

# **MOSAICO EUROAFRICANO**

## **ANNUAL FINANCIAL STATEMENTS**

**31 DECEMBER 2005**

**MOSAICO EUROAFRICANO**

**Annual financial statements  
31st December 2005**

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**MOSAICO EUROAFRICANO**

**Administration**

31st December 2005

Registration no:	2002/4001
Directors	Daniele Santucti Pepilia Lathat
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**

**Accounting & Taxation Services**

**ACME HOUSE**  
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Lobatse, Botswana

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**Report of the accountants**

The attached Balance sheet as at 31st December, 2005 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.



**MOORES ROWLAND**  
**LOBATSE**

DATE: 09/05/2006

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, 2005 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 2005**

<u>Figures in Pula</u>	<u>Notes</u>	<u>31.12.05</u>	<u>31.12.04</u>
<b><u>ASSETS</u></b>			
<b>Non current assets</b>			
Property, plant and equipment	1	1,567,054	1,623,411
		<u>1,567,054</u>	<u>1,623,411</u>
<b>Current Assets</b>			
Cash & bank balances		125,317	43,033
		<u>125,317</u>	<u>43,033</u>
<b>Total assets</b>		<u><u>1,692,371</u></u>	<u><u>1,666,445</u></u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Capital, Reserves and Shareholders' Loans</b>			
Share capital	2	-	-
Capital grant		1,835,149	1,418,284
Retained income		(839,903)	(440,714)
		<u>995,246</u>	<u>977,570</u>
<b>Current Liabilities</b>			
Expenses Payable		697,125	688,875
		<u>697,125</u>	<u>688,875</u>
<b>Total equity and liabilities</b>		<u><u>1,692,371</u></u>	<u><u>1,666,445</u></u>

The attached notes form part of the accounts.

Director

Date:

**MOSAICO EUROAFRICANO**

Income statement  
31st December 2005

<u>Figures in Pula</u>	<u>Notes</u>	<u>31.12.05</u>	<u>31.12.04</u>
<b><u>Income</u></b>			
Donations		15,246	-
<b>Total Income</b>		<b>15,246</b>	<b>-</b>
<b><u>Expenditure</u></b>			
Bank charges & interest		5,081	4,350
Children's Food & Other Expenses		96,434	132,044
Depreciation		56,357	56,357
Insurance		22,743	20,581
Medical Expenses		1,156	250
Miscellaneous		635	9,606
Professional Fees		8,250	4,400
Repairs and maintenance		13,059	7,251
Salaries & wages		210,720	121,357
<b>Total expenditure</b>		<b>414,435</b>	<b>356,196</b>
<b>Excess of Income over expenditure</b>		<b>(399,189)</b>	<b>(356,196)</b>
<b>Balance of surplus brought forward</b>		<b>(440,714)</b>	<b>(84,518)</b>
<b>Surplus /(Deficit) Carried forward</b>		<b>(839,903)</b>	<b>(440,714)</b>

# MOSAICO EUROAFRICANO

Cash flow statement  
31st December 2005

Figures in Pula	31.12.05
Cash flow from operating activities	
Income before taxation	(399,189)
Adjustment for depreciation	56,357
Operating income before working capital changes	(342,832)
Increase in Expenses Payable	8,250
Cash generated from operating activities	(334,582)
Taxation paid	-
Net cash generated from operating activities	(334,582)
Cash flow from investing activities	
Purchase of fixed assets	-
Net cash utilised by investing activities	-
Cash flow from financing activities	
Increase/(decrease) in capital grant	416,865
Net cash (utilised by) generated by financing activities	416,865
Net increase in cash and cash equivalents	82,283
Cash and cash equivalents at the beginning of the period	43,033
Cash and cash equivalents at the end of the period	125,317



## MOSAICO EUROAFRICANO

### Accounting Policies 31st December 2005

#### Accounting period

The accounting period of this company for the financial statements is the period ended 31st December 2005.

#### 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%
Building	2.5%
Furniture & Fittings	10%

## **MOSAICO EUROAFRICANO**

Notes to the financial statements  
31st December 2005

### **1. Property, plant and equipment**

	Buildings	Furniture	Equipments	Total
<b>Cost</b>				
Balance as on 01.01.2005	1582354	96,436	47691	1726481
Additions	-	-	-	-
Deletions	-	-	-	-
<b>Balance - 31.12.05</b>	<b>1,582,354</b>	<b>96,436</b>	<b>47,691</b>	<b>1,726,481</b>
<b>Depreciation</b>				
Balance as on 01.01.2005	79,118	9,644	14,308	103070
Charge for the period	39,559	9,644	7,154	56,357
Disposals	-	-	-	-
<b>Balance - 31.12.05</b>	<b>118,677</b>	<b>19288</b>	<b>21,462</b>	<b>159,427</b>
<b>Net book value</b>				
<b>31st December 2005</b>	<b>1463677</b>	<b>77148</b>	<b>26229</b>	<b>1567054</b>

### **2. Share capital**

Mosaico Euroafricano is registered as a company limited by guarantee and therefore has no share capital. The amounts standing in Sharecapital is treated as capital grant

### **3. Taxation**

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