



WOMEN FOR AFGHAN WOMEN

**WOMEN FOR AFGHAN WOMEN, INC.**

**Independent Auditor's Report  
On Consolidated Financial Statements**

**For The Year Ending December 31, 2021**

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**Women for Afghan Women, Inc.**

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## INDEPENDENT AUDITOR'S REPORT

To: The Board of Directors  
Women for Afghan Women, Inc.  
Fresh Meadows, New York

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Women for Afghan Women, Inc. (a Non-profit Organization), which comprise the consolidated statement of financial position as of December 31, 2021, and the consolidated related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's 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 consolidated 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

## **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Women for Afghan Women, Inc. and Women for Afghan Women - Afghanistan as of December 31, 2021, and the consolidated changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

Our audits were conducted for the purpose of forming an opinion on the Consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the Consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the Consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the Consolidated financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the Consolidated financial statements as a whole.

## **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated August 25, 2023, on our consideration of Women for Afghan Women, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Women for Afghan Women, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Women for Afghan Women, Inc.'s internal control over financial reporting and compliance

*Emerging Consulting Group*

Emerging Consulting Group  
Sterling, Virginia  
August 25, 2023

**Women for Afghan Women, Inc**  
**Consolidated Statement of Financial Position**  
**As of December 31, 2021 and 2020**

	Note	WAW US	WAW Afghanistan	Eliminating Entries	Consolidated	Consolidated
		2021	2021	2021	2021	2020
<b>ASSETS</b>						
<b>Current assets:</b>						
Cash and Cash Equivalent	<u>4</u>	8,912,429	865,970	-	9,778,399	825,007
Accounts Receivable, net	<u>5</u>	1,643,712	-	-	1,643,712	35,860
Advances and Security Deposits	<u>6</u>	-	13,968	-	13,968	21,822
Intra-Entity Receivable	<u>7</u>	-	7,515,907	(7,515,907)	-	-
Grant Receivable	<u>8</u>	1,805,181	7,671	-	1,812,852	1,455,848
Prepaid Expenses		21,477	-	-	21,477	12,345
Deposit		9,637	-	-	9,637	9,637
Travel credits		128,144	-	-	128,144	-
Short-term Investments		20,638	-	-	20,638	-
<b>Total Current-Assets</b>		<b>\$ 12,541,219</b>	<b>\$ 8,403,515</b>	<b>\$ (7,515,907)</b>	<b>\$ 13,428,827</b>	<b>\$ 2,360,520</b>
<b>Non-Current Assets:</b>						
Land, Buildings and Equipment	<u>9</u>	10,324	198,662	-	208,986	155,657
<b>Total Assets</b>		<b>\$ 12,551,542</b>	<b>\$ 8,602,177</b>	<b>\$ (7,515,907)</b>	<b>\$ 13,637,813</b>	<b>\$ 2,516,177</b>
<b>LIABILITIES AND NET ASSETS</b>						
<b>Current Liabilities</b>						
Accounts Payable	<u>10</u>	42,026	227,707	-	269,733	125,338
Intra-Entity Payable	<u>7</u>	7,515,907	-	(7,515,907)	-	-
Credit Card Payments payable		3,142	-	-	3,142	2,417
Accrued expenses and other liabilities	<u>11</u>	17,280	-	-	17,280	321,309
Payroll, tax and related payables	<u>11</u>	10,107	1,100,393	-	1,110,500	6,130
403(B) Contributions payable		4,090	-	-	4,090	-
Deferred Revenue	<u>12</u>	278,144	348,808	-	626,952	252,288
PPP Loan	<u>13</u>	15,571	-	-	15,571	226,409
Payable to Subgrantees/ Consultants		21,706	-	-	21,706	10,044
Payable to AIRBNB		200,000	-	-	200,000	-
<b>Total current liabilities</b>		<b>\$ 8,107,975</b>	<b>\$ 1,676,908</b>	<b>\$ (7,515,907)</b>	<b>\$ 2,268,976</b>	<b>\$ 943,935</b>
<b>Total liabilities</b>						
<b>Net Assets:</b>						
Without Donor Restriction	<u>15</u>	3,807,402	5,388,176	\$ -	9,195,578	1,488,276
With Donor Restriction	<u>16</u>	636,166	1,537,093	-	2,173,259	83,966
		<b>\$ 4,443,568</b>	<b>\$ 6,925,269</b>	<b>\$ -</b>	<b>\$ 11,368,836</b>	<b>\$ 1,572,242</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b>\$ 12,551,542</b>	<b>\$ 8,602,177</b>	<b>\$ (7,515,907)</b>	<b>\$ 13,637,813</b>	<b>\$ 2,516,177</b>

See accompanying notes to the consolidated financial statements.

**Women for Afghan Women, Inc.**  
**Consolidated Statement of Activities**  
**For Years Ending December 31, 2021, and 2020**

	Note	WAW US	WAW Afghanistan	Eliminating Entries	Consolidated	Consolidated
		2021	2021	2021	2021	2020
<b>Operating revenue</b>						
<b>Unrestricted</b>						
Grants and Contributions	<u>17</u>	3,809,057	3,696,513	-	7,505,570	9,474,739
Admin Revenue		348,013	468,664	-	816,677	269,891
Foreign Exchange (Loss)		-	(42,881)	-	(42,881)	(209)
Other Revenue	<u>18</u>	1,548	30,414	-	31,962	-
Net Assets released from restrictions		1,214,562	9,706,623	-	10,921,185	-
		<b>\$ 5,373,180</b>	<b>\$ 13,859,333</b>	<b>\$ -</b>	<b>\$ 19,232,513</b>	<b>\$ 9,744,420</b>
<b>Temporarily Restricted</b>						
Grants and Contributions		1,804,451	11,206,026	(460,383)	12,550,095	9,426,960
Net Assets released from restrictions	<u>19</u>	(1,214,562)	(9,706,623)	-	(10,921,185)	(9,426,960)
		<b>\$ 5,963,069</b>	<b>\$ 15,358,736</b>	<b>\$ (460,383)</b>	<b>\$ 20,861,423</b>	<b>\$ 9,744,420</b>
<b>Total revenue and support</b>						
<b>Operating expenses and losses</b>						
Community Center and Advocacy		793,575	-	-	793,575	555,988
Guidance/Support Center and shelters		187,880	8,477,105	(187,880)	8,477,105	7,495,104
Management and General		519,788	1,210,353	(272,502)	1,457,638	1,482,024
Fundraising		335,837	-	-	335,837	239,138
		<b>\$ 1,837,080</b>	<b>\$ 9,687,458</b>	<b>\$ (460,383)</b>	<b>\$ 11,064,155</b>	<b>\$ 9,772,254</b>
<b>Changes in net assets from operating activity</b>						
		<b>\$ 4,125,989</b>	<b>\$ 5,671,278</b>	<b>\$ -</b>	<b>\$ 9,797,267</b>	<b>\$ (27,834)</b>
<b>Non-Operating Activity</b>						
Investment Income	<u>22</u>	(673)	-	-	(673)	-
<b>Changes in net assets from Non-operating activity</b>						
		<b>(673)</b>	<b>-</b>	<b>-</b>	<b>(673)</b>	<b>-</b>
<b>Changes in net assets</b>						
		<b>\$ 4,125,316</b>	<b>\$ 5,671,278</b>	<b>\$ -</b>	<b>\$ 9,796,594</b>	<b>\$ (27,834)</b>
<b>Prior Period Adjustment</b>						
		-	-	-	-	2,936
<b>Opening Net Asset</b>						
		318,252	1,253,990	-	1,572,242	1,597,140
<b>Closing Net Assets</b>						
		<b>\$ 4,443,568</b>	<b>\$ 6,925,268</b>	<b>\$ -</b>	<b>\$ 11,368,836</b>	<b>\$ 1,572,242</b>

