

Independent Auditor's Report
To the Members of Help Nepal Network (Nepal)
Kathmandu, Nepal

Report on the Audit of the Financial Statements:

Opinion

We have audited the accompanying financial statements of **Help Nepal Network (Nepal)**, which comprise Statement of Financial Position as at Ashadh 32nd, 2079 (July 16th, 2022), Statement of Financial Activities, Statement Cash Flow for the year then ended, and a summary of Significant Accounting Policies and Notes to the Accounts.

In our opinion, the accompanying financial statements read along with the notes to the accounts present fairly, in all material respects the financial position of as on Ashadh 32nd, 2079 (July 16th, 2022) and its financial activities, and its cash flows for the year ended Ashadh 32nd, 2079 (July 16th, 2022) in accordance with Nepal Accounting Standards (NASs).

Basis for Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit on the Financial Statements section of our report. We are independent of the Company in accordance with the ICAN's Handbook of Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN's handbook of The Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no other Key Audit Matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

Help Nepal Network (Nepal), Management is responsible for the preparation of the other information. The other information comprises the information included in the Management report and other progress reports but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Nepal Accounting Standards, and for such internal control as management determines is necessary to enable that preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

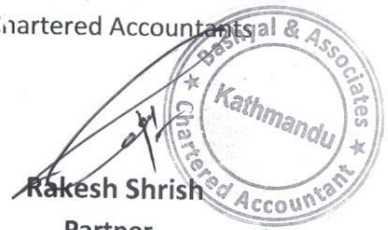
Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

For: Bashyal & Associates

Chartered Accountants



Rakesh Shrish

Partner

Place: Kathmandu, Nepal
Date: 2079.04.31
UDIN No: 220816CA00682dKzDv

Help Nepal Network (Nepal)
Kathmandu, Nepal
Balance Sheet
as at 31st Ashadh 2079 (16th July 2022)

Particulars	Schedule	Current year 2078-79	Previous Year 2077-78
Application of Fund			
Current Assets			
Cash & Bank Balances	3	12,707,338.17	19,872,533.83
Deposits, Advances & Receivables	4	121,593.13	582,508.00
Total Current Assets		12,828,931.30	20,455,041.83
Fixed Deposit	2	75,000,000.00	75,000,000.00
Fixed Assets	1		
Gross Block		272,783.20	103,420.35
Less: Depreciation		34,730.34	24,388.03
Fixed Assets (Net)		238,052.86	79,032.33
Total		88,066,984.16	95,534,074.16
Sources of Funds			
Current Liabilities	5		
Accounts and other payables		1,310,536.16	331,727.78
Total Current liabilities		1,310,536.16	331,727.78
Non-Current liabilities			
Loans and Advances		-	-
Total Non- Current liabilities		-	-
Equity and reserve fund			
Charity Endowment Fund		59,662,323.15	59,662,323.15
Administrative Fund		22,500,000.00	22,500,000.00
Surplus Fund		4,594,124.81	13,040,023.15
Total Non- Current liabilities		86,756,447.96	95,202,346.30
Total		88,066,984.16	95,534,074.16

Significant Accounting Policies & Notes to Accounts

14

Date: 2079.04.27
Kathmandu

Arun Singh Basnet
Chairperson

Suman Shrestha
Accountant

Rajendra Nath Shrestha
Treasurer

Ayushi Bista
Asst. Program Coordinator

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

Lata Ghimire
Secretary

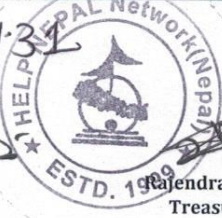
Rakesh Shrivastava
Partner




Help Nepal Network (Nepal)
Kathmandu, Nepal
Statement of Financial Activities
For the Period Ended on 31st Ashadh 2079 (16th July 2022)

