

**International Federation of Red Cross
and Red Crescent Societies (IFRC), Geneva**

Independent Auditor's Report

On the IFRC's Financial Statements for the
Emergency Appeal (MDRHT008) – Haiti Earthquake
for the period 12 January to 31 December 2010



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Independent Auditor's Report

Emergency Appeal (MDRHT008) – Haiti Earthquake of the International Federation of Red Cross and Red Crescent Societies (IFRC)

We have audited the accompanying financial statements (income and expenditure statement and related notes) of the Emergency Appeal (MDRHT008) – Haiti Earthquake of the International Federation of Red Cross and Red Crescent Societies ("IFRC") for the period 12 January to 31 December 2010.

Management's Responsibility for the Financial Statements

These financial statements are the responsibility of the IFRC's management. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of 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 auditor's 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 the internal control system relevant to the entity's preparation 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 the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the 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 accompanying financial statements give a true and fair view of the income and expenditure for the period from 12 January to 31 December 2010 and have been prepared, in all material respects in accordance with the IFRC accounting policies as described in the notes to the accompanying financial statements.

KPMG SA

Pierre-Henri Pigeon
*Licensed Audit Expert
Auditor in Charge*

Christine Fox

Geneva, 29 April 2011

Enclosure:

- Income and expenditure statement and related notes

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES
EMERGENCY APPEAL (MDRHT008) – HAITI EARTHQUAKE**

**INCOME AND EXPENDITURE STATEMENT
FOR THE PERIOD 12 JANUARY 2010 TO 31 DECEMBER 2010**

INCOME	Note	Period from 12-Jan-10 to 31-Dec-10 CHF
Voluntary contributions	2.3 & 3	225,197,844
Corporate donation fees	4	(312,084)
Financial income, net	2.2	353,764
Other income		192,253
Total INCOME		<u>225,431,777</u>
 OPERATING EXPENDITURE		
Supplies		46,796,350
Vehicles and equipment		2,473,300
Transport and storage	2.5	11,954,243
Personnel expenditure	2.6	14,451,587
Workshops and training		346,503
Travel		1,445,640
Information & public relations		534,981
Office costs		1,093,536
Communications		352,651
Legal, professional and consultancy fees		2,530,010
Financial charges		12,490
Other general expenses		44,758
Depreciation	2.7	425,041
Contributions to national societies	7	10,047,461
Contributions to other organisations		141,429
Programme and services support recovery	5	5,688,701
Services and recoveries	6	1,104,804
Provisions for operations	7	610,513
Total OPERATING EXPENDITURE		<u>100,053,998</u>
RESULT FOR THE PERIOD		<u>125,377,779</u>
 FUNDS HELD FOR OPERATIONS	 2.4	
Result for the period		125,377,779
FUNDS HELD FOR OPERATIONS		<u>125,377,779</u>

The notes on pages 2 to 10 are an integral part of these Appeal Financial Statements.

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES
EMERGENCY APPEAL (MDRHT008) – HAITI EARTHQUAKE**

**NOTES TO THE APPEAL FINANCIAL STATEMENTS
FOR THE PERIOD 12 JANUARY 2010 TO 31 DECEMBER 2010**

1. Activities

Founded in 1919, the International Federation of Red Cross and Red Crescent Societies (IFRC) is a membership organisation comprising 186 member Red Cross and Red Crescent societies governed by a Governing Board and with management support provided by a Secretariat with more than 60 delegations strategically located to support activities around the world. The Secretariat headquarters' address is 17, Chemin des Crêts, Geneva, Switzerland.

The IFRC's mission is to improve the lives of vulnerable people by mobilizing the power of humanity. Its principal activities include:

- promoting individual and community humanitarian principles and values
- responding to disasters by providing assistance to vulnerable people, from refugees to victims of natural disasters;
- disaster preparedness activities which aim to make National Societies and communities more aware of the risks they face, how to reduce their vulnerability, and how to cope when disaster strikes;
- health and community care activities to enable communities to reduce their vulnerability to disease, and prepare for and respond to public health crises;
- guiding and supporting the development of National Societies to enable them to fulfil their responsibilities in providing humanitarian services in their own countries.

On 12 January 2010, an earthquake of magnitude 7 (Mw) (reference: United States Geological Survey), struck the Haitian coast rocking the capital and generating a tsunami alert in Haiti and neighbouring countries. The epicentre was located 22 kilometres from the capital, Port-au-Prince and 15 kilometres from the closest towns. A series of aftershocks occurred, the strongest measuring 5.9 and 5.5 respectively.