See accompanying notes to the consolidated financial statements.

**Women for Afghan Women, Inc.**  
**Consolidated Statement of Functional Expenses**  
**For Years Ending December 31, 2021 and 2020**

Note	Program Activities		Support Activities		Fund Raising	Eliminating Entries	Consolidated	Consolidated
	WAW US	WAW Afghanistan	WAW US	WAW Afghanistan	WAW US		2021	2020
<b>Compensation and related expenses:</b>								
	463,601	5,083,111	339,256	970,924	178,679	(366,205)	6,669,365	5,563,041
	132,081	325,548	100,218	66,991	54,968	(55,335)	624,470	555,014
<b>Total compensation and related expenses</b>	<b>\$ 595,681</b>	<b>\$ 5,408,659</b>	<b>\$ 439,473</b>	<b>\$ 1,037,915</b>	<b>\$ 233,647</b>	<b>\$ (421,540)</b>	<b>\$ 7,293,835</b>	<b>\$ 6,118,055</b>
<b>Other Expenses</b>								
Bank charges & processing fees	-	12,627	-	5,146	-	-	17,773	26,466
Repairs and maintenance	-	45,666	-	240	-	-	45,906	63,889
Office supplies and expenses	56,828	95,793	31,770	11,300	52,142	(3,737)	244,097	186,360
Program supplies & Equipment - Other	437	141,341	450	21,518	-	-	163,746	134,843
Professional fees, and outside contractors	19,497	3,000	15,573	(25,900)	41,426	(17,280)	36,316	127,128
Printing, postage and delivery	-	20,170	-	525	-	-	20,695	13,567
Food, Clothing and Medical Expenses	-	586,485	-	19,072	-	-	605,557	750,249
Rent and Utilities	43,878	746,731	25,614	68,108	7,146	(16,588)	874,888	964,283
Kitchen Supplies	-	12,678	-	373	-	-	13,051	15,255
Other supplies pillow mattress	-	26,061	-	150	-	-	26,211	29,917
Generator Fuel and maintenance	-	6,020	-	-	-	-	6,020	9,945
Heating material	-	21,079	-	746	-	-	21,825	88,955
Personal Hygiene	-	53,351	-	861	-	-	54,212	120,514
Telephone, internet and communications	-	146,506	-	25,827	-	-	172,333	131,538
Vehicles and related expenses	-	402,462	-	16,393	-	-	418,855	367,872
Travel, hotels and related expenses	3,523	450,885	3,366	15,942	933	(1,238)	473,411	93,682
Education and Training	-	117,756	-	-	-	-	117,756	221,599
Consultant/Advisor	-	-	-	-	-	-	-	5,600
Miscellaneous	-	21,473	-	2,236	-	-	23,709	63,819
Security	-	49,445	-	155	-	-	49,600	111,947
Depreciation/Amortization	981	20,784	2,790	2,968	543	-	28,065	40,740
Program Expenses-Other	260,631	-	-	-	-	-	260,631	84,624
Interest	-	-	752	-	-	-	752	1,409
Loss of fixed asset	<u>23</u>	88,133	-	-	-	-	88,133	-
Bad debt	-	-	-	6,778	-	-	6,778	-
<b>Total Expenses</b>	<b>\$ 981,456</b>	<b>\$ 8,477,105</b>	<b>\$ 519,788</b>	<b>\$ 1,210,353</b>	<b>\$ 335,837</b>	<b>\$ (460,383)</b>	<b>\$ 11,064,156</b>	<b>\$ 9,772,254</b>

See accompanying notes to the consolidated financial statements.

**Women for Afghan Women, Inc.**  
**Consolidated Statement of Cash Flows**  
**For Years Ending December 31, 2021 and 2020**

	WAW US	WAW Afghanistan	Consolidated	Consolidated
	2021	2021	2021	2020
<b>Cash Flows from Operating Activities</b>				
Change in Net Assets	4,125,316	5,671,278	9,796,594	(27,834)
Depreciation	4,313	23,752	28,065	40,740
Loss of Fixed Assets	-	88,133	88,133	-
Adjustments to reconcile change in net worth from operating activities:				
Accounts receivable, net	(1,607,852)	-	(1,607,852)	291,089
Interagency receivable	-	(6,667,904)	(6,667,904)	(316,197)
Grants reimbursement receivable	(745,519)	388,516	(357,003)	(292,292)
Pledges receivable	-	-	-	56,078
Prepaid expenses	(9,132)	-	(9,132)	17,311
Deposit	-	-	-	145
Accounts payable	36,194	108,202	144,396	(3,913)
Due To Kabul	6,667,905	-	6,667,905	(88,105)
Accrued expenses and other liabilities	(2,720)	-	(2,720)	329,470
Payroll, sales tax and related payables	3,977	799,084	803,061	(2,743)
403(B) Contribution (Dental & Vision Withholding)	4,090	-	4,090	(4,650)
Credit Card	725	-	725	(4,563)
Deferred revenue	278,144	96,520	374,664	(358,767)
Travel Credits	(128,144)	-	(128,144)	-
Payable to sub-grantee	11,663	-	11,663	10,044
advances and security deposit	-	7,855	7,855	(9,976)
Donated Securities	(20,638)	-	(20,638)	-
Payable to AIRBNB	200,000	-	200,000	-
<b>Net Cash Flows from Operating Activities</b>	<b>\$ 8,818,322</b>	<b>\$ 515,435</b>	<b>\$ 9,333,757</b>	<b>\$ (364,165)</b>
<b>Cash flows from investing activities:</b>				
Acquisition of land, building and equipment	(6,026)	(163,501)	(169,527)	(69,966)
<b>Net cash used for investing activities</b>	<b>\$ (6,026)</b>	<b>\$ (163,501)</b>	<b>\$ (169,527)</b>	<b>\$ (69,966)</b>
<b>Cash flows from financing activities</b>				
New loan and notes payable borrowings	-	-	-	226,409
Loan Repayment	(210,838)	-	(210,838)	-
<b>Net cash provided by financing activities</b>	<b>\$ (210,838)</b>	<b>\$ -</b>	<b>\$ (210,838)</b>	<b>\$ 226,409</b>
<b>Prior Period Adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,936</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>\$ 8,601,458</b>	<b>\$ 351,934</b>	<b>\$ 8,953,392</b>	<b>\$ (204,787)</b>
<b>Cash and cash equivalents, at the beginning of the year</b>	<b>310,971</b>	<b>514,036</b>	<b>825,007</b>	<b>1,029,794</b>
<b>Cash and cash equivalents, at the end of the year</b>	<b>\$ 8,912,429</b>	<b>\$ 865,970</b>	<b>\$ 9,778,399</b>	<b>\$ 825,007</b>