Particulars	Schedule	Current Year 2078-79	Previous Year 2077-78
Income			
Fund for Activities	6	8,096,079.84	3,916,161.05
Other Income	7	6,914,032.33	8,927,378.31
Total Income		15,010,112.17	12,843,539.36
Cost of Activities			
Help Nepal Health Post Expenses	8	1,116,316.00	961,355.00
Health Related Projects	9	397,571.57	1,547,383.82
HeNN Children Home	10	2,655,194.00	2,150,252.00
Support to Educational Institutions	11	16,599,464.00	13,285,898.54
Relief Material Distribution Expenses	12	280,300.00	519,421.50
Other Project Expenses			93,644.00
Total Cost Of Activities		21,048,845.57	18,557,954.86
Surplus (Deficit) from Activities		(6,038,733.40)	(5,714,415.50)
Less: General & Administrative Expenses	13	2,372,434.60	2,052,500.25
Net Surplus (Deficit) Before Depreciation		(8,411,168.00)	(7,766,915.75)
Less: Depreciation		34,730.34	24,388.03
Excess of Income Over Expenditure/ (Deficit)		(8,445,898.34)	(7,791,303.78)
Surplus/ (Deficit) Up to Previous Year		13,040,023.15	20,831,326.93
Less: Separately Shown Under Administrative Fund		-	-
Less: Separately Shown Under Charity Endowment Fund		-	-
Total Surplus transferred to Balance Sheet		4,594,124.81	13,040,023.15

Date: 2079.04.31
Kathmandu


Arun Singh Basnet
Chairperson
Suman Shrestha
Accountant
Ajendra Nath Shrestha
Treasurer
Ayushi Bista
Asst. 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

Cash Flow Statement

For the Period Ended on 31st Ashadh 2079 (16th July 2022)

Particulars	Current Year 2078-79	Previous Year 2077-78
Surplus/ (Deficit) for the year	(8,445,898.34)	(7,791,303.78)
Add/ (less): Increase/ (decrease) in Reserves		
Add: Depreciation for the year	34,730.34	24,388.03
Cash Flow Before Working Capital Changes	(8,411,168.00)	(7,766,915.75)
Change in Working Capital:		
Decrease/(Increase) in Current Assets	460,914.90	2,637,975.64
Increase/(Decrease) in Current Liabilities	978,808.38	78,955.28
A. Cash Flow from Operating activities	(6,971,444.72)	(5,049,984.83)
Investing Activities		
Sales/(Purchase) of Fixed Assets	(193,750.87)	
Sales/(Purchase) of Investment Assets	-	7,500,000.00
B. Cash Flow from Investing activities	(193,750.87)	7,500,000.00
Financing Activities:		
Increase/(Decrease) in Loan Funds		
Less: Financial Charge		
C. Cash Flow From Financing Activities	-	-
Net Cash Flow During the year (A+B+C)	(7,165,195.59)	2,450,015.17
Opening Cash & Bank Balances & Equivalents	19,872,533.76	17,422,518.59
Closing Cash & Bank Balances & Equivalents	12,707,338.17	19,872,533.76

Date: 2079.04.31
Kathmandu

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Arun Singh Basnet
Chairperson

[Signature]

Suman Shrestha
Accountant



[Signature]
Rajendra Nath Shrestha
Treasurer

[Signature]

Ayushi Bista
Asst. Program Coordinator

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

[Signature]
Rakesh Shrivastava
Partner

[Signature]
Lata Ghimire
Secretary



Help Nepal Network (Nepal)

Kathmandu, Nepal

Fixed Assets & Depreciation

Schedule 1

2077-78

Block	Particulars	Dep Rate	Opening	Addition			Disposal	Gross Total Assets	Total Depreciation	Net Assets
				Upto Poush	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
	Total		103,420.35	-	-	-	-	103,420.35	24,388.03	79,032.33

2078-79

Block	Particulars	Dep Rate	Opening	Addition			Disposal	Gross Total Assets	Total Depreciation	Net Assets
				Upto Poush	Upto chaitra	Upto Ashad				
B	Office Equipments	25.00%	48,111.56	-	-	-	-	48,111.56	12,027.89	36,083.67
B	Furniture and fixtures	25.00%	7,447.77	-	-	193,750.87	-	201,198.64	18,007.85	183,190.79
C	Office Vehicles	20.00%	23,473.00	-	-	-	-	23,473.00	4,694.60	18,778.40
	Total		79,032.33	-	-	193,750.87	-	272,783.20	34,730.34	238,052.86

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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 2078-79	Previous Year 2077-78
Lumbini Bikash Bank	12,500,000.00	12,500,000.00
Sanima Bank FD	30,000,000.00	30,000,000.00
Siddhartha Bank FD	20,000,000.00	20,000,000.00
Kumari Bank FD	12,500,000.00	12,500,000.00
Total	75,000,000.00	75,000,000.00

