



# B.R.B.S. & Associates

## Chartered Accountants

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ASHA "HOPE"

#### OPINION

We have audited the accompanying financial statements of **M/ ASHA "HOPE"** which comprise the Balance Sheet as at 31<sup>st</sup> Ashadh 2078 and the related Statement of Income, Statement of Cash Flow, and Summary of Significant Accounting Policies and Notes for the year then ended.

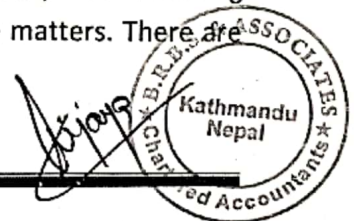
In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31<sup>st</sup> Ashadh 2078 and of its financial performance and its cash flows for the year then ended in accordance with Nepal Accounting Standard (NAS).

#### BASIS FOR OPINION

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

#### KEY AUDIT MATTERS

Key audit matters are those audit matters that, in our professional judgment, were of most significance in our audit of the financial statement 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. There are no key audit matters that need to be reported for the year under audit.



Address: Shantinagar, New Baneshwor-31, Kathmandu, Nepal  
Tel. No. : 01-4107788

Email Id: bijaya.brbsca@gmail.com; bishal.brbsca@gmail.com  
bijaya@brbsassociates.com.np, bishal@brbsassociates.com.np, info@brbsassociates.com.np

---

## **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with NASs, and for such internal control as management determines is necessary to enable the 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 FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes the opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs 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 decisions of users taken on the basis of these financial statements.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

There were no any issues that need to be reported under the Legal and regulatory requirements.

**For BRBS & Associates**  
Chartered Accountants



CA Bijaya Sukupayo  
(Partner)

Address: Kathmandu, Nepal

UDIN: 211005CA00767ngKa4

Date: 2078.06.18

---



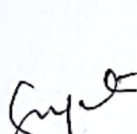
**ASHA**  
 Maharajgunj, Kathmandu Nepal  
**Balance Sheet**  
 As on Ashad 31, 2078 (July 15, 2021)

Particulars	Sch.	Current Year NPR	Previous Year NPR
<b>SOURCES OF FUNDS:</b>			
<b>Reserve &amp; Fund</b>			
Capital Reserve		83,903,650.10	52,790,513.90
Donor's Payable		50,687,409.70	37,042,407.25
		<b>134,591,059.80</b>	<b>89,832,921.15</b>
<b>APPLICATION OF FUNDS :</b>			
Non Depreciable Fixed Assets	1	83,903,650.10	52,790,513.90
		<b>83,903,650.10</b>	<b>52,790,513.90</b>
<b>Current Assets, Loans &amp; Advances</b>			
Cash & Bank Balance	2	48,153,620.06	14,538,302.45
Loan and advance	3	3,648,666.50	10,695,000.00
Nepal Investment Bank-Fixed Deposit		-	12,500,000.00
		<b>51,802,286.56</b>	<b>37,733,302.45</b>
Less: Current Liabilities & Payables	4	1,180,065.21	913,081.00
Less: Provision for Income Tax		-	-
<b>Net Current Assets</b>		<b>50,622,221.35</b>	<b>36,820,221.45</b>
<b>Accumulated Deficit</b>	5	65,188.35	222,185.80
<b>Total</b>		<b>134,591,059.80</b>	<b>89,832,921.15</b>

Significant Accounting Policies & Notes to Accounts 8

As per our attached report of even date

For and on Behalf of Board

  
 Treasurer

  
 Vice-President

  
 President



For B.R.B.S. & Associates  
 Chartered Accountants



CA. Bijaya Sukupayo  
 Partner

Date: 2078/06/18  
 Place: Kathmandu

**ASHA**  
 Maharajgunj, Kathmandu Nepal  
**Income and Expenditure Statement**  
 For the year ended Ashad 31, 2078 (July 15, 2021)

Particulars	Sch.	Current Year NPR	Previous Year NPR
<b>Income:</b>			
Donation Received	6	973,553.67	1,593,293.33
Bank Interest Income		1,190,753.42	-
Tender Form Sales Income		75,000.00	-
<b>Total Incomes (A)</b>		<b>2,239,307.09</b>	<b>1,593,293.33</b>
<b>Expenditure:</b>			
General, Administrative and Operational Expenses	7	2,082,309.64	1,781,877.71
<b>Total Expenditures (B)</b>		<b>2,082,309.64</b>	<b>1,781,877.71</b>
<b>Surplus / (Deficit) for the year (C) = (A)-(B)</b>		<b>156,997.45</b>	<b>(188,584.38)</b>
Provision for Income Tax (D)		-	-
<b>Net Surplus / (Deficit) after Tax (C) + (D)</b>		<b>156,997.45</b>	<b>(188,584.38)</b>

