

MADRESSAH ZIA - UL BADR  
(ASSOCIATION INCORPORATED UNDER SECTION 21)  
REGISTRATION NO: 1991/002296/08  
ANNUAL FINANCIAL STATEMENTS  
29 FEBRUARY 2004

WORKING PAPERS

The following report and statements are presented :

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APPROVAL

The financial statements were approved by the Council of Theologians on 22 July, 2004 and are signed by them.

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)  
) COUNCIL  
) MEMBERS  
)  
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**REPORT OF THE INDEPENDENT AUDITORS**  
**TO THE MEMBERS OF**  
**MADRESSAH ZIA-UL BADR**

We have examined the annual financial statements as 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.

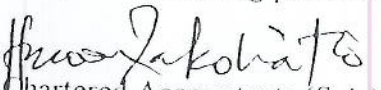
We consider that our audit procedures were appropriate in the circumstance to express our opinion presented below.

**Qualifications**

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 29 February, 2004 and the results of its operations for the year then ended in conformity with generally accepted accounting practice.

  
Chartered Accountants (S.A.)

Registrered Accountants and Auditors

Johannesburg

22 July, 2004.

MADRESSAH ZIA - UL BADR  
BALANCE SHEET AT  
29 FEBRUARY 2004

2.

	<u>Notes</u>	<u>LILLAH</u> R	<u>ZAKAAT</u> R	<u>TOTAL</u> R
<u>ASSETS</u>				
NON-CURRENT ASSETS				
Fixed assets	2	168,319	-	168,319
Investment	3	13,319	-	13,319
		155,000	-	155,000
CURRENT ASSETS				
Cash and cash equivalents		214,773	420,157	634,930
TOTAL ASSETS		<u>383,092</u>	<u>420,157</u>	<u>803,249</u>
<u>RESERVES</u>				
RESERVES				
Accumulated funds		383,092	420,157	803,249
TOTAL RESERVES		<u>383,092</u>	<u>420,157</u>	<u>803,249</u>

MADRESSAH ZIA - UL BADR  
INCOME STATEMENT FOR THE YEAR ENDED  
29 FEBRUARY 2004

3.

	<u>LILLAH</u> R	<u>ZAKAAT</u> R	<u>TOTAL</u> R
INCOME	611,749	569,407	1,181,156
Hostel income	364,000	-	364,000
Lillah income	247,532	-	247,532
Zakaat income	-	569,013	569,013
Interest income	217	394	611
EXPENDITURE AND DISTRIBUTION	624,251	486,485	1,110,736
Bank charges	5,772	4,225	9,997
Depreciation	1,479	-	1,479
Hostel expenses	212,508	482,260	694,768
Insurance	6,400	-	6,400
Qurbani	500	-	500
Rates, water and electricity	61,962	-	61,962
Repairs and maintenance	105,280	-	105,280
Salaries and wages	229,850	-	229,850
Security	500	-	500
NET (DEFICIT) / SURPLUS for the year	(12,502)	82,922	70,420
ACCUMULATED FUNDS at beginning of the year	395,594	337,235	732,829
ACCUMULATED FUNDS at end of the year	<u>383,092</u>	<u>420,157</u>	<u>803,249</u>

**MADRESSAH ZIA - UL BADR**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**29 FEBRUARY 2004**

LILLAH                      ZAKAAT                      TOTAL  
R                                      R                                      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>13,319</u>	<u>-</u>	<u>13,319</u>
Furniture and equipment	13,317	-	13,317
book value at beginning of the year	14,796	-	14,796
depreciation	(1,479)	-	(1,479)
Land and buildings			
at nominal value	1	-	1
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.			
Land and buildings			
at nominal value	1	-	1
Erf 1367, Jeppestown Township, measuring 248 (two hundred and fourty eight) square metres, acquired on 10 October 2001.			
Fixed assets are depreciated as stated in note 1.			

3. INVESTMENT

Loan investment in associate company. MEGJ Properties (Proprietary) Limited.	<u>155,000</u>	<u>-</u>	<u>155,000</u>
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