

MADRESSAH ZIA - UL BADR
(ASSOCIATION INCORPORATED UNDER SECTION 21)
REGISTRATION NO: 1991/002206/08
ANNUAL FINANCIAL STATEMENTS
PBO: 930022993
28 FEBRUARY 2015

WORKING PAPERS FILE

The following report and statements are presented :

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APPROVAL

The financial statements were approved by the Council of Theologians on 30 March, 2015 and are signed by them.

)
)
) COUNCIL
) MEMBERS
)

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS MADRESSAH ZIA-UL BADR
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

We have audited the accompanying annual financial statements of Madressah Zia – Ul Badr (Association Incorporated under Section 21), which comprises the balance sheet as at 28 February 2015, the income statement for the year then ended as set out on pages 2 to 5.

Council Members Responsibility for the Financial Statements

The members are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa, 1973. This responsibility includes designing, implementation and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISRE2400). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures select depend on auditor's judgements, including the assessment of the risks of material misstatement of the financial statements, whether due fraud or error. In making those risks assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee members, as well as evaluating the overall presentation of the financial statements.


We believe that audit evidence we have obtained is sufficient and appropriate to provide as basis for our audit opinion.

Qualifications

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

Qualified Audit Opinion

In our 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 beyond receipts actually recorded, these financial statements fairly present the financial position of the Association 28 February 2015 and the results of it's operations for the year then ended in conformity with generally accepted accounting practice.


Chartered Accountants (S.A.)
Registered Accountants and Auditors
Johannesburg
30 March 2015

MADRESSAH ZIA - UL BADR
BALANCE SHEET AT
28 FEBRUARY 2015

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	132 065	-	132 065
CURRENT ASSETS				
Cash and cash equivalents		750 720	64 595	815 315
TOTAL ASSETS		<u>882 785</u>	<u>64 595</u>	<u>947 380</u>
<u>RESERVES</u>				
RESERVES				
Accumulated funds		151 998	795 382	947 380
TOTAL RESERVES		<u>151 998</u>	<u>795 382</u>	<u>947 380</u>

MADRESSAH ZIA - UL BADR
INCOME STATEMENT FOR THE YEAR ENDED
28 FEBRUARY 2015

3.

	<u>Notes</u>	<u>LILLAH</u> R	<u>ZAKAAT</u> R	<u>TOTAL</u> R
INCOME		6 084 683	3 451 435	9 536 118
Building fund income		900 200	-	900 200
Frail care income		44 000	-	44 000
Hostel income		-	3 301 435	3 301 435
Lillah income		4 903 484	-	4 903 484
qurbani income		223 150	-	223 150
Sadaqah		13 849	-	13 849
Zakaat income		-	150 000	150 000
EXPENDITURE AND DISTRIBUTION		3 796 983	3 451 435	7 248 418
Banquet expenses		17 100	-	17 100
Building fund expenses		90 250	-	90 250
Depreciation		19 329	-	19 329
Electricity, water and utilities		536 906	-	536 906
Jalsa expenses		16 202	-	16 202
Insurance		32 726	-	32 726
Hostel expenses		491 088	-	491 088
Printing, postage and stationery		15 301	-	15 301
Qurbani expenses		243 700	-	243 700
Repairs and maintenance		201 218	-	201 218
Mothers home - renovations		1 358 318	-	1 358 318
Salaries, wages and contributions		674 123	-	674 123
Secretarial fees		2 995	-	2 995
Staff welfare		89 700	-	89 700
Sundry expenses		4 000	-	4 000
Telecommunications		4 027	-	4 027
Welfare expenses	4		3 451 435	3 451 435
NET SURPLUS for the year		2 287 700	-	2 287 700
Lillah funds used to acquire properties		(2 945 301)	-	(2 945 301)
ACCUMULATED FUNDS				
at beginning of the year		809 599	795 382	1 604 981
at end of the year		<u>151 998</u>	<u>795 382</u>	<u>947 380</u>

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

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with International Financial Reporting Standards, and the Companies Act, 1973. The financial statements have been prepared on the historical cost basis, consistent with prior years, and incorporate the following principle accounting policies :

1.1 Fixed assets

Land and buildings are not depreciated, all additions and acquisitions during the year under review are written off and shown at nominal value.

Fixed assets are depreciated on the straight line basis at the following rates :

Furniture and equipment	10% p. a.
Computer equipment	33.3% p. a.

1.2 Income and Expenditure

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

2. FIXED ASSETS

	132 062	-	132 062
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Furniture and equipment	125 537	-	125 537
book value at beginning of the year	34 210	-	34 210
additions	107 400	-	107 400
depreciation	(16 073)		(16 073)
Computer equipment	6 523	-	6 523
additions	9 779	-	9 779
additions	(3 256)	-	(3 256)
Land and buildings at nominal values	1	-	1

2.1 MASJID

Erf 1372, 1375, and 1376, Jeppestown Township, measuring 998 (nine hundred and ninety eight) square metres acquired on 28 February 2000.

2.2 HOSTEL

Erf 1371, 1373, and 1374, Jeppestown Township, measuring 998 (nine hundred and ninety eight) square metres acquired on 25 June 1982.

2.3 FRAIL CARE CENTRE

Erf 1365, 1366, and 1369, Jeppestown Township, measuring 998 (nine hundred and ninety eight) square metres acquired on 25 June 1982.

2.4 DARUL HIFZ COMPLEX

Erf 1367, 1368, and 1370, Jeppestown Township, measuring 998 (nine hundred and ninety eight) square metres acquired on 10 October 2001.

Stand 1137, 1138, 1139, 1140, 1141 and 1952 vacant land.	1	-	1
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Fixed assets are depreciated as stated in note 1.

MADRESSAH ZIA - UL BADR
NOTES TO THE FINANCIAL STATEMENTS
28 FEBRUARY 2015
(Continued)

5.

	<u>LILLAH</u> R	<u>ZAKAAT</u> R	<u>TOTAL</u> R
2. <u>FIXED ASSETS</u> (Continued)	<u>3</u>	<u>-</u>	<u>3</u>
2.4 Erf 1295, 126, and 1299 Jeppestown at nominal values Vacant Land	1	-	1
2.5 Erf 1132, 1135, and 1136 Jeppestown at nominal values House	1	-	1
2.6 Erf 667 City and Suburban Township at nominal values Vacant Land	1	-	1

3. WELFARE EXPENSES

These expenses were incurred for under privileged students, and maintained at the hostel.

4. TAXATION

No provision has been made as the centre has been approved as a public benefits organisation in terms of section 30 of the Income Tax Act and the receipts and accruals in terms of section 10(1) (cN) of the act..