See accompanying notes to the financial statements.



**Women for Afghan Women, Inc.**  
**Notes to the Consolidated Financial Statements**

**1. About the Organization:**

**Group:** Women for Afghan Women, Inc. (referred to as Group or WAW) is a not-for-profit corporation, incorporated in the State of New York in January 2002 with major operations in New York and Afghanistan. Women for Afghan Women-Afghanistan office is registered with ministry of Economy of Afghanistan as a Not-for-Profit Organization in September 2006. The primary purpose of WAW-US is to provide numerous pro bono services to expanded Afghan community through the operations of a bustling community center in Queens, New York. The primary purpose of WAW-Afghanistan is to secure and protect the rights of disenfranchised Afghan women and girls through the operation of legal aid centers and emergency and long-term care shelters for women and children in 12 provinces of Afghanistan. WAW maintains its main office in Queens, New York and an office in Kabul Afghanistan.

**Major source of income:** The Group receives its support from a combination of the U.S. Department of State, Foreign Government Grants, United Nations subdivisions, donations from Individuals and Foundations.

**Programs and services provided:** The Group's two major program areas include the following:

**a. Community Center & Advocacy:** A community center located in the heart of the Afghan community in Queens, NY that provides a number of pro bono programs and crisis services to entire Afghan families, women and children including immigration and employment support, domestic violence counseling and leadership training. The Organization also raises awareness that has an effect on policies as they relate to the rights and challenges that women face in Afghanistan;

**b. Guidance/Support Centers and Shelters:** The operation of Family Guidance Centers is to provide counseling, mediation and legal aid to women, girls and families who have experienced human rights violations, Children Support Centers that house children who were previously living with their mothers in prison emergency and long-term Shelters for women and girls who have experienced human rights violations. The Centers and shelters operate in 12 provinces of Afghanistan.

**Tax exempt status:** The Group is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code in United States and is exempt from income taxes under Income Tax Law of Afghanistan within Afghanistan. Accordingly, no provision for federal, state or local income taxes has been recorded.

**2. Summary of Significant Accounting Policies**

**Basis of presentation:** In accordance with U.S. Generally Accepted Accounting Practices (US-GAAP), the Group is required to report information regarding its financial position and activities according to two classes of net assets: unrestricted net assets and temporarily restricted net assets. In addition, the Organization is required to present a consolidated statement of cash flows.

The consolidated financial statements of the Group have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America for NPOs. The financial statements are presented in accordance with Financial Accounting Standards Board

(FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC)958-205 was effective January 1, 2018.

### **Net Asset Classes**

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

**Net assets with donor restrictions:** Net assets are subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

**Measure of Operations:** The consolidated Statements of Activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to WAW's ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

**Cash and Cash Equivalents:** WAW's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase.

**Property and equipment:** Purchased property (consisting of furniture and fixtures, equipment and vehicle) are stated at cost, less accumulated depreciation. Donated property and equipment are stated at fair value on the date of donation, less accumulated depreciation. Depreciation is computed on straight-line basis. Expenditures for maintenance and repairs are charged to current operations. Property and Equipment purchased with funds associated with, and in accordance with the contractual provisions of domestic and foreign government agency grants are initially charged to program expenses and reported to donors in the project specific expenses report and at the organization's year end, those expenses whose purchase values are equal to or more than USD 1,000 are transferred from program expenses to property and equipment and depreciated. All property and equipment whose value is deemed negligible or of little value has been written off.

WAW did not receive any donated properties in the calendar year 2021.

**Contribution receivables:** Contribution receivables that are expected to be collected within one year are recorded at their net realizable value. Contribution receivables that are expected to be collected in future years are recorded at the present value of estimated future cash flows. All receivables are expected to be received within one year and as such have been stated at their net realizable value with no allowance for uncollectable contributions.

**Revenue Recognition:** Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and the assets are placed in service.

**Investments:** Net appreciation (depreciation) in the fair value of investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments, is presented in the statement of activities in accordance with donor restrictions as investment return. Investment return is presented net of investment fees. The average cost method is primarily used to determine the basis for computing realized gains or losses.

**Contributions:** All contributions are considered available for the Group's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as temporarily or permanently restricted support and increases in the respective class of net assets. Contributions received with temporary restrictions that are met in the same reporting period are reported as unrestricted support and increase unrestricted net assets.

**Grants Receivable/Due to Grantors:** In accordance with the grant provisions, the Group either receives grant funds following the disbursement of approved expenses or is authorized to receive funds in advance of anticipated expenditures. All unreimbursed expenses as of period-end are recorded as grant receivables and all advanced funds not expended are recorded as either refundable advances or deferred income/revenue.

**Donated Services:** Some personal services are donated to the Group by various individuals. The value of the contributed time is not reflected in the accompanying financial statements since the volunteers' time does not meet the criteria for recognition.

**Functional expense allocations:** The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services (which is comprised of program activities at New York Community Center, and those related to Program activities specific to Afghanistan), and supporting services benefited. Such allocations are determined by management based on estimated time and effort of WAW personnel.

**Expense**

Fundraising  
Salaries

**Method of Allocation**

Time and Effort  
Time and Effort

Program	Program expense comprise costs associated with WAW US and WAW Afghanistan program costs, allocated on the basis of Time & Effort.
Occupancy and Other Expenses	All occupancy and other expenses are allocated based on the EFT of individual staff using the space and resources.

