

**M/S PARTNERS IN REVITALIZATION AND BUILDING
(PRB)**

**Audited Financial Statements
For The Year Ended December 31, 2022**



INDEPENDENT MEMBER OF

PrimeGlobal

An Association of
Independent Accounting Firms



Oriental Consultants
Chartered Management Accountants

(An Independent Member Firm of PrimeGlobal)

Accountants, Auditors & Management Consultants

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Independent Auditor's Report

M/S Partner; in Revitalization and Building (PRB)

Qualified Opinion

We have audited the organization financial statements **Partner; in Revitalization and Building (PRB)** (here-in after referred as the organization), which comprise the statement of financial position as at December 31, 2022, the statement of income and expenditure, statement of cash flow, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2022, and its statement of income and expenditure and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

We conducted our audit in accordance with the international standards on auditing (ISA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial statements* section of our report. We are independent of the foundation in accordance with the Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants, as adopted by Certified Professional Accountants of Afghanistan and we have fulfilled our other ethical responsibilities in accordance with these requirements. We did not performed cash count at the end of the financial year as we were appointed after the financial year end and the effect of which may be material either alone or an aggregate with other transactions. Apart from the matters discussed above the organization financial statements presents true and fair view.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting standards for small and medium size entities and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the foundation or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the foundation financial reporting process.

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Auditor's Responsibilities for the Audit of the financial statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oriental Consultants

Oriental Consultants (An Independent Member of PrimeGlobal)

Dated: 5th May 2024



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PARTNERS IN REVITALIZATION AND BUILDING (PRB)

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

	Notes	2022 AFN	2021 AFN
ASSETS			
Current assets:			
Cash and cash equivalent	5	8,502,234	77,048
Receivables from donors	6	1,940,762	415,844
TOTAL ASSETS		10,442,996	492,892
FUND AND LIABILITIES			
Funds:			
PRB fund balance	7	6,711	492,892
Current liabilities:			
Deferred grant	8	8,429,821	-
Payables	9	2,006,464	-
TOTAL FUND AND LIABILITIES		10,442,996	492,892



The annexed notes from 1 to 13 form an integral part of these financial statements.


Finance Manager


Executive Director


**PARTNERS IN REVITALIZATION AND BUILDING (PRB)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Notes	2022 AFN	2021 AFN
INCOME			
Grants/donation income	10	41,146,228	103,567,653
TOTAL INCOME		41,146,228	103,567,653
EXPENDITURES			
Project expenditure	11	40,660,045	103,323,504
Office running cost	12	486,183	244,149
TOTAL EXPENDITURES		41,146,228	103,567,653
EXCESS OF EXPENDITURE OVER INCOME FOR THE YEAR		-	-



The annexed notes from 1 to 13 form an integral part of these financial statements.



Finance Manager



Executive Director



PARTNERS IN REVITALIZATION AND BUILDING (PRB)**STATEMENT OF CASH FLOW****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Notes	2022 AFN	2021 AFN
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the period		-	-
Add: Depreciation for the year		-	-
Deficit / surplus for the year after depreciation adjustment		-	-
Decrease / (Increase) in current assets:			
Receivables from donors/ deferred expenses		(1,524,918)	396,197
		(1,524,918)	396,197
(Decrease) / Increase in current liabilities:			
Deferred grant		8,429,821	(25,099,400)
Payables		2,006,464	-
Net cash generated from / (used in) operating activities		8,911,367	(24,703,203)
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Purchased of fixed assets		-	-
		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) / increase in financing			
PRB fund balance		(486,181)	492,892
		(486,181)	492,892
Net increase / (decrease) in cash and cash equivalent		8,425,186	(24,210,311)
Cash and cash equivalents at the beginning of the period		77,048	24,287,358
Cash and cash equivalents at the end of the period	5	8,502,234	77,048

The annexed notes from 1 to 13 form an integral part of these financial statements.


Finance Manager


Executive Director



PARTNERS IN REVITALIZATION AND BUILDING (PRB)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

1 STATUS AND OPERATIONS

Partners in Revitalization and Building (PRB) is a non governmental, non political and not for profit organization established in July 1990 . PRB has been registered as an NGO with Ministry of Economy of Afghanistan under license No.94. PRB aims to commit peace building and stability in Afghanistan by improving the basic living conditions for the people of rural and urban part of the country. PRB is a member of ACBAR and ANCB and the PRB registered office is situated at house # 300, Buji Barq Bus stop Kulula Pushta Kabul.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared by management of the organization in accordance with accounting policies mentioned in notes to the financial statements.

2.2 BASIS OF MEASUREMENT

The Financial Statement has been prepared under historical cost basis of accounting using accrual basis of accounting.

