

**DEVELOPMENT AND ABILITY ORGANIZATION
(DAO)**

**AUDITED
FINANCIAL STATEMENTS**
For the year ended December 31, 2018



AJIT PRATAP SINGH & Co.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statement of **DEVELOPMNET AND ABILITY ORGANIZATION (DAO)** - Afghanistan as at December 31, 2018, the statement of income and expenditures, cash flow statements and statement of general fund for the year then ended, and a summary of significant accounting policies and other explanatory notes information. The financial statements have been prepared by management using the basis of accounting described in Note 3 to the financial statements.

Management's responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting described in note 3 to the financial statement; this includes determining that the basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances and for the such internal control as management determines is necessary to enable the preparation of the financial statements that is free from material misstatement, whether due to fraud or error.

Auditors' 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 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 the auditors' 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 internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the entity's 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 accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that our audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements presents fairly, in all material respects, the financial position of Development and Ability Organization (DAO), as at December 31, 2018, and its fund and expenditures for the year then ended in accordance with the basis of preparation as described in Notes to the financial statements.

Other Matters

The financial statements of the organization for the year ended December 31, 2017 were audited by another firm of chartered accountants and expressed an unmodified opinion on those Statements dated May 17, 2018

Date: 04, 04, 2019

Kabul



**DEVELOPMENT AND ABILITY ORGANIZATION (DAO)
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018**

	<u>Notes</u>	<u>USD \$</u> 2018	<u>USD \$</u> 2017
CURRENT ASSETS			
Receivables from donor	4	8,554	13,335
Cash & cash equivalent	5	42,635	28,553
		<u>51,189</u>	<u>41,888</u>
FUNDS & LIABILITIES:			
General Fund		11,667	14,114
CURRENT LIABILITIES			
Accrued expenses & other liabilities	6	8,554	14,171
Unutilized grants deferred	4	30,968	13,603
		<u>39,522</u>	<u>27,774</u>
TOTAL FUNDS & LIABILITIES		<u>51,189</u>	<u>41,888</u>

The annexed notes form an integral part of these accounts



Senior Finance Manager
DAO





Executive Director
DAO



**DEVELOPMENT AND ABILITY ORGANIZATION (DAO)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31, 2018**

	<u>Notes</u>	<u>USD \$</u> 2018	<u>USD \$</u> 2017
INCOME:			
- Grant Income	4	329,337	114,862
- DAO contribution	7	7,702	7,560
- Exchange gain		65	-
		<u>337,105</u>	<u>122,422</u>
EXPENDITURE:			
- Direct program cost	8	329,337	117,763
- Administration cost	9	10,214	3,260
		<u>339,551</u>	<u>121,023</u>
Surplus/(Deficit) for the year		<u>(2,447)</u>	<u>1,399</u>

The annexed notes form an integral part of these accounts



Senior Finance Manager
DAO





Executive Director
DAO



DEVELOPMENT AND ABILITY ORGANIZATION (DAO)
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2018

<u>Notes</u>	<u>USD \$</u> <u>2018</u>	<u>USD \$</u> <u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus/(Deficit) for the year	(2,447)	1,399
Net Surplus/(Deficit) before working capital changes		
Working Capital Changes		
(Increase)/Decreases in receivables from donors	4,781	(6,612)
(Increase)/Decreases in accrued expenses & other liabilities	(5,617)	(1,499)
(Increase)/Decreases in unutilized differed grants	17,365	13,603
Net working capital changes	<u>16,529</u>	<u>5,492</u>
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	<u>14,082</u>	<u>6,891</u>
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES	<u>14,082</u>	<u>6,891</u>
Net increase/(decrease) in cash & cash equivalents during the year	<u>14,082</u>	<u>6,891</u>
CASH & CASH EQUIVALENT AT THE START OF YEAR	28,553	21,662
CASH & CASH EQUIVALENT AT THE END OF YEAR	<u>42,635</u>	<u>28,553</u>

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Senior Finance Manager
DAO




Executive Director
DAO



**DEVELOPMENT AND ABILITY ORGANIZATION (DAO)
STATEMENT OF GENERAL FUNDS
AS AT DECEMBER 31, 2018**

	<u>General Funds</u>	<u>Total USD</u>
Balance as at December 31, 2015	7,615	7,615
Surplus/(Deficit) for the year	5,100	5,100
Balance as at December 31, 2016	12,715	12,715
Surplus/(Deficit) for the year	1,399	1,399
Balance as at December 31, 2017	14,114	14,114
Surplus/(Deficit) for the year	(2,447)	(2,447)
Balance as at December 31, 2018	11,667	11,667

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