

**ISLAMIC DEVELOPMENT BANK
SPECIAL ASSISTANCE TRUST FUND
(FAEL KHAIR PROGRAM FOR THE CYCLONE
VICTIMS IN BANGLADESH)**

**FINANCIAL STATEMENTS AND AUDITORS' REPORT
FOR THE YEAR ENDED 30 DHUL HIJJAH 1435H
(OCTOBER 24, 2014)**

**ISLAMIC DEVELOPMENT BANK
SPECIAL ASSISTANCE TRUST FUND
(FAEL KHAIR PROGRAM FOR THE CYCLONE
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FOR THE YEAR ENDED 30 DHUL HIJJAH 1435H**

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AUDITORS' REPORT

Your Excellency
The President,
Islamic Development Bank
Kingdom of Saudi Arabia

Scope of Audit

We have audited the accompanying statement of financial position of Islamic Development Bank - Special Assistance Trust Fund - FAEL KHAIR PROGRAM FOR THE CYCLONE VICTIMS IN BANGLADESH ("the Program") as of 30 Dhul Hijjah 1435H (October 24, 2014) and the related statements of activities and cash flows for the year then ended and notes 1 to 14 which form an integral part of these financial statements as prepared by the management and presented to us with all the necessary information and explanations. These financial statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the Kingdom of Saudi Arabia. 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 principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

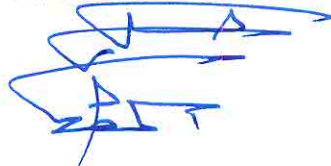
Unqualified Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects the financial position of the Program as of 30 Dhul Hijjah 1435H (October 24, 2014), and the results of its activities and its cash flows for the year then ended in conformity with the accounting policies described in note 2 to these financial statements.

Other Matters

The accompanying financial statements of the Fund have been prepared solely for the use of the Management committee of the Fund and the donors to the Fund, and are not intended for filing with any regulatory or government agencies or any other purposes.

Deloitte & Touche
Bakr Abulkhair & Co.



Al-Mutahhar Y. Hamiduddin
License No. 296

23 Rabi'I, 1436
January 14, 2015

**ISLAMIC DEVELOPMENT BANK
SPECIAL ASSISTANCE TRUST FUND
(FAEL KHAIR PROGRAM FOR THE CYCLONE
VICTIMS IN BANGLADESH)**

**STATEMENT OF FINANCIAL POSITION
AS OF 30 DHUL HIJJAH 1435H**

(In Thousands of United States Dollars)

	Notes	30 Dhul Hijjah 1435H (October 24, 2014)	29 Dhul Hijjah 1434H (November 3, 2013)
NET ASSETS			
ASSETS			
Cash and cash equivalents	3	57,564	18,322
Short term placements with banks	4	8,450	7,521
Investment in Sukuk	6	-	5,181
Murabaha Financing	5	29,848	89,543
Amounts disbursed to Non-Government Organizations in Bangladesh	7	7,199	8,789
Accrued income and other receivables		227	334
Asset Under Construction	8	47,473	26,978
Property and equipment	11	23	36
TOTAL ASSETS		150,784	156,704
LIABILITIES			
Due to related parties	10	7	6,451
Accrued expenses		132	70
TOTAL LIABILITES		139	6,521
NET ASSETS		150,645	150,183
<u>REPRESENTED BY:</u>			
Resources of Fael Khair Program for the cyclone victims in Bangladesh		110,075	110,075
Waqf Fund - Resources of Fael Khair Program for the cyclone victims in Bangladesh		20,000	20,000
Prior years' accumulated excess of income over expenditure		20,108	13,724
Excess of income over expenditure for the year		462	6,384
		150,645	150,183

The accompanying notes from 1 to 14 form an integral part of these financial statements

**ISLAMIC DEVELOPMENT BANK
SPECIAL ASSISTANCE TRUST FUND
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**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED 30 DHUL HIJJAH 1435H
(In Thousands of United States Dollars)**

	Notes	30 Dhul Hijjah 1435H (October 24, 2014)	29 Dhul Hijjah 1434H (November 03, 2013)
Income:			
Commodity placements through banks		802	573
Investment in Sukuk		26	107
Murabaha Financing		2,846	6,269
		<u>3,674</u>	<u>6,949</u>
Expenses:			
Consultation and professional fees		(68)	(49)
General and administrative expenses	12	(2,776)	(1,614)
Exchange (loss)/gain		(368)	1,098
		<u>(3,102)</u>	<u>(1,565)</u>
Excess of income over expenditure		<u><u>462</u></u>	<u><u>6,384</u></u>

The accompanying notes from 1 to 14 form an integral part of these financial statements

**ISLAMIC DEVELOPMENT BANK
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 DHUL HIJJAH 1435H
(In Thousands of United States Dollars)**

	30 Dhul Hijjah 1435H (October 24, 2014)	29 Dhul Hijjah 1434H (November 03, 2013)
OPERATING ACTIVITIES		
Excess of income over expenditure	462	6,384
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation	15	24
Allowance for impairment	-	47
Operating expenses - NGOs	1,560	-
Changes in operating assets and liabilities:		
Accrued income and other receivables	107	34
Due from related parties	-	3,675
Due to related parties	(6,444)	(24,873)
Accrued expenses	62	6
Asset under construction	(20,495)	(16,479)
Refund from NGO in Bangladesh	30	2,455
Net cash used in operating activities	(24,703)	(28,727)
INVESTING ACTIVITIES		
Movement in commodity placements through bank	(929)	(6,351)
Movement in investments in Sukuk	5,181	319
Movement in Murabaha Financing	59,695	(13,930)
Purchase of fixed asset	(2)	(2)
Net cash from/(used in) investing activities	63,945	(19,964)
Net movement in cash and cash equivalents	39,242	(48,691)
Cash and cash equivalents at beginning of the year	18,322	67,013
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	57,564	18,322

The accompanying notes from 1 to 14 form an integral part of these financial statements

