



HTC & Associates

Chartered Accountants

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Independent Auditors' Report To the Shareholders of Help Nepal Network (Nepal) Kathmandu, Nepal

We have audited the accompanying Balance Sheet of **Help Nepal Network (Nepal)** as at 31st Ashadh, 2074 (July 15, 2017) and Income Statement and Cash Flow Statement attached thereto, for the year ended on that date and a summary of Significant Accounting Policies and other Explanatory Notes.

Management's Responsibility for the financial statements

The preparation and fair presentation of these Financial Statements, in accordance with Nepal Accounting Standards, are the responsibility of the company's management.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal standards on Auditing. Those standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and 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 the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion. Further we report that:

- We have obtained information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of such books;
- In our opinion, the Balance Sheet, Income Statement and Cash Flow Statement with Explanatory Notes dealt with by this report are in agreement with the books of account maintained by the company;
- In our opinion, so far as appeared from our examination of the books, the business of the company has been conducted satisfactorily; and
- To the best of our information and according to the explanations given to us and from our examination of the books of accounts of the company necessary for the purposes of the audit, we have not come across cases where the management or any employees of the company have acted contrary to legal provisions relating to accounts, or committed any misappropriation or caused loss or damage to the company.

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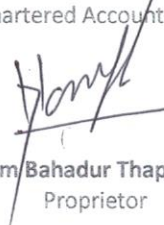


Auditors' Opinion

In our opinion, the Financial Statements, read together with Notes in Schedule 16 forming part of the accounts, give a true and fair view of the financial position of the company as at Ashadh 31, 2074 (July 15, 2017) and the financial performance and cash flows for the year then ended in accordance with Nepal Accounting Standards and other applicable laws.

Date: 2074-06-22
Kathmandu

For: HTC & Associates
Chartered Accountants



CA. Horn Bahadur Thapa Chhetri
Proprietor



Help Nepal Network (Nepal)
Chabahil, Kathmandu, Nepal

Balance sheet as at 31st Ashadh 2074 (15th July 2017)

	<i>Schedule</i>	<i>Current Year</i>	<i>Figures in NPR Previous Year</i>
<u>SOURCES OF FUND</u>			
Charity Endowment Fund		59,662,323.15	59,648,123.15
Administrative Fund		22,500,000.00	18,500,000.00
Surplus Fund		36,642,510.04	37,368,970.03
Total		118,804,833.19	115,517,093.18
<u>APPLICATION OF FUND</u>			
Fixed Assets	"1"	232,902.04	305,760.46
Investments	"2"	82,148,000.00	76,900,000.00
Current Assets			
Cash & Bank	"3"	31,432,886.55	37,055,607.12
Advance & Receivable	"4"	5,276,513.60	1,471,258.60
Total Current Assets (A)		36,709,400.15	38,526,865.72
Current Liabilities			
Other Payable	"5"	285,469.00	215,533.00
Total Current Liabilities (B)		285,469.00	215,533.00
Net Current Assets (A-B)		36,423,931.15	38,311,332.72
Total		118,804,833.19	115,517,093.18
Significant Accounting Policies and Notes to Accounts	"16"		

Schedules referred to above form an integral part of the financial statements.

As per our attached report of even date

Date: 2074/05/29

Place: Kathmandu

For: Help Nepal Network (Nepal)

Arun Singh Basnet
Chairperson



Rajendra Nath Shrestha
Treasurer

Suman Shrestha
Accountant

Lata Ghimire
Secretary

**For: HTC & Associates
Chartered Accountants**

Hom Bahadur Thapa Chhetri,
Proprietor



Dikshya Singh
Program Coordinator

Help Nepal Network (Nepal)
Chabahil, Kathmandu, Nepal

Statement Of Financial Activities for the year ended 31st Ashadh 2074 (15th July 2017)