**Management and general expenses:** The Group classifies expenses, which are not directly related to a specific program or fundraising, as Management and General expenses.

**Estimates and assumptions:** Management uses estimates and assumptions in preparing these combined financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

**Fair Value Measurement:** The FASB Topic 820, under the FASB ASC defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This standard provides a consistent definition of fair value, which focuses on an exit price between market participants in an orderly transaction. The standard also prioritizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the transparency of inputs as follows:

Level I - Quoted prices are available in active markets for identical assets or liabilities as of the measurement date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market;

Level II - Pricing inputs other than quoted prices in active markets, which are either directly or indirectly observable as of the measurement date. The nature of these securities includes investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed; and

Level III - Securities that have little to no pricing observability as of the measurement date. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

Observable inputs reflect the assumptions market participants would use in pricing the asset or liability developed from sources independent of the reporting Organization. Unobservable inputs reflect the reporting WAW's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. WAW has segregated all financial assets and liabilities that are measured at fair value on a recurring basis (at least annually) into the most appropriate level within the fair value hierarchy based on the

inputs used to determine the fair value, except for those investments that are measured at fair value using the net asset value (“NAV”) per share practical expedient.

All Donated Securities held at year end are measured as Level I with observable active markets and are broken out as follows:

<b>Securities</b>	<b>2021</b>
Facebook (Meta)	9,081
Athene Holding	5,000
JP Morgan Chase	5,067
Abbvie	1,489
	<b>\$ 20,638</b>

**Foreign currency translation:** Foreign currency assets (i.e., foreign bank accounts) are translated into US dollar equivalents based on year-end exchange rates. Foreign generated support and revenue and expenses are translated at the monthly average exchange rates. The resultant exchange gains or (loss) are recognized in the statement of activities.

### 3. Liquidity and Availability of Resources

As of December 31, 2021, WAW had an amount of \$9,778,399 in the bank and cash. For the purposes of consistency, any amount not in the bank is treated as receivable or cash equivalent.

All cash amounts stated as cash and cash equivalents were available for general use, except for the amount of \$498,808 in deferred grants. This amount for temporary restricted grants, was received in 2021.

Moreover, there was \$100,000 board designated net assets as of December 31, 2021 for emergency use, see **note 15**.

WAW-US and WAW-Afghanistan often have intra-entity receivables and payables; these transactions primarily result from certain grants' contribution to WAW-US expenses, and as such these amounts calculated and deducted from any funds received in the WAW-US Bank and subsequently transferred to WAW-Afghanistan's designated bank account. These transactions are not a result of sales or exchange transactions between the two locations.

Following is a schedule of financial assets available within one year of the balance sheet date for general expenditure:

	<b>2021</b>	<b>2020</b>
Cash & Cash Equivalent	9,778,399	825,007
Accounts Receivable	1,643,712	35,860
Grants Reimbursement Receivable	1,812,852	1,455,848
Investments	20,638	-
	<b>\$13,255,601</b>	<b>\$2,316,715</b>

**Other disclosures according to FASB ASC 958-210-50-2:** Except for PPP loan, there were no special borrowing arrangements during 2021 calendar year, and subsequently as of the issuance of the

notes. This also means that there were no lines-of-credit arrangements with any financial institutions. Further, no donor imposed any restrictions as to the use of cash and cash equivalents, except as noted above for the deferred revenue (liability) and restricted net assets amounts.

As of December 31, 2021 WAW does not have a board approved policy on investment of excess cash in marketable securities, or any other types of investments with the expectation of turning profit. (The Board adopted an investment policy in January 2023.)

All grants reimbursement receivable amounts are due, and are expected to be received, within a 1 month to 3 years' time period.

#### 4. Cash and cash equivalents

	<u>2021</u>	<u>2020</u>
WAW US	8,912,429	310,971
WAW Afghanistan	865,970	514,036
<b>Total</b>	<b>\$9,778,399</b>	<b>\$825,007</b>

##### 4.1. WAW US

	<u>2021</u>	<u>2020</u>
Cash at Bank	8,912,429	310,971
	<b>\$8,912,429</b>	<b>\$310,971</b>

##### 4.2. WAW Afghanistan

	<u>2021</u>	<u>2020</u>
Cash in Hand	10,647	2,185
Cash at Bank	855,322	511,851
	<b>\$865,970</b>	<b>\$514,036</b>

#### 5. Accounts Receivable

The following amounts make the total of the accounts receivable as of December 31, 2021, which were then deposited into the WAW bank account in the subsequent months.

<b>Accounts Receivable</b>	<u>2021</u>	<u>2020</u>
Taxes Receivables	-	796
Receivables from Vendors	4,183	3,959
Advances to Employees	282	134
Net Donations from NFG	212,658	29,755
Facebook General Support Donations	1,426,523	870
Other	67	346
<b>Total Amount</b>	<b>\$1,643,712</b>	<b>\$35,860</b>

#### 6. Advances and Security Deposits

The following amounts make up the total of the advances and security deposits of WAW Afghanistan as of December 31, 2021.

	<u>2021</u>	<u>2020</u>
Advance Against Expenses AFN	11,366	16,377
Advance Against Expenses USD	674	2,858
Security Deposits Asset	1,927	2,587
<b>Total</b>	<b>\$13,968</b>	<b>\$21,822</b>

## 7. Intra-entity transactions

WAW US's bank account is the designated bank account for a number of donors to send funds to, for use by WAW Afghanistan. This is in recognition of WAW US, as the official headquarters of the group. Donors who normally send funds directly to New York are the U S Department of State's International Narcotics and Law (INL) agency, The Swedish International Development Cooperation Agency – among others. Similarly, WAW AFG's bank account was the designated bank account for the Colombo Plan Secretariat funds until July 2021; a number of the Colombo Plan Secretariat grants contribute funds towards the expenses of key personnel based at WAW US. After July 2021 Colombo Plan Secretariat chose WAW US bank account as the designated bank account.

On a periodic basis, the Group reconciles funds received to arrive at net funds due to either of the locations. For consolidation purposes all intra-entity receivables and payables were eliminated.

In 2021, WAW US received the following funds from the sources listed below:

<u>Description</u>	<u>Amount</u>
<b>Due to WAW-Afghanistan/Due from WAW US opening balance January 1, 2021</b>	<b>\$848,002</b>
Total donations received in WAW-US for WAW Afghanistan during 2021	8,096,705
Total fund transfer by WAW-US to WAW Afghanistan during 2021	(2,210,192)
Total offset with due from WAW Afghanistan /due to WAW-US during 2021	(527,635)
<b>Net Balance due to WAW Afghanistan/Due from WAW US</b>	<b>\$6,206,881</b>
Total billed to USDOS-INL by WAW-US on behalf of WAW Afghanistan as of December 31, 2021	739,538
Total billed to Colombo Plan by WAW-US on behalf of WAW Afghanistan as of December 31, 2021	569,488
<b>Due to WAW Afghanistan/Due from WAW-US closing balance as at December 31, 2021</b>	<b>\$7,515,907</b>

The net due to WAW-AFG/Due from WAW-US amount as of December 31, 2021, includes the grant billed to the U.S. Department of State and Colombo Plan Secretariat, contributions, and grants received in WAW US for use by WAW AFG under the Afghanistan Crisis campaign.

