

**Mammadu Trust**  
(Registration number T161/2008)  
Annual financial statements  
for the year ended 31 December 2012

# Mammadu Trust

(Registration number T161/2008)

Annual Financial Statements for the year ended 31 December 2012

## General Information

---

<b>Trust registration number</b>	T161/2008
<b>Country of incorporation and domicile</b>	Namibia
<b>Type of trust</b>	Day Care Centre
<b>Trustees</b>	A. Albrecht M.L. Conradie K.N. Pohamba-Ndume L. Kirsten M.P. Kirsten P. Bassi V. Folcher
<b>Registered office</b>	24 Orban Street Klein Windhoek Windhoek Namibia
<b>Auditors</b>	SGA Chartered Accountants and Auditors (Namibia)

# Mammadu Trust

(Registration number T161/2008)

Annual Financial Statements for the year ended 31 December 2012

## Index

---

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

<b>Index</b>	<b>Page</b>
Independent Auditors' Report	3 - 4
Trustees' Responsibilities and Approval	5
Trustees' Report	6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Equity	9
Statement Of Cash Flows	10
Accounting Policies	11
Notes to the Annual Financial Statements	12 - 13
Detailed Income Statement	14

## Independent Auditors' Report

---

### To the trustee of Mammadu Trust

We have audited the annual financial statements of Mammadu Trust, which comprise the statement of financial position as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the trustees' report, as set out on pages 5 to 13.

### Trustees' Responsibility for the Annual Financial Statements

The trust's trustees are responsible for the preparation and fair presentation of these annual financial statements in accordance with the Namibian Generally Accepted Accounting Practice - NAC001: Financial Reporting for Small and Medium Sized Entities and for such internal control as the trustees determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

### Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual 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 management, as well as evaluating the overall presentation of the annual financial statements.

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

### Basis for Qualified Opinion

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

### Opinion

Except for the effect of the matter described in the paragraph above, in our opinion, the annual financial statements present fairly, in all material respects, the financial position of the Mammadu trust at 31 December 2012, and its financial performance and its cash flow for the year ended in accordance with Namibian Generally Accepted Accounting Practice - NAC 001: Financial Reporting for Small and Medium Sized Entities.

**SGA**  
**Chartered Accountants and Auditors (Namibia)**  
Per: **W.H. Boshoff**  
Partner

Windhoek...Namibia  
30 July 2013



# Mammadu Trust

(Registration number T161/2008)

Annual Financial Statements for the year ended 31 December 2012

## 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 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 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 trust 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 2013 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 trustees on 29 July 2013 and were signed on its behalf by:



---

M.P. Kirsten



---

A. Albrecht

# Mammadu Trust

(Registration number T161/2008)

Annual Financial Statements for the year ended 31 December 2012

## Trustees' Report

---

The trustees submit their report for the year ended 31 December 2012.

### 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

24 Orban Street  
Klein Windhoek  
Windhoek  
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

### 5. Auditors

SGA will continue in office for the next financial period.

# Mammadu Trust

(Registration number T161/2008)

Annual Financial Statements for the year ended 31 December 2012

## Statement of Financial Position

	Note(s)	2012 N\$	2011 N\$
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property and equipment	2	1 365 076	1 111 943
<b>Current Assets</b>			
Trade and other receivables	3	726	725
Cash and cash equivalents	4	100 278	52 638
		<b>101 004</b>	<b>53 363</b>
<b>Total Assets</b>		<b>1 466 080</b>	<b>1 165 306</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Trust capital	5	1 466 080	1 165 306
<b>Total Equity and Liabilities</b>		<b>1 466 080</b>	<b>1 165 306</b>

## Mammadu Trust

(Registration number T161/2008)

Annual Financial Statements for the year ended 31 December 2012

### Statement of Comprehensive Income

	Note(s)	2012 N\$	2011 N\$
Other income		606 868	492 705
Operating expenses		(306 095)	(97 938)
<b>Operating surplus</b>	6	<b>300 773</b>	<b>394 767</b>
<b>Surplus for the year</b>		<b>300 773</b>	<b>394 767</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>300 773</b>	<b>394 767</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent		300 773	394 767



## Mammadu Trust

(Registration number T161/2008)

Annual Financial Statements for the year ended 31 December 2012

### Statement of Changes in Equity

	Trust capital	Accumulated surplus	Total equity
	N\$	N\$	N\$
<b>Balance at 01 January 2011</b>	<b>770 538</b>	-	<b>770 538</b>
Changes in equity			
Total comprehensive income for the year	-	394 768	394 768
Increase in trust capital	394 768	(394 768)	-
Total changes	394 768	-	394 768
<b>Balance at 01 January 2012</b>	<b>1 165 306</b>	-	<b>1 165 306</b>
Changes in equity			
Total comprehensive income for the year	-	300 774	300 774
Increase in trust capital	300 774	(300 774)	-
Total changes	300 774	-	300 774
<b>Balance at 31 December 2012</b>	<b>1 466 080</b>	-	<b>1 466 080</b>

