

Independent Auditor's Report

To The Members of Help Nepal Network (Nepal)

Report on the Audit of the Financial Statements

Unqualified Opinion

We have audited the financial statements of **Help Nepal Network (Nepal)**, which comprise the statement of financial position as at 31st Ashadh, 2080 and the statement of comprehensive income, statement of changes in equity 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 and to the best of our information and according to the explanations given to us, the financial statements provides a true and fair view in conformity with the accounting principles generally accepted in Nepal, of the state of affairs of the company as at 31st Ashadh, 2080, of its profit/loss, and the cash flows for the year then ended.

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 the financial statements. These matters were addressed in our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide separate opinion on these matters.

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 NFRSs, and for such internal control as management determines necessary to enable the preparation of the 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 Nepal Standards in Audit will always detect a material misstatement when it exists. Misstatement 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 decision of users taken on the basis of these financial statements.

As a part of an audit in accordance with Nepal Standards on Audit, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the overrides of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or condition may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.



- We communicate with those charged with governance regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on the Other Legal and Regulatory Requirements

Based on our Audit, we report that:

- We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of such books of accounts;
- The financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanation given to us, the financial statement, the said Balance Sheet, Income Statement and Cash Flow Statement, read together with the notes forming part of the accounts give the information required by the law in the manner so required and give a true and fair view.
- The company has not complied with the requirements of The Social Security Act, 2075.
- Neither we have come across any of the information about the misappropriation of fund by the directors or any of the representative or company's staffs during the course of our audit nor have we received any such information from the management.
- No instances of accounting fraud were found in the organization.

Date: 2080.05.28

Place: Kathmandu, Nepal

UDIN: **230914CA00682VH6ET**

For: Bashyal & Associates

Chartered Accountants

CA, Rakesh Shrish

Partner



Help Nepal Network (Nepal)
Kathmandu, Nepal
Balance Sheet
As at 31st Ashadh 2080 (16th July 2023)

Particulars	Schedule	Current year 2079-80	Previous year 2078-79
Application of Fund			
Current Assets			
Cash and Cash Equivalents	2	50,754,977.49	87,707,338.17
Deposits, Advances & Receivables	3	439,824.34	121,593.13
Total Current Assets		51,194,801.83	87,828,931.30
Fixed Assets	1		
Freehold Land		34,770,844.00	-
Other Fixed Assets (Net)		179,478.57	238,052.86
Total		86,145,124.40	88,066,984.16
Sources of Funds			
Current Liabilities			
Accounts and other payables	4	558,160.93	1,310,536.16
Total Current liabilities		558,160.93	1,310,536.16
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		3,424,640.32	4,594,124.81
Total Non- Current liabilities		85,586,963.47	86,756,447.96
Total		86,145,124.40	88,066,984.16

Significant Accounting Policies & Notes to Accounts

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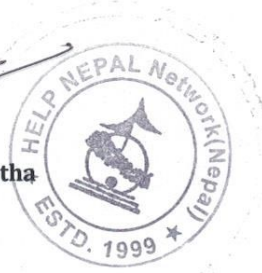
Date: 2080-05-28
Kathmandu


Arun Singh Basnet
Chairperson


Rajendra Nath Shrestha
Treasurer


Suman Shrestha
Accountant


Merisha Kafle
Program Coordinator



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

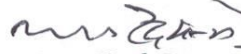

CA Bakesh Shrish
Partner



Help Nepal Network (Nepal)
Kathmandu, Nepal
Cash Flow Statement
For the Period Ended on 31st Ashadh 2080 (16th July 2023)