For the purpose of presenting consolidated financial statements, both intra-entity receivables and payables of \$7,515,907 are eliminated.

## 8. Grants Receivable

In accordance with the grant provisions, the Organization either receives grant funds following the disbursement of approved expenses or is authorized to receive funds in advance of anticipated expenditures. All unreimbursed expenses as of period end are recorded as grant receivables and all advanced funds not expended are recorded as either refundable advances or deferred income/revenue.

	<u>2021</u>	<u>2020</u>
WAW US	1,805,181	1,059,662
WAW Afghanistan	7,671	396,187
<b>Total</b>	<b>\$1,812,852</b>	<b>\$1,455,849</b>

### 8.1. WAW US

	<u>2021</u>	<u>2020</u>
DYCD	207,037	99,347
Asian American Federation (AAF)	18,445	-
Queen Borough President Office	1,230	-
Minkwon	6,000	-
Colombo Plan	569,488	-
NY Foundation for Elder Care	10,000	7,500
NYS Office of Children and Family	5,415	11,943
OVW	25,212	21,087
USCIS MAIN	21,995	33,847
Uber Technologies	50,000	-
UJA	817	-
Van Ameringen 2022-2024	150,000	-
USDOS INL	739,538	885,939
<b>Total</b>	<b>\$1,805,181</b>	<b>\$1,059,662</b>

### 8.2. WAW Afghanistan

	<u>2021</u>	<u>2020</u>
UN Women	-	271,391
Colombo Plan	-	124,460
American University of Beirut	7,671	336
<b>Total</b>	<b>\$7,671</b>	<b>\$396,187</b>

## 9. Land, Buildings and Equipment

	<u>2021</u>	<u>2020</u>
WAW US	10,324	8,611
WAW Afghanistan	198,662	147,046
<b>Total</b>	<b>\$208,986</b>	<b>\$155,657</b>

### 9.1. WAW US

	<u>2021</u>	<u>2020</u>
Compute Related Equipment	30,732	24,706
Other Equipment	12,952	12,952
Furniture and Fixtures	6,232	6,232
<b>Total</b>	<b>\$49,916</b>	<b>\$43,890</b>
Less: Accumulated Depreciation	(39,592)	(35,279)
<b>Total</b>	<b>\$10,324</b>	<b>\$8,611</b>



## 9.2. WAW Afghanistan

	<u>2021</u>	<u>2020</u>
Machinery and Equipment	76,957	152,308
Furniture and Fixtures	-	33,842
Vehicle	156,600	28,400
<b>Total</b>	<b>\$233,557</b>	<b>\$214,550</b>
Less: Accumulated Depreciation	(34,894)	(67,504)
<b>Total</b>	<b>\$198,662</b>	<b>\$147,046</b>

## 10. Accounts Payable

This represents vendor invoices for normal operating expenses that remain unpaid for the year ended December 31, 2021.

<b>Accounts Payable</b>	<u>2021</u>	<u>2020</u>
WAW US	42,026	5,832
WAW Afghanistan	227,707	119,506
	<b>\$269,733</b>	<b>\$125,338</b>

### 10.1. WAW US

	<u>2021</u>	<u>2020</u>
Accounts Payable	42,026	5,832
	<b>\$42,026</b>	<b>\$5,832</b>

### 10.2. WAW Afghanistan

	<u>2021</u>	<u>2020</u>
Accounts Payable – AFN	147,524	69,599
Accounts Payable – USD	80,183	49,908
	<b>\$227,207</b>	<b>\$119,506</b>

## 11. Accrued Expenses, Payroll, tax and related payables and other liabilities

This represents the accrual of mainly Afghanistan salaries, payroll taxes, and other related expenses.

### 11.1. Accrued expenses and other liabilities

	<u>2021</u>	<u>2020</u>
WAW-US	17,280	20,000
WAW Afghanistan	-	301,309
<b>Total</b>	<b>\$17,280</b>	<b>\$321,309</b>

#### 11.1.1. WAW Afghanistan

	<u>2021</u>	<u>2020</u>
Payroll Liabilities	-	297,862
Taxes Payable	-	3,447
Rent Payables	-	-
<b>Total</b>	<b>-</b>	<b>\$301,309</b>

## 11.2. Payroll, tax and related payables

	<u>2021</u>	<u>2020</u>
WAW-US	10,107	6,130
WAW Afghanistan	1,100,393	-
<b>Total</b>	<b>\$1,110,500</b>	<b>\$6,130</b>

### 11.2.1. WAW Afghanistan

	<u>2021</u>	<u>2020</u>
Payroll Liabilities	1,055,727	-
Taxes Payable	44,666	-
<b>Total</b>	<b>\$1,100,393</b>	<b>\$ -</b>

## 12. Deferred Revenue

Deferred grants represent funds or credit received but not utilized as of December 31, 2021. These are related to respective donors as follows:

	<u>2021</u>	<u>2020</u>
WAW US	278,144	-
WAW Afghanistan	348,808	252,288
<b>Total</b>	<b>\$626,952</b>	<b>\$252,288</b>

### 12.1.WAW US

	<u>2021</u>	<u>2020</u>
Mother Cabrini Health Foundation USP127: COVID Grant	75,000	-
Mother Cabrini Health Foundation USP128: Senior Program Grant	75,000	-
Uber: USP113 (travel credit)	49,327	-
Airbnb: USP100 (travel credit)	78,817	-
<b>Total</b>	<b>\$278,144</b>	<b>\$ -</b>

### 12.2. WAW Afghanistan

	<u>2021</u>	<u>2020</u>
Deferred Revenue - SIDA	-	191,839
Deferred Revenue - UNTF	80,813	35,615
Deferred Revenue - UNW	38,811	-
Deferred revenue UNHCR	229,184	1,702
Deferred revenue - LTS Revenue	-	23,132
<b>Total</b>	<b>\$348,808</b>	<b>\$252,288</b>

## 13. PPP Loan

In 2020 WAW US applied and received the loan under the Paycheck Protection Program (PPP) in the amount of \$215,000. In addition, WAW US also received \$10,000 from the Small Business

Administration (SBA) as Economic Injury Disaster Loan (EIDL) cash advance which is not required to be repaid. In June 2021 portion of PPP loan in the amount of \$166,451 was forgiven, along with \$10,000 EILD are reported in the statement of activities as Other Government grants. During June-December 2021 WAW US has repaid the remaining PPP loan and the balance as of December 31, 2021, is \$15,571.

