

**M/S Environmental Protection Training
And Development Organization (EPTDO)
Audited Financial Statements
For The Project Period
1st October 2023 to 31st May 2024**



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Oriental Consultants

Chartered Management Accountants

(An Independent Member Firm of PrimeGlobal)

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Independent Auditor's Report

To the Board of Director of M/S Environmental Protection Training and Development Organization (EPTDO) Unqualified Opinion

We have audited the accompanying financial statements of **M/S Environmental Protection Training and Development Organization (EPTDO)** (here-in after referred as the organization) which comprise of statement of financial position, statement of income and expenditure, statement of cashflow for the project period ended 31 May, 2024 and notes to the financial statements including a summary of significant accounting policies

In our opinion, the organization financial statements present true and fair view of the organization affairs in accordance with accounting policies as adopted by the organization referred to note. 3 to the financial statements.

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

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 organization'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 organization or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the organization 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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
Chartered Management Accountant
(An Independent Member of PrimeGlobal USA)
Dated: 14th October, 2024



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ENVIRONMENTAL PROTECTION TRAINING & DEVELOPMENT ORGANIZATION (EPTDO)

PROJECT REF No : UNDPAPFG_LVG_NCCSP_008

DONOR : UNITED NATION DEVELOPMENT PROGRAMME

STATEMENT OF FINANCIAL POSITION

FOR THE PERIOD 1-OCTOBER- 2023 TO 31-MAY-2024

	Notes	31-May-24 USD
ASSETS		
Property plant & equipment		
Property plant & equipment	4	-
		-
Current assets		
Cash and cash equivalents	5	1,000
		1,000
TOTAL ASSETS		1,000
GENERAL FUNDS AND LIABILITIES		
General fund		
EPTDO fund balance		-
Short term liabilities		
Payable	6	1,000
		1,000
TOTAL LIABILITIES & GENERAL FUNDS		1,000



Finance Manager



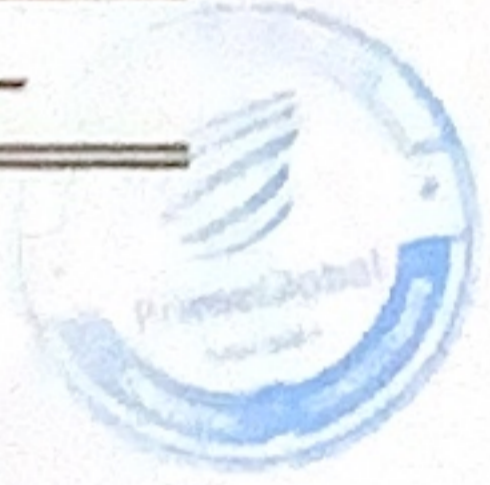


Executive Director



ENVIRONMENTAL PROTECTION TRAINING & DEVELOPMENT ORGANIZATION (EPTDO)
PROJECT REF No : UNDPAFG_LVG_NCCSP_008
STATEMENT OF INCOME AND EXPENDITURES
FOR THE PERIOD 1-OCTOBER- 2023 TO 31-MAY-2024

	Notes	31-May-24 USD
DONATION/GRANTS INCOME		
Donation income	7	50,000
TOTAL INCOME		<u>50,000</u>
EXPENDITURES		
Project expenses	8	50,000
TOTAL EXPENDITURES		<u>50,000</u>
SURPLUS/ (DEFICIT) FOR THE YEAR		<u><u>-</u></u>





Finance Manager





Executive Director

ENVIRONMENTAL PROTECTION TRAINING & DEVELOPMENT ORGANIZATION (EPTDO)

PROJECT REF No : UNDPAPG_LVG_NCCSP_008

STATEMENT OF CASH FLOWS

FOR THE PERIOD 1-OCTOBER- 2023 TO 31-MAY-2024

	Notes	31-May-24 USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus /(Deficit) for the period		-
Add: Depreciation for the period		-
		-
Decrease / (Increase) in current assets:		-
		-
(Decrease) / Increase in current liabilities:		
Payable		1,000
Differed grant/donations		-
Net cash generated from / (used in) operating activities		1,000
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Purchased of fixed assets		-
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease / increase in financing		
EPTDO fund balance		-
		-
Net increase / (decrease) in cash and cash equivalent		1,000
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period	4	1,000

Finance Manager



Executive Director

ENVIRONMENTAL PROTECTION TRAINING & DEVELOPMENT ORGANIZATION (EPTDO)

PROJECT REF No : UNDPAFG_LVG_NCCSP_008

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 1-OCTOBER- 2023 TO 31-MAY-2024

1 STATUS AND OPERATIONS

Environmental Protection, Trainings and Development Organization (EPTDO) is a non-governmental, non-political, and non-profit organization (NGO) that exclusively focuses on climate change adaptation and mitigation, environmental safety, livelihood and agriculture development, gender equality and inclusion, biodiversity conservation, achieving net-zero carbon emissions, climate change education, and addressing ecological issues.

Based on the Afghanistan Non-Governmental Organizations (NGOs) law, the EPTDO organization was officially registered in 9 September 2020 with the Ministry of Economy of Afghanistan under license no 5008 as a non-profit and tax-exempt NGO.

The EPTDO organization has a dynamic team of highly skilled professionals from various fields of environment and climate, lawyer, policy maker, public health, media and agriculture development.

2 BASIS OF PREPARATION

These financial statements are prepared in accordance with accounting policies adopted by the organization as detailed in the note 3 to these financial statements.