<u>Particulars</u>	<u>Schedule</u>	<u>Current Year</u>	<u>Figures in NPR Previous Year</u>
<u>Income</u>			
Fund for Activities	"6"	18,925,500.69	52,691,137.28
Other income	"7"	7,002,075.47	5,924,885.02
Total Income		25,927,576.16	58,616,022.30
<u>Cost of Activities</u>			
Help Nepal Health Post Expenses	"8"	777,594.00	958,200.00
Health Related Projects	"9"	467,069.00	-
HeNN Children Home	"10"	2,516,173.60	1,854,103.00
e-Library Project Expenses	"11"	1,166,368.00	949,627.00
Support to Educational Institutions	"12"	9,942,883.00	5,231,167.04
Relief Material Distribution Expenses	"13"	5,597,263.79	23,941,143.80
Other Project Expenses	"14"	92,270.00	173,722.00
Total Cost of Activities		20,559,621.39	33,107,962.84
Surplus (Deficit) from Activities		5,367,954.77	25,508,059.46
Less: General & Administrative Expenses	"15"	2,007,356.34	1,263,689.00
Net Surplus (Deficit) Before Depreciation		3,360,598.43	24,244,370.46
Less: Depreciation		72,858.42	91,631.55
Excess of Income Over Expenditure/(Deficit)		3,287,740.01	24,152,738.91
Surplus (Deficit) Up to previous year		37,368,970.03	13,321,618.22
Less: Separately Shown under Administrative Fund in		4,000,000.00	-
Less: Separately Shown under Charity Endowment Fund in		14,200.00	107,387.10
Total surplus transferred to Balance Sheet		36,642,510.04	37,368,970.03

Schedules referred to above form an integral part of the financial statements.

As per our attached report of even date

Date: 2074/05/29

Place: Kathmandu

For: Help Nepal Network (Nepal)

Arun Singh Basnet
Chairperson

Suman Shrestha
Accountant



Rajendra Nath Shrestha
Treasurer

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Secretary

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Hom Bahadur Thapa Chhetri, CA
Proprietor

Dikshya Singh
Program Coordinator



Help Nepal Network (Nepal)
Chabahil, Kathmandu, Nepal

Cash flow Statement for the period ending on 31st Ashad 2074 (15th July 2017)

Figures in NPR

	<i>Current Year</i>	<i>Previous Year</i>
Surplus/ (Deficit) for the year	3,287,740.01	24,154,738.91
Add/(Less): Increase/(Decrease) in Reserves	-	-
Add: Depreciation for the year	72,858.42	91,631.55
Cash flow before working capital changes	3,360,598.43	24,246,370.46
Adjustment for Working Capital Changes		
(Increase) / Decrease in current Assets	(3,805,255.00)	1,324,442.77
Increase/ (Decrease) in current liabilities	69,936.00	(648,842.00)
Cash flow from operating activities	<u>(374,720.57)</u>	<u>24,921,971.23</u>
Increase/Decrease Investments	(5,248,000.00)	-
Purchase of Fixed Assets	-	(38,872.00)
Cash flow from Investing Activities	<u>(5,248,000.00)</u>	<u>(38,872.00)</u>
Cash flow from Financing Activities	<u>-</u>	<u>-</u>
Net cash flow for the year	(5,622,720.57)	24,883,099.23
Opening Balance of cash and cash equivalents	37,055,607.12	12,172,507.89
Closing Balance of cash and cash equivalents	31,432,886.55	37,055,607.12

As per our attached report of even date

Date: 2074/05/29

Place: Kathmandu

For: Help Nepal Network (Nepal)

Arun Singh Basnet
Chairperson

Suman Shrestha
Accountant



Rajendra Nath Shrestha
Treasurer

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Proprietor

Dikshya Singh
Program Coordinator



Help Nepal Network (Nepal)
Chabahil, Kathmandu, Nepal
Schedule of Fixed Assets as on Ashad End, 2074