#### 14. Employee Benefit Plan (Tax Deferred 403B Contributions)

Retirement benefits coverage is available for all WAW US employees, provided through a 403 (b) plan. The assets are held for each employee in an individual account maintained by an investment firm (Vanguard). Under the plan, WAW pays all the administrative costs associated with maintaining the 403(b) plan for all employees who choose to enroll in this program, whereas the individual employees fund their own retirement plan through monthly contributions that come out of their paycheck. WAW US total expenses, to maintain the 403(b) plan, were \$2,548 and \$775 for fiscal years 2021 and 2020, respectively. No liability amounts are recorded or recognized on the Statement of Financial Position. As of the issuance of these financial statements, WAW US was not contributing to the employee 403(b) plan; a future obligation match or contribution to the employee 403(b) plan has not been discussed or approved by the board of directors. The balance of \$4,090 represents the amount withheld from employees and payable to the plan provider.

WAW-Afghanistan currently do not have employee benefit plan for its employees.

#### 15. Net Assets – Without Donor Restriction

As of December 31, 2021 the board of directors designated \$100,000 of the net assets for emergency use. The board of directors did not designate any funds in fiscal year 2020.

#### 16. Net Assets – With Donor Restriction

Net assets with donor restrictions are available for the following purposes for the years ended December 31, 2021 and 2020, respectively.

	<u>2021</u>	<u>2020</u>
WAW US	636,166	46,276
WAW Afghanistan	1,537,092	37,689
<b>Total</b>	<b>\$2,173,258</b>	<b>\$83,965</b>

#### 16.1. WAW US

	<u>2021</u>	<u>2020</u>
Roche-Relief	-	22,446
PRBB	11,200	6,743
NYFE	20,782	15,000
MARBLE	1,812	2,087
ACKERLEY FAMILY FOUNDATION	24,000	-
Airbnb	70,000	-
Dr Bronner Foundation	10,000	-

Islamic Relief	20,404	-
MINKWON	6,000	-
IMPACT ASSETS/ BEACON FUND	100,000	-
UBER TECHNOLOGY	50,000	-
UJA	26,469	-
Van Ameringen 2022 - 2024	225,000	-
Zakat Fund	5,000	-
CCNSF	500	-
Chanel	65,000	-
<b>Total</b>	<b>\$636,166</b>	<b>\$46,276</b>

## 16.2.WAW Afghanistan

	<u>2021</u>	<u>2020</u>
Flora Fund	10,000	10,000
RKF Rnd	2,423	10,477
Tomberg Fund	8,347	8,500
Sherrie-Ann donation	7,700	7,700
Hospital Survivors multiple donations	1,012	1,012
Emergency Education Fund	31,605	-
Toni He Scholarship Fund	2,525	-
Afghanistan Crisis Campaign funds	1,473,480	-
<b>Total</b>	<b>\$1,537,092</b>	<b>\$37,689</b>

## 17. Grant and Contributions

The Group received majority of its annual revenue from the U.S. Department of State, SIDA, The Colombo Plan, UN Women, UNHCR, UNTF, City of New York (City Council grants) and Foundations. Contributions – AFG Crisis, Foundation Grants – AFG Crisis, Grant Income – AFG Crisis, represent income received by WAW from the Afghanistan Crisis Campaign.

	<u>2021</u>	<u>2020</u>
WAW US	5,613,508	1,191,835
WAW Afghanistan	14,902,539	8,610,871
Eliminations	(460,383)	(327,968)
<b>Total</b>	<b>\$20,055,664</b>	<b>\$9,474,738</b>

### 17.1. WAW US

	<u>2021</u>	<u>2020</u>
Contributions	496,702	205,701
Contributions - AFG Crisis	2,347,368	-
Foundation Grants	750,504	192,999
Foundation Grants - AFG Crisis	847,158	-

International Institutions	179,978	172,944
Federal Grants	529,234	275,464
State Grants	24,041	23,358
City Grants	240,587	321,369
Other Government grants (Note 13)	176,451	-
In Kind Donations	21,486	-
<b>Total</b>	<b>\$5,613,508</b>	<b>\$1,191,835</b>

### 17.2. WAW Afghanistan

	<b>2021</b>	<b>2020</b>
Contributions	45,426	72,366
Contributions – AFG Crisis	3,696,513	-
Grant Income – AFG Crisis	1,473,480	-
Federal Grants	3,222,001	1,891,387
International Development Institutions	2,553,849	3,540,770
International Governments' Development	162,266	293,061
UN Agencies	3,734,004	2,721,266
Foundation Grants	15,000	92,021
<b>Total</b>	<b>\$14,902,539</b>	<b>\$8,610,871</b>

### 17.3. Eliminating Entries

WAW has the following eliminations as a result of intra-entry transactions.

	<b>2021</b>	<b>2020</b>
Federal Grants	179,978	147,238
Foundation Grants	-	7,785
Development Institutions	280,405	172,944
<b>Total</b>	<b>\$460,383</b>	<b>\$327,967</b>

### 18. Other Income

Other Income by WAW Afghanistan represents funds received for repairing of Vehicles of Norwegian Refugee Council.

### 19. Net Assets Released from Restriction

Net Assets Released from Restriction For the year ended December 31, 2021:

	<b>2021</b>	<b>2020</b>
WAW US	1,214,561	928,290
WAW Afghanistan	9,706,623	8,498,671
<b>Total</b>	<b>\$10,921,185</b>	<b>\$9,426,961</b>

## 19.1. WAW US

<b>Donor</b>	<b>2021</b>	<b>2020</b>
New York Community Trust	-	52,999
Roche-Relief	22,447	-
USCIS	133,897	103,458
Department of State CSC and TH	280,606	146,433
Department of State OVW	109,163	21,087
State Grants	24,041	23,358
New York City	240,087	255,012
Foundation	224,340	152,999
Development Institutions	179,979	172,944
<b>Total</b>	<b>\$1,214,561</b>	<b>\$928,290</b>

## 19.2. WAW Afghanistan

<b>Donor</b>	<b>2021</b>	<b>2020</b>
CP	2,553,836	3,524,343
AUB	6,668	23,033
Rockefeller	8,055	44,935
Emergency Education Fund	11,282	-
Hospital Survivors	-	5,569
SIDA	162,265	293,061
Tomberg	15,153	18,109
UNTF	227,631	259,661
UN WOMEN	1,001,783	1,032,567
UNHCR	2,504,610	1,429,038
USDOS	3,215,340	1,868,355
<b>Total</b>	<b>\$9,706,623</b>	<b>\$8,498,671</b>

## 20. Related party transactions and balances

In 2021 due to the crisis and fall of Afghanistan, the banking system did not function for weeks, and the organization faced severe cash flow problem and thus WAW Afghanistan received \$68,500 as a temporary loan from the Executive Director. The loan was interest-free and the amount of \$68,500 was outstanding as of December 31, 2021.

