

MADRESSAH - ZIA - UL - BADR  
(ASSOCIATION INCORPORATED UNDER SECTION 21)  
REGISTRATION NO: 91/02206/03  
ANNUAL FINANCIAL STATEMENTS  
28 FEBRUARY 1997

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APPROVAL

The financial statements were approved by the Trustees on 12 June, 2001 and are signed by them.

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)  
) TRUSTEES  
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)



**HAROON TAKOLIA & CO**  
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Public Accountants and Auditors

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**QUALIFIED REPORT OF THE INDEPENDENT AUDITORS  
TO THE TRUSTEES OF  
MADRESSAH ZIA - UL - BADR**

**MUHTARAM**

**Assalaamu Alaikum**

We have examined the annual financial statements set out on pages 2 to 4. These financial statements are the responsibility of the Executive Committee. Our responsibility is to report on these financial statements.

**Scope**

We conducted our audit in accordance with South African Auditing Standards. These standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

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


We consider that our audit procedures were appropriate in the circumstance to express our opinion presented below.

**Qualification**

In common with similar organisations, it is not feasible for the Organisation to institute accounting controls over income and cash expenses prior to the initial entry of income in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond the receipts and cash expenses actually recorded.

**Audit Opinion**

Except for the effects of any adjustments which might have been necessary had it been possible for us to extend our examination of income and cash expenses, in our opinion these financial statements fairly present the financial position of the Organisation at 28 February, 1997 and the results of its operations for the year then ended in conformity with generally accepted accounting practice.

  
Chartered Accountants (S.A.)  
12 June, 2001.

MADRESSAH - ZIA - UL - BADR  
BALANCE SHEET AT  
28 FEBRUARY 1997

2.

	Note	LILLAH R	ZAKAAT R	TOTAL
<u>FUNDS EMPLOYED</u>				
<u>GENERAL FUND</u>				
Balance at beginning of the year		1,121,932	24,386	1,146,318
Net surplus / deficit for the year		702,305	(17,932)	684,373
		<u>1,824,237</u>	<u>6,454</u>	<u>1,830,691</u>
<u>EMPLOYMENT OF FUNDS</u>				
FIXED ASSETS	2	1,611,540	-	1,611,540
INVESTMENTS	3	155,000.00	-	155,000
<u>CURRENT ASSETS</u>				
Cash resources	4	57,697	6,454	64,151
		<u>1,824,237</u>	<u>6,454</u>	<u>1,830,691</u>

MADRESSAH - ZIA - UL - BAUR  
INCOME STATEMENT FOR THE YEAR  
28 FEBRUARY 1997

3.

	<u>LILLAH</u> R	<u>ZAKAAT</u> R	<u>TOTAL</u>
INCOME	1,099,720	182,141	1,281,861
EXPENDITURE AND DISTRIBUTION	397,415	200,073	597,488
Bank charges	1,492	688	2,180
Cleaning expenses	1,362	-	1,362
Depreciation	2,170	-	2,170
Entertainment expenses	2,973	-	2,973
Hostel expenses	86,365	-	86,365
Insurance	2,510	-	2,510
Interest expense	8	-	8
Rates, water and electricity	26,744	-	26,744
Repairs and maintenance	42,821	-	42,821
Salaries and wages	227,301	-	227,301
Security	3,669	-	3,669
Student welfare	-	199,385	199,385
NET SURPLUS / (DEFICIT) for the year transferred to General fund	<u>702,305</u>	<u>(17,932)</u>	<u>684,373</u>

MADRESSAH - ZIA - UL - BADR  
NOTES TO THE FINANCIAL STATEMENTS  
28 FEBRUARY 1997

4.

	<u>LILLAH</u> R	<u>ZAKAAT</u> R	<u>TOTAL</u> R
<b>1. ACCOUNTING POLICIES</b>			
The financial statements are prepared on the historical cost basis, consistent with previous years and incorporate the following principle accounting policies :			
1.1 <u>Fixed assets</u>			
Land and buildings are not depreciated. Furniture and equipment are depreciated at 10% p.a. on the reducing balance method.			
1.2 <u>Income and Expenditure</u>			
Income and expenditure are brought to account as and when recorded and incurred respectively.			
<b>2. FIXED ASSETS</b>	<u>1,611,540</u>	<u>-</u>	<u>1,611,540</u>
Furniture and equipment	22,033	-	22,033
book value at beginning of the year	19,203	-	19,203
additions	5,000	-	5,000
depreciation	(2,170)	-	(2,170)
Land and buildings	1,589,507	-	1,589,507
at costs	420,000	-	420,000
improvements capitalised	1,169,507	-	1,169,507
Erf 1365, 1366, 1369, 1371, 1373 and 1374 Jeppestown Township, measuring 1982 (one thousand and eighty two) square metres, acquired on 25 June 1982. (one thousand and eighty two) square			
Fixed assets are depreciated as stated in note 1.			
<b>3. INVESTMENTS</b>			
Loan investment in associate MEGJ Properties (Pty) Ltd	<u>155000</u>	<u>-</u>	<u>155000</u>
<b>4 CASH RESOURCES</b>	<u>57,696</u>	<u>6,454</u>	<u>64,150</u>
Cash at bank	57,274	6,454	63,728
Petty cash	422	-	422