

### **Independent Auditor's Report**

**To The members of Help Nepal Network(Nepal)**  
**Kathmandu, Nepal**

### **Report on the Audit of Financial Statements**

We have audited the financial statements of **Help Nepal Network (Nepal)**, which comprise the statement of financial position as at Ashadh 31, 2078, and the statement of Income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial Statements present fairly, in all material respects, the financial position of the company as at Ashad 31, 2078, and its financial performance and its cash flows for the year then ended in accordance with Nepal Accounting Standard.

### **Basis for Opinion**

We conducted our audit in accordance with Nepal standards on Auditing (NSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statement section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **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. In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditors' Responsibility**

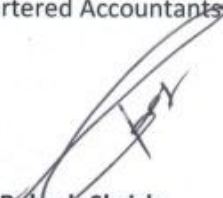
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Date: 2078.05.21

Kathmandu

UDIN : 210906CA00682FmbI7

**For: Bashyal & Associates**  
Chartered Accountants

  
**Rakesh Shrish**  
Partner





**Help Nepal Network (Nepal)**  
Kathmandu, Nepal  
**Balance Sheet**  
as at 31st Ashadh 2078 (15th July 2021)

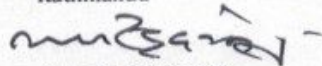
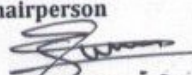
Particulars	Schedule	Current year 2077-78	Previous year 2076-77
<b>Application of Fund</b>			
<b>Current Assets</b>			
Cash & Bank Balances	3	19,872,533.76	17,422,518.59
Deposits, Advances & Receivables	4	582,508.00	3,220,483.64
<b>Total Current Assets</b>		<b>20,455,041.76</b>	<b>20,643,002.23</b>
<b>Investments</b>	2	<b>75,000,000.00</b>	<b>82,500,000.00</b>
<b>Fixed Assets</b>	1		
Gross Block		103,420.35	135,448.70
Less: Depreciation		24,388.03	32,028.35
<b>Fixed Assets (Net)</b>		<b>79,032.33</b>	<b>103,420.35</b>
<b>Total</b>		<b>95,534,074.19</b>	<b>103,246,422.58</b>
<b>Sources of Funds *</b>			
<b>Current Liabilities</b>	5		
Accounts and other payables		331,727.78	252,772.50
<b>Total Current liabilities</b>		<b>331,727.78</b>	<b>252,772.50</b>
<b>Non-Current liabilities</b>			
Loans and Advances		-	-
<b>Total Non- Current liabilities</b>		<b>-</b>	<b>-</b>
<b>Equity and reserve fund</b>			
Charity Endowment Fund		59,662,323.15	59,662,323.15
Administrative Fund		22,500,000.00	22,500,000.00
Surplus Fund		13,040,023.16	20,831,326.93
<b>Total Non- Current liabilities</b>		<b>95,202,346.31</b>	<b>102,993,650.08</b>
<b>Total</b>		<b>95,534,074.19</b>	<b>103,246,422.58</b>


Significant Accounting Policies & Notes to Accounts

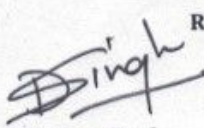
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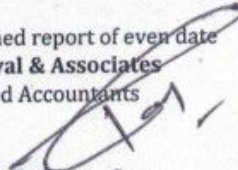
Date: 2078.05.21  
Kathmandu

As per our attached report of even date  
For: Bashyal & Associates  
Chartered Accountants

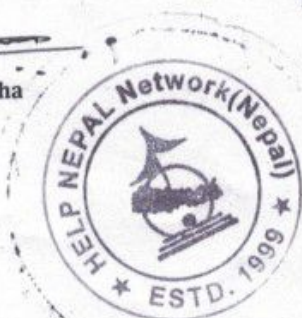
  
Arun Singh Basnet  
Chairperson  
  
Suman Shrestha  
Accountant

  
Rajendra Nath Shrestha  
Treasurer

  
Dikshya Singh  
Program Coordinator

  
Rakesh Shrish  
Partner

  
Lata Ghimire  
Secretary





**Help Nepal Network (Nepal)**  
Kathmandu, Nepal  
**Statement of Financial Activities**  
For the Period Ended on 31st Ashadh 2078 (15th July 2021)