The resultant humanitarian needs were widespread, meriting significant humanitarian action. Despite difficulty in ascertaining exact figures of dead, destruction and damage, it was estimated that 700,000 people survived in conditions without adequate shelter. The internally displaced population, estimated at between 800,000 and 1,000,000 people, was putting an array of pressures on receptor regions that had not been directly affected by the earthquake. Demands for shelter, sanitation and hygiene; childcare, food and healthcare, in particular, hospital capacity to attend post-surgical patients, were particularly high.

In response to the situation, the IFRC launched a preliminary Emergency Appeal, on 12 January 2010, seeking CHF 10.1 million, in order to support the Haitian Red Cross Society (HNRCS) deliver immediate, life-saving assistance to 20,000 families (some 100,000 beneficiaries) over nine months. On 26 January 2010, the IFRC revised the preliminary Emergency Appeal, increasing the budget to CHF 105.7 million, in order to assist up to 60,000 families (300,000 people) over 3 years. On 9 February 2010, the IFRC further extended and increased the Emergency Appeal to seek CHF 218.4 million in cash and/or in-kind goods and services, in order to support the Haitian Red Cross Society to assist up to 80,000 beneficiary families with basic non-food items and emergency shelter solutions. On 5 October 2010 this figure was further revised to seek CHF 314.3 million in cash, in kind or services to support the plan of action of the Haitian Red Cross Society and the IFRC. This plan of action seeks to provide basic non-food items and emergency/transitional shelter to 80,000 beneficiary families and provide emergency health care, fulfilment of basic needs in water and sanitation and livelihoods support for vulnerable populations in the earthquake-affected region.

The financial statements presented comprise the Income and Expenditure Statement and supporting notes of the Haiti Earthquake Appeal (appeal MDRHT008) and are hereto referred to as the Appeal Financial Statements.

2. Significant accounting policies

2.1 Basis of accounting

The Appeal Financial Statements are presented in Swiss Francs and have been prepared under the historical cost convention. The information contained herein has been extracted from the Consolidated Financial Statements of the IFRC which are prepared in accordance with International Financial Reporting Standards (IFRS).

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES
EMERGENCY APPEAL (MDRHT008) – HAITI EARTHQUAKE**

**NOTES TO THE APPEAL FINANCIAL STATEMENTS
FOR THE PERIOD 12 JANUARY 2010 TO 31 DECEMBER 2010**

2. Significant accounting policies (continued)

2.2 Foreign currency transactions

The presentational and functional currency of the IFRC is the Swiss Franc, as operating cash flows are primarily denominated in, and influenced by, the Swiss Franc. The IFRC's operations are not concentrated in any one economic environment, but appeals, including the Haiti Earthquake Emergency Appeal (appeal MDRHT008), are always launched in Swiss Francs and expenditure is budgeted and managed in Swiss Francs.

Foreign currency transactions are translated into Swiss Francs using rates which approximate to the rates prevailing on the dates of the transactions.

Exchange gains and losses resulting from the settlement of foreign currency transactions and from translation are included under Financial income, net, in the Income and Expenditure Statement.

2.3 Income

Income comprises contributions in cash or in-kind from donors.

Voluntary contributions are identified according to the level of earmarking. Donors can earmark contributions for use on field operations at the appeal, programme, project or sub-project level. Such earmarked contributions are fully under the control of the IFRC, and, unless they are also subject to specific contractual obligations or earmarked for use in a future period (see paragraph below), are recognised in the Income and Expenditure Statement when pledged. At the end of the accounting period, unspent earmarked contributions are included in Funds held for operations.

Government grants and contributions that are based on contracts for specific projects, akin to government grants, are recognised as expenditure is incurred and contractual obligations are fulfilled. The IFRC typically receives such contributions from diplomatic missions, UN agencies, ECHO and other government agencies such as USAID. Amounts received, but not recognised, are deferred for recognition in future periods as expenditure is incurred and contractual obligations are fulfilled. Government grants that are not for specific projects but are earmarked at appeal level are recognised when a confirmed written pledge has been received from the donor.

