

Mammadu Trust

(Registration number T161/2008)

Annual Financial Statements for the year ended 31 December 2011

General Information

Trust registration number	T161/2008
Country of incorporation and domicile	Namibia
Type of trust	Day care centre
Trustees	A. Albrecht M.L. Conradie K.N. Pohamba-Ndume L. Kirsten M.P. Kirsten P. Bassi V. Folcher
Registered office	P O Box 397 Gobabis Namibia
Compiler	SGA Chartered Accountants and Auditors (Namibia)

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The reports and statements set out below comprise the annual financial statements presented to the trustee:

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Independent Compiler's Report

To the member of Mammadu Trust

On the basis of information provided by the trustees we have compiled, in accordance with the statement of International Standard on Related Services applicable to compilation engagements, the statement of financial position of Mammadu Trust at 31 December 2011 and statements of income and cash flows for the year then ended. The trustees are responsible for these annual financial statements. We have not audited or reviewed these annual financial statements, and accordingly express no assurance thereon.



SGA
Chartered Accountants and Auditors (Namibia)

Per: **W.H. Boshoff**
Partner

Windhoek ... Namibia
25 August 2012

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Trustees' Responsibilities and Approval

The trustees are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the trust as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the Namibian Generally Accepted Accounting Practice - NAC001: Financial Reporting Standards for Small and Medium Sized Entities. The external compiler is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the Namibian Generally Accepted Accounting Practice - NAC001: Financial Reporting Standards for Small and Medium Sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the trust and all employees are required to maintain the highest ethical standards in ensuring the trust's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the trust is on identifying, assessing, managing and monitoring all known forms of risk across the trust. While operating risk cannot be fully eliminated, the trust endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The trustees have reviewed the trust's cash flow forecast for the year to 31 December 2012 and, in the light of this review and the current financial position, they are satisfied that the trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external compiler is responsible for independently reviewing and reporting on the trust's annual financial statements. The annual financial statements have been examined by the trust's external compiler and their report is presented on page 3.

The annual financial statements set out on pages 5 to 13, which have been prepared on the going concern basis, were approved by the board on 24 August 2012 and were signed on its behalf by:



M.P. Kirsten



A. Albrecht

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Trustees' Report

The trustees submit their report for the year ended 31 December 2011.

1. The trust

The trust was formed in terms of a agreement of a donation in trust made and entered into by Mr M.P. Kirsten.

2. Review of activities

Main business and operations

The trust operates in the form of a day care centre and operates principally in Namibia. The day-to-day administration of the centre is performed by A. Albrecht.

The operating results and state of affairs of the trust are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

Registered office

P O Box 397
Gobabis
Namibia

Business address

M.P. Kirsten Consulting
No. 15 River Street
Gobabis
Namibia

3. Events after the reporting period

The trustees are not aware of any matter or circumstance arising since the end of the financial year.

4. Trustees

The trustees of the trust during the year and to the date of this report are as follows:

Name
A. Albrecht
M.L. Conradie
K.N. Pohamba-Ndume
L. Kirsten
M.P. Kirsten
P. Bassi
V. Folcher

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Statement of Financial Position

	Note(s)	2011 N\$	2010 N\$
Assets			
Non-Current Assets			
Property and equipment	2	1 111 943	241 446
Current Assets			
Trade and other receivables	3	725	
Cash and cash equivalents	4	52 638	529 093
		53 363	529 093
Total Assets		1 165 306	770 539
Equity and Liabilities			
Equity			
Trust capital	5	1 165 306	770 539
Total Equity and Liabilities		1 165 306	770 539

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Statement of Comprehensive Income

	Note(s)	2011 N\$	2010 N\$
Other income		492 705	225 119
Operating expenses		(97 936)	(14 629)
Operating surplus		394 769	210 490
Surplus for the year		394 769	210 490
Other comprehensive income		-	-
Total comprehensive income for the year		394 769	210 490
Total comprehensive income attributable to:			
Owners of the parent		394 769	210 490