## Mammadu Trust

(Registration number T161/2008)

Annual Financial Statements for the year ended 31 December 2012

### Statement Of Cash Flows

	Note(s)	2012 N\$	2011 N\$
<b>Cash flows from operating activities</b>			
Cash generated from operations	7	<u>329 695</u>	<u>395 714</u>
<b>Cash flows from investing activities</b>			
Purchase of property and equipment	2	<u>(283 727)</u>	<u>(872 169)</u>
<b>Cash flows from financing activities</b>			
Trust capital introduced		<u>1 672</u>	<u>-</u>
<b>Total cash movement for the year</b>		<b>47 640</b>	<b>(476 455)</b>
Cash at the beginning of the year		<u>52 638</u>	<u>529 093</u>
<b>Total cash at end of the year</b>	4	<b><u>100 278</u></b>	<b><u>52 638</u></b>

# Mammadu Trust

(Registration number T161/2008)

Annual Financial Statements for the year ended 31 December 2012

## 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 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

# Mammadu Trust

(Registration number T161/2008)

Annual Financial Statements for the year ended 31 December 2012

## Notes to the Annual Financial Statements

	2012			2011		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Land and buildings	1 266 988	-	1 266 988	1 094 045	-	1 094 045
Furniture and fixtures	128 682	(30 594)	98 088	19 570	(1 672)	17 898
<b>Total</b>	<b>1 395 670</b>	<b>(30 594)</b>	<b>1 365 076</b>	<b>1 113 615</b>	<b>(1 672)</b>	<b>1 111 943</b>

### Reconciliation of property and equipment - 2012

	Opening balance	Additions	Depreciation	Total
Land and buildings	1 094 045	172 943	-	1 266 988
Furniture and fixtures	17 898	110 784	(30 594)	98 088
	<b>1 111 943</b>	<b>283 727</b>	<b>(30 594)</b>	<b>1 365 076</b>

### Reconciliation of property and equipment - 2011

	Opening balance	Additions	Depreciation	Total
Land and building	241 446	852 599	-	1 094 045
Furniture and fixtures	-	19 570	(1 672)	17 898
	<b>241 446</b>	<b>872 169</b>	<b>(1 672)</b>	<b>1 111 943</b>

### Details of properties

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

## 3. Trade and other receivables

Trade receivables	1	-
Deposits	725	725
	<b>726</b>	<b>725</b>

## 4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	93 833	48 166
Other cash and cash equivalents	6 445	4 472
	<b>100 278</b>	<b>52 638</b>



# Mammadu Trust

(Registration number T161/2008)

Annual Financial Statements for the year ended 31 December 2012

## Notes to the Annual Financial Statements

	2012 N\$	2011 N\$
<b>5. Trust capital</b>		
<b>Capital account / Trust capital</b>		
Balance at beginning of year	1 165 306	770 539
Investments introduced	300 774	394 767
	<b>1 466 080</b>	<b>1 165 306</b>
<b>6. Operating surplus</b>		
Operating surplus for the year is stated after accounting for the following:		
Depreciation on property, plant and equipment	28 922	1 672
Employee costs	68 792	16 210
<b>7. Cash generated from operations</b>		
Surplus before taxation	300 773	394 767
<b>Adjustments for:</b>		
Depreciation	28 922	1 672
<b>Changes in working capital:</b>		
Trade and other receivables	-	(725)
	<b>329 695</b>	<b>395 714</b>

# Mammadu Trust

(Registration number T161/2008)

Annual Financial Statements for the year ended 31 December 2012

## Detailed Income Statement

	Note(s)	2012 N\$	2011 N\$
<b>Other income</b>			
Donations		606 868	492 705
<b>Operating expenses</b>			
Advertising		850	-
Bank charges		4 226	3 551
Building plan approval fees		78	2 544
Cleaning		2 429	1 620
Computer expenses		1 961	-
Consumables		54 603	15 405
Depreciation		28 922	1 672
Employee costs		68 792	16 210
Functions		2 573	2 471
Insurance		3 866	1 302
Motor vehicle expenses		809	-
Petrol and oil		10 082	2 138
Postage		137	-
Printing and stationery		130	885
Repairs and maintenance		16 447	994
School and hostel fees		18 636	1 400
Security		56 760	18 665
Teaching aids		13 575	1 562
Telephone and fax		150	-
Utilities		21 069	27 519
		<b>306 095</b>	<b>97 938</b>
<b>Surplus for the year</b>		<b>300 773</b>	<b>394 767</b>