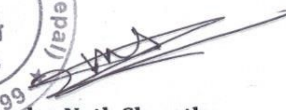
Particulars	Current Year 2079-80	Previous Year 2078-79
Surplus/ (Deficit) for the year	(1,169,484)	(8,445,898.34)
Add/ (less): Increase/ (decrease) in Reserves	58,574	34,730.34
Add: Depreciation for the year	(1,110,910.20)	(8,411,168.00)
Cash Flow Before Working Capital Changes		
Change in Working Capital:		
Decrease/(Increase) in Current Assets	(318,231.25)	460,914.90
Increase/(Decrease) in Current Liabilities	(752,375.23)	978,808.38
A. Cash Flow from Operating activities	(2,181,516.68)	(6,971,444.72)
Investing Activities		
Sales/(Purchase) of Fixed Assets	(34,770,844)	(193,750.87)
Sales/(Purchase) of Investment Assets	-	-
Interest Received	-	-
B. Cash Flow from Investing activities	(34,770,844.00)	(193,750.87)
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)	(36,952,360.68)	(7,165,195.59)
Opening Cash & Bank Balances & Equivalents	87,707,338	94,872,533.76
Closing Cash & Bank Balances & Equivalents	50,754,977.49	87,707,338.17

Date: 2080-05-28
Kathmandu


Arun Singh Basnet
Chairperson


Suman Shrestha
Accountant




Rajendra Nath Shrestha
Treasurer


Menisha Kafle
Program Coordinator

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


CA Rakesh Shrish
Partner





Help Nepal Network (Nepal)
Kathmandu, Nepal
Statement of Financial Activities
For the Period Ended on 31st Ashadh 2080 (16th July 2023)

Particulars	Schedule	Current Year 2079-80	Previous Year 2078-79
Income			
Fund for Activities	5	5,132,511.38	8,096,079.84
Other Income	6	6,279,495.12	6,914,032.33
Total Income		11,412,006.50	15,010,112.17
Cost of Activities			
Help Nepal Health Post Expenses	7	986,645.00	1,116,316.00
Health Related Projects	8	-	397,571.57
HeNN Children Home	9	2,490,017.18	2,655,194.00
Support to Educational Institutions	10	6,369,363.80	16,599,464.00
Relief Material Distribution Expenses	11	99,500.00	280,300.00
Other Project Expenses			
Total Cost Of Activities		9,945,525.98	21,048,845.57
Surplus (Deficit) from Activities		1,466,480.52	(6,038,733.40)
Less: General & Administrative Expenses	12	2,577,390.72	2,372,434.60
Net Surplus (Deficit) Before Depreciation		(1,110,910.20)	(8,411,168.00)
Less: Depreciation		58,574.30	34,730.34
Excess of Income Over Expenditure/ (Deficit)		(1,169,484.49)	(8,445,898.34)
Surplus/ (Deficit) Up to Previous Year		4,594,124.81	13,040,023.15
Less: Separately Shown Under Administrative Fund		-	-
Less: Separately Shown Under Charity Endowment Fund		-	-
Total Surplus transferred to Balance Sheet		3,424,640.32	4,594,124.81

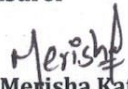
Date : 2080-05-28
Kathmandu

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


Arun Singh Basnet
Chairperson


Rajendra Nath Shrestha
Treasurer


Suman Shrestha
Accountant


Merisha Kafle
Program Coordinator

CA Rakesh Shrish
Partner



Help Nepal Network (Nepal)
Kathmandu, Nepal
Fixed Assets & Depreciation
Schedule 1

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

2079-80

Block	Particulars	Dep Rate	Opening	Addition			Disposal	Gross Total Assets	Total Depreciation	Net Assets
				Upto Poush	Upto chaitra	Upto Ashad				
	Freehold Land	-	-	-	34,770,844.00	-	-	34,770,844.00	-	34,770,844.00
B	Office Equipments	25.00%	36,083.67	-	-	-	-	36,083.67	9,020.92	27,062.75
B	Furniture and fixtures	25.00%	183,190.79	-	-	-	-	183,190.79	45,797.70	137,393.09
C	Office Vehicles	20.00%	18,778.40	-	-	-	-	18,778.40	3,755.68	15,022.72
	Total		238,052.86	-	-	-	-	35,008,896.86	58,574.30	34,950,322.57