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Statement of Changes in Equity

	Trust capital	Accumulated surplus	Total equity
	N\$	N\$	N\$
Balance at 01 January 2010	-	-	-
Changes in equity			
Total comprehensive income for the year	-	210 490	210 490
Increase in trust capital	770 539	(210 490)	560 049
Total changes	770 539	-	770 539
Balance at 01 January 2011	770 539	-	770 539
Changes in equity			
Total comprehensive income for the year	-	394 767	394 767
Increase in trust capital	394 767	(394 767)	-
Total changes	394 767	-	394 767
Balance at 31 December 2011	1 165 306	-	1 165 306

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Statement Of Cash Flows

	Note(s)	2011 N\$	2010 N\$
Cash flows from operating activities			
Cash generated from operations	6	<u>395 716</u>	<u>210 490</u>
Cash flows from investing activities			
Purchase of property and equipment	2	<u>(872 171)</u>	<u>(241 446)</u>
Cash flows from financing activities			
Trust capital introduced		<u>-</u>	<u>560 049</u>
Total cash movement for the year		(476 455)	529 093
Cash at the beginning of the year		<u>529 093</u>	<u>-</u>
Total cash at end of the year	4	<u>52 638</u>	<u>529 093</u>

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Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Namibian Generally Accepted Accounting Practice - NAC001: Financial Reporting Standards for Small and Medium Sized Entities. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Namibia Dollars.

These accounting policies are consistent with the previous period.

1.1 Property and equipment

Property and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Costs include costs incurred initially to acquire or construct an item of property and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property and equipment, the carrying amount of the replaced part is derecognised.

Property and equipment is carried at cost less accumulated depreciation and any impairment losses.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property and equipment, which is as follows:

Item	Average useful life
Land	Indefinite
Furniture and fixtures	3 Years

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Notes to the Annual Financial Statements

	2011			2010		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Land and buildings	1 094 045	-	1 094 045	241 446	-	241 446
Furniture and fixtures	19 570	(1 672)	17 898	-	-	-
Total	1 113 615	(1 672)	1 111 943	241 446	-	241 446

Reconciliation of property and equipment - 2011

	Opening balance	Additions	Depreciation	Total
Land and buildings	241 446	852 599	-	1 094 045
Furniture and fixtures	-	19 572	(1 674)	17 898
	241 446	872 171	(1 674)	1 111 943

Reconciliation of property and equipment - 2010

	Opening balance	Additions	Total
Land and building	-	241 446	241 446

Details of properties

Property consists of Erf 3452, Frankfurt Street, Extension 9, registered in the division "K", measuring 4 727 square meters.

3. Trade and other receivables

Deposits	725
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4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	48 166	529 062
Other cash and cash equivalents	4 472	31
	52 638	529 093

5. Trust capital

Capital account / Trust capital

Balance at beginning of year	770 539	100
Investments introduced	394 767	770 439
	1 165 306	770 539

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	2011 N\$	2010 N\$
6. Cash generated from operations		
Surplus before taxation	394 769	210 490
Adjustments for:		
Depreciation	1 672	-
Changes in working capital:		
Trade and other receivables	(725)	-
	<u>395 716</u>	<u>210 490</u>

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Detailed Income Statement

	Note(s)	2011 N\$	2010 N\$
Other income			
Donations		492 705	225 119
Operating expenses			
Bank charges		3 551	1 400
Building plan approval fees		2 544	-
Cleaning		1 620	-
Clothing and school wear		-	2 300
Consumables		15 405	-
Depreciation		1 672	-
Employee costs		16 208	-
Functions		2 471	2 969
Insurance		1 302	-
Petrol and oil		2 138	-
Printing and stationery		885	-
Repairs and maintenance		994	-
School and hostel fees		1 400	7 960
Security		18 665	-
Teaching aids		1 562	-
Utilities		27 519	-
		97 936	14 629
Surplus for the year		394 769	210 490