

**AUDITOR'S REPORT**

We have audited the annexed balance sheet of the "**COMPREHENSIVE DISASTER RESPONSE SERVICES (CDRS)**" as at December 31, 2010 and the related Income and Expenditure Account and Statement of cash flow together with the notes forming part thereof (here-in-after referred to as the financial statements for the year then ended). It is the responsibility of the board of governors to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan. Our responsibility is to express an opinion on these financial statements 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 financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements present fairly in all material respects the financial position of the "**COMPREHENSIVE DISASTER RESPONSE SERVICES (CDRS)**" as at December 31, 2010 and of its surplus/(deficit) and cash flow for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

Place: Rawalpindi  
June 09, 2011



  
**Tariq Hanif & Co.**  
Chartered Accountants

**COMPREHENSIVE DISASTER RESPONSE SERVICES (CDRS)  
BALANCE SHEET  
AS AT DECEMBER 31, 2010**

	NOTE	2010 (PKR)	2009 (PKR)
<b>FUNDS</b>			
Accumulated surplus of income over expenditure		3,710,894	606,898
<b>CURRENT LIABILITIES</b>			
Accrued Expenses and other Payables	4	1,298,750	158,520
Contingencies and commitments	5	-	-
		<u>5,009,644</u>	<u>765,418</u>

**TANGIBLE FIXED ASSETS**

Operating Fixed Assets

**NON-CURRENT ASSETS**

Rent Deposit Security

**CURRENT ASSETS**

Cash & cash equivalents

Advances, Deposits & Pre-payments

NOTE	2010 (PKR)	2009 (PKR)
3	2,783,394	199,480
8	70,000	-
6	1,326,250	565,938
7	830,000	-
	<u>5,009,644</u>	<u>765,418</u>

The annexed notes from 1 to 11 form an integral part of these financial statements.  
The Auditor's report is annexed hereto.

*Qalid*

TREASURER



**COMPREHENSIVE DISASTER RESPONSE SERVICES (CDRS)  
STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>2010</u> (PKR)	<u>2009</u> (PKR)
<b>Cash Flows from Operating Activities</b>		
Surplus of Income over expenditure	3,103,996	(2,013,430)
<b>Adjustment of Non-Cash Items</b>		
Depreciation charged during the year	542,786	99,482
Donations in Kind	(75,000)	-
	<u>467,786</u>	<u>99,482</u>
Cash flow before working capital change	<b><u>3,571,782</u></b>	<b><u>(1,913,948)</u></b>
<b>Change in working capital</b>		
Advances, Deposits & Pre-payments	(830,000)	-
Accrued Expenses and other Payables	1,140,230	(317,381)
Net Change in working Capital	<b><u>310,230</u></b>	<b><u>(317,381)</u></b>
Net cash from operating activities	<b><u>3,882,012</u></b>	<b><u>(2,231,329)</u></b>
<b>Cash Flow from Investing Activities</b>		
Payment for capital expenditure (Only Cash Payments)	(3,051,700)	(3,600)
Rent deposit security	(70,000)	-
Net cash from investing activities	<b><u>(3,121,700)</u></b>	<b><u>(3,600)</u></b>
<b>Cash Flow from Financing Activities</b>		
Net cash generated from financing activities	-	-
Net increase/ (Decrease) in cash and cash equivalents	<b><u>760,312</u></b>	<b><u>(2,234,929)</u></b>
Cash & cash equivalents Opening balance	<u>565,938</u>	<u>2,800,867</u>
Cash & cash equivalents Closing balance	<b><u>1,326,250</u></b>	<b><u>565,938</u></b>

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TREASURER



COMPREHENSIVE DISASTER RESPONSE SERVICES (CDRS)  
 INCOME & EXPENDITURE ACCOUNT  
 FOR THE YEAR ENDED DECEMBER 31, 2010

		<u>2010</u>	<u>2009</u>
	NOTE	(PKR)	(PKR)
<b>INCOMES &amp; DONATIONS</b>			
	9	48,408,436	13,791,818
		<u>48,408,436</u>	<u>13,791,818</u>
<b>EXPENDITURE</b>			
Operational & Administration expenses	10	45,304,440	15,805,248
Surplus of the Incomes over expenditure for the year		3,103,996	(2,013,430)
Surplus of income over expenditure brought forward		606,898	2,620,328
Surplus of income over expenditure carried forward		<u>3,710,894</u>	<u>606,898</u>



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 TREASURER

**COMPREHENSIVE DISASTER RESPONSE SERVICES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

**1. Status and Nature of Activities**

- 1.1 The Comprehensive Disaster Response Services (CDRS) was registered under Pakistan Societies Act 1860/21 applicable to Azad Government of the State of Jammu & Kashmir Muzaffarabad on March 05, 2007. The society is a non-profit organization which aid, assist, set up, maintain, administer and run hospitals nursing homes, laboratories, mother and child care centers, clinics or other centers connected or concerned directly or indirectly with the care of the human body, promoting welfare of public at large at any place or places in the district Muzaffarabad and other districts and areas of State of Azad Jammu & Kashmir.
- 1.2 The registered office of the Society is situated at Union Council Chikar, District Muzaffarabad, State of Azad Jammu and Kashmir (AJK) or such other place as, from time to time, may be determined by the Board of Governors (the "BOARD") of the society.
- 1.3 These financial statements cover all activities of Comprehensive Disaster Response Services (CDRS) which is a society registered under the Societies Registration Act, 1860 in Pakistan.

