 796 compared to an operating surplus of N\$7 436 288 of the previous year.

The Board of Directors transferred N\$5 000 000 (2001:N\$5 000 000) to members' funds from the income statement.

No transfer has been made to the deferred expenditure fund, but in terms of section 58(2)(b) of the Co-operatives Act an amount of N\$1 645 380 (2001:N\$1 450 047) will be utilised as capital in the business.

The group changed its accounting policy during the year under review to comply with the requirements of Accounting Statements AC123 and AC135. In terms of these new accounting policies all investment properties will be revalued every year to a fair value, with the resultant increases and decreases in their carrying amounts included in the profit or loss for the period. All owner - occupied properties are carried at cost less accumulated depreciation.

Share capital

The shareholding in your co-operative was as follows:

Number of members
Paid-up share capital

Co-operative	
2001 N\$	2002 N\$
6 552	6 591
N\$ 2 495 955	2 440 289

Finansiële resultate

U koöperasie rapporteer 'n bedryfswins voor belasting van N\$5 892 202 in vergelyking met 'n bedryfswins van N\$7 398 437 van die vorige jaar. Die groep rapporteer 'n bedryfswins voor belasting van N\$5 629 796, in vergelyking met die bedryfswins van N\$7 436 288 van die vorige tydperk.

Die Raad van Direkteure plaas N\$5 000 000 (2001:N\$5 000 000) oor vanaf die inkomstestaat na ledefondse.

Geen oorplasing word gemaak na die uitgestelde uitgawe fonds nie, maar in terme van artikel 58(2)(b) van die Koöperasiewet word 'n bedrag van N\$1 645 380 (2001:N\$1 450 047) aangewend as kapitaal in die besigheid.

Die groep het gedurende die jaar onder oorsig die rekeningkundige beleid verander ten einde te voldoen aan die vereistes van Rekeningkundige Standpunte RE123 en RE135. In terme van hierdie nuwe rekeningkundige beleide sal alle beleggingseiendomme elke jaar herwaardeer word na 'n billike waarde, met die gevolglike toename of afname in hul drabedrag wat in die wins of verlies vir daardie periode ingesluit sal word. Alle eienaargeokkupeerde eiendomme word getoon teen kosprys min opgelope waardevermindering.

Aandelekapitaal

Die aandeelhouding in u koöperasie was as volg:

Ledetal
Opbetaalde aandelekapitaal

DIRECTORS' REPORT

for the year ended 31 July 2002

DIREKTEURSVERSLAG

vir die jaar geëindig 31 Julie 2002

Investment in subsidiaries

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

Belegging in filiale

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

	Shares		Loans		
	2002 N\$	2001 N\$	2001 N\$	2002 N\$	
100% Shareholding					100% Aandeelhouding
Wire Industries (Pty) Ltd (N\$1 shares and share premium)	1 000	1 000	2 070 661	2 002 482	Wire Industries (Edms) Bpk (N\$1 aandele en aandele premie)
Agra Verspreiders (Pty) Ltd (N\$1 shares)	2	2	2 820 776	1 791 255	Agra Verspreiders (Edms) Bpk (N\$1 aandele)
Agra Eiendomme (Pty) Ltd (N\$1 shares)	100	100	--	--	Agra Eiendomme (Edms) Bpk (N\$1 aandele)
SWA Amalgameerde Afslaers (Pty) Ltd (stated share capital)	350 000	350 000	(317 619)	(317 619)	SWA Amalgameerde Afslaers (Edms) Bpk (verklaarde kapitaal)
Star Plastics (Pty) Ltd (N\$ 1 shares)	166 939	166 939	1 844 578	374 770	Star Plastics (Edms) Bpk (N\$1 aandele)
Agricultural Communications and Services (Pty) Ltd (N\$ 1 shares)	1	1	--	--	Agricultural Communications and Services (Edms) Bpk (N\$1 aandele)
70% Shareholding					70% Aandeelhouding
Ondangwa Service Station (Pty) Ltd (N\$1 shares)	700	700	2 854 319	655 230	Ondangwa Service Station (Edms) Bpk (N\$1 aandele)

DIRECTORS' REPORT

for the year ended 31 July 2002

DIREKTEURSVERSLAG

vir die jaar geëindig 31 Julie 2002

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

	2001 N\$
Wire Industries (Pty) Ltd	90 363
Agra Verspreiders (Pty) Ltd	--
Agra Eiendomme (Pty) Ltd	--
SWA Amalgameerde Afslaers (Pty) Ltd	--
Star Plastics (Pty) Ltd	(199 698)
Agricultural Communications and Services (Pty) Ltd	--
Ondangwa Service Station (Pty) Ltd	47 366

Other investments

At 31 July 2002 the co-operative had a 50% interest in Lumley Agra Farmers Insurance Brokers (Pty) Ltd and a 24,5% interest in Consolidated Sugar Industries (Namibia) (Pty) Ltd, a Namibian sugar packing company.

Board of Directors

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

Region 2: Mr J W Chapman
Region 3: Mr J W Visagie

Supervisory Committee

The following member retires in terms of the Statute from the Supervisory Committee.

Region 1: Mrs S Zensi

Approval of the annual financial statements

The annual financial statements and group annual financial statements set out on pages 20 to 47 have been approved by the Board of Directors on 10 October 2002 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:

	2002 N\$	
	5 513	Wire Industries (Edms) Bpk
	--	Agra Verspreiders (Edms) Bpk
	--	Agra Eiendomme (Edms) Bpk
	--	SWA Amalgameerde Afslaers (Edms) Bpk
	1 180 771	Star Plastics (Edms) Bpk
	--	Agricultural Communications and Services (Edms) Bpk
	94 571	Ondangwa Service Station (Edms) Bpk

Ander beleggings

Die koöperasie het op 31 Julie 2002 'n 50% belang in Lumley Agra Farmers Insurance Brokers (Edms) Bpk en 'n 24,5% belang in Consolidated Sugar Industries (Namibia) (Edms) Bpk, 'n Namibiese suikerverpakkery, gehad.

Raad van Direkteure

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

Streek 2: Mnr J W Chapman
Streek 3: Mnr J W Visagie

Toesighoudende Komitee

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

Streek 1: Mev S Zensi

Goedkeuring van finansiële jaarstate

Die finansiële jaarstate en groeps - finansiële jaarstate wat op bladsye 20 tot 47 verskyn, is deur die Raad van Direkteure goedgekeur op 10 Oktober 2002 en namens hulle onderteken.