Schedule -1

Items Descriptions	Rate of Depreciation	Depreciation Basis Opening Balance	Addition			Deletion	Depreciation Basis For the F.Y. 2072/73	Depreciation For The Year	Net Balance	Addition C/f to next year			Op. Depreciation Basis For the F.Y. 2073/74
			Upto Poush End	Magh To Chaitra	Baisakh To Ashad					Magh To Chaitra	Baisakh To Ashad	R & M Excess of	
	1	2	3	4	5	6	7=(2+3+4+5-6)	8=(7x1)	9=(7-8)	10	11	12	12=(9+10+11+12)
POOL "A"													
		-	-	-	-		-	-	-	-	-	-	-
Sub-Total		-	-	-	-	-	-	-	-	-	-	-	-
POOL "B"													
Office Equipments	25%	202,741.71	-	-	-	-	202,741.71	50,685.43	152,056.28	-	-	-	152,056.28
Furniture & Fixture	25%	31,384.83	-	-	-	-	31,384.83	7,846.21	23,538.62	-	-	-	23,538.62
Computers & Printers	25%	-	-	-	-	-	-	-	-	-	-	-	-
Excess R & M expenses	25%	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total		234,126.54	-	-	-	-	234,126.54	58,531.64	175,594.90	-	-	-	175,594.90
POOL "C"													
Office Vehicles	20%	71,633.92	-	-	-	-	71,633.92	14,326.78	57,307.14	-	-	-	57,307.14
Excess R & M expenses	20%	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total		71,633.92	-	-	-	-	71,633.92	14,326.78	57,307.14	-	-	-	57,307.14
POOL "D"													
		-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total		-	-	-	-	-	-	-	-	-	-	-	-
Grand Total		305,760.46	-	-	-	-	305,760.46	72,858.42	232,902.04	-	-	-	232,902.04



Help Nepal Network (Nepal)
Chabahil, Kathmandu, Nepal

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

	<u>Current Year</u>	<u>Figures in NPR Previous Year</u>
SCHEDULE -2		
Investment On Fixed Deposits (FD)		
Vibor Bikash Bank	82,148,000.00	76,900,000.00
Total	82,148,000.00	76,900,000.00

SCHEDULE -3
Cash and Bank Balance

Cash:

Cash Balance	12,393.22	19,679.22
(as certified by management)		

Bank:

Everest Bank, Chabahil	574,388.10	1,358,286.80
Nabil Bank, Chabahil	114,591.27	499,391.27
NB Bank, New Road	20,808,652.86	22,366,294.58
NCC Bank, Chabahil	4,332,813.09	4,646,611.31
Nepal Bank Ltd., New Road	149,857.63	148,090.94
Sanima Bank, Chabahil	2,248,613.27	6,132,454.74
Sanima Bank, Naxal	624,415.22	817,203.22
Vibor Bikash bank	2,567,161.89	1,067,595.04
Total	31,432,886.55	37,055,607.12

SCHEDULE -4

Advance and Receivables

Advance to Beam of Hope	537,086.00	537,086.00
Advance to HeNN Children Home	81,480.60	12,440.60
Advance to Office staffs	-	1,977.00
Advance to Panchakanya School	14,310.00	-
Advance to Rajhity Samaj	86,838.00	-
Advance to Sagarmatha Chaudhary Eye Hospital	62,000.00	-
Advance to Survivors Nepal	3,973,070.00	-
Advance to Vianet	2,500.00	-
Advances to DSSPTBPNS	504,000.00	504,000.00
Advances to Help Nepal Health Post, Mugu	15,229.00	2,955.00
Advances to Samajik Samaj Sudhar Sanstha	-	412,800.00
Total	5,276,513.60	1,471,258.60

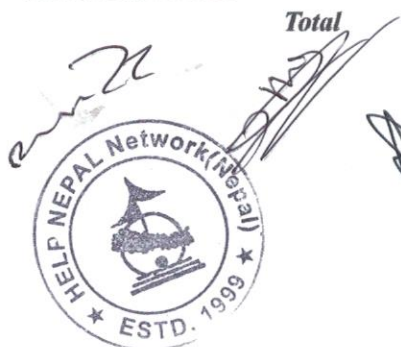


Help Nepal Network (Nepal)
Chabahil, Kathmandu, Nepal

	<u>Current Year</u>	<u>Previous Year</u>
SCHEDULE -5		
Other Payables		
Audit Fee Payable	111,500.00	111,500.00
Expenses Payable	167,035.00	89,185.00
Provident Fund	-	3,530.00
Salary Payable	-	6,000.00
TDS on Audit Fee	1,500.00	1,500.00
TDS on Staff Salary	5,434.00	3,818.00
Total	285,469.00	215,533.00

