

MADRESSAH ZIA - UL BADR
(ASSOCIATION INCORPORATED UNDER SECTION 21)
REGISTRATION NO: 1991/002206/08
ANNUAL FINANCIAL STATEMENTS
PBO: 930022993
28 FEBRUARY 2018

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 - 6

APPROVAL

The financial statements were approved by the Council of Theologians on 13 April, 2018 and are signed by them.

)
)
) COUNCIL
) MEMBERS
)
)



HAROON TAKOLIA & CO

*Chartered Accountants (South Africa)
Public Accountants and Auditors*

*9-13 QUINN STREET NEWTOWN 2001
PO BOX 257 CROWN MINES 2025
TEL (011) 832-1271/2 FAX: (011) 492-1149
JOHANNESBURG SOUTH AFRICA
E-MAIL info@takolias.co.za*

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

We have audited the annual financial statements as set out on pages 2 to 6 for the year ended 28 February 2018. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

Except as discussed in the following paragraph, 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 believe that our audit provides a reasonable basis for our opinion.

Qualification

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.

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 2018 and the results of its operations for the year then ended in conformity with generally accepted accounting practice.

Haroon Takolia TC

Chartered Accountants (S.A.)

Registered Accountants and Auditors

Johannesburg

13 April, 2018

1.

MADRESSAH ZIA - UL BADR
BALANCE SHEET AT
28 FEBRUARY 2018

2.

	<u>Notes</u>	<u>LILLAH</u> R	<u>ZAKAAT</u> R	<u>TOTAL</u> R
<u>ASSETS</u>				
NON-CURRENT ASSETS		6 193 058	-	6 193 058
Fixed assets	2	58 526	-	58 526
Investments in subsidiary	3	1 093 056	-	1 093 056
Listed investments	4	5 041 476	-	5 041 476
CURRENT ASSETS				
Cash and cash equivalents		8 271 254	923 478	9 194 732
TOTAL ASSETS		14 464 312	923 478	15 387 790
<u>RESERVES</u>				
RESERVES				
Accumulated funds		14 464 312	923 478	15 387 790
Lillah		12 581 074	-	12 581 074
Building		1 883 238	-	1 883 238
Zakaat		-	923 478	923 478
TOTAL RESERVES		14 464 312	923 478	15 387 790

MADRESSAH ZIA - UL BADR
INCOME STATEMENT FOR THE YEAR ENDED
28 FEBRUARY 2018

3.

	<u>Notes</u>	<u>BUILDING</u>	<u>LILLAH</u>	<u>ZAKAAT</u>	<u>TOTAL</u>
		R	R	R	R
INCOME		3 700 674	7 048 469	4 397 938	15 147 081
<hr/>					
Benefits received		-	49 488	-	49 488
Building fund income		3 700 674	-	-	3 700 674
Sadqah income		-	25 190	-	25 190
Fathers home		-	217 187	-	217 187
Frail care income		-	885 002	-	885 002
Hostel income		-	2 676 400	-	2 676 400
Interest on loan account		-	91 166	-	91 166
Investment income		-	50 534	-	50 534
Lillah income		-	2 725 812	-	2 725 812
Qurbani income		-	327 690	-	327 690
Zakaat income		-	-	4 397 938	4 397 938
<hr/>					
EXPENDITURE AND DISTRIBUTION		1 872 803	4 991 302	3 696 649	10 560 754
<hr/>					
Bank charges		-	34 608	-	34 608
Cleaning material		-	29 984	-	29 984
Depreciation		-	24 516	-	24 516
Electricity, water and utilities		-	796 005	-	796 005
Fathers home building fund expenses		1 872 803	-	-	1 872 803
Jalsa expenses		-	42 551	-	42 551
Insurance		-	87 786	-	87 786
Hostel expenses		-	1 085 475	-	1 085 475
Legal fees		-	10 000	-	10 000
Qurbani expenses		-	329 000	-	329 000
Rent paid		-	49 759	-	49 759
Repairs and maintenance		-	537 539	-	537 539
Fathers home - renovations		-	73 920	-	73 920
Mothers home in house training etc		-	55 612	-	55 612
Salaries, wages and contributions		-	941 013	-	941 013
Salaries, wages and contributions - mothers home		-	874 091	-	874 091
Secretarial fees		-	4 894	-	4 894
Telecommunications		-	14 549	-	14 549
Welfare expenses	4	-	-	3 696 649	3 696 649
<hr/>					
NET SURPLUS for the year		1 827 871	2 057 167	701 289	4 586 327
<hr/>					
ACCUMULATED FUNDS					
at beginning of the year		55 367	10 523 907	222 189	10 801 463
at end of the year		<u>1 883 238</u>	<u>12 581 074</u>	<u>923 478</u>	<u>15 387 790</u>

MADRESSAH ZIA - UL BADR
NOTES TO THE FINANCIAL STATEMENTS
28 FEBRUARY 2018

4.

