

MADRESSAH ZIA - ULB ADR  
(ASSOCIATION INCORPORATED UNDER SECTION 21)  
REGISTRATION NO: 1991/002206/08  
ANNUAL FINANCIAL STATEMENTS  
28 FEBRUARY 2003

BALANCE SHEET FILE

The following report and statements are presented:

<u>CONTENTS</u>	<u>PAGE</u>
Report of the independent auditors	1
Balance sheet	2
Income statement	3
Notes to the financial statements	4

APPROVAL

The financial statements were approved by the Council of Theologians on 30 September, 2003 and are signed by them.

)  
)  
) COUNCIL  
) MEMBERS  
)  
)

**QUALIFIED REPORT OF THE INDEPENDENT AUDITORS  
TO THE MEMBERS OF  
MADREESAH ZIA - UL BADR**

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 prior to the initial entry of income in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond the receipts 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, the financial statements fairly present the financial position of the Organisation at 28 February 2003 and the results of its operations for the year then ended in conformity with generally accepted accounting practice.



Chartered Accountants (S.A.)

12 April, 2001

MADRESSAH ZIA - UL BADR  
BALANCE SHEET AT  
28 FEBRUARY 2003

	Notes	LILLAH R	ZAKAAT R	TOTAL R
<u>ASSETS</u>				
NON-CURRENT ASSET				
Fixed assets	2	2,012,201	-	2,012,201
Investment	3	1,857,201	-	1,857,201
		155,000	-	155,000
CURRENT ASSETS				
Cash and cash equivalents		225,796	337,235	563,031
TOTAL ASSETS		<u>2,237,997</u>	<u>337,235</u>	<u>2,575,232</u>
<u>RESERVES</u>				
RESERVES				
Accumulated funds		2,237,997	337,235	2,575,232
TOTAL RESERVES		<u>2,237,997</u>	<u>337,235</u>	<u>2,575,232</u>

MADRESSAH ZIA - UL BADR  
INCOME STATEMENT FOR THE YEAR ENDED  
28 FEBRUARY 2003

3.

	<u>LILLAH</u> R	<u>ZAKAAT</u> R	<u>TOTAL</u> R
INCOME	714,475	533,640	1,248,115
Hostel income	382,034	-	382,034
Lillah income	287,082	-	287,082
Maintenance income	45,022	-	45,022
Zakaat income	-	533,237	533,237
Interest income	337	403	740
EXPENDITURE AND DISTRIBUTION	510,751	382,288	893,039
Bank charges	5,811	3,548	9,359
Depreciation	1,644	-	1,644
Hostel expenses	154,541	378,740	533,281
Insurance	3,200	-	3,200
Printing and stationery	7,144	-	7,144
Rates, water and electricity	133,981	-	133,981
Repairs and maintenance	19,410	-	19,410
Salaries and wages	185,020	-	185,020
NET SURPLUS for the year	203,724	151,352	355,076
ACCUMULATED FUNDS at beginning of the year	2,034,273	185,883	2,220,156
ACCUMULATED FUNDS at end of the year	<u>2,237,997</u>	<u>337,235</u>	<u>2,575,232</u>

	<u>LILLAH</u> R	<u>ZAKAAT</u> R	<u>TOTAL</u> R
--	--------------------	--------------------	-------------------

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>1,857,201</u>	<u>-</u>	<u>1,857,201</u>
Furniture and equipment	14,796	-	14,796
book value at beginning of the year	16,440	-	16,440
depreciation	(1,644)	-	(1,644)
Land and buildings	1,769,658	-	1,769,658
at cost	420,000	-	420,000
improvements capitalised	1,349,658	-	1,349,658
Erf 1365, 1366, 1369, 1371, 1373 and 1374 Jeppestown Township, measuring 1,982 (one thousand nine hundred and eighty two ) square metres, acquired on 25 June 1982. The cost at 2003 amounted to R 1 769 658.			
Land and buildings	72,747	-	72,747
at cost	65,000	-	65,000
expenses capitalised to date	7,747	-	7,747
Erf 1367, Jeppestown Township, measuring 248 (two hundred and forty eight) square metres, acquired on 10 October 2001. The cost at 2003 amounted to R 72 747			
Fixed assets are depreciated as stated in note 1.			

3. LOAN RECEIVABLE

Loan investment in associate company.  
 MEGJ Properties (Proprietary) Limited

	<u>155,000</u>	<u>-</u>	<u>155,000</u>
--	----------------	----------	----------------