SCHEDULE -6		
Fund for Activities		
Dr. Franz Schmid	1,980,468.00	-
HeNN Austria	5,377,826.25	953,520.00
HeNN Newzealand	140,509.64	-
HeNN South Korea	77,270.00	158,722.00
HeNN UK	4,960,992.00	3,799,374.00
HeNN US	-	31,481,504.00
Institutional Donation	4,121,986.55	1,170,000.00
Local Donation	960,845.50	3,299,140.88
Membership fees	2,000.00	2,000.00
Music for Children	662,121.00	-
Ncell Private Limited	432,590.00	8,828,876.40
Nepalese Community Nagoya, Japan	-	3,000,000.00
NRN Association	208,891.75	-
Total	18,925,500.69	52,693,137.28

SCHEDULE -7		
Other income- Interest Income		
Everest Bank, Chabahil	4,710.36	2,079.69
Global IME Bank, Kamaladi	-	54.14
Machhapuchre Bank, Chabahil	-	701.44
Nabil Bank, Chabahil	-	2,063.09
NB Bank, New Road	355,829.84	495,824.32
NCC Bank, Chabahil	61,188.15	60,679.84
Nepal Bank Ltd., New Road	1,766.69	1,991.36
Sanima Bank, Chabahil	92,071.71	137,868.26
Sanima Bank, Naxal	46,339.51	15,700.21
Supreme Development Bank, New Baneshwor	-	1,673.85
Vibor Bikash Bank	6,440,169.21	5,206,248.82
Total	7,002,075.47	5,924,885.02



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Help Nepal Network (Nepal)
Chabahil, Kathmandu, Nepal

	<u>Current Year</u>	<u>Previous Year</u>
SCHEDULE -8		
Help Nepal Health Post Expenses		
Help Nepal Health Post, Mugu		
Salary	-	23,250.00
Transportation	-	18,000.00
Office Furniture	-	58,750.00
Consumable Goods	740,410.00	653,500.00
Repair & Maintenance	37,184.00	38,700.00
Sub - Total	777,594.00	792,200.00
Help Nepal Health Post, Achham		
Salary	-	12,000.00
Transportation	-	9,000.00
Medical Equipments	-	137,000.00
Miscellaneous	-	8,000.00
Sub - Total	-	166,000.00
Help Nepal Health Post, Sarlahi		
Help Nepal Health Post Expenses	-	-
Sub - Total	-	-
Grand - Total	777,594.00	958,200.00

SCHEDULE -9

Health Related Projects

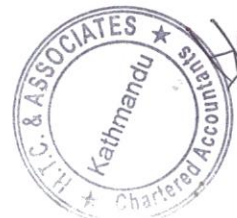
Bardia Health Camp	31,163.00	-
Hetauda Health Camp	31,190.00	-
Kavre health camp	30,000.00	-
Medicine handover to ICH, Sipaghat,	7,000.00	-
Saptari Eye Camp	367,716.00	-
Total	467,069.00	-



Help Nepal Network (Nepal)
Chabahil, Kathmandu, Nepal

	<u>Current Year</u>	<u>Previous Year</u>
SCHEDULE -10		
HeNN Children Home, Dhulikhel		
Bank Charges	60.00	-
Clothing Expenses	112,955.00	42,787.00
Coloring Expenses	230,965.00	-
Communication	16,190.00	19,721.00
Consumable goods	41,545.00	32,486.00
Educational Expenses	36,333.00	17,790.00
Electricity	24,643.00	13,774.00
Farming Expenses	35,000.00	53,980.00
Festival Expenses	38,635.00	38,055.00
Health & medicine Expenses	35,533.00	20,492.00
Insurance	643,359.60	465,087.00
Kitchen Expenses	17,365.00	-
Kitchen Expenses	437,608.00	326,177.00
Miscellaneous Expenses	26,975.00	26,030.00
Office Equipment	40,996.00	106,580.00
Office Furniture	83,828.00	45,200.00
Printing & Stationery	15,723.00	8,815.00
Repair & maintainence	18,987.00	6,500.00
Salary	634,496.00	600,835.00
Transportation	10,665.00	16,940.00
Water	14,312.00	12,854.00
	-	-
Total	2,516,173.60	1,854,103.00

