

RAEY YEHETSANAT ENA BETESEB LEMAT MAHIBER

**AUDITORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 7 JULY 2012**

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TESFAYE GEDLU & CO.

Chartered Certified Accountants (UK)

And Authorized Auditors (Eth)

Queen Elizabeth II St., White Bldg
4th Floor, Room No.406
Addis Ababa, Ethiopia

P. O. Box 14848
Tel. 011 810 0479
Mobile 093 001 4496



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TESFAYE GEDLU & CO.

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Chartered Certified Accountants (UK) Authorized Auditors (ETH)

AUDITOR'S REPORT TO

RAEY YEHITSANAT ENA BETESEB LEMAT MAHIBER

We have audited the accompanying financial statements of RAEY YEHITSANAT ENA BETESEB LEMAT MAHIBER which comprise the Balance Sheet as of 7 July 2012 and the Statement of Income and Expenditure for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Managements' Responsibility for the Financial Statements

The management of the Association is responsible for the preparation of and fair presentation of the financial statements. This includes the modified cash basis of accounting is appropriate in the circumstances, and for such internal control as management determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.



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

Opinion

In our opinion, the financial statements present fairly the financial position of RAEY YEHITSANAT ENA BETESEB LEMAT MAHIBER as of 7 July 2012 and of Income and Expenditure for the year then ended in accordance with the accounting policies of the Organization as described in note 2 to the financial statements.



Addis Ababa
05 October 2012

Tesfaye Gedlu & Co.,
Chartered Certified Accountants
and Authorized Auditors

**RAEY YEHETSANAT ENA BETESEB LEMAT MAHIBER
BALANCE SHEET
AS AT 7 JULY 2012**

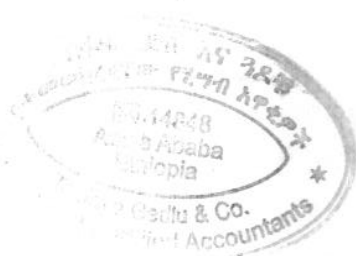
		Currency: Eth. Birr	
	Notes		<u>2011</u>
FIXED ASSETS	3	512,814.71	-
ABAY BOND		<u>5,000.00</u>	
		517,814.71	
CURRENT ASSETS			
Cash on hand		4,406.55	
Cash at bank		<u>2,788,865.39</u>	<u>503,193.89</u>
		<u>2,793,271.94</u>	
CURRENT LIABILITIES			
Pension payable		289.30	2,670.00
Income tax payable		6,175.50	880.50
Loan from founder		-	3,968.12
Account payable for land		-	<u>100,000.00</u>
		<u>6,464.80</u>	<u>107,518.62</u>
NET CURRENT ASSETS		<u>2,786,807.14</u>	<u>395,675.27</u>
TOTAL ASSETS		<u>3,304,621.85</u>	<u>395,675.27</u>
REPRESENTED BY			
Fund balance		<u>3,304,621.85</u>	<u>395,675.27</u>



**RAEY YEHETSANAT ENA BETESEB LEMAT MAHIBER
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 7 JULY 2012**

Currency : Ethiopian Birr

	Notes		2011
RECEIPT			
Donation - Foreign	4	3,407,459.82	2,488,295.09
Donation - Local		6,650.50	-
Donation - Founder		-	33,560.00
Other Income		1,301.78	558.53
		<u>3,415,412.10</u>	<u>2,522,413.62</u>
EXPENDITURE			
Operational costs	6	<u>274,477.78</u>	1,972,410.73
Administrative expenses	7	<u>231,987.74</u>	194,510.32
		<u>506,465.52</u>	<u>2,166,921.05</u>
EXCESS INCOME OVER EXPENDITURE		2,908,946.58	355,492.57
FUND BALANCE BROUGHT FORWARD		<u>395,675.27</u>	<u>40,182.70</u>
FUND BALANCE CARRIED FORWARD		<u>3,304,621.85</u>	<u>395,675.27</u>



RAEY YEHETSANAT ENA BETESEB LEMAT MAHIBER
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 7 JULY 2012

1 BACKGROUND

RAEY YEHISTANAT ENA BETESEB LEMAT MAHIBER was established on MEGABIT 11 1998 E.C with the following Objectives:

- Support children who due to various problems have no access to education
- Assist persons living with HIV get free education, provide care and be self supportive
- Assist women who are victims of rape, provide care and be self supportive
- Assist the aged with basic necessities.

It is duly re-registered with the Ministry of Justice, Charities and Societies Agency as an Ethiopian Resident Charity in accordance with the Charities and Societies Proclamation No. 621/2009 , certificate Number 0250 on 28 October 2009 valid until 28 October 2012.

2 ACCOUNTING POLICIES

The Organization follows an Modified cash basis of accounting policies.

- 2.1 The accounts have been prepared under historical cost convention .
- 2.2 Income is recognized when funds are received form donors and expenses are recognized when paid except for some year end accruals.
- 2.3 All foreign currency remittances are recorded at the exchange rate ruling on dates of transactions.

3 FIXED ASSETS

	<u>COST</u>	<u>DEPRE- CIATION</u>	<u>BOOK VALUE</u>
Building	501,254.29	25,062.71	476,191.58
Office Furniture	45,778.92	9,155.78	36,623.14
	<u>547,033.21</u>	<u>34,218.50</u>	<u>512,814.71</u>

4 DONATION

RAEY YEHISTANAT ENA BETESEB LEMAT MAHIBER has obtained Birr 3,407, 460 from different individuals and organizations abroad.



RAEY YEHETSANT ENA BETESEB LEMAT MAHIBER
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 7 JULY 2012

Currency: Eth. Birr

4 OPERATIONAL COSTS

		<u>2011</u>
Food support expenditure	134,363.98	132,244.10
Building	-	1,770,292.28
Uniform/ clothings	1,050.00	4,500.00
Sponsorship	134,781.50	62,850.00
Traning fee	1,480.00	-
Medical care	2,802.30	2,524.35
	<u>274,477.78</u>	<u>1,972,410.73</u>

5 ADMINISTRATIVE EXPENSES

Salaries and related allowances	137,450.00	76,150
Commission and other fees	-	31,000
Repair & Maintenance	1,150.00	3,177
Printing & Stationeries	8,322.14	10,094
Rent	-	22,000
Entertainment	4,231.00	-
Utilites	16,804.00	2,040
Depreciation	34,218.50	-
Transportation	17,060.00	5,450
Professional fee	8,300.00	3,350
Bank charge	93.10	-
Donation	-	3,510
Kitchen utensils	853.00	750
Training equipment	-	2,000
office furniture	-	28,947
Miscellaneous	3,506.00	6,042
	<u>231,987.74</u>	<u>194,510</u>