2.3 PRESENTATION AND FUNCTIONAL CURRENCY

These financial statements have been presented in Afghani, which is also the organization financial currency. All the financial information presented in AFN has been rounded off to the nearest of AFN, unless otherwise stated.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 CAPITAL ASSETS

Due to the nature of organizational activities and short term grants. Capital assets purchased out of the funds provided by donors during the year are charged to the expenditures in the same period of accounting.

3.2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand and cash at banks. Cash equivalents are liquid investments that are readily convertible to know amounts of cash and which are subject to insignificant risk of changes in value.



PARTNERS IN REVITALIZATION AND BUILDING (PRB)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

3.3 GRANT RECOGNITION

Grants/donation/ contribution received for specific purposes are shown as deferred grants/donation or PRB admin funds. Such grants are transferred to income as project income up to the extent of actual expenditure incurred there against. Unspent portion of such grants/donation/contribution are reflected as deferred grants or PRB admin funds in the statement of financial position. Expenditure incurred against grant committed but not received are reflected as receivable from donors.

3.4 RECOGNITION OF EXPENSES

Expenses are recognized as and when these are incurred.

3.5 TAXATION

There is no charge of corporate taxation as the organization, being a non profit organization, has been granted exemption from tax in Afghanistan. However, staff and suppliers of the organization is liable to Income Tax as per the Afghanistan Income Tax Law.



PARTNERS IN REVITALIZATION AND BUILDING (PRB)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

4 GRANT DETAIL

	Food security assistance to IDPs, returnees and host communities in Jawzjan province AFG 1243	Food security assistance to IDPs, returnees and host communities in Balkh & Jawzjan provinces AFG 1243-2	Stabilization Livelihood and fostering Resilience in Afghanistan AFG 1260	Total
FUNDED BY ANNEX	WHH ANNEX-A AFN	WHH ANNEX-B AFN	WHH ANNEX-C AFN	
As at January 01, 2022 deferred grant / (grant receivable)	-	-	-	-
Funds received during the year	2,972,313	4,031,317	40,145,474	47,149,104
Funds available	2,972,313	4,031,317	40,145,474	47,149,104
Expenses incurred during the year	2,972,313	5,972,079	31,715,653	40,660,045
DEFERRED GRANT / (RECEIVABLES FROM DONOR)	-	(1,940,762)	8,429,821	6,489,059



PARTNERS IN REVITALIZATION AND BUILDING (PRB)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Notes:	2022 AFN	2021 AFN
5 CASH AND CASH EQUIVALENT			
Cash in hand		2,604,767	8,016
Cash at bank	5.1	5,897,467	69,032
		8,502,234	77,048
5.1 CASH AT BANK			
Cash at AIB bank-600 (AFN)		5,894,753	6,623
Cash at AIB bank-601 (EURO)		-	-
Cash at AIB bank-602 (USD)		-	-
Cash at AIB bank-603 (AFN)		2,714	62,409
		5,897,467	69,032
6 RECEIVABLES FROM DONORS			
Food security assistance to IDPs, returnees and host communities in Balkh & Jawzjan provinces AFG 1243-2 (Funded by: WHH)	Annex-B	1,940,762	-
Afghanistan cashmere supply chain (Location: Herat, Mazar) α-05533-02:AF (Funded by: OXFAM-GB)		-	295,402
Women economic empowerment and food security for women in rural areas in Jawzjan province AFG-1211 (Funded by: WHH)		-	62,583
Linking agriculture and nrm toward improved food security in Balkh, Samangan & Jawzjan provinces AFG-1212 (Funded by: WHH)		-	57,859
		1,940,762	415,844
7 PRB ADMIN FUND			
Opening balance		492,894	-
Twining programme ACBAR (funded by PRB)		-	141,264.00
Emergency support to reduce drought impact (funded by Oxfam)		-	20,369.35
Add: Funds transferred from the projects during the year Breed profiles for cashmere & wool fiber G-KAB-001 (Funded by DAI-ACEBA)		-	326,949.00
Food distribution in Samangan province Af01-948/2021/SSUP/U-F-WINT/PRB (funded by WFP)		-	248,459
Less: Funds utilize during the year for office running cost Office running cost	12	(486,193)	(244,149)
		6,711	1,068,300



