



**Usman Azeem & Co.**  
Chartered Accountants

**CARE OF AFGHAN FAMILIES.**

**(CAF)**

**Audited Financial Statements**

**For the Year Ended December 20, 2016**

A Member Firm of



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## INDEPENDENT AUDITORS' REPORT TO BOARD OF GENERAL DIRECTOR

We have audited the accompanying financial statements of **Care of Afghan Families** ("the organization") which comprise the statement of financial position as at **December 20, 2016**, income statement, for the period then ended statement of core fund and a summary of significant accounting policies and other explanatory notes.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

### *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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance, whether the financial statements are free from 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 our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, we consider internal control relevant to the Organization's preparation and fair presentation 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 Organization's internal control. An audit also includes evaluating the appropriateness of accounting policies & principles used and reasonableness of accounting estimates made by management, 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.

A Member Firm of



# Usman Azeem & Co.

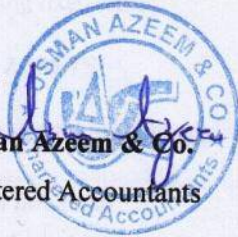
Chartered Accountants

## Opinion

In our opinion, the financial statements give a true and fair view of the state of the Organization's affairs as at **December 20, 2016** and of its surplus for the period then ended in accordance with International Financial Reporting Standards.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position and the income statement confirms to the approved accounting standards.

Usman Azeem & Co.  
Chartered Accountants



Kabul

March 04, 2017

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**Care of Afghan Families (CAF)**

Kabul, Afghanistan

**Statement of financial position as at December 20, 2016**

Note	1395		1394		
	20 December 2016		21 December 2015		
	AFN	US\$	AFN	US\$	
<b>ASSETS</b>					
<i>Current assets</i>					
Receivable from donors	3	7,701,427	115,222	6,833,424	100,607
Security deposits	4	763,690	11,426	527,413	7,762
Other assets	5	-	-	35,000	515
Cash and cash equivalents	6	160,135,274	2,395,800	209,486,386	3,082,908
		<u>168,600,391</u>	<u>2,522,447</u>	<u>216,882,222</u>	<u>3,191,791</u>
<i>Non - Current assets</i>					
Operating fixed assets	7	3,248,319	48,598	3,651,171	53,733
<b>TOTAL ASSETS</b>		<u>171,848,710</u>	<u>2,571,046</u>	<u>220,533,394</u>	<u>3,245,525</u>
<b>LIABILITIES AND FUNDS</b>					
<i>Current liabilities</i>					
Deferred grant income - Restricted	8	92,790,941	1,388,255	147,153,267	2,166,421
Other payables	9	63,669,294	952,563	58,777,071	865,005
		<u>156,460,235</u>	<u>2,340,817</u>	<u>205,930,339</u>	<u>3,031,425</u>
<i>Funds</i>					
Accumulated Core Fund		<u>15,388,475</u>	<u>230,229</u>	<u>14,603,055</u>	<u>214,099</u>
Contingencies & Commitments		-	-	-	-
<b>TOTAL LIABILITIES AND FUNDS</b>		<u>171,848,710</u>	<u>2,571,046</u>	<u>220,533,394</u>	<u>3,245,525</u>

**Director General**  
M.Naim.Rassa



**Operation Director**  
Dr.Nasir Ahmad Hamid

**Care of Afghan Families**

Kabul - Afghanistan

**Income Statement for the year ended December 20, 2016**

	Note	2016		2015	
		20 December 2016		21 December 2015	
		AFN	US\$	AFN	US\$
<b>INCOME</b>					
Amortization of deferred grant	10	571,268,774	8,542,185	604,635,955	9,429,253
Other income	11	797,459	11,931	4,248,286	62,521
		<u>572,066,233</u>	<u>8,554,116</u>	<u>608,884,241</u>	<u>9,491,774</u>
<b>EXPENDITURE</b>					
Direct operating cost	12	521,970,445	7,681,684	523,231,823	7,700,248
Indirect operating cost	13	49,310,368	725,686	53,989,330	794,545
Expenses of sub-grant	14	-	-	32,570,688	479,333
Expenses of SEHAT projects	15	-	-	10,059,626	148,045
		<u>571,280,813</u>	<u>8,407,370</u>	<u>619,851,467</u>	<u>9,122,170</u>
Surplus of income over expenditure		785,420	11,751	(10,967,226)	(161,401)
Accumulated Core Fund brought forward		14,603,055	282,162	26,544,443	457,900
Exchange Loss on Core Fund brought forward			(63,684)	(974,162)	(14,336)
Accumulated Core Funds carried forward		<u>15,388,475</u>	<u>230,229</u>	<u>14,603,055</u>	<u>282,162</u>

The annexed notes form an integral part of these financial statements.

Director General  
M. Naim Rassa



Operation Director  
Dr. Nasir Ahmad Hamid

**Care of Afghan Families (CAF)**  
Kabul, Afghanistan

**Statement of cash flows for the year ended December 20, 2016**

	1395		1394	
	20 December 2016		21 December 2015	
	AFN	US\$	AFN	US\$
<b>Cash flow from operating activities</b>				
Surplus for the year	785,420	11,751	(10,967,226)	(161,401)
Adjustment for:				
Depreciation of operating fixed assets	1,183,258	17,703	1,099,880	16,187
Exchange gain/loss	-	-	(974,162)	-
	<b>1,968,679</b>	<b>29,454</b>	<b>(10,841,508)</b>	<b>(145,215)</b>
<b>Working capital changes</b>				
Increase/(decrease)in current assets				
Receivable from donors	(868,003)	(7,855)	47,886,897	838,275
Security deposits	(236,277)	(3,664)	(421,787)	(5,940)
Other assets	35,000	515	6,633,321	119,575
Increase/(decrease)in current liabilities				
Deferred grand income - restricted	(54,362,327)	(778,166)	54,909,723	(575,192)
Other payables	4,892,223	87,558	11,047,842	41,661
Working capital changes	(50,539,384)	(701,612)	120,055,996	418,380
Cash generated (used in) operations:	(48,570,705)	(672,158)	109,214,488	273,166
<b>Net cash generated/(used in) operating activities:</b>	<b>(48,570,705)</b>	<b>(672,158)</b>	<b>109,214,488</b>	<b>273,166</b>
<b>Cash flow from investing activities:</b>				
Purchase of operating fixed assets	(780,406)	(14,949.77)	(1,565,271)	(27,001)
<b>Net cash generated/(used in) investing activities</b>	<b>(780,406)</b>	<b>(14,950)</b>	<b>(1,565,271)</b>	<b>(27,001)</b>
<b>Net increase in cash &amp; cash equivalents</b>	<b>(49,351,111)</b>	<b>(687,108)</b>	<b>107,649,217</b>	<b>246,164</b>
Cash & cash equivalents, beginning of the year	209,486,386	3,082,908	101,837,169	1,756,722
<b>Cash &amp; cash equivalents, end of the year</b>	<b>160,135,274</b>	<b>2,395,800</b>	<b>209,486,386</b>	<b>1,756,722</b>

Represented by:

Cash in hand	2,151,980	32,196	3,480,036	51,215
cash in banks	157,983,294	2,363,604	206,006,349	3,031,693
	<b>160,135,274</b>	<b>2,395,800</b>	<b>209,486,386</b>	<b>3,082,908</b>

The annexed notes form an integral part of these financial statements.

Director General  
M.Naim.Rassa



Operation Director  
Dr. Nasir Ahmad Hamid

Care of Afghan Families  
Kabul - Afghanistan

**Statement of Core Fund for the year ended December 20, 2016**

	AFN	US\$
Balance as at Dec 22, 2015	26,544,443	457,900
Exchange loss	-	-
Surplus for the year	(10,967,226)	(161,401)
Exchange Loss on Core Fund brought forwarded	(974,162.00)	(14,336.45)
Balance as at Dec 21, 2014	<u>14,603,055</u>	<u>(68,062.64)</u>
Surplus for the period	785,420	11,751
Exchange Loss on Core Fund brought forwarded	-	4,378
Balance as at December 21, 2015	<u>15,388,475</u>	<u>230,229</u>

The annexed notes form an integral part of these financial statements.

Director General  
M.Naim Rassa



Operation Director  
Dr.Nasir Ahmad Hamid

**Notes to the financial statements for the year ended December 20, 2016**

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**1 Organization and its Status**

Care of Afghan Families (CAF) is an Afghan non-governmental and not for profit organization established in 2003 in Kabul and registered with the Ministry of Economy of Afghanistan. The mission of the organization is to enable families to fight against poverty, injustice and unawareness through provision of essential health care, Nutrition, community development and Education and Research programs by efficient and innovative management system.

