

RAEY YEHETSANAT ENA BETESEB LEMAT MAHIBER  
INDEPENDENT AUDITORS' REPORT AND ACCOUNTS  
JUNE 30, 2011

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Girma Tesfaye and Company

Chartered Certified Accountants (UK) and Authorized Auditor (Eth.)

**INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS OF  
RAEY YEHETSANAT ENA BETESEB LEMAT MAHIBER**

We have audited the financial statements of Raey Yehetsanat Ena Beteseb Lemat Mahiber set out on pages 1 to 3 that have been prepared under the historical cost convention and the accounting policies set out on page 3. The financial statements comprise the Establishment Balance Sheet as at June 30, 2011 and Profit and Loss statement for the year then ended.

**1. RESPECTIVE RESPONSIBILITIES OF THE MANAGEMENT AND THE AUDITOR**

The management of the Raey Yehetsanat Ena Beteseb Lemat Mahiber is responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and report on them.

**2. BASIS OF OPINION**

We conducted our audit in accordance with Generally Accepted Auditing Standards. An audit includes examination on a test basis of evidences relevant to the amount and disclosures in the financial statements. It also includes an assessment of the significant estimates and of whether the accounting policies are appropriate to the Raey Yehetsanat Ena Beteseb Lemat Mahiber circumstances, consistently applied and adequately disclosed. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidences to give us reasonable assurance that the financial statements are free from material misstatements caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

**3. OPINION**

In our opinion the foregoing financial statements, together with notes thereon, present a true and fair view, in all material respect, of the financial position of Raey Yehetsanat Ena Beteseb Lemat Mahiber as at June 30, 2011 and its result for the year then ended in accordance with the Generally Accepted Accounting Standards.

ADDIS ABABA  
SEPTEMBER 4, 2011



*Girma Tesfaye*  
GIRMA TEFAYE AND COMPANY  
CHARTERED CERTIFIED ACCOUNTANTS (UK)

**RAEY YEHETSANAT ENA BETESEB LEMAT MAHIBER**  
**BALANCE SHEET**  
**AS AT JUNE 30, 2011**

	<u>Notes</u>	<u>Birr</u>	<u>Birr</u>	<u>2010 Birr</u>
<b>CURRENT ASSETS</b>				
Cash at Bank	4	503,193.89		42,315.20
		503,193.89		42,315.20
<b>CURRENT LIABILITIES</b>				
Pension Payable		2,670.00		-
Income tax payable		880.50		2,132.50
Loan from founder		3,968.12		-
Account payable land		100,000.00		-
		107,518.62		2,132.50
<b>NET CURRENT ASSETS</b>			<b>395,675.27</b>	<b>40,182.70</b>
<b>FINANCED BY</b>				
Fund Balance			<b>395,675.27</b>	<b>40,182.70</b>



**RAEY YEHETSANAT ENA BETESEB LEMAT MAHIBER**  
**STATEMENT OF INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Notes</u>	<u>Birr</u>	<u>2010 Birr</u>
<b>INCOME</b>			
Donation from Abroad		2,488,295.09	307,279.20
Donation from Local		-	2,500.00
Donation from founder		33,560.00	46,092.04
Other income		558.53	-
		<u>2,522,413.62</u>	<u>355,871.24</u>
<b>EXPENDITURE</b>			
Food Support Expenditure	132,244.10		47,781.25
Medical Care	2,524.35		1,640.00
Utilites	2,040.01		3,725.99
Transportation	5,450.00		3,000.00
Rent	22,000.00		28,150.00
Building Materials	370,292.28		66,474.00
Clothing/Uniform	4,500.00		3,450.00
Salaries and wages	76,150.00		55,615.00
Printing and Stationary	10,094.15		4,399.85
Repairs/Maintenance	3,177.00		27,500.00
Miscellaneous	6,042.26		10,551.15
Professsional Fee	3,350.00		7,000.00
Donation	3,510.00		-
Kitchen utensils	750.00		1,496.75
Office Furniture	28,946.90		49,855.00
Entertainment	-		5,602.55
Building purchased	1,400,000.00		-
Commission and other fees	31,000.00		-
Training Equipment	2,000.00		-
Sponsorship fees	62,850.00		-
		<u>2,166,921.05</u>	<u>316,241.54</u>
Excess of Income Over Expenditure		355,492.57	39,629.70
Fund Balance B/F		40,182.70	553.00
<b>Fund Balance</b>		<u><u>395,675.27</u></u>	<u><u>40,182.70</u></u>



**RAEY YEHETSANAT ENA BETESEB LEMAT MAHIBER**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**1. ACCOUNTING PRINCIPLES**

The accounts of the company are prepared in accordance with generally accepted accounting principles.

**2. ACCOUNTING CONVENTION**

The accounts are prepared under the historical cost convention.

**3. ACCOUNTING POLICIES**

The company management has adopted the following accounting policy.

**a) Income and Expenditure**

Income is recognized when cash is received and expenditures are recorded when cash is paid.