Contributions that are subject to specific contractual obligations or earmarked for use in a future period are not fully under control of the IFRC. Contributions subject to specific contractual obligations are recognised in income as expenditure is incurred and contractual obligations are fulfilled, similar to government grants. Amounts received, but not recognised, are deferred for recognition in future periods as expenditure is incurred and contractual obligations are fulfilled. Contributions which are earmarked for use in a future period are deferred for recognition in income in the future period for which they are earmarked.

In-kind contributions of goods (comprising relief supplies) and services (in the form of staff or transport) are recognised on the date of receipt of the goods or service, and are reported as equal contributions and expenses in the Income and Expenditure Statement. In-kind goods and services received in response to the Appeal are measured at fair value.

The fair value of in-kind goods is based on the donor indication of the value. This value is tested for reasonableness and adjusted accordingly, by comparing it to the cost that would be incurred by the IFRC, if it were to buy similar goods, in the open market, for the same intended use.

The fair value of in-kind staff is taken as the average cost that would be incurred by the IFRC, if it were to directly employ a person in a similar position.

The IFRC sometimes agrees with a donor the the value of a confirmed written pledge previously received shall be changed - either increased or decreased. Such changes are recognised as additions to, or reductions of, income,

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES
EMERGENCY APPEAL (MDRHT008) – HAITI EARTHQUAKE**

**NOTES TO THE APPEAL FINANCIAL STATEMENTS
FOR THE PERIOD 12 JANUARY 2010 TO 31 DECEMBER 2010**

3. Voluntary contributions (continued)

	Cash	Outstanding Pledges (Revalued)	Goods In-Kind	Services In-Kind	12-Jan-10 to 31-Dec-10 TOTAL
	CHF	CHF	CHF	CHF	CHF
Sub-totals brought down	64,501,390	-	12,326,159	292,707	77,120,256
Belgian Red Cross (Flanders)	61,454	-	1,054,080	-	1,115,534
Belgian Red Cross (French speaking community)	16,563	-	254,806	-	271,369
Belgium - Private Donors	14,682	-	-	-	14,682
Bosnia and Herzegovina Red Cross (from Government of Bosnia & Herzegovina)	171,317	-	-	-	171,317
Botswana Red Cross	28,788	-	-	-	28,788
British Red Cross	969,870	-	1,238,145	54,500	2,262,515
British Red Cross (from DEC (Disasters Emergency Committee))	1,699,020	-	-	-	1,699,020
British Red Cross (from DFID - British Government)	1,085,664	-	-	-	1,085,664
Bulgarian Red Cross	292,200	-	-	-	292,200
Cambodian Red Cross	10,415	-	-	-	10,415
Canadian Government	41,158	-	909,447	-	950,605
Canadian Red Cross	24,666,733	47,945	928,644	318,990	25,962,312
Canadian Red Cross (from Canadian Government)	33,853,840	-	-	-	33,853,840
CERN Staff Association	17,000	-	-	-	17,000
Chilean Red Cross	547,044	-	-	-	547,044
China Red Cross	965,267	-	-	-	965,267
China Red Cross (from Jet Lee One Foundation)	319,898	-	-	-	319,898
China Red Cross, Hong Kong branch	1,506,676	-	814,268	-	2,320,944
China Red Cross, Macau branch	103,000	-	-	-	103,000
Colombian Red Cross	431,143	-	-	-	431,143
Consolidated Contractors Co. (CCC)	72,020	-	-	-	72,020
Costa Rican Red Cross	1,383,795	-	-	-	1,383,795
Côte d'Ivoire Red Cross	22,354	-	-	-	22,354
Credit Suisse	16,162	-	-	-	16,162
Croatian Red Cross	301,675	-	140,097	-	441,772
CWT Beheermaatschappij BV	104,145	-	-	-	104,145
Czech Government	81,808	-	-	-	81,808
Czech Red Cross	165,107	-	-	-	165,107
Danish Red Cross	1,133,209	-	113,195	148,550	1,394,954
Danish Red Cross (from Danish Government)	563,119	-	-	-	563,119
Dominica Red Cross	105,745	-	-	-	105,745
Economist Group	16,689	-	-	-	16,689
Egyptian Red Crescent	52,010	-	-	-	52,010
Sub-totals carried down	135,320,959	47,945	17,778,841	814,747	153,962,492

