

THE PAROW MUSLIM COMMUNITY TRUST
(Registration number IT 1071/2008)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2025

**The Parow Muslim Community Trust
(Registration number: IT 1071/2008)
Annual Financial Statements for the year ended 28 February 2025
General Information**

Country of incorporation and domicile	South Africa
Trustees	F A Q Kader A R Ashtiker M F Pangarker M Parker M Khan K Khan
Registered office	c/o L A Dalvie & Associates Unit 1 Rabat Village Vangate City Athlone 7764
Business address	1 Wendy Way Panorama Parow 7506
Reviewers	Forvis Mazars Registered Auditor
Trust registration number	IT 1071/2008
Level of assurance	These annual financial statements have been independently reviewed in compliance with the applicable requirements of the Trust Property Control Act 57 of 1988.
Issued	<u>22 May 2025</u>

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

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Annual Financial Statements for the year ended 28 February 2025
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 IFRS for SMEs® Accounting Standard as issued by the International Accounting Standards Board (IASB). The independent reviewer is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the IFRS for SMEs Accounting Standard as issued by the IASB 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 of trustees 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.

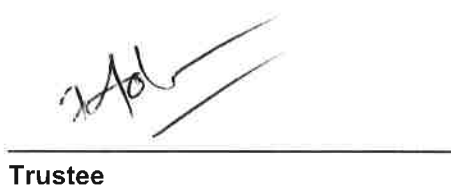
The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial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

The trustees are satisfied that the trust has, or has access to adequate resources to continue in operational existence for the foreseeable future.

The independent reviewer are 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 reviewer and their report is presented on pages 4 to 5.

The annual financial statements set out on pages 6 to 15, which have been prepared on the going concern basis, were approved by the board of trustees on 21 MAY 2025 and were signed on its behalf by:


Trustee


Trustee

Forvis Mazars, Rialto Road
Grand Moorings Precinct Century City, 7441
PO Box 134, Century City, 7446

Tel: +27 21 818 5000
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Email: office.za.cpt@forvismazars.com

forvismazars.com/za



Independent Reviewer's Report

28 February 2025

To the Trustees of The Parow Muslim Community Trust

Report on the Review of the Financial Statements

We have reviewed the financial statements of The Parow Muslim Community Trust set out on pages 6 to 16, which comprise the statement of financial position as at 28 February 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Trustees' Responsibility for the Financial Statements

The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with the IFRS for SMEs Accounting Standard as issued by the IASB and the requirements of the Trust Property Control Act 57 of 1988, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Reviewer's Responsibility

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), *Engagements to Review Historical Financial Statements*. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Registered Auditor – A firm of Chartered Accountants (SA) • IRBA Registration Number 900222

Partners: MV Ninan (Country Managing Partner), C Abrahamse, SJ Adlam, JPMP Atwood, JM Barnard, AK Batt, S Beets, T Beukes, WI Blake, HL Burger, MJ Cassan, C Coetzee, JC Combrink, JR Comley, TVDL De Vries, CR De Wee, G Deva, Y Dockrat, S Doolabh, M Edelberg, JJ Eloff, T Erasmus, F Esterhuizen, Y Ferreira, MH Fisher, B Frey, T Gangen, M Groenewald, K Hoosain, MY Ismail, B Jansen, J Kasan, D Keeve, J Marais, TL Maree, N Mayat, B Mbunge, G Molyneux, A Moruck, R Murugan, S Naidoo, MG Odendaal, W Olivier, MT Rossouw, M Pieterse, E Pretorius, W Rabe, N Ravele, D Resnick, L Roeloffze, M Saayman, E Sibanda, MR Snow, EM Steyn, HH Swanepoel, AL Swartz, DM Tekie, MJA Teuchert, N Thelander, S Truter, PC van der Merwe, R van Molendorff, JC Van Tubbergh, N Volschenk, S Vorster, J Watkins-Baker

Our offices: Bloemfontein, Cape Town, Durban, Gqeberha, Johannesburg, Paarl, Pretoria

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of The Parow Muslim Community Trust as at 28 February 2025, and its financial performance and cash flows for the year then ended in accordance with the IFRS for SMEs Accounting Standard as issued by the IASB and the requirements of the Trust Property Control Act 57 of 1988.