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

Schedule 2

Cash and Cash Equivalents

Particulars	Current year 2079-80	Previous year 2078-79
Fixed Deposits		
Lumbini Bikash Bank	12,500,000.00	12,500,000.00
Sanima Bank FD	-	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 Fixed Deposit	45,000,000.00	75,000,000.00
Cash Balance (as certified by mgmt)	6,055.00	4,596.00
Everest Bank Chabahil	-	111,055.27
NB Bank, New Road	-	32,705.20
NCC Bank, Chabahil	-	2,578,623.85
009011170000871 Sanima Bank Ltd, Chuchhepati	3,440,746.09	634,084.05
001010010000791 Sanima Bank Ltd, Naxal	207,562.69	135,857.97
03100120013952000001 Lumbini Bikash Bank Ltd, Tripureshwor	292,109.84	349,142.42
16501050000062 Nepal Investment Mega Bank Ltd, Chuchhepati	15,267.90	75,738.07
03315095882 Siddhartha Bank Ltd, Lazimpat	1,569,331.09	8,409,908.31
0190111580600001 Kumari Bank Ltd. Chabahil	223,904.88	375,627.03
Bank Balance	5,748,922.49	12,702,742.17
Total Cash and Cash Equivalents	50,754,977.49	87,707,338.17

Schedule 3

Deposits, Advances & Receivables

Particulars	Current year 2079-80	Previous year 2078-79
Advance to HeNN Children Home	71,829.10	77,658.10
Advance to Help Nepal Health Post	41,435.00	41,435.00
Prepaid Expenses	305,840.12	-
Advance to Rastriya Awiskar Kendra	18,220.12	-
Advance to Other	2,500.00	2,500.00
Total	439,824.34	121,593.10

Schedule 4

Accounts and other payables

Particulars	Current year 2079-80	Previous year 2078-79
Audit Fee Payable	111,500.00	111,500.00
Expenses Payable	9,393.00	25,665.00
Insurance Claim Payable	312,575.00	-
TDS on Audit Fee	1,500.00	1,500.00
TDS on Staff Salary	10,416.00	-
Bills payable	111,981.93	1,171,050.00
Tds on others	795.00	821.16
Total	558,160.93	1,310,536.16

Schedule- 5

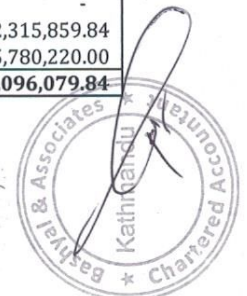
Fund for Activities

Particulars	Current year 2079-80	Previous year 2078-79
HeNN Australia	534,000.00	-
Events 4 Greater Good	1,012,812.50	-
HeNN UK	2,234,430.80	-
Music for Children	465,707.88	2,315,859.84
HeNN US	885,560.20	5,780,220.00
Total	5,132,511.38	8,096,079.84

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Other Income

6.1 Interest income

Particulars	Current year 2079-80	Previous year 2078-79
Everest Bank Chabahil	133.91	215.04
NB Bank, New Road	382.31	18,286.20
Nepal Bank Ltd., New Road	-	2,865.97
Sanima Bank, Chabahil	1,772,173.54	2,222,195.02
Sanima Bank Naxal	251.46	1,286.26
Lumbini Bikash Bank	1,116,567.42	978,536.87
Nepal Investment Mega Bank Ltd, Chuchchepati	240.83	242.67
Siddhartha Bank Ltd	2,197,517.80	1,855,377.63
Kumari Bank	1,030,627.85	871,273.57
Total	6,117,895.12	5,950,279.23

6.2 Other Income

Particulars	Current year 2079-80	Previous year 2078-79
Local Donation	160,000.00	863,054.10
Membership fee	1,600.00	1,600.00
Miscellaneous Income	-	4,644.00
Pedal for Education income	-	94,455.00
Total	161,600.00	963,753.10

Schedule 7

Help Nepal Health Post Expenses

Particulars	Current year 2079-80	Previous year 2078-79
Salary	932,000.00	898,146.00
Printing and stationery expenses	2,125.00	250.00
Transportation	-	1,860.00
General Expenses	-	7,000.00
Office Equipments	-	99,500.00
Monitoring and Reporting Expenses	5,000.00	73,920.00
Outreach Clinic	47,520.00	35,640.00
Total	986,645.00	1,116,316.00

Schedule 8

Health Related Projects

Particulars	Current year 2079-80	Previous year 2078-79
Covid 19 Prevention	-	397,571.57
Total	-	397,571.57