**2 Basis of preparation and summary of significant accounting policies**

**a) Statement of Compliance**

The financial statements have been prepared in accordance with the requirements of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

**b) Accounting convention**

The financial statements have been prepared in accordance with the historical cost convention.

**c) Functional and presentation currency**

These financial statements are presented in Afghani (AFN), which is the organizations' functional currency. Further these financial statements have also been presented in US Dollars (US\$). The figures in AFN have been translated into US\$ using the exchange rate prevailing at the date of Statement of financial position.

**d) Critical accounting estimates and judgments**

The preparation of Financial Statements in conformity of International Financial Reporting Standards (IFRSs) requires management to make judgments estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes.

Note 7.1 - Operating fixed assets

**e) Operating fixed assets**

CAF Owned Operating fixed assets are recognized as assets in the financial statements but the operating fixed assets for the projects sites are charged to donor and reported as expenditure in the financial statements. At the closure of projects assets are handed back to the donor or as may be specified in the donor's agreement.

Depreciation charge is based on the straight line method. Cost of an asset is written off to the income statement over its estimated useful life. Full year's depreciation is charged in the year the assets are available for use while no depreciation is charged in the year in which the assets are disposed off.

	Annual Rate (%)
Communication Equipments	15
Furniture and Fixtures	15
Computer and Accessories	30
Office Equipments	20
Electrical Equipments	15
Office vehicles	15

An item of operating fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any loss arising on derecognition of assets (calculated as difference between the net disposal proceeds and carrying amount of assets) is included in the income statement.

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## Care of Afghan Families

Kabul - Afghanistan

### Notes to the financial statements for the year ended December 20, 2016

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#### f) Revenue Recognition

Grants are recognized when the following conditions are met;

- i) the organization will comply with the conditions attaching to them; and
- ii) the grants will be received.

Government grants are recognized in the income statement on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate. It is fundamental to the income approach that grants is recognized in the income statement on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grant is intended to compensate.

#### g) Grants Receivable

A grant may become receivable by the organization as compensation for expenses or losses incurred in a previous period. Such a grant is recognized in the income statement of the period in which it becomes receivable, with disclosure to ensure that its effect is clearly understood.

#### h) Deferred Grant Income

The grant received during the year is charged to deferred grant income and further grouped as restricted and unrestricted funds. The deferred grant income is amortized over the period for which the grant received and charged to income statement.

#### i) Financial Instruments

##### Non-Derivative Financial Assets

CAF initially recognized financial assets on the date that they are originated.

To receive the contractual cash flows on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial assets are transferred.

Financial assets and liabilities are offset and the net amount presented in the financial statement when, and only when, CAF has a legal rights to offset the amount and intends either to settle on a net basis or to realized the assets and settles the liabilities simultaneously.

Loans and receivables financial assets with fix or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus and directly attributable transaction costs. Subsequent to initial recognitions loans and receivable are measured at amortized costs using effective interest method, less and impairment losses.

Cash and cash equivalents comprises cash balances and balances with bank.

##### Non-Derivative Financial Liabilities

CAF initially recognize financial liabilities on date that are originated.

CAF derecognizes a financial liabilities when it is contractual obligation and discharged or canceled or expire.

#### Impairment

##### Financial assets

A financial asset is impaired if objectives evidence indicates that a loss event has occurred after the initial recognition of the assets, and that the loss event had negative effect on the estimated future cash flows of that assets that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or liquidity problem of a debtor or indications that a debtor will enter bankruptcy.

**Notes to the financial statements for the year ended December 20, 2016**

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CAF considers evidence of impairment for receivables at both specific assets and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been occurred but not yet identified receivable that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

An impairment losses in respect of financial assets measured at amortized cost is collected as the difference between its carrying amount, and the present value of the estimate future cash flows discounted at the asset's original effective interested rate. Losses are recognized in income statement and reflected in allowance account against receivable.

Non-Financial assets

The Carrying amount of the CAF's non-financial assets are reviewed at each reporting date to determine whether there is any indications of impairment. If any such indication exist then the assets recoverable amount is estimated. An impairment losses recognized if the carrying amount of an assets exceed its recoverable amount. Impairment losses are recognized in income statement.

**j) Foreign currencies**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

**k) Provisions**

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the Entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**l) Taxation**

The organization is not liable to tax in accordance with the Income Tax Law 2009 subject to specific private ruling on exemption from ministry of finance, Government of Afghanistan.

**m) Off-setting**

Financial assets and liabilities are offset and the net amount reported at the end of reporting period when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

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**Notes to the financial statements for the year ended December 20, 2016**

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**n) Finance cost**

Finance cost comprise bank charges which are recognized in income statement.

**o) Account Receivable**

Accounts receivable are stated at their nominal value as a reduced by appropriate allowance for estimated doubtful amounts. Bad debts are written off as and when they are arise.

**p) Account Payables**

Accounts payables being financial liabilities are initially recognized at fair value and are carried at nominal value.

**q) Cash and cash equivalents.**

Cash and cash equivalents comprise cash balance and balance at banks. *MX*

Care of Afghan Families (CAF)

Kabul - Afghanistan

Notes to the financial statements for the year ended December 20, 2016

Note	2016		2015	
	20 December 2016		21 December 2015	
	AFN	US\$	AFN	US\$
<b>3 RECEIVABLE FROM DONORS</b>				
Ac/R from CME Project Takhar	-	-	4,602,714	72,829
Ac/R from CHASS Project	-	-	215,421	3,651
Ac/R from SLEC Project Badakhshan	-	-	455,653	6,706
Ac/R from SFP Project Badakhshan	<i>Annex 1</i>	<b>2,126,076</b>	<b>31,808</b>	1,559,636
Ac/R from RBF Project Badakhshan	<i>Annex 2</i>	<b>360,394</b>	<b>5,392</b>	-
Ac/R from SEHAT Project Logar	<i>Annex 3</i>	<b>5,025,362</b>	<b>73,957</b>	-
Ac/R from ACTD Project Badakhshan	<i>Annex 4</i>	<b>189,595</b>	<b>2,837</b>	-
		<b>7,701,427</b>	<b>113,994</b>	<b>6,833,424</b>
				<b>106,139</b>
<b>4 SECURITY DEPOSITS</b>				
		<b>AFS</b>	<b>USD</b>	<b>AFS</b>
Roshan Afghanistan		187,413	2,804	187,413
UNHAS/WFP		576,277	8,622	340,000
		<b>763,690</b>	<b>11,426</b>	<b>527,413</b>
				<b>7,762</b>
<p><i>The amount (AFN 187,413 converted into US\$ by applying Da Afghanistan Bank exchange rate of AFN: 66.84 per US\$) represents the amount deposited by Care of Afghan Families (CAF) with Roshan Afghanistan (a telecommunications operator) as a security against postpaid SIM cards.</i></p> <p><i>The amount (AFN 576 277 converted into US\$ by applying Da Afghanistan Bank exchange rate of AFN: 66.84 per US\$) represents the amount deposited by Care of Afghan Families (CAF) to UNHAS/WFP Kabul, Afghanistan as advance payment for flight bookings.</i></p>				
<b>5 OTHER ASSETS</b>				
Fund advance with;				
Receivable from Employee	5.1	-	-	-
		-	-	-
<b>6 CASH AND CASH EQUIVALENTS</b>				
Cash in hand	6.1	<b>2,151,980</b>	<b>32,196</b>	3,480,036
Cash at Bank	6.2	<b>157,983,294</b>	<b>2,363,604</b>	206,006,349
		<b>160,135,274</b>	<b>2,395,800</b>	<b>209,486,386</b>
				<b>3,082,908</b>
<b>6.1 Cash in Hand</b>				
Cash in US\$		<b>58,218</b>	<b>871</b>	67,678
Cash in Afghanis		<b>2,093,762</b>	<b>31,325</b>	3,412,358
		<b>2,151,980</b>	<b>32,196</b>	<b>3,480,036</b>
				<b>51,215</b>

6.2 *This amount is converted into USD by applying the exchange rate of AFN 66.84 as of Dec 20, 2016 from Da Afghanistan Bank.*