J F ENGELBRECHT
VICE-CHAIRMAN
ONDER-VOORSITTER

BALANCE SHEETS

31 July 2002

BALANSSTATE

31 Julie 2002

		Consolidated		Co-operative			
	Notes	2002 N\$	2001 N\$	2001 N\$	2002 N\$	Aan- teke- ninge	
ASSETS							BATES
Non-current assets							Nie-bedryfsbates
Property, plant and equipment	3	34 341 278	35 034 045	34 239 881	33 730 574	3	Eiendomme, aanleg en toerusting
Investment properties	4	33 264 931	31 213 219	31 197 157	33 248 897	4	Beleggingseiendomme
Subsidiaries	5	--	--	7 946 879	4 624 375	5	Filiale
Trade investments	6	1 544 007	2 717 979	2 717 979	1 544 007	6	Handelsbeleggings
Other investments	7	2 791 206	2 791 366	2 791 366	2 791 206	7	Ander beleggings
Deferred tax assets	8	1 098 880	956 646	--	--	8	Uitgestelde belastingbates
		73 040 302	72 713 255	78 893 262	75 939 059		
Current assets							Bedryfsbates
Inventories	9	35 247 086	31 820 097	26 752 353	30 951 748	9	Voorraad
Accounts receivable	10	48 872 270	43 731 625	41 386 882	45 275 136	10	Rekeninge ontvangbaar
		84 119 356	75 551 722	68 139 235	76 226 884		
Total assets		157 159 658	148 264 977	147 032 497	152 165 943		Totale bates
EQUITY AND LIABILITIES							EKWITEIT EN AANSPREEKLIKHEDE
Capital and reserves							Kapitaal en reserwes
Share capital		2 440 289	2 495 955	2 495 955	2 440 289		Aandelekapitaal
Members' funds		16 215 547	11 431 752	11 431 752	16 215 547		Ledefondse
Retained income		20 580 715	3 068 780	2 158 791	19 909 618		Onaangewende inkomste
General reserve		9 604 351	9 604 351	9 604 351	9 604 351		Algemene reserwe
Contingency reserve		1 313 028	1 313 028	1 313 028	1 313 028		Gebeurlikheidsreserwe
Revaluation reserve		--	16 368 209	16 368 209	--		Herwaardasiereserwe
Deferred expenditure fund		3 992 986	3 992 986	3 992 986	3 992 986		Uitgestelde uitgawe fonds
		54 146 916	48 275 061	47 365 072	53 475 819		
Outside shareholder's interest	12	13 095	4 989	--	--	12	Buite-aandeelhoudersbelang
Non-current liabilities							Nie-bedryfslaste
Long-term liabilities	13	14 904 761	18 593 455	18 473 605	14 820 261	13	Langtermynlaste
Retirement benefit obligations	14	25 000 000	25 000 000	25 000 000	25 000 000	14	Na-aftrede voordele
Deferred tax obligations	15	2 084 669	2 579 024	2 575 085	2 084 669	15	Uitgestelde belasting aanspreeklikheid
		41 989 430	46 172 479	46 048 690	41 904 930		
Current liabilities							Bedryfslaste
Accounts payable		49 541 792	42 634 377	40 785 138	45 708 139		Rekeninge betaalbaar
Receiver of Revenue		82 133	33 997	--	--		Ontvanger van Inkomste
Bank overdraft	11	11 386 292	11 144 074	12 833 597	11 077 055	11	Bankoortrekking
		61 010 217	53 812 448	53 618 735	56 785 194		
Total equity and liabilities		157 159 658	148 264 977	147 032 497	152 165 943		Totale ekwiteit en aanspreeklikhede

INCOME STATEMENTS
for the year ended 31 July 2002

INKOMSTESTATE
vir die jaar geëindig 31 Julie 2002

	Notes	Consolidated		Co-operative		Aante - keninge
		2002 N\$	2001 N\$	2001 N\$	2002 N\$	
Revenue		306 450 827	264 232 408	241 293 496	277 653 999	Omset
Cost of sales		242 641 139	210 438 557	193 435 062	219 256 662	Kosprys van verkope
Gross profit		63 809 688	53 793 851	47 858 434	58 397 337	Bruto wins
Income		14 903 270	16 730 414	17 154 932	15 008 657	Inkomste
Management fees		153 000	197 217	337 131	329 298	Bestuursgelde ontvang
Bonuses and dividends received		1 805 597	2 836 582	2 873 097	1 881 254	Bonusse en dividende ontvang
Interest received		6 666	25 144	481 893	--	Rente ontvang
Bad debts recovered		920 823	632 266	627 975	918 924	Slegte skulde verhaal
Profit on disposal of fixed assets		93 281	746 503	523 517	90 956	Wins verkoop van vaste bates
Profit on sale of investments		--	1 780 108	1 780 108	--	Wins verkoop van beleggings
Rent received		5 374 879	4 729 431	5 111 235	5 788 967	Huur ontvang
Other income		6 549 024	5 783 163	5 419 976	5 999 258	Ander inkomste
Expenditure		(73 083 162)	(63 087 977)	(57 614 929)	(67 513 792)	Uitgawes
Auditors' remuneration						Ouditeursvergoeding
- for the year		168 200	168 000	146 800	147 200	- vir die jaar
- other services		87 932	51 042	38 120	55 020	- ander dienste
Interest paid		4 792 000	2 936 206	2 806 520	4 685 980	Rente betaal
Bad debts written off		1 924 148	1 903 175	1 876 931	1 719 494	Slegte skulde afgeskryf
Depreciation		2 681 674	2 221 319	1 908 906	2 509 196	Waardevermindering
Directors' remuneration		474 319	559 293	559 293	474 319	Direkteursvergoeding
Rent paid		725 143	831 598	336 650	416 176	Huur betaal
Other operating costs		62 229 746	54 417 344	49 941 709	57 506 407	Ander bedryfsuitgawes
Operating surplus		5 629 796	7 436 288	7 398 437	5 892 202	Bedryfsurplus
Distribution to members		5 000 000	5 000 000	5 000 000	5 000 000	Toedeling aan lede
Surplus before taxation		629 796	2 436 288	2 398 437	892 202	Surplus voor belasting
Taxation	8	554 456	726 205	644 178	490 416	8 Belasting
Surplus after taxation		1 184 252	3 162 493	3 042 615	1 382 618	Surplus na belasting
Outside shareholder's interest in profit	12	(40 530)	(20 300)	--	--	12 Buite-aandeelhoudersbelang in wins
		1 143 722	3 142 193	3 042 615	1 382 618	