Significant Accounting Policies & Notes to Accounts


8

As per our attached report of even date

For and on Behalf of Board

For B.R.B.S. & Associates  
Chartered Accountants

  
Treasurer

  
Vice-President

  
President



CA. Bijaya Sukupayo  
Partner



Date: 2078/06/18  
Place: Kathmandu

**ASHA**  
Maharajgunj, Kathmandu Nepal  
**Cash Flow Statement**  
For the year ended Ashad 31, 2078 (July 15, 2021)

Particulars	Current Year NPR	Previous Year NPR
Surplus/(Difict) during the year	156,997.45	(188,584.38)
Add: Capital Reserve/ Doner Fund	44,758,138.65	89,832,921.15
Add: Depreciation	-	-
<b>Operating Profit before changes in Working Capital</b>	<b>44,915,136.10</b>	<b>89,644,336.77</b>
<b>Changes in Working Capital:</b>		
(Increase)/Decrease in Current Assets Except Cash Bank	19,546,333.50	(23,195,000.00)
Increase/(Decrease) in Current Liabilites and Payable	266,984.21	(16,150,546.57)
<b>Net Cash Flow From Operating Activities [A]</b>	<b>64,728,453.81</b>	<b>50,298,790.20</b>
<b>Cash Flow from Investing Activities</b>		
(Increase)/Decrease in Fixed Assets	(31,113,136.20)	(52,790,513.90)
<b>Net Cash Flow From Investing Activities [B]</b>	<b>(31,113,136.20)</b>	<b>(52,790,513.90)</b>
<b>Cash Flow from Financing Activities</b>		
Repayment of Loan	-	-
<b>Net Cash Flow From Financing Activities [C]</b>	<b>-</b>	<b>-</b>
<b>Total Cash Flow From All Activities [D]=[A] + [B] + [C]</b>	<b>33,615,317.61</b>	<b>(2,491,723.70)</b>
Opening Cash & Bank Balances [E]	14,538,302.45	17,030,026.14
<b>Closing Cash &amp; Bank Balances [D] + [E]</b>	<b>48,153,620.06</b>	<b>14,538,302.45</b>

Significant Accounting Policies & Notes to Accounts

8

As per our attached report of even date

For and on Behalf of Board

  
Treasurer

  
Vice-President

  
President



For B.R.B.S. & Associates  
Chartered Accountants



CA. Bijaya Sukupayo  
Partner

Date: 2078/06/18  
Place: Kathmandu



**ASHA**  
 Maharajgunj, Kathmandu Nepal  
**Schedules Forming Part of the Financial Statements**  
 For 2076.077

**Non Depreciable Fixed Assets**

**Schedule 1**

Particulars	Current Year NPR	Previous Year NPR
Land	49,629,216.00	49,629,216.00
Land Development Expenses	1,994,967.00	1,994,967.00
CWIP Building	32,279,467.10	1,166,330.90
<b>Total</b>	<b>83,903,650.10</b>	<b>52,790,513.90</b>

**Cash & Bank Balance**

**Schedule 2**

Particulars	Current Year NPR	Previous Year NPR
Nepal SBI Bank A/c No 20425240200135	95,360.73	1,099,360.73
Nepal investment bank	48,057,478.11	13,436,294.06
Cash in hand	781.22	2,647.66
<b>Total</b>	<b>48,153,620.06</b>	<b>14,538,302.45</b>

**Loans and Advances**

**Schedule 3**

Particulars	Current Year NPR	Previous Year NPR
Construction Advance-Ram Janaki Nirman Sewa	3,470,053.49	10,000,000.00
TDS Receivable on Interest Income	178,613.01	
Advance to YA Engineering Pvt. Ltd.	-	695,000.00
<b>Total</b>	<b>3,648,666.50</b>	<b>10,695,000.00</b>

*Signature*



*Signature*



**ASHA**  
Maharajgunj, Kathmandu Nepal  
**Schedules Forming Part of the Financial Statements**  
**For 2076.077**

**Current Liabilities & Other Payables**

**Schedule 4**

Particulars	Current Year NPR	Previous Year NPR
Audit fee Payable	39,025.00	29,601.77
TDS Payable	516,817.23	55,534.58
Payable to YA Engineering Pvt. Ltd.	326,640.00	-
Loan from Member	194,675.00	369,675.00
Salary Payable	51,000.00	58,535.00
House Rent Payable	3,222.22	23,222.22
Other Payable	10,165.76	10,165.76
Deferred Income	-	322,346.67
Consultancy Fee Payable	38,520.00	44,000.00
<b>Total</b>	<b>1,180,065.21</b>	<b>913,081.00</b>