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

	<u>58 522</u>	<u>-</u>	<u>58 522</u>
Furniture and equipment	58 520	-	58 520
book value at beginning of the year	80 859	-	80 859
depreciation	(22 339)	-	(22 339)
Computer equipment	1	-	1
additions	2 179	-	2 179
depreciation	(2 178)	-	(2 178)
Land and buildings			
at nominal values	1	-	1
2.1 <u>MASJID</u>			
Erf 1372, 1375, and 1376, Jeppestown Township, measuring 998 (nine hundred and ninety eight) square metres acquired on 28 February 2000.			
2.2 <u>HOSTEL</u>			
Erf 1371, 1373, and 1374, Jeppestown Township, measuring 998 (nine hundred and ninety eight) square metres acquired on 25 June 1982.			
2.3 <u>MOTHERS HOME</u>			
Erf 1365, 1366, and 1369, Jeppestown Township, measuring 998 (nine hundred and ninety eight) square metres acquired on 25 June 1982.			

MADRESSAH ZIA - UL BADR
NOTES TO THE FINANCIAL STATEMENTS
28 FEBRUARY 2018
(Continued)

5.

	<u>LILLAH</u> R	<u>ZAKAAT</u> R	<u>TOTAL</u> R
2. FIXED ASSETS (Continued)	<u>4</u>	<u>-</u>	<u>4</u>
2.4 DARUL HIFZ COMPLEX Erf 1367, 1368, and 1370, Jeppestown Township, measuring 998 (nine hundred and ninty eight) square metres. acquired on 10 October 2001.	-	-	-
<u>VACANT LAND</u> Stand 1137, 1138,1139,1140,1141 and 1952	1	-	1
2.5 FATHERS HOME Erf 1295, 126, and 1299 Jeppestown acquired on 28 February 2000.	1	-	1
2.6 HOUSES Erf 1132, 1135, and 1136 Jeppestown at norminal values	1	-	1
2.7 Erf 667 City and Suburban Township at norminal values	1	-	1
Fixed assets are depreciated as stated in note 1.			
3. INVESTMENT IN SUBSIDIARY			
Singatha Properties 46 (Proprietary) Limited	1 093 056	-	1 093 056
Shares at cost - 100% holding	100	-	100
Loan Account	1 092 956	-	1 092 956
4. LISTED INVESTMENTS	<u>5 041 476</u>	<u>-</u>	<u>5 041 476</u>
Unit Trusts		-	
Oasis Crescent (1 229 111 units)	3 041 476	-	3 041 476
Old Mutual Albaraka (546 679 units)	2 000 000	-	2 000 000

MADRESSAH ZIA - UL BADR
NOTES TO THE FINANCIAL STATEMENTS
28 FEBRUARY 2018
(Continued)

4. LISTED INVESTMENTS

(Continued)

<u>Market valuation</u>	4 917 641	-	4 917 641
Oasis Crescent Funds			
Crescent balanced progressive fund	1 038 292	-	1 038 292
Oasis Crescent Int Feeder Fund	939 711	-	939 711
Oasis Crescent Int Prop Equity Feeder Fund	827 286	-	827 286
Old Mutual Albaraka Funds			
Old Mutual Albaraka Balace Fund	1 586 937	-	1 586 937
Old Mutual Albaraka Equity Fund	525 415	-	525 415

5. CASH AND CASH EQUIVALENTS

	<u>8 271 255</u>	<u>923 478</u>	<u>9 194 733</u>
Albarak Bank - Income provider Account	1 034 196	-	1 034 196
Standard Bank - Zakaat account	-	923 478	923 478
Standard Bank - Lillah account	25 863	-	25 863
Standard Bank - Hostel account	65 026	-	65 026
Standard Bank - Maintenance account	32 928	-	32 928
Standard Bank - Frail Care account	211 659	-	211 659
Standard Bank - MZB Properties account	208 319	-	208 319
Standard Bank - Fathers home account	117 274	-	117 274
Standard Bank - Shari'ah fixed deposit	1 950 000	-	1 950 000
Money Market - Frail Care account	1 838 974	-	1 838 974
Money Market account	2 663 634	-	2 663 634
Cash on hand - Frail Care Centre	122 960	-	122 960
Petty cash	422	-	422

6. 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..