



KPMG Taseer Hadi & Co.
Chartered Accountants

**Pakistan Flood Emergency-
Humanitarian Assistance for the
Affected People**

Receipt and Expenditure
Account
For the period from 16 August
2010 to 15 May 2011



KPMG Taseer Hadi & Co.
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AUDITORS' REPORT TO THE MANAGEMENT OF RAHMA ISLAMIC RELIEF FUND

We have audited the annexed receipt and expenditure account ("the account") of Pakistan Flood Emergency - Humanitarian Assistance for the Affected People ("the Project") for the period from 16 August 2010 to 15 May 2011 ("the Project") in respect of funds provided by RAHMA Islamic Relief Fund ("RAHMA Norway") to RAHMA Islamic Relief Pakistan ("RAHMA Pakistan") together with the notes forming part thereof for the period then ended. It is the responsibility of RAHMA Norway's and RAHMA Pakistan's management to establish and maintain a system of internal control, and prepare and present the account in conformity with the cash receipt and expenditure incurred basis as described in note 2 to the account. Our responsibility is to express an opinion on the account based on our audit.


We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the account is free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the account. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the account. We believe that our audit provides a reasonable basis for our opinion.

As described in note 2, the account has been prepared on the cash receipt and expenditure basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the account presents fairly, in all material respects, the cash receipt and expenditure of the Project for the period from 16 August 2010 to 15 May 2011 on the basis of accounting as described in note 2 to the account.

The account is for the use of management of RAHMA Norway and should not be distributed to any third party without our prior written consent.

**Date: 20 October 2011
ISLAMABAD**

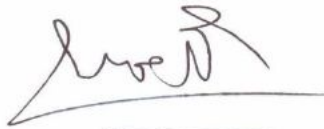

**KPMG TASEER HADI & CO
CHARTERED ACCOUNTANTS
Muhammad Rehan Chughtai**

Pakistan Flood Emergency - Humanitarian Assistance for the Affected People
Receipt and Expenditure Account

For the period from 16 August 2010 to 15 May 2011

	Note	16 August 2010 to 15 May 2011 Rupees
RECEIPTS		
Funds received from RAHMA Islamic Relief Fund, Norway		57,258,620
EXPENDITURE		
Management cost	3	2,066,000
Program cost	4	49,772,475
Operating cost	5	4,781,529
		56,620,004
Excess of receipt over expenditure		638,616

The annexed notes 1 to 6 form an integral part of this account.



Chairman
RAHMA Islamic
Relief Pakistan



Chairman
RAHMA Islamic
Relief Fund Norway

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Pakistan Flood Emergency - Humanitarian Assistance for the Affected People
Receipt and Expenditure Account

Notes to the Receipts and Expenditure Account

For the period from 16 August 2010 to 15 May 2011

1. STATUS AND NATURE OF OPERATIONS

- 1.1 RAHMA Islamic Relief ("RAHMA Norway") was established in 2004 in Norway with registration number 987052244 as non-profit institution. RAHMA Norway was established by members of the Muslim community in Norway for helping poor and needy with both short term humanitarian and long term development aid. RAHMA Norway has a zero administrative cost policy and currently has projects in Ethiopia, Somalia, Bangladesh, Palestine and Pakistan.
- 1.2 RAHMA Islamic Relief Pakistan ("RAHMA Pakistan") was registered in 2009 in Pakistan under the Trust Act 1882 as a non-profit organization. Its mission is to provide and render humanity services for the deserving poor people of Pakistan and Azad Jammu & Kashmir.
- 1.3 RAHMA Norway and Rahma Pakistan launched a project in the name of "Pakistan Floods Emergency - Humanitarian Assistance for the Affected People (Food, Kitchen Crockery and Water & Sanitation)" ("the Project") under agreement dated 16 August 2010 ("the Agreement"). The objective of the Project include the following:
- to avert starvation and saving lives of 10,500 flood-affected people by distributing essential food supplies and allied non-food items and household water treatment and basic hygiene materials;
 - to re-establish schooling for around 8,000 children and protect them from trauma, abuse and exploitation by providing psychosocial support and recreational activities in 35 temporary learning centres;
 - to ensure a continued cycle of education for 6,000 children through rehabilitation of 35 schools, with an emphasis on girls; and
 - to prevent malnutrition and save lives through nutritional support to 18,100 children and communication of lifesaving messages among affected people.
- 1.4 The Agreement consisted of two phase with phase I for a period from 16 August 2010 to 15 Novemeber 2010 and phase II from 16 November 2010 to 15 March 2011 which was subsequently extended to 15 May 2011. During the period, RAHMA Norway provided Rs. 57,258,620 to RAHMA Pakistan for implementation of the project.

2. BASIS OF PREPARATION

- 2.1 This Account represents the receipts and expenditure of RAHMA Pakistan in respect of funds received from RAHMA Norway for the Project for the period from 16 August 2010 to 15 May 2011 and does not reflect other operations of RAHMA Pakistan.
- 2.2 Receipt is recognised when funds are actually received and expenditure is recognised when incurred rather than paid.

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Pakistan Flood Emergency - Humanitarian Assistance for the Affected People
 Receipt and Expenditure Account

Notes to the Receipts and Expenditure Account

For the period from 16 August 2010 to 15 May 2011

- 2.3 This Account is presented in Pak Rupees, which is also the functional currency of the Project. All financial information presented in Pak Rupees has been rounded off to the nearest Rupee.

		16 August 2010 to 15 May 2011 Rupees
3.	MANAGEMENT COST	
	<i>Note</i>	
	Management salaries	1,806,000
	Progress report	260,000
		<u>2,066,000</u>

- 3.1 This represents expenses charged by management of RAHMA for preparing monthly progress reports and completion reports for phase I and phase II.

		16 August 2010 to 15 May 2011 Rupees
4.	PROGRAM COST	
	Food and relief items	38,663,000
	Water and hygiene	4,803,000
	Qurbani expense	2,467,500
	Seeds and fertilizer	3,838,975
		<u>49,772,475</u>

5. OPERATING COST

Computer and other equipment	208,850
Furniture and fixtures	52,500
Rent expense	625,400
Printing and stationery	120,311
Communication and utilities	163,098
Mobilisation, trainings and workshops	242,903
Traveling and hoteling	695,982
Fare and freight expenses	2,639,392
Computer repair and maintenance	27,650
Bank charges	5,443
	<u>4,781,529</u>



WAMBSAT

Pakistan Flood Emergency - Humanitarian Assistance for the Affected People
Receipt and Expenditure Account

Notes to the Receipts and Expenditure Account

For the period from 16 August 2010 to 15 May 2011

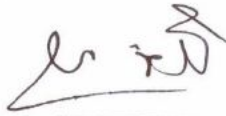
6. DATE OF APPROVAL

6.1 This Account was approved by the managements of RAHMA and RAHMA Pakistan on

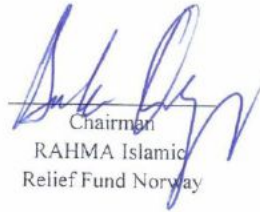
20-10-2011

6.2 As the project was started during the year, there are no comparative figures to report.

Ummu MA



Chairman
RAHMA Islamic
Relief Pakistan



Chairman
RAHMA Islamic
Relief Fund Norway