Particulars	Schedule	Current year 2077-78	Previous year 2076-77
<b>Income</b>			
Fund for Activities	6	3,916,161.05	10,632,904.59
Other Income	7	8,927,378.31	8,536,321.88
<b>Total Income</b>		<b>12,843,539.36</b>	<b>19,169,226.47</b>
<b>Cost of Activities</b>			
Help Nepal Health Post Expenses	8	961,355.00	938,006.00
Health Related Projects	9	1,547,383.82	226,629.00
HeNN Children Home	10	2,150,252.00	2,200,016.00
e-Library Project Expenses	11	-	302,275.00
Support to Educational Institutions	12	13,285,898.54	7,922,921.35
Relief Material Distribution Expenses	13	519,421.50	1,355,204.40
Other Project Expenses	14	93,644.00	-
Charity Concert expense		-	4,117,093.05
<b>Total Cost Of Activities</b>		<b>18,557,954.86</b>	<b>17,062,144.80</b>
Surplus (Deficit ) from Activities		<b>(5,714,415.50)</b>	<b>2,107,081.67</b>
Less: General & Administrative Expenses	15	2,052,500.25	2,263,857.35
<b>Net Surplus (Deficit) Before Depreciation</b>		<b>(7,766,915.75)</b>	<b>(156,775.68)</b>
Less: Depreciation		24,388.03	32,028.35
<b>Excess of Income Over Expenditure/ (Deficit)</b>		<b>(7,791,303.78)</b>	<b>(188,804.03)</b>
Surplus/ (Deficit) Up to Previous Year		20,831,326.93	21,020,130.96
Less: Separately Shown Under Administrative Fund			
Less: Separately Shown Under Charity Endowment Fund			
<b>Total Surplus transferred to Balance Sheet</b>		<b>13,040,023.16</b>	<b>20,831,326.93</b>

Date : 2078.05.21  
Kathmandu

As per our attached report of even date  
For: Bashyal & Associates  
Chartered Accountants

Arun Singh Basnet  
Chairperson

Rajendra Nath Shrestha  
Treasurer

Rakesh Shrish  
Partner

Suman Shrestha  
Accountant

Dikshya Singh  
Program Coordinator

Lata Ghimire  
Secretary





# Help Nepal Network (Nepal)

Kathmandu, Nepal

## Cash Flow Statement

For the Period Ended on 31st Ashadh 2078 (15th July 2021)

Particulars	Current year 2077-78	Previous year 2076-77
<b>Surplus/ (Deficit) for the year</b>	<b>(7,791,303.78)</b>	<b>(188,804.03)</b>
Add/ (less): Increase/ (decrease) in Reserves	24,388.03	32,028.35
Add: Depreciation for the year	(7,766,915.75)	(156,775.68)
<b>Cash Flow Before Working Capital Changes</b>		
<b>Change in Working Capital:</b>		
Decrease/(Increase) in Current Assets	2,637,975.64	(1,405,595.50)
Increase/(Decrease) in Current Liabilities	78,955.28	39,017.00
<b>A. Cash Flow from Operating activities</b>	<b>(5,049,984.83)</b>	<b>(1,523,354.18)</b>
<b>Investing Activities</b>		
Sales/(Purchase) of Fixed Assets	-	-
Sales/(Purchase) of Investment Assets	7,500,000.00	-
<b>B. Cash Flow from Investing activities</b>	<b>7,500,000.00</b>	<b>-</b>
<b>Financing Activities:</b>		
Increase/(Decrease) in Loan Funds		
Less: Financial Charge	-	-
<b>C. Cash Flow From Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net Cash Flow During the year (A+B+C)</b>	<b>2,450,015.17</b>	<b>(1,523,354.18)</b>
Opening Cash & Bank Balances & Equivalents	17,422,518.59	18,945,872.77
<b>Closing Cash &amp; Bank Balances &amp; Equivalents</b>	<b>19,872,533.76</b>	<b>17,422,518.59</b>