## 21. Lease Obligations

WAW US has the following schedule of minimum future lease commitments for operating leases having initial or remaining non-cancelable lease terms greater than one year as of December 31, 2021.

New York Community Center rent schedule for renewal period:

July 1, 2020 through June 30, 2021 – Annual Rent \$35,496 (\$3,077 monthly)

July 1, 2021 through June 30, 2022 – Annual Rent \$35,496 (\$3,139 monthly)

July 1, 2022 through June 30, 2023 – Annual Rent \$38,422 (\$3,201 monthly)  
 July 1, 2023 through June 30, 2024 – Annual Rent \$39,190 (\$3,265 monthly)  
 July 1, 2024 through June 30, 2025 – Annual Rent \$39,974 (\$3,331 monthly)  
 July 1, 2025 through June 30, 2026 – Annual Rent \$40,773 (\$3,397 monthly)  
 July 1, 2026 through June 30, 2027 – Annual Rent \$41,589 (\$3,465 monthly)

WAW US occupancy expense: Rent expense, included in occupancy on the statement of functional expenses, amounted to \$62,606 and \$62,606 for the years ended December 31, 2021 and 2020, respectively.

WAW US has a rental security deposit balance as of December 31, 2021 was \$9,637.

There are no other contingencies and commitments as of the reporting date.

## 22. Investment Income

As of December 31, 2021 WAW had an Investment Loss of \$673. The breakdown is as follows:

	<u>2021</u>	<u>2020</u>
Interest Income	44	-
Unrealized Gain (Loss)	(848)	-
Dividend Income	131	-
<b>Total</b>	<b>(673)</b>	<b>\$ -</b>

## 23. Loss of Fixed Assets

During the political turmoil and security unrest during August 2021 in Afghanistan (the US withdrawal from Afghanistan and the consequent collapse of the internationally recognized government of Afghanistan), some of WAW's fixed assets were lost and could not be located thus they were written off as loss of fixed assets expense.

## 24. Subsequent Events

In connection with the preparation of the financial statements, the management has evaluated subsequent events from December 31, 2021, through August 15, 2023, which was the date the consolidated financial statements were available for issuance and concluded that no additional disclosures are required.

After the Taliban came to power in Afghanistan in August 2021, WAW Afghanistan was ordered by the de facto authorities/Taliban to shut down all Shelters (including Women's Protection Centers, Halfway House, and Transitional House) and Family Guidance Centers. Additionally, in response to these realities, the following agency partnerships were affected:

- The contract for INL's Transitional House ended in April 2022 and was not renewed.
- The partnership with INL for CSC has ended in August 2022. The US government decision to terminate the grant agreement as per the notice of termination was "on the basis that the program is no longer feasible given the current operational and security environment in Afghanistan".
- The partnership with UN Women has ended.
- The partnership with Colombo Plan has ended at the end of January 2023. The partnership's shelters

and Family Guidance Centers have already closed.

- The UNHCR partnership is still ongoing.
- The UN Trust Fund program ended in April 2023.
- In 2022, WAW Afghanistan also began humanitarian work (food distribution) using Foundation Grants and Contributions.

Although activities in Afghanistan have been reduced, there is an expansion of activity in the US due to an increase in demand for services from people relocated from Afghanistan to the US.

In March 2022, WAW US entered into a lease agreement for office space in Virginia and opened a Community Center at that location. The lease includes escalating rent payments over a 62-month term. The minimum monthly lease payment is \$4,974 over the length of the lease.

WAW management stated that during the period of September 2021 to May 2022, WAW US was able to attract new contributions of approximately \$11,000,000 for operations in the US and Afghanistan.

The Board adopted an investment policy for investment of excess cash in January 2023.

The WAW – financially – will continue to operate as a going concern.





**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

To: The Board of Directors  
Women for Afghan Women, Inc.  
Fresh Meadows, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Women for Afghan Women, Inc. (a non-profit organization), which comprise the consolidated statement of financial position as of December 31, 2021, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated August 25, 2023.

**Internal Control over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered Women for Afghan Women, Inc.’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Women for Afghan Women, Inc.’s internal control. Accordingly, we do not express an opinion on the effectiveness of Women for Afghan Women, Inc.’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify deficiencies in internal control that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Women for Afghan Women, Inc.'s consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Emerging Consulting Group*

Emerging Consulting Group  
Sterling, Virginia  
August 25, 2023



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

To: The Board of Directors  
Women for Afghan Women, Inc.  
Fresh Meadows, New York

**Report on Compliance for Each Major Federal Program**

We have audited the Women for Afghan Women Inc.’s compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Women for Afghan Women Inc.’s major federal programs for the year ended December 31, 2021. The Women for Afghan Women Inc.’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

**Management’s Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on compliance for each of the Women for Afghan Women Inc.’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Women for Afghan Women Inc.’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Women for Afghan Women Inc.’s compliance.

## **Opinion on Each Major Federal Program**

In our opinion, the Women for Afghan Women Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

## **Report on Internal Control over Compliance**

Management of the Women for Afghan Women Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Women for Afghan Women Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Women for Afghan Women Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditure of Federal Awards Required by the Uniform Guidance**

We have audited the Consolidated financial statements of Women for Afghan Women, Inc. as of and for the year ended December 31, 2021, and have issued our report thereon dated August 25, 2023, which contained an unmodified opinion on those financial statements. Our audit was

conducted for the purpose of forming an opinion on those Consolidated financial statements as a whole. The accompanying schedule of expenditures of federal award is presented for purpose of additional analysis as required by the Uniform Guidance and is not a required part of the Consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the Consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the Consolidated financial statements as a whole.