**2. Summary of Significant Accounting Policies**

**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with approved accounting standards applicable in Pakistan.

**2.2 Accounting convention**

These accounts have been prepared under the historical cost convention on accrual basis of accounting.

**2.3 Management responsibility for financial statements**

The Board of the Governors of the Society is responsible for the preparation and presentation of financial statements. The reporting currency of the financial statements is Pakistani Rupee. These financial statements of the Society have been prepared for the year from January 01, 2010 to December 31, 2010.



**COMPREHENSIVE DISASTER RESPONSE SERVICES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

**2.4 Tangible Fixed Assets and Depreciation**

Depreciation charge is based on diminishing balance method for the current year (i.e. FY ending December 31, 2010 previously it was charged on straight-line method) at the rates mentioned in the note 3 of these financial statements, where by the cost of an asset was written off to Income & Expenditure account over its estimated useful life with out taking into account any residual value. Currently depreciation on additions is charged for full year in the year of addition while no depreciation is charged in the year of deletion (If any). Normal repairs, maintenance, renewals and improvements are charged to Income & Expenditure Account as and when incurred; major repairs maintenance, renewals and improvements are capitalized and the assets so replaced, if any, or retired. Gains and losses on disposal of fixed asset (If any) are taken to the Income & Expenditure Account in the year of disposal.



COMPREHENSIVE DISASTER RESPONSE SERVICES (CDRS)  
 NOTES TO THE FINANCIAL STATEMENT  
 FOR THE YEAR ENDED DECEMBER 31, 2010

3 Operating Fixed Assets

Particulars	(PKR)							
	Cost			Rate	Depreciation			W.D.V
	As at January 01, 2010	Additions/ (Disposals)	As at December 31, 2010	%	As at January 01, 2010	For the Year	As at December 31, 2010	As at December 31, 2010
Electric Appliances	134,300	90,590	224,890	15	81,640	21,488	103,128	121,762
Other Appliances	-	36,500	36,500	15	-	5,475	5,475	31,025
Office Equipments	-	11,850	11,850	15	-	1,778	1,778	10,072
Furniture Fixture & Fittings	18,000	241,535	259,535	15	8,880	37,598	46,478	213,057
Medical Equipments	345,112	2,378,840	2,723,952	15	207,412	377,481	584,893	2,139,059
Air-Conditioners (See Note 9.3)	-	75,000	75,000	15	-	11,250	11,250	63,750
Digital Camera	-	27,800	27,800	30	-	8,340	8,340	19,460
Laptops	-	202,950	202,950	30	-	60,885	60,885	142,065
Computer & Accessories	26,000	61,635	87,635	30	26,000	18,491	44,491	43,144
<b>TOTAL 2010</b>	<b>523,412</b>	<b>3,126,700</b>	<b>3,650,112</b>		<b>323,932</b>	<b>542,786</b>	<b>866,718</b>	<b>2,783,394</b>
<b>TOTAL 2009</b>	<b>519,812</b>	<b>3,600</b>	<b>523,412</b>		<b>224,449</b>	<b>99,482</b>	<b>332,598</b>	<b>199,480</b>



**COMPREHENSIVE DISASTER RESPONSE SERVICES (CDRS)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	NOTE	2010 (PKR)
<b>4</b>	<b>Accrued Expenses &amp; Other Payables</b>	
	Salaries Payable	685,750
	Accounting Service Fee	30,000
	Payable to Dr. Sharif for Medical Camps in Flood Affected Villages of Hyderabad	247,000
	CDRS Chkar (AJK) Facility Dec 2010 Expenses Payable	134,000
	Vehicle Rent Payable	142,000
	Audit Fee Payable	60,000
		<b>1,298,750</b>
<b>5</b>	<b>Contingencies and Commitments</b>	
	There were no contingencies and commitments as at year-end	
<b>6</b>	<b>Cash and Cash Equivalents</b>	
	NBP A/c No. 2223-6-CDRS	-
	NBP A/c No. 11762-5-CBSS	222,779
	ACHIL A/c No. 58-01-010-1145-4-Atfal	-
	ACHIL A/c No. 58-01-010-1127-0-CDRS	-
	MCB A/c # 059301010048832 (CDRS)	988,905
	Cash in hand	114,566
		<b>1,326,250</b>
<b>7</b>	<b>Advances, Deposits &amp; Prepayments</b>	
	Refundable Security for Containers	200,000
	Pre-paid Rent (From January 2011 to September 2011)	630,000
		<b>830,000</b>
<b>8</b>	<b>Rent Deposit Security</b>	
	Security deposit (Refundable) for CDRS new office building	70,000
<b>9</b>	<b>Incomes &amp; Donations</b>	
<b>9.1</b>	<b>Cash Incomes &amp; Donations</b>	
	Global Giving Disbursements	23,731,070
	Collection of Community Funds	603,551
	Donation from Todd Shea	850,000
	Shine Humanity Disbursements	12,014,287
	Received from Dubai	1,274,623
	Received from Imam Organization, Iran	1,201,193
	Received from RBS (Pakistan)	1,987,273
	Received from Pakistan	994,510
	Deposited into CDRS Account from within Pakistan	5,129,338
	Cash Donations from general public	541,500
		<b>48,327,346</b>
<b>9.2</b>	<b>Other Incomes</b>	
	Bank Interest	6,090
<b>9.3</b>	<b>Donations in Kind</b>	
	Five (5) number units of used Air-Conditioners received in donation. Fair Market value is assessed amounting to PKR 15,000 per unit.	75,000
	<b>Total Incomes &amp; Donations (9.1 to 9.3)</b>	<b>48,408,436</b>