Date: 2078.05.24  
Kathmandu

Arun Singh Basnet  
Chairperson

Suman Shrestha  
Accountant



Rajendra Nath Shrestha  
Treasurer

Dikshya Singh  
Program Coordinator

As per our attached report of even date  
For: Bashyal & Associates  
Chartered Accountants

Rakesh Shrish  
Partner

Lata Ghimire  
Secretary





# Help Nepal Network (Nepal)

Kathmandu, Nepal

## Fixed Assets & Depreciation

### Schedule 1

2076-77

Block	Particulars	Dep Rate	Opening	Addition			Disposal	Gross Total Assets	Total Depreciation	Net Assets
				Upto	Upto chaitra	Upto Ashad				
B	Office Equipments	25.00%	85,531.66					85,531.66	21,382.91	64,148.74
B	Furniture and fixtures	25.00%	13,240.48	-	-			13,240.48	3,310.12	9,930.36
C	Office Vehicles	20.00%	36,676.57					36,676.57	7,335.31	29,341.25
	<b>Total</b>		<b>135,448.70</b>	-	-	-	-	<b>135,448.70</b>	<b>32,028.35</b>	<b>103,420.35</b>

2077-78

Block	Particulars	Dep Rate	Opening	Addition			Disposal	Gross Total Assets	Total Depreciation	Net Assets
				Upto	Upto chaitra	Upto Ashad				
B	Office Equipments	25.00%	64,148.74					64,148.74	16,037.19	48,111.56
B	Furniture and fixtures	25.00%	9,930.36					9,930.36	2,482.59	7,447.77
C	Office Vehicles	20.00%	29,341.25					29,341.25	5,868.25	23,473.00
	<b>Total</b>		<b>103,420.35</b>	-	-	-	-	<b>103,420.35</b>	<b>24,388.03</b>	<b>79,032.33</b>



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**Help Nepal Network (Nepal)**  
Kathmandu, Nepal  
**Schedules Forming Part of the Balance Sheet**

**Schedule 2**

**Investment on Fixed Deposits (FD)**

Particulars	Current year 2077-78	Previous year 2076-77
Lumbini Bikash Bank	12,500,000.00	22,500,000.00
Sanima Bank FD	30,000,000.00	40,000,000.00
Siddhartha Bank FD	20,000,000.00	20,000,000.00
Kumari Bank FD	12,500,000.00	
<b>Total</b>	<b>75,000,000.00</b>	<b>82,500,000.00</b>

**Schedule 3**

**Cash and Bank Balances**

Particulars	Current year 2077-78	Previous year 2076-77
Cash Balance ( as certified by mgmt)	8,993.00	1,351.00
Everest Bank Chabahil	110,840.23	110,536.72
Nabil Bank Chabahil	115,791.27	115,791.27
NB Bank, New Road	4,557,300.28	2,253,941.57
NCC Bank, Chabahil	262,764.01	12,848.18
Nepal Bank Ltd. New Road	164,926.83	161,403.89
Sanima Bank, Chabahil	8,892,852.48	937,211.42
Sanima Bank, Naxal	1,110,288.54	2,753,074.59
Lumbini Bikash Bank	570,705.55	8,913,197.96
Mega Bank Ltd.	134,774.06	580,463.15
Siddhartha Bank	3,693,929.05	1,582,698.84
Kumari Bank	249,368.46	-
<b>Total</b>	<b>19,872,533.76</b>	<b>17,422,518.59</b>

**Schedule 4**

**Prepays, Loans, Advances & deposits**

Particulars	Current year 2077-78	Previous year 2076-77
Advance to HeNN Children Home	26,094.10	20,969.10
Advance to Rajhity Samaj	351,908.00	263,154.00
Advance to Survivors Nepal	-	2,126,006.54
Advance to Vianet	2,500.00	2,500.00
Advance to Nepal Medical Association	-	500,000.00
Advance to Manoj Kumar Mishra	50,000.00	50,000.00
Advance to Nawal Kishore Jha	150,000.00	150,000.00
Advance to Manoj Ram	-	25,000.00
Advance to Help Nepal Health Post	-	23,854.00
Advance to Samaj Kalyan Parishad	-	50,000.00
Advance to Panchakanya School	-	9,000.00
Advance to staff	2,005.90	
<b>Total</b>	<b>582,508.00</b>	<b>3,220,483.64</b>