*Emerging Consulting Group*

Emerging Consulting Group  
Sterling, Virginia  
August 25, 2023

**Women for Afghan Women, Inc.**  
**Consolidated Schedule of Expenditures of Federal Awards**  
**For Year Ending December 31, 2021**

<b>FEDERAL GRANTOR (PASS-THROUGH GRANTOR)</b>	<b>AGENCY OR PASS-THROUGH AWARD NUMBER</b>	<b>CFDA</b>	<b>TOTAL EXPENDITURE</b>
U.S. Department of State	SINLEC-19-CA-0266	19.703	\$ 155,495
U.S. Department of State	SINLEC19GR0195	19.703	\$ 593,769
U.S. Department of State	SINLEC21CA3098	19.703	\$ 2,462,429
U.S. Department of State	SAF20019CA0071	19.501	\$ 7,335
Us Department Of Justice, Office On Violence Against Women	2020-UD-AX-0002	16.889	\$ 109,163
Department of Homeland Security	19CICET00104-01-00	97.010	\$ 117,491
Department of Homeland Security	21CICET00174-01-00	97.010	\$ 21,973
<b>Total</b>			<b>\$ 3,467,654</b>

**Women for Afghan Women, Inc.**  
**Notes to Consolidated Schedule of Expenditures of Federal Awards**  
**For Year Ending December 31, 2021**

**NOTE A – NATURE OF ACTIVITIES**

**Group**

Women for Afghan Women, Inc. (referred to as Group or WAW) is a not-for-profit corporation, incorporated in the State of New York in January 2002 with major operations in New York and Afghanistan. Women for Afghan Women-Afghanistan office is registered with ministry of Economy of Afghanistan as a Not for Profit Organization in September 2006. The primary purpose of WAW US is to provide numerous pro bono services to expand Afghan community through the operations of a bustling community center in Queens, New York. The primary purpose of WAW Afghanistan is to secure and protect the rights of disenfranchised Afghan women and girls through the operation of legal aid centers and emergency and long-term care shelters for women and children in 12 provinces of Afghanistan. WAW maintains its main office in Queens, New York and an office in Kabul, Afghanistan.

**Programs and Services Provided**

The organization's two major program areas include the following

**Community Center and Advocacy** - A community center located in the heart of the Afghan community in Queens, NY that provides a number of pro bono programs and crisis services to entire Afghan families, women and children including immigration and employment support, domestic violence counseling and leadership training. The organization also raises awareness that has an effect on policies as they relate to the rights and challenges that women face in Afghanistan; and

**Guidance/Support Centers and Shelters** - The operations of Family Guidance Centers that provide counseling, mediation and legal aid to women, girls and families who have experienced human rights violations, Children Support Centers that houses children who were previously living with their mothers in prison emergency and long-term Shelters for women and girls who have experienced human rights violations. The Centers and Shelters operate in 12 of Afghanistan's 34 provinces.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying schedule of expenditure of federal awards (the Schedule) includes the federal grant activity of WAW under programs of the federal government for the year ending December 31, 2021. The information in the schedule is presented in accordance with the requirements of

Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Because, the Schedule presents only a selected portion of the operations Women for Afghan Women, Inc., it is not intended to and does not present their financial position, changes in net assets, or cash flows.

**Summary of significant accounting policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

WAW does not charge indirect costs to federal awards, except for 6% to award # to award #19CICET00104-01-00 and #21CICET00174-01-00 with Department of Homeland Security and 10% for award #SAF20019CA0071 with U.S. Department of State.

**Tax Exempt Status**

The Group is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code in United States and is exempt from income taxes under Income Tax Law in Afghanistan. Accordingly, no provision for federal, state or local income taxes has been recorded.

**NOTE C – AWARD DETAILS**

<b>Identifying Number</b>	<b>Project Period</b>	<b>Federal Award Amount</b>
SINLEC-19-CA-0266	01-Jun-2019 to 31-Jan- 2021	1,706,561
SINLEC-19-GR-0195	01-May-2019 to 30-Apr-2022	2,230,230
SINLEC21CA3098	01-Feb-2021 to 17-Aug-2022	4,095,376
SAF20019CA0071	10-Apr-2020 to 15-Feb-2021	38,500
2020-UD-AX-0002	01-Oct-2020 to 30-Sep-2023	450,000
21CICET00174-01-00	01-Oct-2021 to 30-Sep-2023	250,000
19CICET00104-01-00	01-Oct-2019 to 30-Sep-2021	250,000
<b>Total</b>		<b>\$ 9,020,666</b>

**NOTE D – Sub grantee**

Department of Homeland Security	19CICET00104-01-00	Riis Settlement Sub grantee	\$ 35,133
Department of Homeland Security	21CICET00174-01-00	Riis Settlement Sub grantee	\$ 7,118



**Women for Afghan Women, Inc**  
**Schedule of Findings and Questioned Costs**  
**For Year Ending December 31, 2021**

**Section I - Summary of Auditor's Results**

**Financial Statements:**

Type of auditor's report issued: Unmodified  
 Internal control over financial reporting:  
     • Material weakness(es) identified? No  
     • Significant deficiency (ies) identified? None reported  
     • Non-compliance material to financial statements noted? No

**Federal Awards**

Internal control over major programs:  
     • Material weakness(es) identified? No  
     • Significant deficiency (ies) identified? None reported  
     • Type of auditor's reports issued on compliance for major programs? Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)? No

**Identification of Major Programs and type of auditor's report issued on compliance for each:**

<b>AWARD NUMBER</b>	<b>Name of Federal Program of Cluster</b>	<b>Opinion Issued</b>
SINLEC-19-CA-0266	USDOS: Children's Support Center (CSC) for Children of Incarcerated Parents	Unmodified
SINLEC19GR0195	USDOS: Transitional Houses (THs) for Formerly Incarcerated Women and Girls	Unmodified
SINLEC21CA3098	USDOS: Children's Support Center (CSC) for Children of Incarcerated Parents	Unmodified
SAF20019CA0071	USDOS: Education for Leadership in Crisis (ELC II scholars) Undergraduate Scholarships for Afghan Students at AUB	Unmodified
2020-UD-AX-0002	Department of Justice (DOJ) Office on Violence Against Women: Women for Afghan Women Collaborative Project for Survivors of Domestic Violence, Dating Violence, Sexual Assault, and Stalking	Unmodified
19CICET00104-01-00	Department of Homeland Security: Citizenship Instruction for Underserved LPRs in Queens, NY	Unmodified
21CICET00174-01-00	Department of Homeland Security: Citizenship Instruction for Underserved LPRs in Queens, NY	Unmodified

Dollar Threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as a low-risk auditee?

Yes

***Section II - Financial Statement Findings***

Certain immaterial weaknesses have been identified and reported in a separate Management Letter issued to Women for Afghan Women – Afghanistan.

***Section III - Federal Award Findings and Questioned Costs***

No findings or questioned costs were identified that required to be reported.

**Women for Afghan Women, Inc**  
**Status of Prior Year Audit Findings and Recommendations**

There were no open audit findings from prior year audits.