Schedule 3

Cash and Bank Balances

Particulars	Current year 2078-79	Previous Year 2077-78
Cash Balance (as certified by mgmt)	4,596.00	8,993.00
Everest Bank Chabahil	111,055.27	110,840.20
Nabil Bank Chabahil	-	115,791.27
NB Bank, New Road	32,705.20	4,557,300.28
NCC Bank, Chabahil	2,578,623.85	262,764.01
Nepal Bank Ltd. New Road	-	164,926.83
Sanima Bank, Chabahil	634,084.05	8,892,852.48
Sanima Bank, Naxal	135,857.97	1,110,288.54
Lumbini Bikash Bank	349,142.42	570,705.55
Mega Bank Ltd.	75,738.07	134,774.06
Siddhartha Bank	8,409,908.31	3,693,929.05
Kumari Bank	375,627.03	249,368.56
Total	12,707,338.17	19,872,533.83

Schedule 4

Deposits, Advances & Receivables

Particulars	Current year 2078-79	Previous Year 2077-78
Advance to HeNN Children Home	77,658.10	26,094.10
Advance to Rajhity Samaj	-	351,908.00
Advance to Survivors Nepal	-	-
Advance to Vianet	-	2,500.00
Advance to Manoj Kumar Mishra	-	50,000.00
Advance to Nawal Kishore Jha	-	150,000.00
Advance to Help Nepal Health Post	41,435.00	-
Advance to staff	-	2,005.90
Advance to Other	2,500.00	-
Total	121,593.10	582,508.00

Schedule 5

Accounts and other payables

Particulars	Current year 2078-79	Previous Year 2077-78
Audit Fee Payable	111,500.00	111,500.00
Expenses Payable	25,665.00	216,721.88
TDS on Audit Fee	1,500.00	1,500.00
TDS on Staff Salary	-	2,005.90
Bills payable	1,171,050.00	-
Tds on others	821.16	-
Total	1,310,536.16	331,727.78

Schedule- 6

Fund for Activities

Particulars	Current year 2078-79	Previous Year 2077-78
HeNN Austria	-	597,882.05
HeNN Australia	-	100,000.00
HeNN UK	-	1,730,905.17
Music for Children	2,315,859.84	1,212,079.83
HeNN US	5,780,220.00	275,294.00
Total	8,096,079.84	3,916,161.05



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Schedule - 7

7.1 Interest Income

Particulars	Current year 2078 79	Previous Year 2077 78
Everest Bank, Chabahil	215.04	303.51
NB Bank, New Road	18,286.20	25,252.95
Nepal Bank Ltd., New Road	2,865.97	3,522.94
Sanima Bank, Chabahil	2,222,195.02	2,740,939.91
Sanima Bank Naxal	1,286.26	15,219.95
Lumbini Bikash Bank	978,536.87	1,788,028.94
Mega Bank Ltd	242.67	4,301.41
Siddhartha Bank Ltd	1,855,377.63	1,587,210.70
Kumari Bank	871,273.57	199,883.46
Total	5,950,279.23	6,364,663.77

7.2 Other Income

Particulars	Current year 2078 79	Previous Year 2077 78
Local Donation	863,054.10	487,361.00
Membership fee	1,600.00	1,800.00
Miscellaneous Income	4,644.00	-
Charity concert Income	-	735,000.00
Pedal for Education income	94,455.00	1,338,553.54
Total	963,753.10	2,562,714.54

Schedule 8

Help Nepal Health Post Expenses

Particulars	Current year 2078 79	Previous Year 2077 78
Help Nepal Health Post Mugu		
Salary	898,146.00	847,750.00
Printing and stationery expenses	250.00	2,200.00
Transportation	1,860.00	22,205.00
General Expenses	7,000.00	550.00
Office Equipments	99,500.00	-
Monitoring and Reporting Expenses	73,920.00	34,930.00
Health Education Program	-	50,120.00
Outreach Clinic	35,640.00	3,600.00
Total	1,116,316.00	961,355.00

Schedule 9

Health Related Projects

Particulars	Current year 2078 79	Previous Year 2077 78
Covid 19 Prevention	397,571.57	1,547,383.82
Total	397,571.57	1,547,383.82