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Schedule 9

HeNN Children Home, Dhulikhel

Particulars	Current year 2079-80	Previous year 2078-79
Bank Charge	45.00	-
Clothing Expenses	75,524.00	88,558.00
Coloring Expenses	17,100.00	-
Inauguration Programme	2,375.00	-
Office Equipments	7,900.00	-
Office Furniture	3,390.00	-
Communication	3,800.00	22,305.00
Consumable Goods	55,584.00	53,230.00
Educational Expenses	92,623.00	88,830.00
Electricity	34,115.00	28,790.00
Farming Expenses	38,940.00	40,740.00
Festival Expenses	62,798.00	45,042.00
Health & Medicine Expenses	127,558.00	16,713.00
Insurance Expenses	143,949.18	964,998.00
Kitchen Expenses	581,301.00	449,635.00
Miscellaneous Expenses	22,515.00	67,384.00
Printing and Stationery	6,510.00	13,095.00
Repair and Maintenance	42,531.00	16,957.00
Salary	759,390.00	636,080.00
Transportation	18,950.00	10,090.00
Water	40,785.00	34,255.00
Kitchen Utensils	575.00	36,831.00
Bedding expenses	2,700.00	13,892.00
Internet Expenses	19,000.00	-
Educational Tour	3,925.00	-
Farewell Expenses	7,212.00	-
Parqueting Expenses	188,936.00	-
Cleaning Expenses	3,500.00	-
Reporting & Monitoring expenses	97,296.00	5,000.00
Flooring expenses	15,865.00	20,769.00
Renew & Registration	500.00	1,500.00
Electronic Goods	12,825.00	500.00
Total	2,490,017.18	2,655,194.00



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Schedule 10

Support to Educational Institutions

Particulars	Current year 2079-80	Previous year 2078-79
Panchakanya Lower Secondary School, Kavre	775,410.00	771,986.00
Rajkuleshwor Lower Secondary School	3,763,082.80	-
Dadeldhura elibrary	750,249.00	-
Women Community Service Society, Dolpa	434,000.00	-
Nepal Women Community Service Centre, Dang	275,000.00	-
Kedar Medium School, Doti	73,370.00	-
Saraswoti Primary School, Pyuthan	100,000.00	-
Siddheshwori Secondary School, Tanahun	198,252.00	-
Panchakanya Basic School, Ramechhap	-	97,500.00
Rajkuleshwor Lower Secondary School	-	15,680,198.00
Tripura Secondary School, Dolpa	-	49,780.00
Total	6,369,363.80	16,599,464.00

Schedule 11

Relief Material Distribution Expenses

Particulars	Current year 2079-80	Previous year 2078-79
Bajura Landslide & Earthquake victims	99,500.00	-
Kanchanpur Flood Victims	-	280,300.00
Total	99,500.00	280,300.00

Schedule -12

General & Administrative Expenses

Particulars	Current year 2079-80	Previous year 2078-79
Audit Fee	113,000.00	113,000.00
Bank Commission	2,833.00	1,415.00
Communication Expenses	1,700.00	4,030.00
Consumable Good Expenses	1,150.00	6,015.00
Electricity Expenses	30,400.00	28,600.00
General Expenses	12,535.00	22,069.44
Insurance Charges	77,311.00	77,311.00
Internet Expenses	18,525.83	32,770.00
Office Rent	487,650.00	464,350.00
Printing & Stationery Expenses	18,630.00	12,010.00
SWC Monitoring Expenses	-	120,000.00
Refreshment Expenses	20,774.00	19,922.00
Registration & Renewal Expenses	4,800.00	10,700.00
Repair & Mainteanace	39,000.00	35,600.00
HeNN Documentary exp.	22,600.00	-
Meeting Expenses	21,749.00	-
Staff Salary	1,637,987.00	1,276,390.00
Transportation Expenses	22,345.00	14,945.00
Miscellaneous Expenses	795.00	821.16
Water Expenses	4,248.00	4,112.00
Fuel Expenses	29,872.00	29,948.00
Coloring Expenses	-	34,191.00
Website Hosting	2,043.29	37,290.00
Software expense	5,572.60	19,210.00
Kitchen Utensils	1,870.00	3,150.00
Courier Expenses	-	4,585.00
Total	2,577,390.72	2,372,434.60

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