**Care of Afghan Families (CAF)**

Kabul - Afghanistan

Notes to the financial statements for the year ended December 20, 2016

Note	1395		1394	
	20 December 2016		21 December 2015	
	AFN	US\$	AFN	US\$
<b>6.3 Cash at Bank - Current Accounts</b>				
AIB USD A/C 0500302000002518 Kabul	9,217,338	137,902	4,007,588	58,978
AIB USD A/C 0500302000002526 Kabul	5,317,169	79,551	32,296	475
AIB USD A/C 0500302000002534 Kabul	1,458,754	21,825	1,720,980	25,327
AIB USD A/C 0500302000002550 Kabul	70,723	1,058	77,335	1,138
AIB USD A/C 050030200000025 A Kabul	28,212	422	35,476	522
AZIZI USD A/C 20417 Kabul	13,769,842	206,012	-	-
AIB EURO A/C 0500303000000251 Kabul	30,940	463	38,286	522
AIB AFN A/C 0500301000002510 Kabul	11,817,743	176,806	9,719,861	143,044
AIB AFN A/C 0500301000002537 Kabul	82,448,109	1,233,514	99,158,461	1,459,286
AIB AFN A/C 0500301000002545 Kabul	5,180,798	77,510	2,273	33
AZIZI AFN A/C 00010110255765 Kabul	679	10	941,874	13,861
AZIZI AFN A/C '00010110256867 Kabul	12,374	185	3,954,213	58,193
AIB AFN A/C 0500301000002501 Kabul	21,301	319	52,507,578	772,738
AIB AFN A/C 0500301000002502 Kabul	86,223	1,290	19,675,049	289,552
AIB AFN A/C 0500301000002503 Kabul	1,597,680	23,903	20,600	303
AIB AFN A/C 0500301000002504 Kabul	917,259	13,723	433	6
AZIZI AFN A/C 00110110004025 Badakhshan	12,581,055	188,226	3,364,196	49,510
AIB AFN A/C 0511301005978811 Kunduz	3,446,088	51,557	5,699,947	83,884
AZIZI AFN A/C 00110110022658 Badakhshan other	1,016,962	15,215	1,955,384	28,777
AZIZI AFN A/C 00120110021118 Takhar Other	45,248	677	45,598	671
NEW KABUL BANK AFN A/C 6 Kabul	-	-	15,850	233
AZIZI AFN A/C 1201101233356 CME Takhar	-	-	145,271	2,138
AZIZI AFN A/C 00110110095608 Malaria BDK	492,397	7,367	-	-
AZIZI AFN A/C 00340110030408 Malaria Kunduz	271,311	4,059	-	-
AZIZI AFN A/C 00110110097012 CLTS BDK	1,738,545	26,011	-	-
AZIZI AFN A/C 33747 Trauma Logar	527,200	7,887	-	-
AZIZI AFN A/C 00490110068384 Logar	175,938	2,632	1,552,066	22,841
NEW KABUL BANK AFN A/C 6 Daikundi	3,406,926	50,971	1,181,311	17,385
AZIZI AFN A/C 00490110027813 Logar	2,306,481	34,507	154,424	2,273
	<b>157,983,294</b>	<b>2,363,604</b>	<b>206,006,349</b>	<b>3,031,693</b>

The bank balances in Afghani, EURO and US\$ are converted by applying exchange rate of Da Afghanistan Bank as of December 20, 2016.

**7 OPERATING FIXED ASSETS**

Cost	7.1	12,263,749	183,479	11,483,342	168,997
Less: Accumulated Depreciation	7.1	(9,015,430)	(134,881)	(7,832,171)	(115,264)
Net Book Value	7.1	<b>3,248,319</b>	<b>48,598</b>	<b>3,651,171</b>	<b>53,733</b>

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Care of Afghan Families (CAF)

Kabul - Afghanistan

Notes to the financial statements for the year ended December 20, 2016

Note	1395		1394		
	20 December 2016		21 December 2015		
	AFN	US\$	AFN	US\$	
<b>8 DEFERRED GRANT INCOME</b>					
<b>Restricted:</b>					
MOPH EPHS SEHAT-I Daikundi	Annex.5	1,993,036	29,818	12,569,460	184,981
MOPH BPHS SEHAT-I Logar		-	-	45,776,377	673,677
MOPH BPHS SEHAT-I Kunduz	Annex.6	11,234,288	168,077	4,548,906	66,945
MOPH BPHS SEHAT-I	Annex.7	65,674,590	982,564	74,936,776	1,102,822
MSH Challenge TB Badakhshan	Annex.8	1,352,044	20,228	19,772	1,101
World Bank RBF-SEHAT		-	-	3,614,242	53,190
UNDP Malaria Project	Annex.9	2,028,783	30,353	-	-
UNICEF CLTS Project	Annex.10	954,555	14,281	-	-
UNOCHA Live saving Trauma	Annex.11	1,929,382	28,866	-	-
Other Outstanding		7,624,262	114,067	5,687,735	83,705
		<u>92,790,941</u>	<u>1,388,255</u>	<u>147,153,267</u>	<u>2,166,421</u>

8.1 *Deferred grant income, which are in Afghans are converted into US\$ and projects which are US\$ or EURO are converted in to Afghans by applying of Da Afghanistan Bank Rate as of Dec 20, 2016.*

**9 OTHER PAYABLE**

Payable BPHS SEHAT Logar	-	-	167,621	2,467	
Payable EPHS SEHAT Daikundi	-	-	3,751,895	55,216	
Payable to community	179,149	2,680	1,280,806	18,849	
Salaries payable	16,191,595	242,244	16,458,441	242,214	
Vehicle rent payable	1,315,817	19,686	1,329,600	19,567	
Payable office rent	124,600	1,864	1,850,503	27,233	
Payable trainings	3,078,841	46,063	5,242,231	77,148	
Payable against supplies	16,856,583	252,193	7,293,905	107,342	
Payable against fuel	1,375,540	20,580	922,233	13,572	
Other payables	10,743,350	160,732	11,613,130	170,907	
Payable against equipment	-	-	41,660	613	
Payable against PCH Project	1,054,019	15,769	1,054,019	15,512	
Payable Utilities bills	-	-	26,500	390	
Payable to SHDP Daikundi Pro	2,141,115	32,033	1,703,800	25,074	
Payable to SHDP logar Projec	5,696,530	85,226	4,157,740	61,188	
Payable to BARAN	4,872,091	72,892	1,882,987	27,711	
Income tax payable	40,065	599	-	-	
		<u>63,669,294</u>	<u>952,563</u>	<u>58,777,071</u>	<u>865,005</u>

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**Care of Afghan Families (CAF)**

Kabul - Afghanistan

Notes to the financial statements for the year ended December 20, 2016

	Note	1395		1394	
		20 December 2016		21 December 2015	
		AFN	US\$	AFN	US\$
<b>10 AMORTIZATION OF DEFERRED INCOME</b>					
SFP Project Badakhshan	Annex.1	10,712,584	160,272	13,766,785	202,602
World Bank RBF Badakhshan	Annex.2	7,783,997	116,457	6,501,453	95,680
MOPH BPHS SEHAT-I Logar	Annex.3	180,748,354	2,704,194	166,915,172	2,456,441
Actd CHW Training project Bdk	Annex.4	380,000	5,685	0	0
MOPH EPHS SEHAT-I Daikundi	Annex.5	70,742,629	1,058,388	67,690,834	996,186
MOPH BPHS SEHAT-I Kunduz	Annex.6	58,597,993	876,691	42,221,774	621,365
MOPH BPHS SEHAT-I Badkshaan	Annex.7	212,011,009	3,171,918	67,159,879	988,372
MSH Challenge TB Badakhshan	Annex.8	1,700,026	25,434	883,958	14,589
UNDP Malaria Project	Annex.9	6,014,434	89,983	-	-
UNICEF CLTS Project	Annex.10	7,111,906	106,402	-	-
UNOCHA Live saving Trauma	Annex.11	2,391,739	28,866	-	-
MOPH (AKF) CME Takhar	Annex.12	8,629,179	126,000	14,861,609	246,855
CHASS Project	Annex.13	135,060	2,077	959,372	16,261
IYCN Survey MI	Annex.14	1,691,565	24,698	1,434,760	24,999
IFA Survey MI	Annex.15	2,618,299	38,203	-	-
SLEC Project Badkhshan		-	-	455,653	6,706
PCH Project Badkhshan		-	-	81,029,050	1,389,148
MOPH BPHS PCH Takhar		-	-	119,833,291	2,050,792
World Bank RBF Takhar		-	-	8,850,180	130,245
GF (BRAC) Malaria Takhar		-	-	33,310	490
WFP (SCI) TSFP Takhar		-	-	103,515	1,523
WFP (SCI) TSFP Badakhshan		-	-	31,918	470
GF (BRAC) Malaria Logar		-	-	55,838	822
WHO MHT Logar		-	-	2,140,457	37,309
WHO MHT-SHC Logar		-	-	2,186,654	37,720
WFP (SCI) TSFP Takhar 2		-	-	6,003,932	88,358
MSH CB-DOT		-	-	1,516,560	22,319
		<b>571,268,774</b>	<b>8,535,267</b>	<b>604,635,955</b>	<b>9,429,253</b>
<b>11 OTHER INCOME</b>					
Membership fee	11.1	770,519	11,528	671,476	9,882
Others	11.2	26,940	403	2,452,279	36,089
Disposal of assets		-	-	-	-
Exchange gain		-	-	1,124,530	16,549
		<b>797,459</b>	<b>11,931</b>	<b>4,248,286</b>	<b>62,521</b>
<b>12 DIRECT OPERATING COST</b>					
Salaries and benefits		<b>272,583,974</b>	<b>4,078,156</b>	<b>185,603,809</b>	<b>2,731,476</b>