PARTNERS IN REVITALIZATION AND BUILDING (PRB)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Notes	2022 AFN	2021 AFN
8 DEFERRED GRANT			
Stabilization livelihood and fostering resilience in Afghanistan AFG 1260 (Funded by: WHH)	Annex-C	8,429,821	-
		8,429,821	-
9 PAYABLES			
Loan payable		2,006,464	-
		2,006,464	-
10 GRANTS INCOME			
Project expenditures during the year	11	40,660,045	103,323,507
PRB admin cost financed from admin funds	12	486,183	244,149
		41,146,228	103,567,656
11 PROJECT EXPENDITURES			
Emergency response to food and nutrition security crisis in Jawzjan province, Afghanistan .AFG 1243 (Funded by: WHH)	Annex-A	2,972,313	-
Emergency response to food and nutrition security crisis in Jawzjan province, Afghanistan .AFG 1243-2 (Funded by: WHH)	Annex-B	5,972,079	-
Stabilization livelihood and fostering resilience in Afghanistan AFG 1260 (Funded by: WHH)	Annex-C	31,715,653	-
Afghanistan cashmere supply chain (location: Herat,Mazar) a-05533-02:AF (Funded by: OXFAM-GB)		-	13,784,682
Women economic empowerment and food security for women in rural areas in Jawzjan province AFG-1211 (Funded by: WHH)		-	20,228,913
Linking agriculture and NRM AFG-1212		-	58,786,602
Distribution of Improved wheat seed and fertilizer		-	1,558,104
Distribution of Cash in Samangan Province		-	745,083
Breed profiles for cashmere and wool production		-	4,670,700
Food distribution in Samangan province		-	3,549,420
		40,660,045	103,323,504



PARTNERS IN REVITALIZATION AND BUILDING (PRB)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Notes	2022 AFN	2021 AFN
12 OFFICE RUNNING COST			
PRB administration expenses		31,494	187,564
Office rent costs		355,789	-
Personnel salaries		98,900	16,585
Transportation cost		"	40,000
		486,183	244,149

13 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were approved by the management of the Organization on May 18, 2023 and were authorized for Issue by the Board on



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Finance Manager

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Executive Director



PARTNERS IN REVITALIZATION AND BUILDING (PRB) ANNEX-A
PROJECT: FOOD SECURITY ASSISTANCE TO IDPS, RETURNEES AND HOST COMMUNITIES IN
JAWZJAN PROVINCE AFG 1243

FUNDED BY: WHH

RECEIPT AND EXPENDITURE STATEMENT

PROJECT PERIOD: 01 FEBRUARY 2022 TO 31 MARCH 2022

REPORTING PERIOD: 01 JANUARY 2022 TO 31 DECEMBER 2022

	Notes	2022 AFN Actual
<u>INCOME</u>		
Funds received during the year	4	2,972,313
<u>TOTAL</u>		
2,972,313		
<u>EXPENDITURE</u>		
Direct program expenditure		183,345
Administration		526,103
Office rent		142,406
Travel & transportation		389,343
Personnel salaries		1,555,416
Perdiem & accommodations		175,700
<u>TOTAL</u>		
2,972,313		
<u>SURPLUS / (DEFICIT) OF FUNDS OVER EXPENDITURE</u>		
-		


Finance Manager


Executive Director



**PARTNER IN REVITALIZATION AND BUILDING (PRB)
PROJECT: FOOD SECURITY ASSISTANCE TO IDP, RETURNEE, AND HOST COMMUNITIES IN
BALKH & JAWZJAN PROVINCES AFG 1243-2**

ANNEX-B

FUNDED BY: WHH

RECEIPT AND EXPENDITURE STATEMENT

PROJECT PERIOD: 21 AUGUST TO 20 APRIL 2023

REPORTING PERIOD: 01 JANUARY 2022 TO 31 DECEMBER 2022

	2022
	AFN
Notes:	Actual
INCOME	
Funds received during the year	4,031,317
TOTAL	4,031,317
EXPENDITURE	
Administration expenses	815,879
Office rent	255,800
Travel & transportation	1,444,035
Personnel salaries	3,456,365
TOTAL	5,972,079
SURPLUS / (DEFICIT) OF FUNDS OVER EXPENDITURE	(1,940,762)



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Finance Manager

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Executive Director



PARTNERS IN REVITALIZATION AND BUILDING (PRB)

ANNEX-C

PROJECT: STABILIZING LIVELIHOODS AND FOSTERING RESILIENCE IN AFGHANISTA AFG 1260 (JAWZJAN/MAZAR)

FUNDED BY: WHH

RECEIPT AND EXPENDITURE STATEMENT

PROJECT PERIOD: 01 FEBUARY 2022 TO 31 OCTOBER 2024

REPORTING PERIOD: 01 JANUARY 2022 TO 31 DECEMBER 2022

	Notes	2022 AFN Actual
<u>INCOME</u>		
Funds received during the year	4	40,145,474
<u>TOTAL</u>		40,145,474
<u>EXPENDITURE</u>		
Direct program expenditure		17,912,357
Administration		1,860,884
Office rent		556,061
Travel & transportation		1,988,756
Personnel salaries		8,961,585
Materials and supplies (procurements)		436,010
<u>TOTAL</u>		31,715,653
<u>SURPLUS / (DEFICIT) OF FUNDS OVER EXPENDITURE</u>		8,429,821


Finance Manager


Executive Director