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES
EMERGENCY APPEAL (MDRHT008) – HAITI EARTHQUAKE**

**NOTES TO THE APPEAL FINANCIAL STATEMENTS
FOR THE PERIOD 12 JANUARY 2010 TO 31 DECEMBER 2010**

3. Voluntary contributions (continued)

	Cash	Outstanding Pledges (Revalued)	Goods In-Kind	Services In-Kind	12-Jan-10 to 31-Dec-10 TOTAL
	CHF	CHF	CHF	CHF	CHF
Sub-totals brought down	135,320,959	47,945	17,778,841	814,747	153,962,492
Ericsson	513,084	-	-	-	513,084
Estonia Government	235,246	-	-	-	235,246
Estonia Red Cross	66,946	-	-	-	66,946
European Commission - DG ECHO	38,174	-	-	-	38,174
European Economic & Social Committee (EESC)	19,887	-	-	-	19,887
Finnish Red Cross	9,291	-	161,242	156,430	326,963
Fixed Mobile Convergence Alliance (FMCA)	11,581	-	-	-	11,581
French Red Cross	44,342	-	721,874	36,960	803,176
GDF Suez	10,613	-	-	-	10,613
Germany Red Cross	147,264	-	-	-	147,264
Ghana Red Cross	13,151	-	-	-	13,151
Great Britain - Private Donors	16,412	-	-	-	16,412
Guatemalan Red Cross	66,482	-	-	-	66,482
Guyana Red Cross	69,507	-	-	-	69,507
Hellenic Red Cross	73,790	-	-	-	73,790
Hilton Worldwide	778,130	-	-	-	778,130
Hungarian Red Cross	41,560	-	-	-	41,560
Icelandic Red Cross	92,113	-	52,514	46,000	190,627
IFRC at the UN Inc (from Alcatel Lucent)	25,839	-	-	-	25,839
IFRC at the UN Inc (from Alcatel- Lucent Foundation)	49,665	-	-	-	49,665
IFRC at the UN Inc (from Analog Devices Incorporated)	53,530	-	-	-	53,530
IFRC at the UN Inc (from BlackRock)	18,738	-	-	-	18,738
IFRC at the UN Inc (from BP Foundation)	315,459	-	-	-	315,459
IFRC at the UN Inc (from Brazilian Government)	1,004,898	-	-	-	1,004,898
IFRC at the UN Inc (from CoreLogic)	22,531	-	-	-	22,531
IFRC at the UN Inc (from DELL Direct Giving Campaign)	250,053	-	-	-	250,053
IFRC at the UN Inc (from Electronic Theatre Controls, Inc.)	63,406	-	-	-	63,406
IFRC at the UN Inc (from Fibrogen)	10,052	-	-	-	10,052
IFRC at the UN Inc (from Gallagher Arthur J. & Co.)	116,361	-	-	-	116,361
Sub-totals carried down	139,499,064	47,945	18,714,471	1,054,137	159,315,617

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES
EMERGENCY APPEAL (MDRHT008) – HAITI EARTHQUAKE**

**NOTES TO THE APPEAL FINANCIAL STATEMENTS
FOR THE PERIOD 12 JANUARY 2010 TO 31 DECEMBER 2010**

3. Voluntary contributions (continued)

	Cash CHF	Outstanding Pledges (Revalued) CHF	Goods In-Kind CHF	Services In-Kind CHF	12-Jan-10 to 31-Dec-10 TOTAL CHF
Sub-totals brought down	139,499,064	47,945	18,714,471	1,054,137	159,315,617
IFRC at the UN Inc (from Jones Apparel Group)	130,603	-	-	-	130,603
IFRC at the UN Inc (from Mellon Bank)	163,675	-	-	-	163,675
IFRC at the UN Inc (from The Mosaic Company)	125,027	-	-	-	125,027
IFRC at the UN Inc (from ThermoFisher Scientific)	24,624	-	-	-	24,624
IFRC at the UN Inc (from United States - Private Donors)	31,755	-	-	-	31,755
Indian Red Cross (from India - Private Donors)	56,484	-	-	-	56,484
Ireland - Private Donors	23,968	-	-	-	23,968
Irish Government	368,895	-	-	-	368,895
Irish Red Cross	3,563,763	-	-	-	3,563,763
Italian Government Bilateral Emergency Fund	737,681	-	-	-	737,681
Jamaica Red Cross	213,206	-	-	-	213,206
Japanese Government	627,285	-	-	-	627,285
Japanese Red Cross	6,233,762	5,000,000	108,297	133,250	11,475,309
Kuwait - Private Donors	50,374	-	-	-	50,374
Kuwait Red Crescent	1,052,148	-	362,340	-	1,414,488
Lebanese Red Cross	45,975	-	-	-	45,975
Lithuanian Red Cross	37,296	-	-	-	37,296
Luxembourg Red Cross	18,467	-	348,512	-	366,979
Macedonia (FYR) Red Cross	95,161	-	-	-	95,161
Malaysian Red Crescent	10,895	-	-	-	10,895
Malta Red Cross	63,699	-	-	-	63,699
Mauritius Red Cross (from Mauritius Private Donors)	70,097	-	-	-	70,097
McDonald Corp.	513,084	-	-	-	513,084
Mexican Red Cross	326,278	-	-	-	326,278
Monaco Red Cross	73,649	-	-	-	73,649
Montenegro Red Cross (from Montenegro Government)	87,038	-	-	-	87,038
Moroccan Red Crescent	32,560	-	-	-	32,560
Namibia Red Cross	56,716	-	-	-	56,716
Nestle	205,655	-	-	-	205,655
Netherlands Red Cross	8,975,757	-	4,669,405	-	13,645,162
Netherlands Red Cross (from Netherlands Government)	735,943	-	-	-	735,943
Sub-totals carried down	164,250,583	5,047,945	24,203,026	1,187,387	194,688,941