for the year ended 31 July 2002

vir die jaar geëindig 31 Julie 2002

	Notes	Consolidated		Co-operative		Aanteke- ninge
		2002 N\$	2001 N\$	2001 N\$	2002 N\$	
Share capital						Aandelekapitaal
Fully paid shares of N\$1 each		2 440 289	2 495 105	2 495 105	2 440 289	Volopbetaalde aandele van N\$1 elk
Add: application fees received		--	850	850	--	Plus: Aansoekgelde ontvang
		2 440 289	2 495 955	2 495 955	2 440 289	
Members' funds						Ledefondse
Balance: beginning of year		11 431 752	6 509 175	6 509 175	11 431 752	Saldo: begin van die jaar
Repayments during the year		(216 205)	(77 423)	(77 423)	(216 205)	Terugbetalings gedurende die jaar
Distribution to members		5 000 000	5 000 000	5 000 000	5 000 000	Toedeling aan lede
Balance: end of year		16 215 547	11 431 752	11 431 752	16 215 547	Saldo: einde van die jaar
Retained income						Onaangewende inkomste
Balance: beginning of year as previously stated		3 068 784	154 428	(655 983)	2 158 791	Saldo: begin van die jaar soos voorheen getoon
Prior year adjustments	2.2	--	(227 841)	(227 841)	--	2.2 Vorige jaar aanpassing
Affect of adopting AC 135:						Aanvaarding van RE 135:
Transfer from revaluation reserve	2.1	16 368 209	--	--	16 368 209	2.1 Oordrag van herwaardasie reserwe
Opening balance as restated		19 436 993	(73 413)	(883 824)	18 527 000	Openingsbalans soos herstateer
Surplus for the year		1 143 722	3 142 193	3 042 615	1 382 618	Surplus vir die jaar
Balance: end of year		20 580 715	3 068 780	2 158 791	19 909 618	Saldo: einde van jaar
General reserve						Algemene reserwe
Balance: beginning of year as previously reported		9 604 351	9 075 370	9 075 370	9 604 351	Saldo: begin van die jaar
Transfer from income statement:						Oorgeplaas vanaf inkomstestaat:
- Revaluation reserve realized		--	528 981	528 981	--	- Herwaardasie gerealiseer
Balance: end of year		9 604 351	9 604 351	9 604 351	9 604 351	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		16 368 209	32 948 110	32 948 110	16 368 209	Saldo: begin van die jaar
Prior year adjustment	2.2	--	(16 050 920)	(16 050 920)	--	2.2 Vorige jaar aanpassing
Reserve realized with the sale of fixed assets		--	(528 981)	(528 981)	--	Reserwe gerealiseer met verkoop van bates
Affect of adopting AC135:						Aanvaarding van RE 135:
Transfer to retained income	2.1	(16 368 209)	--	--	(16 368 209)	2.1 Oordrag na onaangewende inkomste
Balance: end of year		--	16 368 209	16 368 209	--	Saldo: begin van die jaar
Deferred expenditure fund						Uitgestelde uitgawe fonds
Balance: beginning of year		3 992 986	3 992 986	3 992 986	3 992 986	Oorgeplaas vanaf onaangewende inkomste
Transfer from retained income		--	--	--	--	Saldo: einde van die jaar
Balance: end of year		3 992 986	3 992 986	3 992 986	3 992 986	
Total equity		54 146 916	48 275 061	47 365 072	53 475 819	Totale ekwiteit

for the year ended 31 July 2002

vir die jaar geëindig 31 Julie 2002

Cash flows from operating activities	Notes	Consolidated		Co-operative		Aante- keninge	Kontantvloei uit bedryfsaktiwiteite
		2002 N\$	2001 N\$	2001 N\$	2002 N\$		
Surplus before taxation		5 629 796	7 436 288	7 398 437	5 892 202		Surplus voor belasting
Adjustments for:							Aansuiwerings vir:
- Interest received		(6 666)	(25 144)	(481 893)	--		- Rente ontvang
- Interest paid		4 792 000	2 936 206	2 806 520	4 685 980		- Rente betaal
- Profit on disposal of investments		--	(1 780 108)	(1 780 108)	--		- Wins met verkoop van beleggings
- Depreciation		2 694 490	2 221 319	1 908 906	2 509 196		- Waardevermindering
- Profit on disposal of fixed assets		(93 281)	(746 503)	(523 517)	(90 956)		- Wins met verkoop van vaste bates
- Working capital changes	19	(1 660 219)	(9 596 908)	(7 268 798)	(3 164 648)	19	- Bedryfskapitaalveranderinge
Cash generated from operations		11 356 120	445 150	2 059 547	9 831 774		Kontant gegenereer deur bedrywighe
Outside shareholder's interest		(8 106)	(4 650)	--	--		Buiteaandeelhouersbelang
Dividends paid to outside shareholder		(32 424)	(15 650)	--	--		Dividend betaal aan buiteaandeelhouer
Interest received		6 666	25 144	481 893	--		Rente ontvang
Interest paid		(4 792 000)	(2 936 206)	(2 806 520)	(4 685 980)		Rente betaal
Distribution to members		(5 000 000)	(5 000 000)	(5 000 000)	(5 000 000)		Toedeling aan lede
Normal taxation paid		(33 997)	--	--	--		Normale belasting betaal
<i>Net cash from/(used in) operating activities</i>		1 496 259	(7 486 212)	(5 265 080)	145 794		<i>Netto kontant uit/(gebruik in) bedryfsaktiwiteite</i>
Cash flows from investing activities							Kontantvloei uit beleggingsaktiwiteite
Purchase of fixed assets		(4 276 400)	(14 313 913)	(14 145 719)	(4 172 805)		Koop van vaste bates
Proceeds on disposals of fixed assets		316 250	1 933 524	1 448 790	212 132		Opbrenge met verkoop van vaste bates
Proceeds on sale of investments		1 686 628	3 199 984	3 199 984	1 686 628		Opbrenge met verkoop van beleggings
Investments made		(512 656)	--	--	(512 656)		Beleggings gemaak
Loans repaid		160	1 742 732	1 742 732	3 322 664		Lenings terugbetaal
Loans advanced		--	--	(2 492 115)	--		Lenings toegestaan
<i>Net cash used in investing activities</i>		(2 786 018)	(7 437 673)	(10 246 328)	535 963		<i>Netto kontant gebruik in beleggingsaktiwiteite</i>

