

**FUTURE GENERATIONS AFGHANISTAN
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**



A. SALAM JAN & CO.
Chartered Accountants

a member firm of



*a network of independent accountancy,
law and consultancy firms.*



	2010 USD	2009 USD
7. OPERATIONAL COST		
Accounting and consultancy expenses	-	5,340
Bank charges	320	1,235
Carriage inwards and outwards	388	1,111
Electricity charges	5,587	3,738
Exchange Gain/Loss	445	132
Fuel for generator	114	20,542
Gas charges	952	1,559
Heating expenses	717	4,348
International travel expenses	2,119	7,487
Internet expenses	8,073	4,420
Legal fee and registration exp.	-	3,906
Local travel expenses	5,764	45,645
Meals & per diem domestic	806	3,677
Miscellaneous expenses	1,000	828
Future Generations US Office administrative cost	-	13,500
Office rent	33,880	54,405
Office supplies	2,609	19,862
Printing and copying	1,023	2,880
Repair and maintenance- Equipments	1,392	12,964
Repair and maintenance- Building	-	2,518
Repair and maintenance- General	251	-
Stationery expenses	2,540	1,492
Taxes	-	10,261
Telephone expenses	4,159	16,898
Vehicles fuel	84	13,939
Vehicles maintenance	2	2,581
Vehicles rent	42,070	166,730
Water charges	-	361
Audit fee and expenses	1,800	1,200
Per diem for Int. travel	738	180
Postage and shipping	215	5
Training expenses	414	14,449
Utilities and water charges	1,297	92
Workshop expenses	170	9,036
	118,929	447,320
8. MATERIAL AND PROGRAM SUPPLIES COST		
Materials and supplies	2,110	159,229
	2,110	159,229
9. GENERAL		

- Figures have been rounded off to nearest USD.

PESHAWAR
September 27, 2010


FINANCE MANAGER


DIRECTOR

		2010 USD	2009 USD
3. CASH AND BANK BALANCES			
Cash in hand	3.1	3,906	2,262
Cash at banks	3.2	225,300	133,461
		229,206	135,723
3.1 CASH IN HAND HEAD OFFICE			
Cash in hand Kabul office		3,759	1,449
Cash in hand Field office		147	813
		3,906	2,262
3.2 CASH AT BANKS			
Kabul Bank- FGA main account		154,632	133,124
Kabul Bank- NSP account		70,545	337
Kabul Bank- Ghazni		100	-
Kabul Bank- Nangarhar		22	-
		225,300	133,461
4. GRANTS FROM DONORS			
Ministry of Rural Rehabilitation Development-NSP		120,768	198,717
Ministry of Rural Rehabilitation Development- WATSAN		43,547	49,497
United States Institute of Peace		62,077	-
Development Alternatives, Inc.		-	661,939
Flora Family Foundation		-	55,975
Canadian Embassy		-	18,068
Future Generations		246,304	146,451
		472,696	1,130,647
5. STAFF COST			
Staff salaries		188,979	586,918
		188,979	586,918
6. EQUIPMENT COST			
Furniture and Fixtures		-	5,051
Other IT Equipment		450	4,878
Other office equipment		119	212
Vehicles two wheels		-	6,285
Computers		-	750
Printers		-	130
Cell phone		-	870
Generators		-	402
		569	18,577

**FUTURE GENERATIONS AFGHANISTAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

1. STATUS AND NATURE OF OPERATIONS

Future Generations was established in 1992 with the belief that community based change was a proven alternative path to international development. Future Generations raises within communities the capacity to shape their own futures. Communities learn to maximize locally-available skills and resources and to sustain solutions that fit local cultures, economies and ecologies through Future Generation's health, education, peace building, empowerment and income generations programs.

2. SIGNIFICANT ACCOUNTING POLICIES

Following accounting policies have been followed in preparation of these financial statements.

2.1 Accounting convention and basis of preparation of financial statements.

These financial statements have been prepared under historical cost convention and in accordance with the Generally Accepted Accounting Principles (GAAP).

2.2 Revenue recognition

Income from donations and other sources is recognized on receipt basis.

2.3 Expenditure

Expenditure is recognized on accrual basis.

2.4 Non-Current assets

Non-current assets acquired during financial year are charged to income.

2.5 Current assets/ liabilities

Current assets and liabilities are stated at cost.

2.6 Foreign currency translations

All financial transactions incurred in currencies other than functional currency have been converted into US dollars based on the Da Afghanistan bank average exchange rate. Exchange gain / loss, if any, arising from the translation of currency is charged to current year's income.

2.7 Long term loan

It represents amount received from Future Generations US office as a loan to meet the expenditures of projects which were under implementations.

**FUTURE GENERATIONS AFGHANISTAN
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2010**

	NOTE	2010 USD	2009 USD
<u>INCOME</u>			
Grants from donors	4	472,696	1,130,647
		472,696	1,130,647
<u>EXPENDITURE</u>			
Staff cost	5	188,979	586,918
Equipment cost	6	569	18,577
Operational cost	7	118,929	447,320
Material and program supplies cost	8	2,110	159,229
		310,586	1,212,044
SURPLUS / (DEFICIT) FOR THE YEAR		162,110	(81,397)
ACCUMULATED SURPLUS / (DEFICIT) BROUGHT FORWARD		(8,501)	72,896
ACCUMULATED SURPLUS / (DEFICIT) CARRIED TO THE STATEMENT OF FINANCIAL POSITION		153,609	(8,501)

The above income and expenditure account should be read with the annexed notes.

PESHAWAR
September 27, 2010


FINANCE MANAGER


DIRECTOR

**FUTURE GENERATIONS AFGHANISTAN
STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)
AS AT JUNE 30, 2010**

	NOTE	2010 USD	2009 USD
<u>PROPERTY AND ASSETS</u>			
<u>CURRENT ASSETS</u>			
Advances, deposits and other receivables		170	6,712
Cash and bank balances	3	229,206	135,723
		229,376	142,435
		229,376	142,435
<u>REPRESENTED BY</u>			
CAPITAL FUND		-	-
ACCUMULATED SURPLUS / (DEFICIT)		153,609	(8,501)
		153,609	(8,501)
DEFERRED INCOME		7,484	4,225
LONG TERM LIABILITIES		-	143,345
<u>CURRENT LIABILITIES</u>			
Grant received in advance		68,160	-
Accrued expenses		-	3,266
Other liabilities		123	100
		68,283	3,366
		229,376	142,435

The above statement of financial position (balance sheet) should be read with the annexed notes.

PESHAWAR
September 27, 2010


FINANCE MANAGER


DIRECTOR

AUDITOR'S REPORT TO THE DIRECTOR

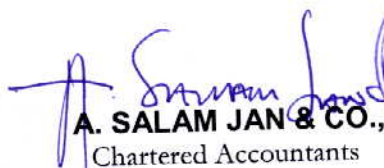
We have audited the annexed statement of financial position (balance sheet) of the **FUTURE GENERATIONS AFGHANISTAN** as at **JUNE 30, 2010** and the related income and expenditure account together with the notes forming part thereof (here-in-after referred to as the financial statements) for the year then ended.

It is the responsibility of the management to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly in all material respects the financial position of the **FUTURE GENERATIONS AFGHANISTAN** as at **JUNE 30, 2010** and of its surplus for the year then ended in accordance with the approved accounting standards and the donors' reporting requirements.

Peshawar
September 27, 2010


A. SALAM JAN & CO.,
Chartered Accountants