11.1 It represents the membership fee paid by the employees whose salaries are greater than 12,500 AFN. *mt*

11.2 It represents the donation and adjustment from different sources.

**Care of Afghan Families (CAF)**

Kabul - Afghanistan

Notes to the financial statements for the year ended December 20, 2016

Note	1395		1394	
	20 December 2016		21 December 2015	
	AFN	US\$	AFN	US\$
Goods and services	244,486,755	3,657,791	336,915,475	4,958,285
Fixed assets	4,899,716	73,305	712,539	10,486
	<b>521,970,445</b>	<b>7,809,253</b>	<b>523,231,823</b>	<b>7,700,248</b>
<b>13 INDIRECT OPERATING COST</b>				
Salaries, wages and benefits	37,406,114	559,637	36,386,696	535,492
Travel, transportation and per diem	2,297,658	34,375	3,191,903	46,974
Communication	450,315	6,737	704,873	10,373
Repair and maintenance	740,272	11,075	789,906	11,625
Utilities & Fuel	931,127	13,931	685,888	10,094
Audit fee	643,845	9,633	264,770	3,897
Rent	643,845	9,633	3,435,485	50,559
Depreciation	1,183,259	17,703	1,099,880	16,187
Bank charges	170,166	2,546	221,248	3,256
Miscellaneous	-	-	-	-
HQ Goods and services	3,910,976	58,513	1,271,688	18,715
Training	932,791	13,956	5,936,993	87,373
	<b>49,310,368</b>	<b>665,269</b>	<b>53,989,330</b>	<b>794,545</b>
<b>14 EXPENSES OF SUB-GRANT</b>				
SHDP PCH Project	-	-	19,667,702	289,444
BARAN PCH Project	-	-	12,902,985	189,889
BARAN EC Project	-	-	-	-
	<b>-</b>	<b>-</b>	<b>32,570,688</b>	<b>479,333</b>
<b>15 EXPENSES OF SEHAT PROJECTS</b>				
Diakundi EPHS Project	-	-	-	-
Logar BPHS Project	-	-	-	-
Other Expenses	-	-	10,059,626	148,045
	<b>-</b>	<b>-</b>	<b>10,059,626</b>	<b>148,045</b>

**16 Corresponding figures**

No significant reclassification / rearrangements of corresponding figures have been made in these financial statements. Further the corresponding figures are not entirely comparable due to different reporting periods.

**17 General**

Figures have been rounded off to nearest Afghani (AFN) and nearest Dollar (US\$).



Care of Afghan Families  
Kabul - Afghanistan

Notes to the financial statements for the year ended December 20, 2016

7.1 Operating fixed assets

Particulars	Communication Equipment		Furniture and fixture		Computer & Accessories		Office Equipment		Electric Equipment		Office Vehicles		Total	
	AFS	US \$	AFS	US \$	AFS	US \$	AFS	US \$	AFS	US \$	AFS	US \$	AFS	US \$
<b>Period ended 22 December 2015</b>														
Opening cost	1,163,177	20,091	1,478,012	26,133	2,826,904	53,739	837,842	14,817	1,206,682	21,341	2,405,455	42,544	9,918,071	171,090
Addition/Adjustment during the period	144,309	2,527	-	-	181,009	3,170	163,253	2,859	1,076,700	18,856	-	-	1,565,271	27,001
Disposals during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1,307,486	22,618	1,478,012	26,133	3,007,913	56,909	1,001,095	17,676	2,283,382	40,197	2,405,455	42,544	11,483,342	198,091
Depreciation for the period	(95,955)	(1,412)	(55,687)	(820)	(313,268)	(4,610)	(77,218)	(1,136)	(196,935)	(2,898)	(360,818)	(5,310)	(1,099,880)	(16,187)
Adjustment of depreciation	(800,859)	(14,152)	(1,318,736)	(23,311)	(2,352,014)	(41,541)	(665,221)	(11,755)	(1,084,302)	(19,170)	(511,159)	(8,978)	(6,732,291)	(118,907)
Cost	1,307,486	22,618	1,478,012	26,133	3,007,913	56,909	1,001,095	17,676	2,283,382	40,197	2,405,455	42,544	11,483,342	198,091
Accumulated depreciation	(896,814)	(15,564)	(1,374,423)	(24,131)	(2,665,282)	(46,151)	(742,439)	(12,892)	(1,281,237)	(22,068)	(871,977)	(14,288)	(7,832,171)	(135,093)
Written down value at 22 December 2015	410,672	6,044	103,589	1,524	342,631	5,042	258,656	3,807	1,002,144	14,748	1,533,478	22,568	3,651,172	53,733
<b>Period ended 20 December 2016</b>														
Opening cost	1,307,486	22,618	1,478,012	26,133	3,007,913	56,909	1,001,095	17,676	2,283,382	40,197	2,405,455	42,544	11,483,342	198,091
Addition/Adjustment during the period	129,646	2,271	147,100	2,576	387,484	6,786	83,378	1,460	32,798	574	-	-	780,406	13,462
Disposals during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1,437,132	24,889	1,625,112	28,709	3,395,397	63,695	1,084,473	19,136	2,316,180	40,772	2,405,455	42,544	12,263,748	211,553
Depreciation for the period	(111,236)	(1,637)	(66,905)	(985)	(361,282)	(5,317)	(85,453)	(1,258)	(197,565)	(2,908)	(360,818)	(5,310)	(1,183,258)	(17,414)
Adjustment of depreciation	(896,814)	(15,564)	(1,374,423)	(24,131)	(2,665,282)	(46,151)	(742,439)	(12,892)	(1,281,237)	(22,068)	(871,977)	(14,288)	(7,832,172)	(135,093)
Cost	1,437,132	24,889	1,625,112	28,709	3,395,397	63,695	1,084,473	19,136	2,316,180	40,772	2,405,455	42,544	12,263,748	211,553
Accumulated depreciation	(1,008,050)	(17,201)	(1,441,328)	(25,115)	(3,026,564)	(51,468)	(827,892)	(14,149)	(1,478,802)	(24,975)	(1,232,795)	(19,598)	(9,015,431)	(152,507)
Written down value at 20 December 2016	429,082	6,315	183,784	2,705	368,833	5,428	256,581	3,776	837,378	12,323	1,172,660	17,258	3,248,319	47,805
Depreciation rate	15%		15%		30%		20%		15%		15%		15%	

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**CARE OF AFGHAN FAMILIES (CAF)**

Donor: WFP

Annex.1

Contract No: Target Supplementary Feeding Program (TSFP)

Province and Districts: Badkshsh

Project Period: Jan 1, 2016 to Dec 31, 2016

Statement of Budget Variance

Statement Period: Jan 1, 2016 to Dec 20, 2016

	AMOUNTS IN AFS			VARIANCE %
	BUDGET	ACTUAL EXPENDITURE to Dec 20, 2016	BUDGET VARIANCE	
<b><u>RECEIPTS</u></b>				
Opening balance				
Grant from Donor	14,924,963	8,333,940	6,591,023	44%
	<b>14,924,963</b>	<b>8,333,940</b>	<b>6,591,023</b>	<b>44%</b>
<b><u>EXPENDITURE</u></b>				
Program Cost	13,128,285	9,156,334	3,971,951	30%
Program Support Cost	820,278	619,382	200,896	24%
<b>TOTAL DIRECT COSTS</b>	<b>13,948,563</b>	<b>9,775,716</b>	<b>4,172,847</b>	<b>30%</b>
<b>INDIRECT COST</b>	976,399.42	684,300	292,099	30%
<b>TOTAL EXPENDITURE</b>	<b>14,924,963</b>	<b>10,460,016</b>	<b>4,464,947</b>	<b>30%</b>
<b>TOTAL FUND BALANCE</b>		<b>(2,126,076)</b>		
<b>FUND BALANCE CONVERTED IN US\$</b>		<b>(31,808)</b>		
<b>TOTAL EXPENDITURE CONVERTED IN US\$</b>		<b>156,493</b>		

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**CARE OF AFGHAN FAMILIES (CAF)**