SCHEDULE -11		
e-Library Project Expenses		
Bardiya e-library	-	9,630.00
Gulmii e-library	66,550.00	58,086.00
Kailali e-library	67,945.00	21,720.00
Kaski e-library	76,791.00	45,049.00
Kathmandu e-library	17,227.00	16,525.00
Kavre e-library	-	10,455.00
Lalitpur e-library	15,395.00	23,568.00
Morang e-library	67,880.00	32,305.00
Parbat e-library	61,295.00	43,575.00
Pyuthan e-library	54,035.00	53,180.00
Rautahat e-library	44,755.00	31,780.00
Salyan e-library	65,665.00	53,004.00
Saptari-library	-	13,595.00
Solukhumbu e-library	69,475.00	69,295.00
Sunsari e-library	-	12,810.00
Surkhet e-library	-	12,660.00
Syangjai e-library	341,655.00	-
Udaypur e-library	-	9,350.00
ToT Training	23,700.00	73,040.00
Support Staff Salary	180,000.00	360,000.00
e-Library Content	14,000.00	-
	-	-
Total	1,166,368.00	949,627.00



Help Nepal Network (Nepal)
Chabahil, Kathmandu, Nepal

SCHEDULE -12

Support to Educational Institutions

	<u>Current Year</u>	<u>Previous Year</u>
Annapurna Secondary School, Dhading	1,500,000.00	-
Bhimodaya Primary School, Gorkha	1,500,000.00	-
Bom Bahadur Ghalel Lower Secondary School, Children in Technology	-	351,627.04
Dudhpokhari Lower Secondary School, Dol	10,000.00	-
Janajagriti Lower Secondary School, Syangi	350,000.00	350,000.00
Juke Secondary School, Dolakha	553,520.00	400,000.00
Kalidevi Lower Secondary School, Dolakha	2,800,000.00	-
Little Buddha Primary School, Kavrepalanchowk	-	212,000.00
Lower Secondary School, Chitwan	350,000.00	500,000.00
Mailka Secondary School, Surkhet	-	560,000.00
Naya Kiran Secondary School, Chitwan	400,000.00	-
Nepal Pestalozzi Foundation, Kathmandu	-	122,152.00
Panchakanya Lower Secondary School, Kav	300,000.00	300,000.00
Parbati Secondary School, Bajura	709,101.00	478,000.00
Rajkuleshwor Lower Secondary School, Singhadevi Higher Secondary School, Terat	-	305,688.00
Stationery to Biodiversity Club	718,262.00	116,700.00
Stationery to HHELP	-	35,000.00
Thokarpa Community Multiple	13,700.00	-
Thokarpa Secondary School, Sindupalchowk	11,370.00	-
Tribhuvan Higher Secondary School,	600,000.00	-
Total	26,930.00	1,500,000.00
	100,000.00	-
	9,942,883.00	5,231,167.04

SCHEDULE -13

Relief Material Distribution Expenses

Earthquake Victims	504,800.00	22,691,995.30
Jhapa Cold Victims	486,695.52	-
Lions Club of Kathmandu Sahara	504,400.00	-
Relief Materials Stock	-	498,188.75
Saptari Cold Victims	739,863.28	-
Saptari Fire Victims	318,618.44	379,873.50
Saptari Flood Victims	2,724,268.11	371,086.25
Siraha Fire Victims	318,618.44	-
Total	5,597,263.79	23,941,143.80

SCHEDULE -14

Other Project Expenses

Dhurmus Suntali Foundation	77,270.00	158,722.00
IT MEET	15,000.00	15,000.00
Total	92,270.00	173,722.00