**Schedule 5**

**Accounts and other payables**

Particulars	Current year 2077-78	Previous year 2076-77
Audit Fee Payable	111,500.00	111,500.00
Expenses Payable	216,721.88	139,205.00
TDS on Audit Fee	1,500.00	1,500.00
TDS on Staff Salary	2,005.90	567.50
<b>Total</b>	<b>331,727.78</b>	<b>252,772.50</b>



*[Handwritten signatures and initials are present at the bottom of the page, including a large signature that appears to be 'Singh' and another that appears to be 'Joshi'.]*



## Schedule- 6

## Fund for Activities

Particulars	Current year 2077-78	Previous year 2076-77
Dr. Franz Schmid	-	785,088.00
HeNN Austria	597,882.05	1,220,000.00
HeNN Australia	100,000.00	-
HeNN UK	1,730,905.17	-
Local Donation	-	290,426.00
Membership Fees	-	1,800.00
Music for Children	1,212,079.83	436,228.43
Nepalese Society Texas	-	3,000,000.00
Charity concert Income	-	3,739,362.16
Rotary Club of Patan Durbar Square	-	1,160,000.00
HeNN Sweden	275,294.00	-
<b>Total</b>	<b>3,916,161.05</b>	<b>10,632,904.59</b>

## Schdeule - 7

## 7.1 Interest income

Particulars	Current year 2077-78	Previous year 2076-77
Everest Bank, Chabahil	303.51	1,189.37
NB Bank, New Road	25,252.95	87,502.95
NCC Bank, Chabahil	-	5,922.74
Nepal Bank Ltd., New Road	3,522.94	5,503.93
Sanima Bank, Chabahil	2,740,939.91	1,282,002.70
Sanima Bank Naxal	15,219.95	16,776.97
Lumbini Bikash Bank	1,788,028.94	6,489,534.39
Mega Bank Ltd	4,301.41	4,192.75
Siddhartha Bank Ltd	1,587,210.70	640,233.08
Kumari Bank	199,883.46	-
Other Income	-	3,463.00
<b>Total</b>	<b>6,364,663.77</b>	<b>8,536,321.88</b>

## 7.2 Other Income

Particulars	Current year 2077-78	Previous year 2076-77
Local Donation	487,361.00	-
Membership fee	1,800.00	-
Charity concert Income	735,000.00	-
Pedal for Education income	1,338,553.54	-
<b>Total</b>	<b>2,562,714.54</b>	<b>-</b>



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## Schedule 8

## Help Nepal Health Post Expenses

Particulars	Current year 2077-78	Previous year 2076-77
<b>Help Nepal Health Post Mugu</b>		
Salary	847,750.00	847,750.00
Printing and stationery expenses	2,200.00	6,350.00
Transportation	22,205.00	-
Consumable Goods	550.00	8,661.00
Repair and Maintenance	-	5,000.00
Monitoring and Reporting Expenses	34,930.00	26,605.00
Health Education Program	50,120.00	43,640.00
General expense	3,600.00	-
<b>Total</b>	<b>961,355.00</b>	<b>938,006.00</b>

## Schedule 9

## Health Related Projects

Particulars	Current year 2077-78	Previous year 2076-77
Gorkha Eye Camp	-	226,629.00
Covid 19 Prevention	1,547,383.82	-
<b>Total</b>	<b>1,547,383.82</b>	<b>226,629.00</b>