**COMPREHENSIVE DISASTER RESPONSE SERVICES (CDRS)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	NOTE	2010 (PKR)
<b>10 Operational &amp; Administration expenses</b>		
Medicine, Medical Supplies		10,395,119
Food Aid		693,292
Water and Water Purification		804,942
Concert Ticket (27 tickets @ PKR 1500 each)		40,500
Press Conference		19,012
Filming session ( with Alif Aslam & Guns and Roses)		189,200
Paid to Matt Sorum for Production Work on Sonic Peacemakers		430,000
Engineering Work on Sonic Peacemakers		8,600
CD Player, Portable Hard-Drive & Camcorder for Lanny		43,560
Books for Lanny Cordola		53,213
Music CD's for Lanny Cordola		62,401
Food for Lanny Cordola		29,674
Lanny Cordola's Vaccination		70,720
Lanny Cordola's Phone Bills		18,012
Sonics Peacemakers Music Proposal Writing Fee		24,650
Passport Photos Lanny Cordola		1,493
Lawrence College Concert		150,000
Paid to Mr. Sarwar for Film Making		622,000
Hotel Accommodation Sonic Peacemakers		193,797
Parking Fee Paid by Lanny Cordola		1,020
Communication		1,000
Vehicle Fuel		12,922
Air Fare International		41,156
Air Mail Charges Paid by Lanny Cordola		400
Donations of Fans, Mattresses, Household Items		39,705
Clothing & Shoes Aid		135,850
Large Tents to separate Livestock from Residential Space		35,000
Donations of Holy Quran to replace those lost in Flood		108,480
Mosquito Spray		99,000
Mosquito Killer Machines		18,000
Cash Donation Help Global Disaster Relief Org. Buy Ambulance for Swat		200,000
Livelihood Redevelopment in Swat (Bees, Water Pumps, Flour Mills)		1,667,063
Cash Donations		739,010
Travelling		3,867
Hospital Repair		130,840
Happiness Eid Gifts for Children Campaign with Noori		300,000
Food for the Staff and Volunteers		2,661,066
Hotel Accommodations for Staff and Volunteers		674,660
Rent Expense		520,500
Real Estate Broker's Fee for Islamabad Office		35,000
Bus Fare		8,080
House Rent for Shikarpur Flood Relief Mission		60,000
Gas Cylinder Refilling		180,452
Office Supplies		147,384
General Supplies		569,529
Communication		274,129
Media Coverage		21,500
<b>Sub-Total (Note-10)</b>		<b>22,535,798</b>



COMPREHENSIVE DISASTER RESPONSE SERVICES (CDRS)  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2010

	NOTE	2010 (PKR)
<b>Balance from previous page</b>		22,535,798
Transportation Rental		640,054
Passenger Vehicle Rental		1,983,650
Vehicle Fuel		1,235,144
Generator Fuel		12,820
Vehicle Repair & Maintenance		193,223
Clearance Charges for Containers		242,730
Highway Tolls		18,615
Domestic Air, Train and Bus Fare		860,130
Air Fare International		10,600
Salaries for CDRS Employees		7,897,230
Salaries for Temporary Employees in Flood Relief Mission		1,565,370
Inauguration of Office		250,000
Audit Fee (FY 2010)		60,000
Accounting Service Charges		405,000
IT Services		12,717
Computer Repair Charges		13,545
Laundry		19,138
Utility Bills		85,131
Additional Labor		34,875
Miscellaneous Expenses		661,000
Individual Donations and Miscellaneous expenses		276,718
Bank Service Charges & with-holding taxes		76,166
Donation to UM Healthcare		100,000
Clean Water Project at Dadu- Sindh		935,000
House-hold donations via Hisaar Foundation		1,000,000
Donation to UM Healthcare		3,617,000
Depreciation Expense	3	542,786
<b>Sub-Total (Note-10)</b>		22,768,642
Total Note-10		<b>45,304,440</b>

11 **General**  
 Figures have been rounded off to the nearest Pakistani rupee.

*Rali D*  
 TREASURER