CASH FLOW STATEMENTS (CONTINUED)

for the year ended 31 July 2002

KONTANTVLOEISTATE (VERVOLG)

vir die jaar geëindig 31 Julie 2002

	Consolidated		Co-operative		
	2002 N\$	2001 N\$	2001 N\$	2002 N\$	
Cash flows from financing activities					Kontantvloeit uit finansieringsaktiwiteite
Decrease in share capital	(55 666)	(31 237)	(31 237)	(55 666)	Afname in aandeelkapitaal
(Decrease)/Increase in long-term loans	(3 688 694)	4 622 555	4 602 810	(3 653 344)	(Afname)/Toename in langtermynlenings
Increase in members' funds	4 783 795	4 922 577	4 922 577	4 783 795	Toename in ledebelang
Increase in outside shareholder's interest	8 106	4 650	--	--	Toename in buiteaandeelhoudersbelang
<i>Net cash from financing activities</i>	1 047 541	9 518 545	9 494 150	1 074 785	<i>Netto kontant gegenereer deur finansieringsaktiwiteite</i>
Net increase/(decrease) in cash and cash equivalents	(242 218)	(5 405 340)	(6 017 258)	1 756 542	Netto toename/(afname) in kontant en kontantekwivalente
Cash and cash equivalents at beginning of year	(11 144 074)	(5 738 734)	(6 816 339)	(12 833 597)	Kontant en kontantekwivalente aan begin van jaar
Cash and cash equivalents at end of year	(11 386 292)	(11 144 074)	(12 833 597)	(11 077 055)	Kontant en kontantekwivalente aan einde van jaar

for the year ended 31 July 2002

vir die jaar geëindig 31 Julie 2002

1. Basis of preparation

The financial statements are prepared on the historical cost basis, adjusted by the revaluation of investment properties. 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 Property, plant and equipment

All property, plant and equipment are initially recorded at cost.

Depreciation is calculated on the straight-line method to write off the cost of each asset to their residual values over their estimated useful life as follows:

Buildings:	50	years
Office and other equipment:	5	years
Motor vehicles:	5	years
Information technology:	5	years

Land is not depreciated as it is deemed to have an indefinite life. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (i.e. impairment losses are recognized).

1.2 Investment properties

Investment properties are held to earn rental income and appreciate capital value. Owner-occupied properties are held for production and administrative purposes. This distinguishes owner-occupied properties from investment properties.

Investment properties are treated as long-term investments and carried at market value determined annually by external independent professional valuers. Investments properties are not subject to depreciation. Increases and decreases in their carrying amount credited to revaluation and other reserves in equity should be included in net profit of loss for the period. Decreases that offset previous increases of the same asset are charged against revaluation and other reserves; all other decreases are charged to the income statement.

1. Basis van voorbereiding

Die finansiële state word volgens die historiese koste grondslag opgestel, behalwe vir die herwaardasie van beleggingseiendomme. 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 Eiendomme, aanleg en toerusting

Alle eiendomme, aanleg en toerusting word aanvanklik teen kosprys te boek gestel.

Waardevermindering word op 'n reguitlynbasis bereken om die kosprys van hierdie bates oor die verwagte bruikbaarheidsleef tyd daarvan af te skryf na hul reswaardes, as volg:

Geboue:	50	jaar
Kantoor-en ander toerusting:	5	jaar
Motor voertuie:	5	jaar
Inligtingstechnologie:	5	jaar

Geen waardevermindering word op grond afgeskryf nie. Waar die drabedrag van 'n bate groter is as sy verwagte verhaalbare bedrag, word dit onmiddelik afgeskryf na sy verhaalbare bedrag (m.a.w. waardedalings word erken).

1.2 Beleggingseiendomme

Beleggingseiendomme word gehou om huurinkomste te verdien en vir kapitaalappresiasie. Eienaargeokkupeerde eiendomme word gehou vir produksie- en administratiewe doeleindes. Dit onderskei eienaargeokkupeerde eiendomme van beleggingseiendomme.

Beleggingseiendomme word hanteer as langtermynbeleggings en word gedra teen markwaarde soos jaarliks vasgestel deur eksterne onafhanklike professionele waardeerders. Beleggingseiendomme is nie onderhewig aan waardevermindering nie. Toenames en afnames in hul drabedrag gekrediteer na herwaardasie- en ander reserwes in ekwiteit moet ingesluit word in die netto wins of verlies vir die periode. Afnames wat vorige toenames van dieselfde bate kanselleer, word verreken teen die herwaardasie- en ander reserwes; alle ander afnames word verreken in die inkomstestaat.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2002

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement. Any amounts in revaluation and other reserves relating to that investment property are transferred to retained earnings.

1.3 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.

1.4 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.

1.5 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.

1.6 Investments

Investments 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.

AANTEKENINGE TOT DIE FINANSIËLE STATE

vir die jaar geëindig 31 Julie 2002

Wanneer beleggingseiendom verkoop word, word die verskil tussen die netto verkoopsopbrengs en die drabedrag gekrediteer na die inkomstestaat. Enige bedrae in herwaardasie- en ander reserwes wat verband hou met daardie beleggingseiendom word oorgedra na onaangewende inkomste.

1.3 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.

1.4 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.

1.5 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.

1.6 Beleggings

Beleggings 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.

1.7 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 2001, and in the actuary's opinion the fund was in a sound financial position.

1.8 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.

1.9 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.

1.10 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. Actual bank balances are disclosed.

1.11 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.

1.7 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 2001 gedoen. Die aktuaris het bevind dat die fonds voldoende befonds is.

1.8 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 diensydperk. Waardasies van hierdie verpligtinge word gedoen deur 'n onafhanklike gekwalifiseerde aktuaris.

1.9 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. Slegte skulde word afgeskryf in die jaar waarin dit geïdentifiseer word.

1.10 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. Werklike banksaldos word openbaar.

1.11 Voorsienings

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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2002

AANTEKENINGE TOT DIE FINANSIËLE STATE

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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.

1.12 Financial instruments

Investments in financial assets are recognised at cost. Financial liabilities are recognised at the original debt less principal repayments and amortisations.

1.13 Turnover

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

1.14 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

2. Changes in accounting policy

2.1 Investment properties

In previous years buildings were stated at market values. Increases or decreases in carrying values arising on revaluation were credited or debited directly to a revaluation reserve.

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.

1.12 Finansiële instrumente

Beleggings in finansiële bates word teen kosprys ingesluit. Finansiële aanspreeklikhede word ingesluit teen die oorspronklike skuldbedrag min kapitaal terugbetalings en amortisasies.

1.13 Omset

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

1.14 Vergelykende syfers

Waar nodig is vergelykende syfers aangepas in ooreenstemming met veranderinge in aanbieding in die huidige jaar.