## Schedule 10

## HeNN Children Home, Dhulikhel

Particulars	Current year 2077-78	Previous year 2076-77
Bank Charge	200.00	25.00
Clothing Expenses	67,660.00	102,670.00
Coloring Expenses	22,456.00	13,664.00
Communication	13,900.00	14,588.00
Consumable Goods	41,315.00	83,815.00
Educational Expenses	31,383.00	45,970.00
Electricity	18,330.00	20,440.00
Farming Expenses	68,131.00	40,227.00
Festival Expenses	29,795.00	45,425.00
Health & Medicine Expenses	39,875.00	26,415.00
Insurance Expenses	587,388.00	518,434.00
Kitchen Expenses	455,038.00	480,427.00
Miscellaneous Expenses	20,080.00	14,261.00
Courier expense	12,557.00	-
Office Furniture	-	45,426.00
Printing and Stationery	4,316.00	2,822.00
Repair and Maintenance	105,545.00	24,310.00
Salary	523,250.00	605,050.00
Transportation	13,000.00	10,550.00
Water	18,675.00	22,292.00
Kitchen Utensils	16,900.00	10,970.00
Bedding expenses	225.00	66,935.00
Reporting & Monitoring expenses	-	5,300.00
Shelter expense	15,000.00	-
Monitoring Expense	7,945.00	-
Electronic Goods	37,288.00	-
<b>Total</b>	<b>2,150,252.00</b>	<b>2,200,016.00</b>

## Schedule 11

## e- Library Project Expenses

Particulars	Current year 2077-78	Previous year 2076-77
Support Staff Salary	-	-
Dhulikhel elibrary	-	302,275.00
<b>Total</b>	<b>-</b>	<b>302,275.00</b>



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**Schedule 12**

**Support to Educational Institutions**

Particulars	Current year 2077-78	Previous year 2076-77
Bhimodaya primary School, Gorkha	-	662,212.00
Panchakanya Lower Secondary School, Kavre	448,646.00	540,000.00
Rajkuleshwor Lower Secondary School	10,411,246.00	5,784,943.00
Thokarpa Secondary School, Sindhupalchowk	2,426,006.54	257,605.00
Maa Bhagwati Rastriya Primary School	-	488,551.00
Dupcheswor Secondary School, Nuwakot	-	189,610.35
<b>Total</b>	<b>13,285,898.54</b>	<b>7,922,921.35</b>

**Schedule 13**

**Relief Material Distribution Expenses**

Particulars	Current year 2077-78	Previous year 2076-77
Saptari Cold Victims	292,461.50	252,199.60
Sindhupalchowk Flood Victims	189,460.00	-
Saptari Flood Victims	-	150,000.00
Myagdi Flood victims	37,500.00	-
Nuwakot Earthquake Victims	-	504,000.00
Siraha Flood Victims	-	99,004.80
Mugu landslide victims.	-	350,000.00
<b>Total</b>	<b>519,421.50</b>	<b>1,355,204.40</b>

**Schedule 14**

**Other Projects Expenses**

Particulars	Current year 2077-78	Previous year 2076-77
Pedal for education expense	93,644.00	-
<b>Total</b>	<b>93,644.00</b>	<b>-</b>

**Schedule -15**

**General & Administrative Expenses**

Particulars	Current year 2077-78	Previous year 2076-77
Audit Fee	113,000.00	113,000.00
Bank Commission	2,200.00	1,565.00
Communication Expenses	4,550.00	42,002.25
Consumable Good Expenses	2,286.00	6,361.00
Electricity Expenses	21,100.00	35,625.00
General Expenses	10,218.50	4,633.00
Insurance Charges	81,127.00	115,672.00
Internet Expenses	104,582.25	33,900.00
Office Rent	442,250.00	421,321.00
Printing & Stationery Expenses	25,614.50	14,729.00
Refreshment Expenses	12,273.00	14,051.50
Registration & Renewal Expenses	4,150.00	5,175.00
Repair & Maintenance	30,840.00	36,204.00
Staff Salary	1,131,150.00	932,514.00
Transportation Expenses	36,356.00	47,370.00
Water Expenses	3,683.00	4,294.00
20th yr celebration program	-	435,440.60
Software expense	27,120.00	-
<b>Total</b>	<b>2,052,500.25</b>	<b>2,263,857.35</b>

