

**Minister's family feted to RM800k 'holiday' by NFC**  
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**by Hazlan Zakaria**

The husband and children of a federal minister, who are shareholders and board members in the controversial National Feedlot Corporation (NFC), went on an expensive overseas trip on company funds.

"In the company's operations cost for 2009, RM827,578 was listed as being spent by company directors as entertainment allowance to go on an overseas trip. This includes credit card bills and other claims.

This is one of the unnecessary expenses which should not have been charged to the company," PKR strategic director Rafizi Ramli told reporters at a press conference in Parliament House today.

Rafizi said this was according to the company's audited accounts filed with the Companies Commission of Malaysia (CCM).

"This is despite the company running losses, a total of RM7 million when it started in 2008, and another RM11 million in the red for 2009," he added.

Rafizi jibed that if the amount was divided with the roughly 1,600 heads of cattle slaughtered by NFC in 2009, it would mean that the trip costs RM511 per cow.

The opposition party said this was just one problematic facet of the troubled project being funded with public funds.

He recounted how the firm's cost per head of cattle that it imports mainly from Australia, kept for 100 days and then slaughtered for beef, amounted to nearly RM4,500 per animal.

"That is way too high for cattle, usually in Malaysia it is RM2,500 per head of cattle."

The cost, said Rafizi, was 22 times above the estimated production cost projected by the Veterinary Department for the project.

Such rising costs, he said, was made worse by questionable financial conduct such as the engagement of National Livestock and Meat Corp (NLMC), a company "dormant" since 2007, as the "marketing agent" for NFC and which was given a loan of RM81 million by the Feedlot scheme operator.

NFC is supposed to handle its own marketing, if initial plans in its pilot plan were to be adhered to.

Adding concern to the tale, Rafizi claimed further, is the fact that the "dormant" company is also owned, via a complex corporate structure, by same federal minister's husband and children team that manage and owns NFC.

He added, the same family also owned Real Food Company Sdn Bhd, which bought beef from NFC at a discounted price for their boutique restaurant Meatworks, a subsidy scheme which he claimed saw over RM2 million in discounts in one year alone.

'No longer a going concern'

"In my view as an auditor this company is no longer a going concern," Rafizi said, explaining that the business viability of the feedlot company is in question.

"It may bungkus (fold up) within one or two years," he concluded.

Party secretary-general Saifuddin Nasution, who joined Rafizi at the press conference, expressed worry that the project will be another public funds sinkhole.

“We ask the government, can the RM250 million loan be recovered? Or will it be like Indah Water Konsortium, Perwaja Steel and PKFZ?” asked the Machang MP.

To this Rafizi quipped, “From a management accounting perspective, we may never see those funds again, they are gone just like the projects named by the sec-gen”.

Rafizi claimed that the funds have been diverted to various companies like NLMC, set up as associates and client companies to NFC.

The party claimed that this is an example of how public funds are misused by well-connected individuals to fund their pet projects, which they later siphoned out, killing the host public-funded project and making a tidy profit at the public’s expense.

“There is a possibility that the loan may soon be cancelled, on account of the feedlot farm being a failure,” Rafizi warned.

NFC came to national prominence recently after its allegedly sorry state of affairs were pin-pointed by the Auditor-General’s Report and was picked upon by the opposition as the poster-boy project of abuse of influence and conflict of interest in award of public funds.

This latest round of attacks by PKR follows government answers in parliament in defence of the controversial project.

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