2. Veranderinge in rekeningkundige beleid

2.1 Beleggingseiendomme

In vorige jare was geboue getoon teen 'n beraamde markwaardegrondslag. Toenames of afnames in die drabedrae as gevolg van herwaardasies was gekrediteer of gedebiteer direk teen 'n herwaardasiereserwe.

for the year ended 31 July 2002

vir die jaar geëindig 31 Julie 2002

The basis was changed during the year to conform with Accounting Statement AC135, "Investment Properties", in terms of which the investment property is reflected at fair value, and gains or losses arising from a change in the fair value of investment property are included in net profit or loss for the period in which it arises. This change in accounting policy had no effect on the results for the current or previous years.

In terms of the transitional arrangements of AC135, the revaluation reserve of N\$16 368 209 relating to these investment properties were adjusted against the opening retained earnings of 2002.

2.2 Owner-occupied properties

Owner-occupied properties are depreciated in terms of the provisions of Accounting Statement AC123. This change in accounting policy resulted in the decrease in the results for the current year amounting to N\$137 214 (2001:N\$109 274), the decrease in the opening retained earnings of 2001 amounting to N\$227 841, and the reversal of the revaluation reserve to fixed assets amounting to N\$16 050 920.

Hierdie basis is verander gedurende die jaar onder oorsig in ooreenstemming met Rekeningkundige Standpunt RE135, "Beleggingseiendom", in terme waarvan beleggingseiendom teen 'n billike waarde getoon word, en winste of verliese voortspruitend uit 'n verandering in die billike waarde van 'n beleggingseiendom ingesluit word in die wins of verlies vir die periode waarin dit voorkom. Hierdie verandering in rekeningkundige beleid het geen effek gehad op die resultate van die huidige of vorige jare nie.

In terme van die oorgangsreëlings van RE135, is die herwaardasiereserwe ten bedrae van N\$16 368 209 wat verband hou met hierdie beleggingseiendom aangepas teen die openingsaldo van onaangewende inkomste van 2002.

2.2 Eienaargeokkupeerde eiendomme

Eienaargeokkupeerde eiendomme word gedeprisieer in terme van die voorskrifte van Rekeningkundige Standpunt RE123. Hierdie verandering in rekeningkundige beleid het tot gevolg 'n daling in die resultate van die huidige jaar ten bedrae van N\$137 214(2001:N\$109 274), 'n daling in die openingsaldo van onaangewende inkomste van 2001 ten bedrae van N\$227 841, en die terugskryf van die herwaardasiereserwe na vaste bates ten bedrae van N\$16 050 920.

NOTES TO THE FINANCIAL STATEMENTS

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AANTEKENINGE TOT DIE FINANSIËLE STATE

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	Consolidated		Co-operative		
	2002 N\$	2001 N\$	2001 N\$	2002 N\$	
3. Property, plant and equipment					3. Eiendomme, aanleg en toerusting
Land and buildings	27 643 274	27 793 511	27 777 192	27 626 639	Grond en geboue
Office and other equipment	5 547 637	5 979 559	5 254 013	5 046 251	Kantoor- en ander toerusting
Motor vehicles	1 150 367	1 260 975	1 208 676	1 057 684	Motorvoertuie
Net book value	34 341 278	35 034 045	34 239 881	33 730 574	Netto boekwaarde
3.1 Owner-occupied buildings					3.1 Eienaargeokkupeerde geboue
Cost	28 117 603	28 130 626	28 114 307	28 100 968	Kosprys
Beginning of the year	28 130 626	17 864 997	17 848 966	28 114 307	Begin van jaar
Additions	81 138	10 265 629	10 265 341	80 822	Toevoegings
Disposals	(94 161)	--	--	(94 161)	Verkope
Accumulated depreciation	474 329	337 115	337 115	474 329	Opgehoopte waardevermindering
Beginning of the year	337 115	227 841	227 841	337 115	Begin van jaar
Charge for the year	137 214	109 274	109 274	137 214	Uitgawe vir die jaar
Net book value	27 643 274	27 793 511	27 777 192	27 626 639	Netto boekwaarde
3.2 Office and other equipment					3.2 Kantoor - en ander toerusting
Cost	15 125 220	13 379 528	11 874 469	13 710 507	Kosprys
Beginning of year	13 379 528	11 697 964	9 725 597	11 874 469	Begin van jaar
Additions	1 898 231	2 875 207	2 739 207	1 876 063	Toevoegings
Disposals	(152 539)	(1 193 643)	(590 335)	(40 025)	Verkope
Accumulated depreciation	9 577 583	7 399 969	6 620 456	8 664 256	Opgehoopte waardevermindering
Beginning of year	7 399 969	6 664 925	5 732 722	6 620 456	Begin van jaar
Charge for the year	2 220 984	1 673 141	1 453 644	2 069 862	Uitgawe vir die jaar
Depreciation on disposals	(43 370)	(938 097)	(565 910)	(26 062)	Komponent toegeskryf aan verkope
Net book value	5 547 637	5 979 559	5 254 013	5 046 251	Netto boekwaarde

for the year ended 31 July 2002

vir die jaar geëindig 31 Julie 2002

	Consolidated		Co-operative		
	2002 N\$	2001 N\$	2001 N\$	2002 N\$	
3.3 Motor vehicles					3.3 Motorvoertuie
Cost	4 479 894	4 756 130	4 364 731	4 351 455	Kosprys
Beginning of year	4 756 130	4 624 915	4 164 291	4 364 731	Begin van jaar
Additions	245 319	965 301	933 395	164 180	Toevoegings
Disposals	(521 555)	(834 086)	(732 955)	(177 456)	Verkope
Accumulated depreciation	3 329 527	3 495 155	3 156 055	3 293 771	Opgehoopte waardevermindering
Beginning of year	3 495 155	3 798 457	3 481 482	3 156 055	Begin van jaar
Charge for the year	336 292	438 904	345 988	302 120	Uitgawe vir die jaar
Depreciation on disposals	(501 920)	(742 206)	(671 415)	(164 404)	Komponent toegeskryf aan verkope
Net book value	1 150 367	1 260 975	1 208 676	1 057 684	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. Certain of the land and buildings with a book value of N\$33,5 million (2001: N\$ 38,7 million) have been encumbered as set out in note 13.2.

Grond en geboue bestaan uit verskeie eiendomme regoor die land. 'n Volledige register, wat alle inligting met betrekking tot vaste eiendomme vervat, is by die koöperasie se geregistreerde kantoor ter insae vir lede en hulle gemagtigde agente. Sekere grond en geboue met 'n boekwaarde van N\$33,5 miljoen (2001: N\$ 38,7 miljoen) is beswaar soos aangedui in aantekening 13.2.

