

## MOSAICO EUROAFRICANO

Annual financial statements  
31st December 2003

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**MOSAICO EUROAFRICANO**

**Administration**  
**31st December 2003**

Registration no:	2002/4001
Directors	
Secretaries	Acme Services (Pty) Ltd
Accountants	Moores Rowland
Bankers	Barclays Bank of Botswana Limited
Postal address	P.O. Box 215 Ghanzi
Location	Ghanzi

The shareholders of  
**MOSAICO EUROAFRICANO**

Report of the accountants

The attached Balance sheet as at 31st December,2003 and the Income statement for the period ended as on that date were prepared from the records, information and explanations provided by the directors.

No audit has been carried out.

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MOORES ROWLAND

LOBATSE

DATE:

MOSAICO EUROAFRICANO  
P.O. Box 215  
Ghanzi

Directors' approval

The enclosed financial statements of this company were prepared by our Accountants  
Moores Rowland from the records, information and explanations furnished by us.

The Balance sheet as at 31st December, 2003 and the Income statement for the period  
ended on that date together with the enclosures thereto were approved by us as reflecting  
a true and correct view of the state of affairs of this business as at the Balance sheet date  
and of the loss for the period ended as on that date respectively.

The undersigned were authorised by the board of directors to sign the annual financial  
statements on their behalf.

\_\_\_\_\_  
Director

Date:

MOSAICO EUROAFRICANO

Balance Sheet  
31st December 2003

Figures in Pula	Notes	31.12.03
<b><u>ASSETS</u></b>		
Non current assets		
Property, plant and equipment	1	1,583,332
		1,583,332
<b>Current Assets</b>		
Cash & bank balances		101,626
		101,626
Total assets		1,684,958
		1,684,958
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Capital, Reserves and Shareholders' Loans</b>		
Share capital	2	0
Capital grant		1,229,832
Retained income		-84,518
		1,145,314
<b>Current Liabilities</b>		
Elephant company (Pty) Ltd		539,644
		539,644
Total equity and liabilities		1,684,958
		1,684,958

The attached notes form part of the accounts.

\_\_\_\_\_  
Director  
Date:

MOSAICO EUROAFRICANO

Income statement  
31st December 2003

Figures in Pula	Notes	31.12.03
<b><u>Income</u></b>		
Donations		
Total Income		<u>0</u>
<b><u>Expenditure</u></b>		
Bank charges & interest		3,287
Depreciation		46,713
Insurance		16,170
Purchase		364
Repairs and maintainence		3,264
Salaries & wages		14,720
Total expenditure		<u>84,518</u>
Excess of Income over expenditure		<u>-84,518</u>

MOSAICO EUROAFRICANO

Cash flow statement

31st December 2003

Figures in Pula	31.12.03
<b>Cash flow from operating activities</b>	
Income before taxation	-84,518
Adjustment for depreciation	46,713
Operating income before working capital changes	-37,805
Elephant company	539,644
Cash generated from operating activities	501,839
Taxation paid	0
<b>Net cash generated from operating activities</b>	<b>501,839</b>
<b>Cash flow from investing activities</b>	
Purchase of fixed assets	-1,630,045
<b>Net cash utilised by investing activities</b>	<b>-1,630,045</b>
<b>Cash flow from financing activities</b>	
Increase/(decrease) in capital grant	1,229,832
<b>Net cash (utilised by) generated by financing activities</b>	<b>1,229,832</b>
<b>Net increase in cash and cash equivalents</b>	<b>101,626</b>
Cash and cash equivalents at the beginning of the period	0
<b>Cash and cash equivalents at the end of the period</b>	<b>101,626</b>

## MOSAICO EUROAFRICANO

Accounting Policies  
31st December 2003

### Accounting period

The accounting period of this company for the financial statements is the period ended 31st December 2004.

### Basis of accounting

The financial accounts are prepared on the historical cost basis and incorporate the following principal accounting policies which have been consistently applied.

### Property, Plant & Equipment

Property, Plant & Equipment are depreciated on the straight line method.

The annual rates of depreciation are shown below:

Equipments	15.00%
Building	2.50%

MOSAICO EUROAFRICANO

Notes to the financial statements  
31st December 2003

Pula

1. Property, plant and equipment

	Buildings	Equipments	Total
<b>Cost</b>			
Additions	1582354	47691	1630045
Balance - 31.12.03	1,582,354	47,691	1,630,045
<b>Depreciation</b>			
Charge for the period	39,559	7,154	46,713
Disposals			
Balance 31.12.03	39,559	7,154	46,713
<b>Net book value</b>			
31st December 2003	1542795	40537	1583332

2. Share capital

Mosaico Euroafricano is registered as a company limited by guarantee and therefore has no share capital. In terms of the Memorandum and Articles of Association the members have given guarantees for P (Pula )

3. Taxation

No provision for taxation has been made keeping in view the provisions of Section 37 of the Income Tax Act.