**Donor: MOPH (Trust Fund)**

**Project Period: July 01, 2015 to Jun 30, 2018**

**Project Name: Result Based Financing (RBF)**

**Location: Badakhshan**

**Statement of Budget Variance**

**Statement Period: Dec 22, 2015 to Dec 20, 2016**

*Annex.2*

	AMOUNSES IN AFS				VARIANCE %
	BUDGET	22-December-2015	20-December-2016	TOTAL	
<b><u>RECEIPTS</u></b>					
Opening balance			3,614,242		
Grant from Donor	10,326,408	3,614,242	3,809,361	7,423,603	2,902,805
	<b>10,326,408</b>	<b>3,614,242</b>	<b>7,423,603</b>	<b>7,423,603</b>	<b>2,902,805</b>
					<b>28%</b>
<b><u>EXPENDITURE</u></b>					
Performance Cost to Healthier Worker	10,326,408	-	7,783,997	7,783,997	2,542,411
	<b>10,326,408</b>	-	<b>7,783,997</b>	<b>7,783,997</b>	<b>2,542,411</b>
<b>TOTAL COSTS</b>					
FUND BALANCE IN AFS		3,614,242	(360,394)	(360,394)	
FUND BALANCE IN US\$		53,190	(5,392)	(5,392)	
Expenditure IN US\$		-	116,457	-	

**CARE OF AFGHAN FAMILIES (CAF)**  
**Donor: MOPH**  
**Project Period: Jan 01, 2014 to Dec 30, 2016**  
**Project Name: SEHAT Logar BPHS Project**  
**Location: Logar Province**  
**Statement of Budget Variance**  
**Statement Period: Dec 22, 2015 to Dec 20, 2016**

	AMOUNTS IN AFS				VARIANCE %
	BUDGET	ACTUAL EXPENDITURE		BUDGET VARIANCE	
		22 December 2015	22 December 2016		
<b>RECEIPTS</b>					
Opening balance		45,776,377			
Grant from Donor	488,002,629	339,923,109	136,244,719	11,834,801	2%
	<b>488,002,629</b>	<b>339,923,109</b>	<b>182,021,096</b>	<b>11,834,801</b>	<b>2%</b>
<b>EXPENDITURE</b>					
Remuneration	249,977,843	151,244,486	88,713,758	10,019,599	4%
Reimbursable	200,541,386	121,727,119	85,017,286	(6,203,019)	-3%
Capital cost	4,620,000	1,366,501	719,206	2,085,707	55%
Overhead cost @ 10%	32,863,400	19,808,626	12,596,208	32,404,834	1%
<b>TOTAL COSTS</b>	<b>488,002,629</b>	<b>294,146,731</b>	<b>187,046,458</b>	<b>6,809,439</b>	<b>1%</b>
<b>FUND BALANCE IN AFS</b>		<b>45,776,377</b>	<b>(5,025,362)</b>		
<b>FUND BALANCE IN US\$</b>		<b>673,677</b>	<b>(73,957)</b>		
<b>Expenditure IN US\$</b>		<b>4,592,033</b>	<b>2,798,421</b>		
Total Income CAF excluding SHDP in AFS			180,748,354.30		
Total Income CAF excluding SHDP in USD			2,704,194		

**CARE OF AFGHAN FAMILIES (CAF)**

Donor: UNDP through ACTD

Annex.4

Project Period: Jan 01, 2016 to Feb 29, 2017

Project Name: Training of CHWs on Family Planning

Location: Badakhshan

Statement of Budget Variance

Statement Period: Dec 22, 2015 to Dec 20, 2016

AMOUNTS IN AFS			
BUDGET	ACTUAL EXPENDITURE	BUDGET VARIANCE	VARIANCE %
	20 December 2016		

**RECEIPTS**

Opening balance

Grant from Donor

	390,810	190,405	200,405	51%
	<b>390,810</b>	<b>190,405</b>	<b>200,405</b>	<b>51%</b>

**EXPENDITURE**

Performance Cost to Health Worker

	390,810	380,000	10,810	3%
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**TOTAL COSTS**

	<b>390,810</b>	<b>380,000</b>	<b>10,810</b>	<b>3%</b>
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**FUND BALANCE IN AFS****(189,595)****FUND BALANCE IN US\$****(2,837)****Expenditure IN US\$****5,685***mt*

**CARE OF AFGHAN FAMILIES (CAF)**  
**Donor: MOPH (WB/Trust Fund)**  
**Project Period: Jan 01, 2014 to Dec 30, 2016**  
**Project Name: SEHAT Diakundi EPHS Project**  
**Location: Diakundi Province**  
**Statement of Budget Variance**  
**Statement Period: Dec 22, 2015 to Dec 20, 2016**

	AMOUNTS IN AFS				VARIANCE %
	BUDGET	22 December 2015	20 December 2016	Total	
<b><u>RECEIPTS</u></b>					
Opening balance			12,569,460		
Grant from Donor	214,495,910	145,908,693	62,835,738	208,744,431	5,751,479
	<b>214,495,910</b>	<b>145,908,693</b>	<b>75,405,198</b>	<b>208,744,431</b>	<b>5,751,479</b>
					<b>3%</b>
					<b>2.68</b>
<b><u>EXPENDITURE</u></b>					
Remuneration	111,288,401	58,969,280	35,051,242	94,020,522	17,267,879
Reimbursable	82,362,881	60,707,760	30,537,690	91,245,450	(8,882,569)
Capital cost	1,345,000	1,540,445	1,149,397	2,689,842	(1,344,842)
Overhead cost @ 10%	19,499,628	12,121,749	6,673,833	18,795,581	704,047
<b>TOTAL COSTS</b>	<b>214,495,910</b>	<b>133,339,234</b>	<b>73,412,162</b>	<b>206,751,395</b>	<b>7,744,515</b>
<b>FUND BALANCE IN AFS</b>		<b>12,569,460</b>	<b>1,993,036</b>	<b>1,993,036</b>	
<b>FUND BALANCE IN US\$</b>		<b>184,981</b>	<b>29,818</b>	<b>29,818</b>	
<b>Expenditure in US\$</b>		<b>2,098,493</b>	<b>1,098,327</b>	<b>3,196,820</b>	
Total Income CAF excluding SHDP in AFS			<b>70,742,628.59</b>		
Total Income CAF excluding SHDP in USD			<b>1,058,388</b>		

CARE OF AFGHAN FAMILIES (CAF)  
 Donor: MOPH (TURST FUND)  
 Project Period: Jan 01, 2014 to Dec 30, 2016  
 Project Name: SEHAT Kunduz BPHS Project  
 Location: Kunduz Province  
 Statement of Budget Variance  
 Statement Period: Dec 22, 2015 to Dec 20, 2016

	BUDGET	AMOUNTS IN AFS		BUDGET VARIANCE	VARIANCE %
		22 December 2015	20 December 2016		
<b>RECEIPTS</b>					
Opening balance			4,548,906		
Grant from Donor	159,765,521	82,409,885	65,321,700	147,731,585	8%
	<b>159,765,521</b>	<b>82,409,885</b>	<b>69,870,606</b>	<b>147,731,585</b>	<b>7.53</b>
<b>EXPENDITURE</b>					
Remuneration	121,443,233	68,054,450	39,333,771	107,388,221	12%
Reimbursable	17,864,737	9,806,529	3,678,820	13,485,349	25%
Capital cost	-	-	-	-	0%
Overhead cost @ 10%	20,457,551	-	15,623,727	4,833,824	24%
<b>TOTAL COSTS</b>	<b>159,765,521</b>	<b>77,860,979</b>	<b>58,636,318</b>	<b>136,497,297</b>	<b>15%</b>
<b>FUND BALANCE IN AFS</b>		<b>4,548,906</b>	<b>11,234,288</b>	<b>11,234,288</b>	
<b>FUND BALANCE IN US\$</b>		<b>66,945</b>	<b>168,077</b>	<b>168,077</b>	
<b>Expenditure IN US\$</b>		<b>1,225,812</b>	<b>877,264</b>	<b>2,103,076</b>	

**CARE OF AFGHAN FAMILIES (CAF)**  
**Donor: MOPH**  
**Project Period: 01-July-2015 to 30-Jun-2018**  
**Project Name: SEHAT Badkshsh BPHS Project**  
**Location: Badakhshan Cluster 1**  
**Statement of Budget Variance**  
**Statement Period: Dec 22, 2015 to Dec 20, 2016**