4. Investment properties Valuation

Beginning of year
Additions
Disposals

Net book value

Beginning of year	31 213 219	31 845 039
Additions	2 051 712	207 776
Disposals	--	(839 596)
Net book value	33 264 931	31 213 219

Refer to detail provided in note 3 regarding land and buildings. The investment property portion of erf 2225 (the head office property) was valued by F.A. Frank – Shultz, a qualified property valuator, in 2001 at N\$18,3 million using the income capitalization method. In 2002, the investment property portion of erf 2225 as well as the remaining of the investment properties, were valued by the directors at market value.

4. Beleggingseiendomme Waardasie

Beginning of year
Toevoegings
Verkope

Netto boekwaarde

Beginning of year	31 197 157	31 828 977
Toevoegings	2 051 740	207 776
Verkope	--	(839 596)
Netto boekwaarde	33 248 897	31 197 157

Verwys na detail rakende grond en geboue verskaf in aantekening 3. Die beleggingseiendomsgeedeelte van erf 2225 (die hoofkantoreiendom) is deur F.A. Frank – Schultz, 'n gekwalifiseerde eiendomswaardeerder, gewaardeer in 2001 teen N\$18,3 miljoen, volgens die inkomste – kapitaliseringsmetode. In 2002, is die beleggingseiendomsgeedeelte van erf 2225, sowel as die ander beleggingseiendomme, deur die direkteure waardeer teen markwaarde.

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	Consolidated		Co-operative		
	2002	2001	2001	2002	
	N\$	N\$	N\$	N\$	
5. Subsidiaries					5. Filiale
5.1 Shares at cost and directors' valuation			518 742	518 742	5.1 Aandele teen kosprys en direkteurswaardasie
5.2 Loans			7 428 137	4 105 633	5.2 Lenings
			7 946 879	4 624 375	
6. Trade investments					6. Handelsbeleggings
Unlisted trade investments at cost and directors' valuation	1 544 007	2 717 979	2 717 979	1 544 007	Ongenoteerde handelsbeleggings teen kosprys en direkteurswaardasie
7. Other investments					7. Ander beleggings

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

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

	Consolidated		Co-operative		
	2002	2001	2001	2002	
	N\$	N\$	N\$	N\$	
7.1 Shares at cost and directors' valuation	250 000	250 000	250 000	250 000	7.1 Aandele teen kosprys en Direkteurswaardasie
7.2 Loans	2 541 206	2 541 366	2 541 366	2 541 206	7.2 Lenings
	2 791 206	2 791 366	2 791 366	2 791 206	

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AAANTEKENINGE TOT DIE FINANSIËLE STATE
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	Consolidated		Co-operative		
	2002	2001	2001	2002	
	N\$	N\$	N\$	N\$	
8. Taxation					8. Belasting
Namibian normal tax					Namibiese normale belasting
Current tax	(82 133)	(33 997)	--	--	Lopende belasting
Deferred tax					Uitgestelde belasting
Current year release	490 416	641 640	644 178	490 416	Huidige jaar aanpassing
Deferred tax asset adjustment	146 173	118 562	--	--	Uitgestelde belasting bate aanpassing
	554 456	<u>726 205</u>	<u>644 178</u>	490 416	
Gross calculated tax losses at the end of the financial year available for utilisation against future taxable income.	11 256 162	8 611 726	5 443 295	7 969 977	Bruto berekende belastingverlies aan die einde van die finansiële jaar beskikbaar vir gebruik teen toekomstige belasbare inkomste.
Less: Applied in reduction of deferred tax	(8 116 505)	(5 878 452)	(5 443 295)	(7 969 977)	Min: Aangewend om uitgestelde belasting te verminder
Net calculated tax losses carried forward	3 139 657	2 733 274	--	--	Netto berekende belastingverliese oorgedra
Tax relief calculated at current tax rates	1 098 880	<u>956 646</u>	<u>--</u>	<u>--</u>	Belastingverligting teen huidige belastingkoerse bereken
9. Inventories					9. Voorraad
Raw material	267 935	411 760	--	--	Grondstowwe
Finished products	34 599 856	31 198 086	26 542 102	30 578 800	Klaarprodukte
Consumables	379 295	210 251	210 251	372 948	Verbruikersmateriaal
	35 247 086	<u>31 820 097</u>	<u>26 752 353</u>	30 951 748	
10. Accounts receivable					10. Rekeninge ontvangbaar
Trade debtors	38 855 933	36 106 394	34 217 448	35 855 600	Handelsdebiteure
Other debtors	10 016 337	7 625 231	7 169 434	9 419 536	Ander debiteure
	48 872 270	<u>43 731 625</u>	<u>41 386 882</u>	45 275 136	

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	Consolidated		Co-operative		
	2002 N\$	2001 N\$	2001 N\$	2002 N\$	
11. Bank (overdraft)/Cash and bank					11. Bank (oortrekking)/Kontant en bank
Bank overdrafts	(12 513 921)	(13 600 617)	(12 947 678)	(11 235 366)	Bankoortrekkings
Current accounts	1 127 629	2 456 543	114 081	158 311	Lopende rekeninge
	<u>(11 386 292)</u>	<u>(11 144 074)</u>	<u>(12 833 597)</u>	<u>(11 077 055)</u>	
The bank overdrafts are unsecured.					Die bankoortrekkings is ongesekureer.
Total interest bearing borrowings:					Totale rentedraende lenings:
Bank overdrafts	12 513 921	13 600 617	12 947 678	11 235 366	Bankoortrekkings
Long-term loans (note 13)	18 238 046	20 865 360	20 745 510	18 153 546	Langtermynlenings (nota 13)
	<u>30 751 967</u>	<u>34 465 977</u>	<u>33 693 188</u>	<u>29 388 912</u>	
12. Outside shareholder's interest					12. Buite-aandeelhoudersbelang
At beginning of year	4 989	339	--	--	Aan begin van die jaar
Share of net profit of subsidiary	40 530	20 300	--	--	Deel van netto wins van filiaal
Dividends paid	(32 424)	(15 650)	--	--	Dividende betaal
At end of year	<u>13 095</u>	<u>4 989</u>	<u>--</u>	<u>--</u>	Aan einde van jaar

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	Consolidated		Co-operative		
	2002 N\$	2001 N\$	2001 N\$	2002 N\$	
13 Long-term loans					13. Langtermynlenings
13.1 Unsecured					13.1 Onverseker
Interest free loans not subject to any fixed terms of repayment.	244 125	301 207	301 207	244 125	Rentevrye lenings wat nie onderhewig is aan enige vaste terugbetalingsvoorwaardes nie.
Shareholder's loan which bears interest at 16,5% (2001:16,5%) and which is not subject to any fixed terms of repayment.	84 500	119 850	--	--	Aandeelhouerslening wat rente dra teen 16,5% (2001:16,5%) en wat nie onderhewig is aan enige vaste terugbetalingsvoorwaardes nie.
13.2 Secured					13.2 Verseker
Commercial Bank of Namibia Ltd Capital outstanding	18 153 546	20 745 510	20 745 510	18 153 546	Commercial Bank van Namibië Bpk Kapitaal uitstaande
Less:					Min:
- Capital repayable in one year, and transferred to accounts payable	(3 577 410)	(2 573 112)	(2 573 112)	(3 577 410)	- Kapitaal binne een jaar betaalbaar en oorgedra na rekening betaalbaar
	14 904 761	18 593 455	18 473 605	14 820 261	