2.1 FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in USD which is the organization's functional and presentation currency and all values are rounded off to the nearest USD.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the period presented, unless otherwise stated.

3.1 ACCOUNTING CONVENTION

The statement of income & expenditure has been prepared on accrual basis of accounting.

3.2 FIXED ASSETS

Assets acquired and funded from donor's fund are charged off as expenses of the project at the time of acquisition, as the ownership and right and discretion to disposal remain with the donor organization. Accordingly project expenditure includes cost of certain enduring items relating to projects funded by donors if any. Assets acquired from EPTDO own funds are considered as fixed assets and annual depreciation are charges as per the organization policy. Annual depreciation is charged as admin expenses.

3.3 CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statement, cash and cash equivalents include balances with less than three months maturity from the date of acquisition including cash in hand, balances at banks and short term placements.



ENVIRONMENTAL PROTECTION TRAINING & DEVELOPMENT ORGANIZATION (EPTDO)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1-OCTOBER- 2023 TO 31-MAY-2024

3.4 GRANT /DONATIONS/ CONTRIBUTION INCOME

Grants/donation/ contribution received for specific purposes are shown as defferd grants/donoation. 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 are reflected as deferred grants in the statement of financial position. Expenditure incurred against grant committed but not received is accrued and recognized as project income and is reflected as receivable from donors in the statement of financial position.

3.5 FOREIGN CURRENCY TRANSACTIONS

Transactions in currencies other than the reporting currency (USD) are accounted for at the exchange rate prevailing on the date of transactions as per DAB rate. All the monetary assets and liabilities denominated in currencies other than the reporting currency at the period end are translated at the exchange rates (as per Da Afghanistan Bank) on the date of statement of financial position.

3.6 FOREIGN CURRENCY EXCHANGE GAIN/LOSS

The organization maintains the books of accounts in the USD currencies . The exchange gain/loss due to foreign currency transactions are treated as income/expense of the financial year

3.7 FINANCIAL LIABILITIES

Financial liabilities are recognized when the organization becomes party to the contractual provision of the instruments and are derecognized when the obligation specified in the contract is discharged or cancelled or expired.

3.8 TAXTATION

There is no charge of corporate taxation as the organization, being a non profit organization and has been granted exemption from income tax . EPTDO need to get an exemption certificate from the ministry of Finance. However, staff and suppliers of the organizaiton is liable to Income tax as per the Afghanistan Income Tax Law.

3.9 ACCRUALS

Accruals comprise expenses relating to the current period, which will not be invoiced after the balance sheet date.



ENVIRONMENTAL PROTECTION TRAINING & DEVELOPMENT ORGANIZATION (EPTDO)
PROJECT REF No : UNDPAFG_LVG_NCCSP_008

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 1-OCTOBER- 2023 TO 31-MAY-2024

	<u>31-May-24</u> <u>USD</u>
4 PROPERTY PLANT AND EQUIPMENT	
Property plant and equipment	-
	<u>-</u>
5 CASH AND CASH EQUIVALENTS	
Cash in hand	1,000
	<u>1,000</u>
5 PAYABLES	
Audit fee payable	1,000
	<u>1,000</u>
7 DONATION INCOME	
Instalment No 1	30,000
Instalment No 2	20,000
	<u>50,000</u>
8 PROJECT EXPENSES	
Personal expense	13,514
Transportation expense	2,275
Premise expense (rent)	2,400
Training/seminar/workshop expenses	30,000
Contract expense - external audit	1,000
Equipment/furniture expenses	589
Other cost including ToT expenses	222
	<u>50,000</u>

Annex A


Finance Manager


Executive Director



ENVIRONMENTAL PROTECTION TRAINING & DEVELOPMENT ORGANIZATION (EPTDO)

STATEMENT OF BUDGET VS ACTUAL EXPENDITURE

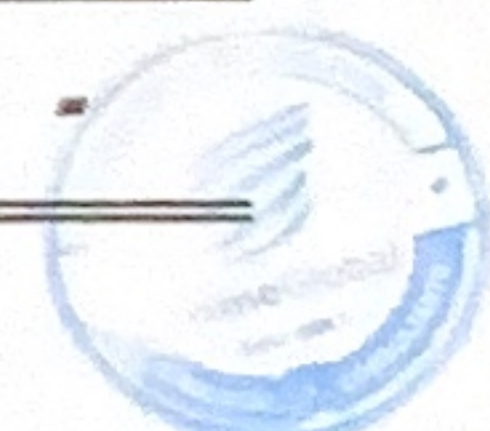
PROJECT REF No : UNDPAFG_LVG_NCCSP_008

DONOR : UNITED NATION DEVELOPMENT PROGRAMME

FOR THE PERIOD 1-OCTOBER- 2023 TO 31-MAY-2024

ANNEX-A

	Budget	Actual	Variance
<u>BUDGET</u>	USD	USD	USD
Project donation income	50,000	50,000	-
<u>EXPENDITURE</u>			
Personal expense	14,000	13,514	486
Transportation expense	1,800	2,275	(475)
Premise expense (rent)	2,400	2,400	-
Training/seminar/workshop expenses	30,000	30,000	-
Contract expense - external audit	1,000	1,000	-
Equipment/furniture expenses	800	589	211
Other cost including ToT expenses	-	222	(222)
Total	50,000	50,000	-
SURPLUS / (DEFICIT) OF FUNDS OVER EXPENDITURE	-	-	-





Finance Manager





Executive Director