Annex.7

	AMOUNTS IN AFS			BUDGET VARIANCE	VARIANCE %
	BUDGET	ACTUAL EXPENDITURE	Total		
	22 December 2015	20 December 2016			
<b><u>RECEIPTS</u></b>					
Opening balance		74,936,776			
Grant from Donor	590,080,504	143,979,643	207,358,182	238,742,679	40%
	<b>590,080,504</b>	<b>143,979,643</b>	<b>282,294,958</b>	<b>238,742,679</b>	<b>40.46</b>
<b><u>EXPENDITURE</u></b>					
Remuneration	302,450,159	38,738,655	86,804,189	176,907,315	58%
Reimbursable	220,351,663	23,315,048	107,876,393	89,160,222	40%
Capital cost	13,635,000	712,539	2,247,025	10,675,436	78%
Overhead cost @ 10%	53,643,682	6,276,624	19,692,761	27,674,297	0%
<b>TOTAL COSTS</b>	<b>590,080,504</b>	<b>69,042,866</b>	<b>216,620,368</b>	<b>285,663,234</b>	<b>52%</b>
<b>FUND BALANCE IN AFS</b>		<b>74,936,776</b>	<b>65,674,590</b>	<b>304,417,269</b>	
<b>FUND BALANCE IN US\$</b>		<b>1,102,822</b>	<b>982,564</b>	<b>982,564</b>	
<b>Expenditure IN US\$</b>		<b>1,016,083</b>	<b>3,240,879</b>	<b>4,256,963</b>	
Total Income CAF excluding BARAN in AFS		<b>67,473,710</b>	<b>211,697,178</b>	<b>279,170,888</b>	
Total Income CAF excluding BARAN in USD		<b>992,991</b>	<b>3,167,223</b>	<b>4,160,213</b>	



**CARE OF AFGHAN FAMILIES (CAF)**

Donor: MSH

Project Period: Oct 11, 2015 to Dec 31, 2016

Project Name: Challenge TB Project

Location: Badakhshan

Statement of Budget Variance

Statement Period: Dec 22, 2015 to Dec 20, 2016

Annex.8

	AMOUNTS IN AFS				BUDGET VARIANCE	VARIANCE %
	TOTAL BUDGET	ACTUAL EXPENDITURE		Total		
		22 December 2015	20 December 2016			
<b>RECEIPTS</b>						
Opening balance		19,772				
Grant from Donor	5,000,311	903,730	3,032,298	3,936,028	4,096,581	82%
	<b>5,000,311</b>	<b>903,730</b>	<b>3,052,070</b>	<b>3,936,028</b>	<b>4,096,581</b>	<b>82%</b>
<b>EXPENDITURE</b>						
Salaries	1,090,620	177,937	1,048,505	1,226,442	(135,822)	-12%
Training	896,126	511,911		511,911	384,215	43%
ACSM	489,567	82,860	101,450	184,310	305,257	62%
Travel	508,956	10,300	100,400	110,700	398,256	78%
Motivation for CHWs	339,304	-	92,343	92,343	246,961	73%
Coordination	1,072,443	8,540	177,570	186,110	886,333	83%
Communications	43,625	3,000	6,000	9,000	34,625	79%
Utilities	109,062	9,050	19,210	28,260	80,802	74%
Overhead cost @ 10%	450,608	80,360	154,547.80	234,908	215,700	48%
<b>TOTAL COSTS</b>	<b>5,000,311</b>	<b>883,958</b>	<b>1,700,026</b>	<b>2,583,984</b>	<b>2,416,327</b>	<b>48%</b>
<b>TOTAL COSTS</b>	<b>5,000,311</b>	<b>883,958</b>	<b>1,700,026</b>	<b>2,583,984</b>	<b>2,416,327</b>	<b>48%</b>
<b>FUND BALANCE IN AFS</b>		<b>19,772</b>	<b>1,352,044</b>	<b>1,352,044</b>		
<b>FUND BALANCE IN US\$</b>		<b>1,101</b>	<b>20,228</b>	<b>20,228</b>		
<b>Expenditure IN US\$</b>		<b>14,589</b>	<b>25,434</b>	<b>40,023</b>		

## CARE OF AFGHAN FAMILIES (CAF)

Annex.9

Donor: UNDP

Project Period: April 01, 2016 to Dec 20, 2016

Project Name: Strengthening and scaling-up Malaria Prevention &amp; Case Management

Location: Badakhshan, Logar &amp; Kunduz

Statement of Budget Variance

Statement Period: Dec 22, 2015 to Dec 20, 2016

	AMOUNTS IN AFS			VARIANCE %
	TOTAL BUDGET	ACTUAL EXPENDITURE TO 20 DEC 2016	BUDGET VARIANCE	
<b><u>RECEIPTS</u></b>				
Opening balance				
Grant from Donor	9,239,541	8,043,218	1,196,323	13%
	<b>9,239,541</b>	<b>8,043,218</b>	<b>1,196,323</b>	<b>13%</b>
<b><u>EXPENDITURE</u></b>				
Human Resources	2,516,508	1,937,667	578,841	23%
Training Costs	3,207,114	1,950,220	1,256,894	39%
LLINs distribution related cost	1,310,317	1,005,458	304,859	23%
SRs other direct cost	1,801,124	834,688	966,436	54%
Indirect Cost @ 5%	404,478	286,401.64	118,076	29%
<b>TOTAL COSTS</b>	<b>9,239,541</b>	<b>6,014,434</b>	<b>3,225,107</b>	<b>35%</b>
<b>FUND BALANCE IN AFS</b>		<b>2,028,783</b>		
<b>FUND BALANCE IN US\$</b>		<b>30,353</b>		
<b>Expenditure IN US\$</b>		<b>89,983</b>		

CARE OF AFGHAN FAMILIES (CAF)

Annex.10

Donor: UNICEF

Project Period: April 01, 2016 to Mar 31, 2018

Project Name: Accelerating ending open defecation in Afghanistan

Location: Badakhshan

Statement of Budget Variance

Statement Period: Dec 22, 2015 to Dec 20, 2016

TOTAL BUDGET	AMOUNTS IN AFS		VARIANCE %
	ACTUAL EXPENDITURE 20 December 2016	BUDGET VARIANCE	

**RECEIPTS**

Opening balance

Grant from Donor

30,803,500	8,066,461	22,737,039	74%
<b>30,803,500</b>	<b>8,066,461</b>	<b>22,737,039</b>	<b>74%</b>

**EXPENDITURE**

1.1 Start up of the CLTS Programme

1.2 CLTS Programme in the Communities

2.1 In-country management & support staff

2.2 Operational costs

2.3 Planning, M&E and communication

241,500	4,350	237,150	98%
3,900,000	478,569	3,421,431	88%
16,219,200	3,969,339	12,249,861	76%
1,568,800	1,124,828	443,972	28%
8,874,000	1,534,820	7,339,180	83%
<b>30,803,500</b>	<b>7,111,906</b>	<b>23,691,594</b>	<b>372%</b>

**TOTAL COSTS**

**FUND BALANCE IN AFS**

**FUND BALANCE IN US\$**

**Expenditure IN US\$**

**954,555**

**14,281**

**106,402**

**CARE OF AFGHAN FAMILIES (CAF)**

**Donor: UNOCHA Thorough SCI**

*Annex.11*

**Project Period: Oct 01, 2016 to Sept 30, 2017**

**Project Name: Live saving Trauma Care Services to conflict Affected Population**

**Location: Badakhshan & Logar**

**Statement of Budget Variance**

**Statement Period: Dec 22, 2015 to Dec 20, 2016**

AMOUNTS IN AFS			
BUDGET	ACTUAL EXPENDITURE	VARIANCE	VARIANCE %
	20 December 2016		

**RECEIPTS**

Opening balance

Grant from Donor

10,802,802	4,321,121	6,481,681	60%
<b>10,802,802</b>	<b>4,321,121</b>	<b>6,481,681</b>	<b>60%</b>

**EXPENDITURE**

CAF FATP Staff (Nurse, Cleaner and Driver)	4,930,114	589,008	4,341,106	88%
CAF Management Staff	902,112	133,340	768,772	85%
CAF FATP Rental	281,351	7,800	273,551	97%
CAF FATP Rehabilitation Cost	58,585	3,150	55,435	95%
CAF FATP Maintenance Cost	35,316	0	35,316	100%
CAF FATP Utilities and Consumable Cost	496,935	45,480	451,455	91%
CAF FATP Medical Supply Cost	530,342	452,760	77,582	15%
CAF FATP Drug Cost	336,391	346,797	(10,406)	-3%
CAF Medical Equipment	278,938	358,380	(79,442)	-28%
Ambulance Rental	1,289,525	67,667	1,221,858	95%
CAF Furniture and Equipment for FATP	166,123	107,170	58,953	35%
CAF Office Equipment and Furniture	166,770	118,500	48,270	29%
CAF Communication Cost	123,606	2,319	121,287	98%
CAF Transportation Cost for Monitoring	192,276	1,300	190,976	99%
CAF Bank charges for Transfers 0.5%	54,151	1,000	53,151	98%
CAF Truck Rental to Provinces	78,480	600	77,880	99%
CAF Training Cost	175,063	0	175,063	100%
Indirect Cost @ 7%	706,725	156,469	550,257	78%

**TOTAL COSTS**

<b>10,802,802</b>	<b>2,391,739</b>	<b>8,411,063</b>	<b>1271%</b>
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**FUND BALANCE IN AFS**