Help Nepal Network (Nepal)
Chabahil, Kathmandu, Nepal

Current Year

Previous Year

SCHEDULE -15

General & Administrative Expenses

Amount Handover Program Expenses	38,993.00	-
Audit Fee	113,000.00	113,000.00
Bank Commission	1,970.00	1,340.00
Communication Expenses	41,914.00	20,987.00
Consumable Goods Expenses	24,044.74	13,817.00
Courier Expenses	366.00	-
Electricity Expenses	24,000.00	31,200.00
General Expenses	4,219.00	10,052.00
Insurance Charges	121,845.60	61,620.00
Miscellaneous Expenses	-	11,500.00
Office Rent	363,950.00	319,000.00
Printing & Stationery Expenses	16,419.00	14,030.00
Refreshment Expenses	13,162.00	22,793.00
Registration & Renewal Expenses	13,112.00	11,301.00
Repair & Maintenance	27,150.00	23,087.00
Staff Salary	1,136,616.00	548,447.00
Transportation Expenses	64,382.00	57,350.00
Water Expenses	2,213.00	4,165.00
Total	2,007,356.34	1,263,689.00



Help Nepal Network (Nepal)

Details of Salary for the F.Y. 2073-74

Name of employee	Total Salary	PF Deduction	Net Salary	Tax	Net Pay-Out
Administrative Expenses					
Dikshya Singh	336,190.00	48,580.00	287,610.00	2,876.10	284,733.90
Suman Shrestha	332,000.00	48,000.00	284,000.00	2,840.00	281,160.00
Chandra Bdr. Shrestha	133,071.00	21,600.00	111,471.00	1,114.71	110,356.29
Raxit Manandhar	36,000.00		36,000.00	360.00	35,640.00
Nikita Tripathi	299,355.00		299,355.00	44,903.25	254,451.75
Total	1,136,616.00	118,180.00	1,018,436.00	52,094.06	966,341.94
Help Nepal Health Post(Mugu)					
Bhairab Bahadur Budha	198,500.00	0.00	198,500.00	1,985.00	196,515.00
Samjhana Khadka	178,000.00	0.00	178,000.00	1,780.00	176,220.00
Bir Bdr. Kami	126,000.00	0.00	126,000.00	1,260.00	124,740.00
Satya Bdr. Malla	214,910.00	0.00	214,910.00	2,149.10	212,760.90
Krishna Rawal	23,000.00		23,000.00	230.00	22,770.00
Total	740,410.00	0.00	740,410.00	7,404.10	733,005.90
Help Nepal Network Children Home, Dhulikhel					
Punyawati Ghale	195,000.00	0.00	195,000.00	1,950.00	193,050.00
Raj Kumar Tamang	104,000.00	0.00	104,000.00	1,040.00	102,960.00
Purna Bdr Karki	130,000.00	0.00	130,000.00	1,300.00	128,700.00
Sita Bhandari	53,517.00	0.00	53,517.00	535.17	52,981.83
Rabin Shrestha	30,000.00	0.00	30,000.00	300.00	29,700.00
Narayan Karmacharya	27,500.00	0.00	27,500.00	275.00	27,225.00
Shankar Sharma	10,000.00	0.00	10,000.00	100.00	9,900.00
Surendra Kmr. Shrestha	24,000.00	0.00	24,000.00	240.00	23,760.00
Anisha Kunwar	12,900.00	0.00	12,900.00	129.00	12,771.00
Sulochana Titaju	16,385.00	0.00	16,385.00	163.85	16,221.15
Santosh Karki	10,000.00	0.00	10,000.00	100.00	9,900.00
Kamala Kharel	6,194.00	0.00	6,194.00	61.94	6,132.06
Abanishwor Karki	15,000.00	0.00	15,000.00	150.00	14,850.00
Total	634,496.00	0.00	634,496.00	6,344.96	628,151.04
eLibrary support staff					
Anish Narsingh Pradhan	180,000.00	0.00	180,000.00	1,800.00	178,200.00
Total	180,000.00	0.00	180,000.00	1,800.00	178,200.00
Panchakanya Basic School					
Daya Sagar Shrestha	165,000.00	0.00	165,000.00	1,650.00	163,350.00
Ranjana Regmi	165,000.00	0.00	165,000.00	1,650.00	163,350.00
Netra Psd Ghimire	150,000.00	0.00	150,000.00	1,500.00	148,500.00
Sarita Dhonju Shrestha	99,000.00	0.00	99,000.00	990.00	98,010.00
Total	579,000.00	0.00	579,000.00	5,790.00	573,210.00
Grand-Total	3,270,522.00	118,180.00	3,152,342.00	73,433.12	3,078,908.88