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES
EMERGENCY APPEAL (MDRHT008) – HAITI EARTHQUAKE**

**NOTES TO THE APPEAL FINANCIAL STATEMENTS
FOR THE PERIOD 12 JANUARY 2010 TO 31 DECEMBER 2010**

3. Voluntary contributions (continued)

	Cash	Outstanding Pledges (Revalued)	Goods In-Kind	Services In-Kind	12-Jan-10 to 31-Dec-10 TOTAL
	CHF	CHF	CHF	CHF	CHF
Sub-totals brought down	164,250,583	5,047,945	24,203,026	1,187,387	194,688,941
New Zealand Red Cross	819,980	-	-	75,500	895,480
New Zealand Red Cross (from New Zealand Government)	298,380	-	-	-	298,380
Nicaraguan Red Cross	167,971	-	-	-	167,971
Norway - Private Donors	10,830	-	-	-	10,830
Norwegian Red Cross	2,912,168	-	214,548	40,187	3,166,903
Office of the Representative of the Dalai Lama	100,000	-	-	-	100,000
Online donations	887,970	-	-	-	887,970
OPEC Fund for International Development	538,097	-	-	-	538,097
Other donors (including those with contributions less than CHF 10'000)	166,072	3,001	-	52,173	221,246
Peruvian Red Cross	72,717	-	-	-	72,717
Portuguese Red Cross	737,078	-	-	-	737,078
Qatar Red Crescent	156,342	-	-	-	156,342
Republic of Korea Red Cross	94,134	-	-	-	94,134
Republic of Korea Red Cross (from Republic of Korea - Private Donors)	545,955	-	-	-	545,955
Saint Kitts and Nevis Red Cross	68,876	-	-	-	68,876
Saint Lucia Red Cross	63,426	-	-	-	63,426
Saint Vincent and the Grenadines Red Cross	90,463	-	-	-	90,463
Serbia Red Cross (from Government of Serbia)	172,162	-	-	-	172,162
Seychelles Red Cross	12,948	-	-	-	12,948
Seychelles Red Cross (from Seychelles private donors)	26,339	-	-	-	26,339
Singapore Red Cross	583,749	-	-	-	583,749
Singapore Red Cross (from New Creation Church)	20,836	-	-	-	20,836
Singapore Red Cross (from Rahmatan Lil Alamin (Blessings-to-all) Foundation)	50,782	-	-	-	50,782
Slovak Red Cross	219,505	-	-	-	219,505
Slovenia Government	73,746	-	-	-	73,746
Slovenian Red Cross	106,663	-	-	-	106,663
Societe Internationale de Telecommunications Aeronautiques	77,226	-	-	-	77,226
Soft Choice Corporation	23,069	-	-	-	23,069
Sonesta Maho BC	26,582	-	-	-	26,582
South African Red Cross	286,805	-	-	-	286,805
Spain - Private Donors	15,228	-	-	-	15,228
Spanish Red Cross	1,354,632	-	464,194	37,250	1,856,076
Sphene International Ltd	1,570,081	-	-	-	1,570,081
Sub-totals carried down	176,601,395	5,050,946	24,881,768	1,392,497	207,926,606