**1,929,382**

**FUND BALANCE IN USS**

**28,866**

**Expenditure IN USS**

**35,783**

**CARE OF AFGHAN FAMILIES (CAF)**  
**Donor: World Bank (THROUGH SEHAT GRANT MOPH)**  
**Project Period: July 01, 2015 to Aug 11, 2016**

Annex. 12

Reference no:  
**Project Name: Community Midwifery Education (CME) in Takhar Province**  
**Location: Takhar Province**  
**Statement of Budget Variance**  
**Statement Period: July 01, 2015 to Dec 21, 2015**

	US\$			
	Budget	Dec 22, 2015	Aug 11, 2016	Total

	Budget	Dec 22, 2015	Aug 11, 2016	Total	Budget Variance	Variance %
Opening balance	-	10,897	(72,829)			
Grant from Donor	224,235	-	198,841	198,841	25,394	11%
	<b>224,235</b>	<b>10,897</b>	<b>126,012</b>	<b>198,841</b>	<b>25,394</b>	<b>11%</b>

**EXPENDITURE**

<b>1. Management cost</b>						
<b>1.1. Salaries and Benefits</b>						
MO salaries & benefits	9,967	4,232	5,809	10,040	(73)	-2%
<b>Subtotal Salaries &amp; Benefits MO</b>	<b>9,967</b>	<b>4,232</b>	<b>5,809</b>	<b>10,040</b>	<b>(73)</b>	<b>-2%</b>
<b>1.2. Good &amp; Services</b>						
Travel & transport	2,640	217	2,262	2,479	161	6%
Communications	267	104	163	267	1	0%
Materials & supplies	669	312	340	652	17	2%
<b>Subtotal Goods &amp; Services</b>	<b>3,576</b>	<b>632</b>	<b>2,765</b>	<b>3,397</b>	<b>179</b>	<b>5%</b>
<b>Total Management Cost MO</b>	<b>13,543</b>	<b>4,864</b>	<b>8,574</b>	<b>13,437</b>	<b>106</b>	<b>1%</b>

**2. Management cost of CME School**

<b>2.1. Salaries and Benefits</b>						
CME School salaries & benefits	81,884	33,619	43,319	76,939	4,945	6%
<b>Subtotal Salaries &amp; Benefits</b>	<b>81,884</b>	<b>33,619</b>	<b>43,319</b>	<b>76,939</b>	<b>4,945</b>	<b>13%</b>
<b>2.2. Goods &amp; Services:</b>						
22 Travel cost	3,670	975	1,234	2,209	1,460	40%
22 Communications	4,947	2,116	3,123	5,239	(292)	-6%
22 Training & Workshop	8,490	1,084	3,383	4,467	4,023	47%

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CARE OF AFGHAN FAMILIES (CAF)  
 Donor: World Bank (THROUGH SEHAT GRANT MOPH)  
 Project Period: July 01, 2015 to Aug 11, 2016

Reference no:  
 Project Name: Community Midwifery Education (CME) in Takhar Province  
 Location: Takhar Province  
 Statement of Budget Variance  
 Statement Period: July 01, 2015 to Dec 21, 2015

	US\$					TOTAL	BUDGET VARIANCE	VARIANCE %
	Total Budget	Dec-22, 2015	Aug 31, 2016	ACTUAL EXPENDITURE				
22 Repairs & maint	1,434	477	302	779	655	46%		
23 Utilities	1,404	1,059	4,193	5,252	(3,849)	-274%		
23 Fuel	9,260	85	3,888	3,973	5,287	57%		
23 Materials & supplies	23,925	11,830	19,027	30,857	(6,933)	-29%		
23 Other cost	55,293	20,005	27,502	47,507	7,786	14%		
<b>Subtotal Goods &amp; Services</b>	<b>108,422</b>	<b>37,632</b>	<b>62,652</b>	<b>100,284</b>	<b>8,138</b>	<b>8%</b>		
<b>Total CME-School cost CAF</b>	<b>190,306</b>	<b>71,251</b>	<b>105,971</b>	<b>177,223</b>	<b>13,084</b>	<b>7%</b>		
<b>GRAND TOTAL BEFORE ICR</b>	<b>203,850</b>	<b>76,115</b>	<b>114,545</b>	<b>190,660</b>	<b>13,190</b>	<b>6%</b>		
Indirect cost percentage	10%	10%	10%	10%	10%	10%	10%	
Indirect cost	20,385	7,611.51	11,455	19,066	1,319	6%		
<b>Total</b>	<b>20,385</b>	<b>7,612</b>	<b>11,455</b>	<b>19,066</b>	<b>1,319</b>	<b>6%</b>		
<b>GRAND TOTAL AFTER ICR</b>	<b>224,235</b>	<b>83,727</b>	<b>126,000</b>	<b>209,726</b>	<b>14,508</b>	<b>6%</b>		
<b>(LESS)/EXCESS OF FUNDS OVER EXPENDITURE IN US\$</b>		<b>(72,829)</b>	<b>-</b>					
<b>(LESS)/EXCESS OF FUNDS OVER EXPENDITURE IN AFS</b>		<b>(4,602,714)</b>	<b>-</b>					
<b>Expense Converted in to AFS</b>		<b>5,348,277</b>	<b>8,629,179</b>					
<b>Expense Converted in to USD</b>		<b>83,727</b>	<b>126,000</b>					
<b>GRAND TOTAL EXPENSES IN AFS</b>		<b>14,861,609</b>						
<b>GRAND TOTAL EXPENSES IN USD</b>		<b>246,855</b>						

**CARE OF AFGHAN FAMILIES (CAF)  
Donor: AKF Through KIT**

Annex.13

**Community Health Financing in Context of Free Health Care in Afghanistan  
Province and Districts: Bamyan  
Project Period: 01-May-2015 To 01-May-2016  
Statement of Budget Variance  
Statement Period: Dec 22, 2015 to May 01, 2016**

	AMOUNTS IN USD - US\$				BUDGET VARIANCE	VARIANCE %
	BUDGET	ACTUAL EXPENDITURE		Total		
		22 December 2015	01 May 2016			
<b>RECEIPTS</b>						
Opening balance		(3,651)				
Grant from Donor	30,575	12,609	5,728	18,338	12,237	40%
	<b>30,575</b>	<b>12,609</b>	<b>2,077</b>	<b>18,338</b>	<b>12,237</b>	<b>40.02</b>
<b>EXPENDITURE</b>						
Research expense	400	124	-	124	276	69%
Personal expense	17,000	8,064	1,190	9,254	7,746	46%
Travel cost	10,000	4,681	-	4,681	5,319	53%
Total project administration cost	3,175	3,392	887	4,279	(1,104)	-35%
<b>TOTAL DIRECT COSTS</b>	<b>30,575</b>	<b>16,261</b>	<b>2,077</b>	<b>18,338</b>	<b>12,237</b>	<b>40%</b>
<b>TOTAL EXPENDITURE</b>	<b>30,575</b>	<b>16,261</b>	<b>2,077</b>	<b>18,338</b>	<b>12,237</b>	<b>40%</b>
<b>TOTAL FUND BALANCE</b>		(3,651)				
<b>FUND BALANCE CONVERTED IN AFS</b>		(215,421)				
<b>TOTAL EXPENDITURE CONVERTED IN AFS</b>		959,372	135,060			

**CARE OF AFGHAN FAMILIES (CAF)**

Donor: MI

Annex.14

Contract No: IYCN Baselines Survey

Province and Districts: Laghman and Wardak

Project Period: Jan 15, 2016 to March 31, 2016

Statement of Budget Variance

Statement Period: Jan 15, 2016 to March 31, 2016

	AMOUNTS IN US\$			
	BUDGET	ACTUAL EXPENDITURE MARCH 2016	BUDGET VARIANCE	VARIANCE %
<b><u>RECEIPTS</u></b>				
Opening balance				
Grant from Donor	24,698	24,698	-	0%
	<b>24,698</b>	<b>24,698</b>	-	-
<b><u>EXPENDITURE</u></b>				
Personnel	20,270	20,331	(61)	0%
Transportation and Accommodation	1,100	1,077	23	2%
Training / Supplies	896	845	51	6%
Other Direct Costs	187	200	(13)	-7%
<b>TOTAL DIRECT COSTS</b>	<b>22,453</b>	<b>22,453</b>	<b>0</b>	<b>0%</b>
Indirect cost @ 10%	2,245.30	2,245	-	
<b>TOTAL EXPENDITURE</b>	<b>24,698</b>	<b>24,698</b>	<b>0</b>	<b>0%</b>
<b>TOTAL FUND BALANCE</b>		<b>0</b>	-	
<b>TOTAL EXPENDITURE CONVERTED IN US\$</b>		<b>1,691,565</b>	-	

