

MADRESSAH - ZIA - UL - BADR
(ASSOCIATION INCORPORATED UNDER SECTION 21)
REGISTRATION NO: 91/02206/08
ANNUAL FINANCIAL STATEMENTS
28 FEBRUARY 1998

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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
Chartered Accountants (South Africa)
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, 1998 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 1998

2.

	Note	LILLAH R	ZAKAAT R	TOTAL
<u>FUNDS EMPLOYED</u>				
GENERAL FUND				
Balance at beginning of the year		1,824,237	6,454	1,830,691
Net surplus for the year		108,609	43,679	152,288
		<u>1,932,846</u>	<u>50,133</u>	<u>1,982,979</u>
<u>EMPLOYMENT OF FUNDS</u>				
FIXED ASSETS	2	1,764,514	-	1,764,514
INVESTMENTS	3	155,000	-	155,000
CURRENT ASSETS				
Cash resources	4	13332	50133	63465
		<u>1,932,846</u>	<u>50,133</u>	<u>1,982,979</u>

MADRESSAH - ZIA - UL - BADR
INCOME STATEMENT FOR THE YEAR
28 FEBRUARY 1998

3.

	<u>LILLAH</u> R	<u>ZAKAAT</u> R	<u>TOTAL</u>
INCOME	408,300	161,505	569,805
EXPENDITURE AND DISTRIBUTION	299,691	117,826	417,517
Bank charges	1,442	721	2,163
Depreciation	2,478	-	2,478
Hostel expenses	49,004	-	49,004
Legal expenses	935	-	935
Rates, water and electricity	14,985	-	14,985
Repairs and maintenance	4,790	-	4,790
Salaries and wages	226,057	-	226,057
Student welfare	-	117,105	117,105
NET SURPLUS for the year transferred to General fund	<u>108,609</u>	<u>43,679</u>	<u>152,288</u>

MADRESSAH - ZIA - UL - BADR
NOTES TO THE FINANCIAL STATEMENTS
28 FEBRUARY 1998

	<u>LILLAH</u> R	<u>ZAKAAT</u> R	<u>TOTAL</u> R
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1. ACCOUNTING POLICIES

The financial statements are prepared on the historical cost basis, consistent with previous years and incorporate the following principle accounting policies :

1.1 Fixed assets

Land and buildings are not depreciated. Furniture and equipment are depreciated at 10% p.a. on the reducing balance method.

1.2 Income and Expenditure

Income and expenditure are brought to account as and when recorded and incurred respectively.

2. FIXED ASSETS

	<u>1,764,514</u>	<u>-</u>	<u>1,764,514</u>
Furniture and equipment	25,055	-	25,055
book value at beginning of the year	22,033	-	22,033
additions	5,500	-	5,500
depreciation	(2,478)	-	(2,478)
Land and buildings	1,739,459	-	1,739,459
at costs	420,000	-	420,000
improvements capitalised	1,319,459	-	1,319,459
Erf 1365, 1366, 1369, 1371, 1373 and 1374 Jeppestown Township, measuring 1982 (one thousand and eighty two) square metres, acquired on 25 June 1982. Fixed assets are depreciated as stated in note 1.			

3. INVESTMENTS

Loan investment in associate MEGJ
 Properties (Pty) Ltd

	<u>155000</u>	<u>-</u>	<u>155000</u>
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4. CASH RESOURCES

Cash at bank
 Petty cash

	<u>13331</u>	<u>50133</u>	<u>63464</u>
Cash at bank	12909	50133	63042
Petty cash	422	-	422