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES
EMERGENCY APPEAL (MDRHT008) – HAITI EARTHQUAKE**

**NOTES TO THE APPEAL FINANCIAL STATEMENTS
FOR THE PERIOD 12 JANUARY 2010 TO 31 DECEMBER 2010**

3. Voluntary contributions (continued)

	Cash	Outstanding Pledges (Revalued)	Goods In-Kind	Services In-Kind	12-Jan-10 to 31-Dec-10 TOTAL
	CHF	CHF	CHF	CHF	CHF
Sub-totals brought down	176,601,395	5,050,946	24,881,768	1,392,497	207,926,606
SSI (Survey Sampling International)	20,638	-	-	-	20,638
Suriname Red Cross	600,921	-	-	-	600,921
Swedish Red Cross	6,376,829	35,100	-	67,250	6,479,179
Swedish Red Cross (from Swedish Government)	1,875,469	-	-	-	1,875,469
Swiss Red Cross	66,135	-	1,017,467	34,250	1,117,852
Switzerland - Private Donors	41,442	-	-	-	41,442
Synovate Inc.	30,203	-	-	-	30,203
Syrian Arab Red Crescent	10,027	-	154,257	-	164,284
Thai Red Cross	4,341,900	-	-	-	4,341,900
Thailand - Private Donors	52,443	-	-	-	52,443
Thasia International Development Ltd	53,637	-	-	-	53,637
Thomson Reuters	14,048	-	-	-	14,048
Trinidad & Tobago - Private Donors	15,046	-	-	-	15,046
Trinidad and Tobago Red Cross	1,000,020	-	-	-	1,000,020
United Arab Emirates - Private Donors	13,084	-	-	-	13,084
United Arab Emirates Red Crescent	164,973	-	236,100	-	401,073
United States - Private Donors	18,089	-	-	-	18,089
Uruguayan Red Cross	11,686	-	-	-	11,686
Vietnam Red Cross	21,395	-	-	-	21,395
Xstrata AG	508,906	-	-	-	508,906
Z Zurich Foundation	250,000	-	-	-	250,000
Zurich Insurance Company	239,923	-	-	-	239,923
	<u>192,328,209</u>	<u>5,086,046</u>	<u>26,289,592</u>	<u>1,493,997</u>	<u>225,197,844</u>

The Outstanding pledges column shows movements in outstanding pledges between 12 January 2010 and 31 December 2010, together with the revaluation of outstanding foreign currency pledges as at 31 December 2010.

4. Corporate donation fees

In accordance with IFRC standard policy, donations received from corporate donors are charged a 5% service fee which is deducted from income, when the corporate donation is received.

5. Programme and services support recovery

As a contribution to the costs of support for operations in the field, an additional 6.5% is added to the cost of each operation for service provision. This support includes services essential for an operation's success such as human resources, finance, logistics, information technology and other support.

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES
EMERGENCY APPEAL (MDRHT008) – HAITI EARTHQUAKE**

**NOTES TO THE APPEAL FINANCIAL STATEMENTS
FOR THE PERIOD 12 JANUARY 2010 TO 30 DECEMBER 2010**

6. Services and recoveries

Services and recoveries comprise fees charged to the Appeal by the IFRC Logistics and Resource Mobilisation Department (including the Regional Logistics Units) for procurement services provided to the operation. Fees are charged based on the value of the procurement.

7. Provisions for operations

In implementing its activities in the ordinary course of its business, the IFRC advances funds to member Red Cross and Red Crescent national societies. Two mechanisms are used to advance funds to member national societies for the implementation of activities – cash working advances and cash contributions.

(a) Provisions for operations

The IFRC provides cash working advances to national societies for them to implement activities on behalf of the IFRC.

Amounts advanced are recognised as receivables until such time as recipient national societies report to the IFRC on their use of the funds. A provision is recognised for the value of working advances which has not been reported on by the recipient national societies and the related expense is recorded in Operating expenditure - Provisions for operations. When recipient national societies report on their use of the funds, the provision is reversed and the expense is reclassified according to its nature.

The value of unreported working advances at 31 December 2010 was CHF 610,513.

(b) Contributions to national societies

The IFRC makes cash contributions to fund the activities of member national societies. Such contributions are recognised as operational expenditure as they are incurred. During the period 12 January 2010 to 31 December 2010, the IFRC contributed CHF 10,047,461 to the Haitian Red Cross Society to purchase land for the establishment of a base camp for the Red Cross Red Crescent Earthquake Operation.