To be deposited
Deposited till date
TDS Payable

73,433.12
68,000.00
5,433.12



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Details of Interest

S. No.	Bank	Net of Tax	Tax	Gross of Tax
1	NB Bank Ltd	355,829.84	62,793.50	418,623.34
2	Sanima Bikas Bank, Naxal	46,339.51	8,177.56	54,517.07
3	Sanima Bikas Bank/Saving, Chabahil	92,071.71	16,247.95	108,319.66
4	Everest Bank Ltd, Chabahil	4,710.36	831.24	5,541.60
5	NCC Bank Ltd, Chabahil	61,188.15	10,797.91	71,986.06
6	Nepal Bank Ltd, Newroad	1,766.69	311.77	2,078.46
7	Vibor Bikash Bank	6,440,169.21	1,136,500.45	7,576,669.66
	Total	7,002,075.47	1,235,660.38	8,237,735.85



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Help Nepal Network (Nepal)
Significant Accounting Policies & Notes to the Accounts

Schedule 16

A) Corporate Information:

Help Nepal Network (Nepal) is a non profit organization registered under the provisions of the Organization Registration Act 2034 having its registered office at Kathmandu, Nepal.

B) Significant Accounting Policies:

1) Accounting Conventions:

The financial statements are prepared under the historical cost conventions on an accrual concept and are in accordance with Nepal Accounting Standards (NAS), unless otherwise stated, and other applicable laws prevalent in Nepal. The accounting policies are consistently applied by the Organization.

2) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the periods in which the results are known/materialized.

3) Fixed Assets (NAS 16):

- i) Fixed assets are stated at cost of acquisition, construction inclusive of all the expenses upto commissioning/putting the assets to use.
- ii) Depreciation is charged on written down value method at the rates prescribed in Nepalese Income Tax Act

4) Going Concern:

The Financial Statements are prepared on a going concern basis.

5) Revenue Recognition (NAS 18):

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Organization and the revenue and associated costs incurred or to be incurred can be reliably measured.

6) Fees and other Receivables:

Fees and other Receivables are originated by the Organization and are stated at collection rate less provisions for any uncollectible amount. Provision is made against debts considered doubtful of recovery whereas debts considered irrecoverable are written off.

7) Related party transactions (NAS 24):

All Services with related parties are carried out by the Organization at arm's length prices.

8) Cash and Bank Balances:

Cash and bank balances comprises of cash in hand, cheques in hand and balances with banks as on Balance Sheet date.

9) Cash Flow Statements (NAS 07):

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Organization are segregated. The Cash flow statement is separately attached with the Financial Statements of the Organization.



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10) Borrowing Costs (NAS 23):

Borrowing costs attributable to the acquisition of the asset is capitalized as part of the cost of the asset. Other Financing/Borrowing costs are charged to the Income Statement in accordance with Nepal accounting Standards NAS 23 on "Borrowing Costs".

11) Investments:

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investments and are carried at cost. However, provisions for diminution in value of investments are made to recognize decline, other than temporary, in value of the investments.

Investments other than long term investments, being current investments, are valued at cost or market price whichever is lower, determined on an individual basis.

C) Notes to the Accounts:

1) Depreciation

Rate of depreciation provided during the year for Fixed Assets is rate prescribed as per Nepalese Income Tax Act.

2) Help Nepal Network (Nepal) has been working as per its objectives and has deducted TDS on all applicable expenses as mentioned in Section 88 of Income Tax Act, 2058.

3) Miscellaneous:

- a) All amounts are stated in Nepalese rupees.
- b) All the schedules form the integral part of Balance Sheet and Income Statement.
- c) Accounting heads are regroup & rearrange as per the requirement



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