Schedule 10

HeNN Children Home, Dhulikhel

Particulars	Current year 2078 79	Previous Year 2077 78
Bank Charge	-	200.00
Clothing Expenses	88,558.00	67,660.00
Coloring Expenses	-	22,456.00
Communication	22,305.00	13,900.00
Consumable Goods	53,230.00	41,315.00
Educational Expenses	88,830.00	31,383.00
Electricity	28,790.00	18,330.00
Farming Expenses	40,740.00	68,131.00
Festival Expenses	45,042.00	29,795.00
Health & Medicine Expenses	16,713.00	39,875.00
Insurance Expenses	964,998.00	587,388.00
Kitchen Expenses	449,635.00	455,038.00
Miscellaneous Expenses	67,384.00	20,080.00
Courier expense	-	12,557.00
Printing and Stationery	13,095.00	4,316.00
Repair and Maintenance	16,957.00	105,545.00
Salary	636,080.00	523,250.00
Transportation	10,090.00	13,000.00
Water	34,255.00	18,675.00
Kitchen Utensils	36,831.00	16,900.00
Bedding expenses	13,892.00	225.00
Shelter expense	-	15,000.00
Reporting & Monitoring expenses	5,000.00	7,945.00
Flooring expenses	20,769.00	-
Renew & Registration	1,500.00	-
Electronic Goods	500.00	37,288.00
Total	2,655,194.00	2,150,252.00



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Schedule 11

Support to Educational Institutions

Particulars	Current year 2078-79	Previous Year 2077-78
Thokarpa Secondary School, Sindhupalchowk	-	2,426,006.54
Panchakanya Basic School, Kavre	771,986.00	448,646.00
Panchakanya Basic School, Ramechhap	97,500.00	
Rajkuleshwor Basic School, Dolakha	15,680,198.00	10,411,246.00
Tripura Secondary School, Dolpa	49,780.00	
Total	16,599,464.00	13,285,898.54

Schedule 12

Relief Material Distribution Expenses

Particulars	Current year 2078-79	Previous Year 2077-78
Saptari Cold Victims	-	292,461.50
Sindhupalchowk Flood Victims	-	189,460.00
Myagdi Flood victims	-	37,500.00
Kanchanpur Flood Victims	280,300.00	-
Total	280,300.00	519,421.50

Schedule -13

General & Administrative Expenses

Particulars	Current year 2078-79	Previous Year 2077-78
Audit Fee	113,000.00	113,000.00
Bank Commission	1,415.00	2,200.00
Communication Expenses	4,030.00	4,550.00
Consumable Good Expenses	6,015.00	2,286.00
Electricity Expenses	28,600.00	21,100.00
General Expenses	22,069.44	10,218.50
Insurance Charges	77,311.00	81,127.00
Internet Expenses	32,770.00	104,582.25
Office Rent	464,350.00	442,250.00
Printing & Stationery Expenses	12,010.00	25,614.50
SWC Monitoring Expenses	120,000.00	
Refreshment Expenses	19,922.00	12,273.00
Registration & Renewal Expenses	10,700.00	4,150.00
Repair & Maintenance	35,600.00	30,840.00
Staff Salary	1,276,390.00	1,131,150.00
Transportation Expenses	14,945.00	36,356.00
Miscellaneous Expenses	821.16	
Water Expenses	4,112.00	3,683.00
Fuel Expenses	29,948.00	-
Coloring Expenses	34,191.00	-
Website Hosting	37,290.00	-
Software expense	19,210.00	27,120.00
Kitchen Utensils	3,150.00	-
Courier Expenses	4,585.00	-
Total	2,372,434.60	2,052,500.25



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

Schedule 14

A) Organization Information:

Help Nepal Network, Nepal is a Non -Profit Organisation registered in Social Welfare Council, Kathmandu on 2061/06/08 and in Income Tax Office of Chabahil, Kathmandu on 2062/03/29 through PAN 301940313.

The objective of the organization is to motivate Nepalese spread all over the world for the contribution in development of Nepal including in the field of Education & Health & supporting in the cases of natural disasters as well and to act as facilitator/mediator to any foreign individual or foreign organization wanting to do charitable activities in 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):

Income is recognized on Cash basis. Donation from people and organisation from national and international level is the major source of income of the organisation.

6) Interest Income

Interest income earned on fixed deposits from Lumbini Bank Ltd and on other bank accounts have been shown net of tax deducted on interest. Advance tax has not been claimed by the organization deducted on its interest income.

7) Taxes and Duties Payables

The organization has booked and deposited all the applicable TDS as per Income Tax Act, 2058.

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 Company are segregated. The Cash flow statement is separately attached with the Financial Statements of the organization.

C) Notes to the Accounts:

1) Regrouping of Figures

Figures are regrouped/ rearranged wherever necessary.

2) Miscellaneous:

- a) All amounts are stated in Nepalese rupees.
- b) All the schedules form the integral part of Balance Sheet and Statement of Financial Activities.
- c) Figures in bracket represents deduction.



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