Forvis Mazars

Forvis Mazars
Partner: Fazlin Esterhuizen
Registered Auditor
22 May 2025
Cape Town

The Parow Muslim Community Trust
(Registration number: IT 1071/2008)
Annual Financial Statements for the year ended 28 February 2025
Statement of Financial Position as at 28 February 2025

Figures in Rand	2025	2024
Assets		
Non-Current Assets		
Property, plant and equipment	21,618,449	18,728,357
Current Assets		
Trade and other receivables	142,875	156,524
Cash and cash equivalents	1,971,560	1,683,595
	2,114,435	1,840,119
Total Assets	23,732,884	20,568,476
Equity and Liabilities		
Equity		
Trust capital	1,944,464	1,099,898
Non-distributable reserves	21,618,449	19,258,084
	23,562,913	20,357,982
Liabilities		
Current Liabilities		
Trade and other payables	169,971	210,494
Total Equity and Liabilities	23,732,884	20,568,476

The Parow Muslim Community Trust
(Registration number: IT 1071/2008)
Annual Financial Statements for the year ended 28 February 2025
Statement of Comprehensive Income

Figures in Rand	2025	2024
Revenue	5,249,808	2,408,970
Other income	2,753,426	2,141,809
Operating expenses	(4,798,303)	(3,541,783)
Operating surplus	3,204,931	1,008,996
Surplus for the year	3,204,931	1,008,996
Other comprehensive income	-	-
Total comprehensive income for the year	3,204,931	1,008,996

The Parow Muslim Community Trust
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Statement of Changes in Equity

	Non-distributable reserves	Trust capital	Total equity
Figures in Rand			
Balance at 01 March 2023	18,249,086	1,099,898	19,348,984
Surplus for the year	-	1,008,996	1,008,996
Transfer to non-distributable reserve	1,008,998	(1,008,998)	-
Total changes	1,008,998	-	1,008,998
Balance at 01 March 2024	19,258,084	1,099,898	20,357,982
Surplus for the year	-	3,204,931	3,204,931
Transfer to non-distributable reserve	2,360,365	(2,360,365)	-
Total changes	2,360,365	844,566	3,204,931
Balance at 28 February 2025	21,618,449	1,944,464	23,562,913

The Parow Muslim Community Trust
(Registration number: IT 1071/2008)
Annual Financial Statements for the year ended 28 February 2025
Statement of Cash Flows

Figures in Rand	2025	2024
Cash flows from operating activities		
Cash generated from operations	3,549,955	1,246,868
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,261,990)	(738,878)
Total cash movement for the year	287,965	507,990
Cash and cash equivalents at the beginning of the year	1,683,595	1,175,605
Total cash at end of the year	1,971,560	1,683,595

The Parow Muslim Community Trust
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Annual Financial Statements for the year ended 28 February 2025
Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the IFRS for SMEs Accounting Standard as issued by the IASB. 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 Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible assets which the trust holds for its own use or for rental to others and which are expected to be used for more than one period.

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

Cost includes costs incurred initially to acquire or construct an item of property, plant 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, plant and equipment, the carrying amount of the replaced part is derecognised.

Property is carried at cost and is not depreciated.

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

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	3-5 years
Leasehold improvements	Straight line	3 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in surplus or deficit when the item is derecognised.

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or deficit) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The Parow Muslim Community Trust
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Annual Financial Statements for the year ended 28 February 2025
Accounting Policies

1.2 Financial instruments (continued)

Financial instruments at amortised cost

These include trade receivables, trade payables and other assets as identified. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

1.3 Tax

Current tax assets and liabilities

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.4 Impairment of assets

The trust assesses at each reporting date whether there is any indication that assets may be impaired. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in surplus or deficit.

1.5 Revenue

Revenue comprises donations received, fundraising income, subscriptions, rental income, investment income, and excludes value added taxation. Donations are recognised once received.

The Parow Muslim Community Trust
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Annual Financial Statements for the year ended 28 February 2025
Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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2. Property, plant and equipment

	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Buildings	20,903,642	-	20,903,642	17,701,033	-	17,701,033
Furniture and fixtures	1,452,199	(859,711)	592,488	1,392,818	(554,051)	838,767
Leasehold improvements	340,986	(218,667)	122,319	340,986	(152,429)	188,557
Total	22,696,827	(1,078,378)	21,618,449	19,434,837	(706,480)	18,728,357

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Depreciation	Closing balance
Buildings	17,701,033	3,202,609	-	20,903,642
Furniture and fixtures	838,767	59,381	(305,660)	592,488
Leasehold improvements	188,557	-	(66,238)	122,319
	18,728,357	3,261,990	(371,898)	21,618,449

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Depreciation	Closing balance
Buildings	17,557,568	143,465	-	17,701,033
Furniture and fixtures	688,054	398,291	(247,578)	838,767
Leasehold improvements	3,464	197,122	(12,029)	188,557
	18,249,086	738,878	(259,607)	18,728,357

Details of properties

Erf 24750 Parow

Situated at 1 Wendy Way, Panorama.

- Purchase price	4,560,000	4,560,000
- Additions since purchase	13,151,033	13,141,033
	17,711,033	17,701,033

Erf 2306 Parow

Situated at 4 Fiona Crescent, Panorama.