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**CARE OF AFGHAN FAMILIES (CAF)**

**Donor: MI**

*Annex.15*

**Contract No: IFA Survey**

**Province and Districts: Laghman and Wardak**

**Project Period: Jan 04, 2016 to March 31, 2016**

**Statement of Budget Variance**

**Statement Period: Jan 04, 2016 to March 31, 2016**

	AMOUNTS IN US\$			VARIANCE %
	BUDGET	ACTUAL EXPENDITURE MARCH 31, 2016	BUDGET VARIANCE	
<b><u>RECEIPTS</u></b>				
Opening balance				
Grant from Donor	38,203	38,203	-	0%
	<b>38,203</b>	<b>38,203</b>	-	-
<b><u>EXPENDITURE</u></b>				
Personnel	31,160	31,184	(24)	0%
Transportation and Accomodation	1,650	1,660	(10)	-1%
Training / Supplies	1,440	1,440	(0)	0%
Other Direct Costs	480	446	34	7%
<b>TOTAL DIRECT COSTS</b>	<b>34,730</b>	<b>34,730</b>	<b>(0)</b>	<b>0%</b>
Indirect cost @ 10%	3,473.00	3,473	-	
<b>TOTAL EXPENDITURE</b>	<b>38,203</b>	<b>38,203</b>	<b>(0)</b>	<b>0%</b>
<b>TOTAL FUND BALANCE</b>		<b>(0)</b>	-	
<b>TOTAL EXPENDITURE CONVERTED IN US\$</b>		<b>2,618,299</b>	-	

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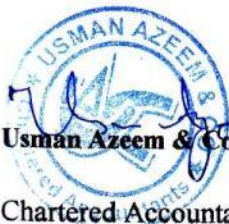
# Usman Azeem & Co.

Chartered Accountants

## INDEPENDENT AUDITORS' REPORT ON COMPUTATION OF TAX CALCULATION

General Director  
Care of Afghan Families (CAF)  
Kabul  
Afghanistan

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of computation of tax contained that the organization collected tax is AFN 22,711,464.18/- and paid tax is AFN 22,671,399.18/- presented for the purpose of additional analysis and is not required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.



Usman Azeem & Co.  
Chartered Accountants

Kabul

March 04, 2017

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Phase IV, DHA Lahore,

Care of Afghan Families (CAF)

Kabul - Afghanistan

**TAX REPORT FOR THE PERIOD FROM DECEMBER 22, 2014 TO DECEMBER 20, 2016**

S/No	Description	Dec. 22, 2015 to Dec 20, 2016			Dec. 21, 2014 to Dec 22, 2015		
		Amount Collected	Amount Paid to Government	Balance with CAF	Amount Collected	Amount Paid to Government	Balance with CAF
Amounts in Afغانis (AFN)							
<b>1</b>	<b>Payroll Tax</b>						
	Kabul	5,389,172	5,389,172	-	4,741,555	4,744,059	-
	Takhar	191,670	191,670	-	4,079,684	4,079,684	-
	Badakhshan	4,756,390	4,716,325	40,065	3,796,184	3,796,184	-
	Kunduz	1,060,214	1,060,214	-	945,049	945,049	-
	Diakundi	1,863,366	1,863,366	-	1,398,651	1,398,651	-
	Logar	3,130,337	3,130,337	-	2,539,475	2,539,475	-
		<b>16,391,149</b>	<b>16,351,084</b>	<b>40,065</b>	<b>17,500,598</b>	<b>17,503,102</b>	<b>-</b>
<b>2</b>	<b>Vehicle Tax</b>						
	Kabul	359,485	359,485	-	320,132	320,132	-
	Takhar	49,761	49,761	-	1,119,706	1,122,705	-
	Badakhshan	770,901	770,901	-	626,919	626,919	-
	Kunduz	-	-	-	-	-	-
	Diakundi	103,740	103,740	-	145,295	145,295	-
	Logar	472,166	472,166	-	504,393	504,393	-
		<b>1,756,053</b>	<b>1,756,053</b>	<b>-</b>	<b>2,716,445</b>	<b>2,719,444</b>	<b>-</b>
<b>3</b>	<b>Purchase Tax</b>						
	Kabul	2,675,334.40	2,675,334.40	-	1,354,220.02	1,354,220.02	-
	Takhar	-	-	-	138,086	138,086	-
	Badakhshan	508,794	508,794	-	81,814	81,814	-
	Kunduz	-	-	-	-	-	-
	Diakundi	120,453	120,453	-	735,979	736,779	-
	Logar	214,674	214,674	-	398,044	398,044	-
		<b>3,519,255</b>	<b>3,519,255</b>	<b>-</b>	<b>2,708,143</b>	<b>2,708,943</b>	<b>-</b>
<b>4</b>	<b>House Tax</b>						
	Kabul	358,349	358,349	-	722,418	722,418	-
	Takhar	346,726	346,726	-	437,646	437,646	-
	Badakhshan	152,303	152,303	-	223,550	223,550	-
	Kunduz	18,642	18,642	-	-	-	-
	Diakundi	30,000	30,000	-	69,917	69,917	-
	Logar	138,987	138,987	-	134,220	134,220	-
		<b>1,045,007</b>	<b>1,045,007</b>	<b>-</b>	<b>1,587,751</b>	<b>1,587,751</b>	<b>-</b>
<b>GRAND TOTAL</b>		<b>22,711,464</b>	<b>22,671,399</b>	<b>40,065</b>	<b>24,512,937</b>	<b>24,519,240</b>	<b>-</b>

Note: An amount of 40065 was paid less last year, which is paid this year to the government account.



# Usman Azeem & Co.

Chartered Accountants

## INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF COMPUTATION OF INDIRECT COST RATE.

General Director  
Care of Afghan Families (CAF)  
Kabul  
Afghanistan

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of computation of indirect cost rate is presented for the purpose for additional analysis and is not a required of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

  
Usman Azeem & Co. 36,  
Chartered Accountants

Kabul

March 04, 2017

Care of Afghan Families (CAF)  
Kabul - Afghanistan

**SCHEDULE OF COMPUTATION OF INDIRECT COST RATE  
FOR THE PERIOD ENDED DECEMBER 20, 2016**

PARTICULARS	INDIRECT COSTS			INDIRECT COSTS
	DIRECT COSTS	SUB-GRANT EXPENSES	GRANT	
SALARIES AND BENEFITS	272,583,974	-	-	37,406,114
GOOD AND SERVICES	244,486,755	-	-	11,904,254
ASSETS	-	4,899,716	-	-
SUB-GRANT EXPENSES BARAN	-	-	-	-
SUB-GRANT EXPENSES SHDP	-	-	-	-
CAF-BARAN CONSORTIUM EXPENSES	-	-	-	-
CAF DIRECT EXPENSES PORTION DAIKUNDI	-	-	-	-
CAF DIRECT EXPENSES PORTION LOGAR	-	-	-	-
DIRECT EXPENSE FIXED ASSET	-	-	-	-
<b>TOTAL:</b>	<b>517,070,729</b>	<b>4,899,716</b>	<b>-</b>	<b>49,310,368</b>

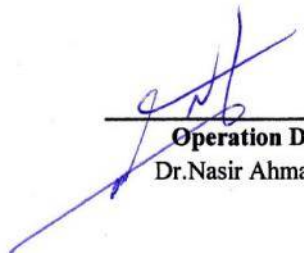
INDIRECT COST RATE (RATIO) =  $\frac{\text{Indirect Cost}}{\text{Direct Cost}} = \frac{49,310,368}{517,070,729} =$

10%  
*mt 3 Co*

Director General  
M.Naim.Rassa



Operation Director  
Dr.Nasir Ahmad Hamid





## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

General Director  
Care of Afghanistan Families (CAF)  
Kabul, Afghanistan.

We are engaged to conduct the Audit of the financial statements of CAF for implementations of various project states under activities description from Annexure 1 to Annexure 15 for the period from 22 December 2015, to December 20, 2016 funded by different donors. The financial statements are the responsibility of the CAF's management. Our responsibility is to express an opinion on the 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 statements are free of material misstatement resulting from violations of agreement terms, laws and regulations that have a direct and material effect on the financial statements.

Compliance with agreement terms, laws and regulations applicable to CAF is the responsibility of CAF's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of CAF's compliance with certain provisions of agreement terms, laws and regulations. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The result of our tests disclosed no instances of non-compliance that are required to be report to be reported here under international Auditing standards.

This report is intended for the information of CAF and its stakeholders. However, upon release by CAF this report is a matter of public record and its distribution is not limited.

For and on behalf of

  
Usman Azeem & Co.  
Chartered Accountants  
Kabul  
March 04, 2017



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