The secured loans are due to the Commercial Bank of Namibia Ltd and are secured by a first continuing covering mortgage bond of N\$24,0 million (2001: N\$24,0 million) over certain land and buildings with a book value of N\$33,5 million (2001: N\$38,7 million). The loans bear interest at a rate of 15,75% (2001: 13,05%) per annum compounded monthly, payable on a monthly basis. Capital is repayable as follows:

Yearly instalments of N\$6 185 643(2001:N\$5 500 476) until January 2005
Yearly instalments of N\$1 984 297(2001:N\$1 795 272) from February 2005 until July 2011

Die versekerde lenings is verskuldig aan die Commercial Bank van Namibië Bpk en is verseker deur 'n eerste dekkingsverband van N\$24,0 miljoen (2001: N\$24,0 miljoen) oor sekere grond en geboue met 'n boekwaarde van N\$33,5 miljoen (2001: N\$38,7 miljoen). Die lenings dra rente teen 15,75% (2001: 13,05%) per jaar, maandeliks saamgestel, wat maandeliks gedelg word. Die kapitaal is terugbetaalbaar soos volg:

Jaarlikse paaielemente van N\$6 185 643(2001:N\$5 500 476) tot Januarie 2005
Jaarlikse paaielemente van N\$1 984 297(2001:N\$1 795 272) vanaf Februarie 2005 tot Julie 2011

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14. Post-retirement obligations

The group provides post-retirement healthcare benefits to their retirees. The liability created in terms of the requirements of the revised AC 116 (Employee benefits) amounts to N\$25 million (2001: N\$25 million).

The principal actuarial assumptions used for accounting purposes were:

- Real rate of return 1% (2001: 0,5%)
- Discount rate 11,95% (2001: 15,0%)
- Medical inflation rate 10,95% (2001: 14,5%)

- **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	- (2001:84)
Average age (years)	- (2001:37)

50 to 60:

Number	23 (2001:29)
Average age (years)	52 (2001:53)

Above 60:

Number	4 (2001:4)
Average age (years)	62 (2001:61)

Total:

Number	27 (2001:117)
Average age (years)	53 (2001:42)

- **Current pensioner members**

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

Total:

Number	103 (2001:98)
Average age (years)	69 (2001:68)

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

14. Na-aftredevoordele

Die groep voorsien na-aftrede mediese voordele aan sy afgetrede werknemers. Die aanspreeklikheid geskep in terme van die gewysigde RE 116 (Werknemervoordele) beloop N\$25 miljoen (2001: N\$25 miljoen).

Die belangrikste aktuariële aannames gebruik vir rekeningkundige doeleindes, was:

- Reële opbrengskoers 1% (2001: 0,5%)
- Verdiskonteringskoers 11,95% (2001:15,0%)
- Mediese inflasiekoers 10,95% (2001:14,5%)

- **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	- (2001:84)
Gemiddelde ouderdom (jare)	- (2001:37)

50 tot 60:

Aantal	23 (2001:29)
Gemiddelde ouderdom (jare)	52 (2001:53)

Bo 60:

Aantal	4 (2001:4)
Gemiddelde ouderdom (jare)	62 (2001:61)

Totaal:

Aantal	27 (2001:117)
Gemiddelde ouderdom (jare)	53 (2001:42)

- **Huidige pensioenaris-lede**

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

Totaal:

Aantal	103 (2001: 98)
Gemiddelde ouderdom (jare)	69 (2001: 68)

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

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	Consolidated		Co-operative		
	2002 N\$	2001 N\$	2001 N\$	2002 N\$	
15. Deferred tax obligations					15. Uitgestelde belasting aanspreeklikheid
Balance at beginning of year	2 603 268	3 220 665	3 219 263	2 575 085	Saldo aan begin van jaar
Movements during the year attributable to timing differences	(518 599)	(641 641)	(644 178)	(490 416)	Bewegings gedurende die jaar toeskryfbaar aan tydsberekening verskille
Balance at end of year	2 084 669	2 579 024	2 575 085	2 084 669	Saldo aan einde van jaar
The balance comprises:					Die saldo behels:
Capital allowances	6 112 422	5 695 118	5 538 874	5 984 001	Kapitaaltoelae
Provisions	(1 201 204)	(1 058 636)	(1 058 636)	(1 124 068)	Voorsienings
Lease deposits	14 228	--	--	14 228	Huurdeposito's
Gross calculated tax losses	(2 840 777)	(2 057 458)	(1 905 153)	(2 789 492)	Berekende belastingverliese
	2 084 669	2 579 024	2 575 085	2 084 669	

16. 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 Amalgameerde Afslaers (Pty) Ltd	100

The following are associated companies:

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

16. Verwante -partye transaksies

Die maatskappy is die houermaatskappy van die volgende filiale:

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

Die volgende is verwante maatskappye:

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

The following transactions were carried out with related parties:

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

		Consolidated		Co-operative			
		2002	2001	2001	2002		
		N\$	N\$	N\$	N\$		
i)	Interest received:					i)	Rente ontvang:
	- Star Plastics (Pty) Ltd	-	-	283 818	217 066		- Star Plastics (Edms) Bpk
	- Wire Industries (Pty) Ltd	-	-	194 863	244 528		- Wire Industries (Edms) Bpk
		<u>-</u>	<u>-</u>	<u>478 681</u>	<u>461 594</u>		
ii)	Purchases:					ii)	Aankope:
	- Star Plastics (Pty) Ltd	-	-	2 467 180	1 934 285		- Star Plastics (Edms) Bpk
	- Wire Industries (Pty) Ltd	-	-	3 219 053	2 381 259		- Wire Industries (Edms) Bpk
	- Agra Verspreiders (Pty) Ltd	-	-	2 122 981	3 662 476		- Agra Verspreiders (Edms) Bpk
		<u>-</u>	<u>-</u>	<u>7 809 214</u>	<u>7 978 020</u>		
iii)	Management fees and dividends received:	<u>-</u>	<u>-</u>	<u>3 033 799</u>	<u>2 057 552</u>	iii)	Bestuursfooie en dividende ontvang:

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The following balances were outstanding at year end:

	Consolidated		Co-operative	
	2002 N\$	2001 N\$	2001 N\$	2002 N\$
i) Accounts receivable:				
- Star Plastics (Pty) Ltd	--	--	52 768	27 052
- Wire industries (Pty) Ltd	--	--	320 661	252 482
- Ondangwa Service Station (Pty) Ltd	--	--	2 645 017	474 923
	<u>--</u>	<u>--</u>	<u>3 018 446</u>	<u>754 457</u>
ii) Long- term receivables:				
- Star Plastics (Pty) Ltd	--	--	1 791 810	347 718
- Wire Industries (Pty) Ltd	--	--	1 750 000	1 750 000
- Ondangwa Service Station (Pty) Ltd	--	--	209 300	104 650
- Agra Verspreiders (Pty) Ltd	--	--	2 820 776	1 791 255
- Lumley Agra Farmers Insurance Brokers (Pty) Ltd	--	160	160	--
- Consolidated Sugar Industries (Namibia) (Pty) Ltd	2 541 205	2 541 205	2 541 205	2 541 205
	<u>2 541 205</u>	<u>2 541 365</u>	<u>9 113 251</u>	<u>6 534 828</u>
iii) Long –term loan:				
- SWAAA	--	--	317 619	317 619

The above transactions were carried out on commercial terms.

17. Guarantees

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

17.1 The bank overdraft 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 Wire Industries amounted to N\$609 038 (2001: Nil) and Star Plastics N\$634 892 (2001:N\$800 980)

17.2 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:

Department of Water Affairs	119 069	119 069	119 069	119 069
Meat Board	25 000	25 000	25 000	25 000
Customs and Excise	200 000	200 000	200 000	200 000
Nampower	29 180	29 180	29 180	29 180
	<u>373 249</u>	<u>373 249</u>	<u>373 249</u>	<u>373 249</u>

Die volgende balanse was uitstaande op jaareinde:

i) Bedrae ontvangbaar:	
- Star Plastics (Edms) Bpk	
- Wire Industries (Edms) Bpk	
- Ondangwa Service Station (Edms) Bpk	
ii) Langtermynbedrae ontvangbaar:	
- Star Plastics (Edms) Bpk	
- Wire Industries (Edms) Bpk	
- Ondangwa Service Station (Edms) Bpk	
- Agra Verspreiders (Edms) Bpk	
- Lumley Agra Farmers Insurance Brokers (Edms) Bpk	
- Consolidated Sugar Industries (Namibia) (Edms) Bpk	
iii) Langtermynlenings:	
- SWAAA	

Die bogemelde transaksies is teen kommersiële terme uitgevoer.

17. Waarborge

Agra (Koöperatief) Bpk waarborg die volgende verpligtinge:

17.1 Die bankoortrekkinge van filiaalmaatskappye, Wire Industries (Edms) Bpk en Star Plastics (Edms) Bpk tot 'n maksimum van N\$4,5 miljoen. Die bankoortrekking van Wire Industries het op jaareinde N\$609 038 (2001:Nil) beloop en Star Plastics N\$634 892 (2001:N\$800 980)

17.2 Die koöperasie het 'n voorwaardelike verpligting teenoor Standard Bank Namibië ten opsigte van waarborge gegee deur die bank namens die koöperasie ten gunste van:

Departement van Waterwese
Vleisraad
Doeane en Aksyns
Nampower

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	Consolidated		Co-operative		
	2002 N\$	2001 N\$	2001 N\$	2002 N\$	
18. Capital expenditure approved					18. Kapitaaluitgawes goedgekeur
Commitments in respect of contracts placed	--	946 241	946 241	--	Verpligtinge ten opsigte van kontrakte aangegaan
Capital expenditure approved by the directors in addition to contracts placed	8 934 075	4 233 985	4 233 985	8 934 075	Goedgekeur deur die direkteure benewens kontrakte aangegaan
	8 934 075	5 180 226	5 180 226	8 934 075	Finansiering sal verskaf word deur finansiële instellings en deur bedryfskapitaal wat binne die groep voortgebring word.
Finance will be provided by financial institutions and by working capital generated within the group.					
19. Working capital changes					19. Bedryfskapitaalveranderinge
- Increase in accounts receivable	(5 140 645)	(21 298 634)	(20 598 629)	(3 888 254)	- Toename in rekeninge ontvangbaar
- Increase in inventories	(3 426 989)	(6 397 507)	(6 507 066)	(4 199 395)	- Toename in voorraad
- Increase in accounts payable	6 907 415	18 099 233	19 836 897	4 923 001	- Toename in rekeninge betaalbaar
	(1 660 219)	(9 596 908)	(7 268 798)	(3 164 648)	
20. Operating lease commitments					20. 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	876 201	556 481	541 366	873 126	Nie later as een jaar
Later than one year, but not later than five years	1 316 068	1 938 030	1 928 029	1 316 068	Later as een jaar, maar nie later as vyf jaar nie
Later than five years	--	338 714	338 714	--	Later as vyf jaar

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	Consolidated		Co-operative		
21. Staff costs	2002 N\$	2001 N\$	2001 N\$	2002 N\$	21. Werknemersvergoeding
Salaries and wages	27 213 745	24 871 219	22 752 79€	25 570 339	Salarisse en lone
Social Security costs	97 262	91 811	83 92€	92 865	Maatskaplike voorsorgfondsbysdraes
Pension fund contributions	3 101 301	2 923 896	2 715 079	3 007 956	Pensioenfondsbysdraes
Medical aid fund contributions	3 215 047	2 439 471	2 360 125	3 068 271	Mediese fondsbysdraes
	33 627 355	30 326 397	27 911 92€	31 739 431	
Average monthly number of persons employed during the year:					Gemiddelde maandelikse personeel werksaam gedurende die jaar:
	450	472	428	415	

22. Pension Scheme

All of the group's permanent employees are members of the Agra Retirement Fund which is a defined contribution fund governed by the Pension Funds Act of Namibia. A statutory actuarial valuation was carried out on 30 April 2001. In the actuary's opinion the fund was in a sound financial position. The employer is currently contributing at a rate of 15% of total salaries.

22. Pensioenskema

Al die groep se permanente werknemers is lede van die Agra Pensioenfonds. Die fonds is 'n gedefinieerde bydraefonds wat deur die Pensioenfondswet van Namibia beheer word. 'n Statutêre aktuariële waardasie is uitgevoer op 30 April 2001. In die aktuaris se opinie was die fonds in 'n gesonde finansiële posisie. Die werkgewer se bydrae tot die fonds is 15 % van totale salarisse.