- Purchase price:	3,100,000	-
- Additions since purchase	92,609	-
	3,192,609	-

3. Trade and other receivables

Trade receivables	176,425	142,984
Provision for doubtful donations	(33,550)	(13,350)
Deposit	-	700
Prepaid expenses	-	26,190
	142,875	156,524

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024
4. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	19,891	8,527
Bank balances	1,217,090	617,042
Short-term deposits	671,182	1,058,026
Undeposited funds	63,397	-
	<u>1,971,560</u>	<u>1,683,595</u>
5. Trust capital		
Balance at beginning of year	1,099,898	1,099,898
Surplus transferred from the statement of comprehensive income	3,204,931	1,008,998
Transfer to non-distributable reserve	(2,360,365)	(1,008,998)
	<u>1,944,464</u>	<u>1,099,898</u>
6. Trade and other payables		
Trade payables	74,495	45,469
Madressa donations received in advance	95,476	164,925
Zakaat Control Account	-	100
	<u>169,971</u>	<u>210,494</u>
7. Revenue		
Building donations and fundraisers	3,025,933	339,408
Jummah, Eid and other donations	844,397	882,224
Madressa donations	899,560	807,075
Masjid maintenance donations	479,918	380,263
	<u>5,249,808</u>	<u>2,408,970</u>
8. Other income		
Early learning centre fees	620,500	388,200
Fundraising, event and workshop income	703,589	631,874
Investment income	52,987	74,045
Hall hire	133,400	83,600
Operating expense recoveries	107,182	95,000
Outreach donations	1,135,768	869,090
	<u>2,753,426</u>	<u>2,141,809</u>

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024
9. Operating expenses		
Operating expenses include the following expenses:		
Operating lease charges		
Premises		
• Contractual amounts	54,949	44,874
Depreciation and amortisation	371,898	259,607
Employee costs	1,604,378	1,292,089
Fundraiser, event and workshop expenses	653,334	375,907
Outreach projects	1,048,527	856,320
Utilities	497,125	272,832
10. Taxation		
Non provision of tax		
No provision has been made for 2025 tax as the trust has no taxable income.		
11. Cash generated from operations		
Surplus before taxation	3,204,931	1,008,996
Adjustments for:		
Depreciation	371,898	259,607
Changes in working capital:		
Decrease (increase) in trade and other receivables	13,649	(84,234)
(Decrease) increase in trade and other payables	(40,523)	62,499
	3,549,955	1,246,868

The Parow Muslim Community Trust
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Annual Financial Statements for the year ended 28 February 2025
Notes to the Annual Financial Statements

12. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

2025

	Financial assets at amortised cost	Total
Trade and other receivables	142,875	142,875
Cash and cash equivalents	1,971,560	1,971,560
	2,114,435	2,114,435

2024

	Financial assets at amortised cost	Total
Trade and other receivables	156,524	156,524
Cash and cash equivalents	1,683,595	1,683,595
	1,840,119	1,840,119

13. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

2025

	Financial liabilities at amortised cost	Total
Trade and other payables	169,971	169,971

2024

	Financial liabilities at amortised cost	Total
Trade and other payables	210,494	210,494

**The Parow Muslim Community Trust
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Annual Financial Statements for the year ended 28 February 2025
Notes to the Annual Financial Statements**

14. Going concern

The trustees have satisfied themselves that the trust is in a sound financial position and that it has access to sufficient funds to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the trust. The trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the trust.

15. Events after the reporting period

The trustees are not aware of any other material event which occurred after the reporting date and up to the date of this report affecting the financial statements.

The Parow Muslim Community Trust
(Registration number: IT 1071/2008)
Annual Financial Statements for the year ended 28 February 2025
Detailed Income Statement

Figures in Rand	2025	2024
Revenue		
Masjid maintenance donations	479,918	380,263
Jummah, Eid and other donations	844,397	882,224
Madressa donations	899,560	807,075
Building donations and fundraisers	3,025,933	339,408
	5,249,808	2,408,970
Other income		
Early learning centre fees	620,500	388,200
Fundraising, event and workshop income	703,589	631,874
Hall hire	133,400	83,600
Investment income	52,987	74,045
Operating expense recoveries	107,182	95,000
Outreach donations	1,135,768	869,090
	2,753,426	2,141,809
Operating expenses		
Accounting fees	5,396	4,782
Advertising	13,550	21,350
Auditors' remuneration	19,190	11,500
Bad debts	50,645	42,445
Bank charges	56,844	41,893
Cleaning and consumables	85,353	93,381
Depreciation	371,898	259,607
Donations	16,000	14,790
ELC expenses	43,041	19,188
Employee costs	1,604,378	1,292,089
Fundraiser, event and workshop expenses	653,334	375,907
Insurance	68,403	42,703
Lease rentals on operating lease	54,949	44,874
Movement in provision for unrecovered costs	20,200	(74,575)
Outreach projects	1,048,527	856,320
Printing and stationery	2,492	12,146
Repairs and maintenance	115,570	110,863
Security	50,970	45,814
Telephone and fax	2,473	4,311
Textbooks	17,965	42,963
Training	-	6,600
Utilities	497,125	272,832
	4,798,303	3,541,783
Surplus for the year	3,204,931	1,008,996