**Accumulated Reserves**

**Schedule 5**

Particulars	Current Year NPR	Previous Year NPR
Opening Balance	(222,185.80)	(33,601.42)
Add: Dificit during the Year	156,997.45	(188,584.38)
<b>Closing Reserve Balance</b>	<b>(65,188.35)</b>	<b>(222,185.80)</b>

*Signature*



*Signature*



**ASHA**  
Maharajgunj, Kathmandu Nepal  
**Schedules Forming Part of the Financial Statements**  
**For 2076.077**

**Donation Income**

**Schedule 6**

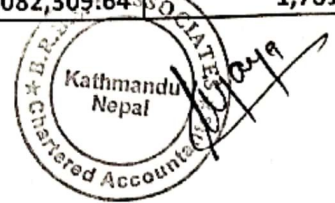
Particulars	Current Year NPR	Previous Year NPR
General donations	651,207.00	787,426.66
Donation booked from P/Y	322,346.67	805,866.67
<b>Total</b>	<b>973,553.67</b>	<b>1,593,293.33</b>

**General, Administrative and Operational Expenses**

**Schedule 7**

Particulars	Current Year NPR	Previous Year NPR
Accounting Consultancy Fee	162,720.00	-
Advertisement Fee	76,702.14	-
Audit Fee	39,550.00	30,000.00
Bank charge	865.00	4,216.00
Cleaning Expenses	-	17,000.00
Computer and Printer	-	71,735.00
Staff Salary Expenses	613,530.00	490,753.95
House Rent Expenses	219,600.00	250,800.00
Office Expenses	13,366.54	42,154.00
Fooding Expenses	75,602.65	62,629.00
Printing and Stationery Expenses	76,391.10	39,079.00
Internet & communication Expenses	20,340.01	900.00
Registration Fee	11,750.00	-
Renewal Rate & Taxes Expenses	3,120.00	15,000.00
Transportation Expenses	5,978.83	27,605.00
Tax Expenses	28,641.00	1,522.00
Policy Development Expenses	409,498.73	169,411.76
SWC Expenses	16,000.00	3,500.00
Project observation fee of SWC	-	270,000.00
Legal Consultancy Fee	162,500.00	37,500.00
Electricity & Water Expenses	1,700.00	-
Power Bank	10,600.00	-
Repair & Maintenance	2,720.00	-
Documentary Expenses	-	48,000.00
Malpot Expenses	-	1,300.00
Other Expenses	-	4,772.00
Plantation Program Expenses	-	9,000.00
Project proposal preparation Expenses	-	185,000.00
Student Stationery & Education Material Expenses	88,302.00	-
Tender Expenses	42,831.64	-
<b>Total</b>	<b>2,082,309.64</b>	<b>1,781,877.71</b>

*Signature*





**M/s ASHA**

**Maharajung, Kathmandu, Nepal**

**F.Y. 2077-078**

**Schedules forming part of the Financial Statements**

**Schedule -7: Significant Accounting Policies & Notes to the Accounts**

**A. About NGO:**

ASHA (HOPE) is Non-Governmental Organization registered in IRO having PAN No. 602222282 on Ashad 27, 2071 and its registered office is at ward no. 4, Maharajung, Kathmandu. The organization has received tax exemption for the year 2077.078. It was established with the objective to provide education to the deprived children and orphans.

**B. Significant Accounting Policies:**

**1. Accounting Conventions:**

The financial statements are prepared under the historical cost conventions on accrual basis unless otherwise stated and are in accordance with Nepal Accounting Standards.

**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. Going Concern:**

The financial statements are prepared on Going concern Basis.

**4. Revenue Recognition:**

Revenue of NGO is recognized on cash basis as and when received by the Organization and also on contract basis as per done agreement.

**5. Fixed Assets:**

Fixed assets purchased from Grant Income for specific purpose are treated as revenue expenses and fixed assets purchased from own fund of the Organization are capitalized to Fixed Assets.

**6. Depreciation:**

The Organization has not hold any kind of fixed assets hence no depreciation has been charged for the year.

**7. Advances, Prepayments, Receivables and Deposits:**

Advances, prepayments, receivables and deposits are stated at book value.



**C. Notes to the Accounts:**

**1. Income Tax**

The Organization has received Tax Exemption Certificate for Income Tax from FY 2077/078. Thus, no tax liability is calculated.

**2. Related Party Disclosures:**


The organization hasn't done any transaction with the related parties.

3. Organization has received grant from various donors and members. Out of Grant Income received in FY 2074/075 of Rs. 2,417,600.00 for three year, the organization had already booked Rs. 483,520.00, Rs. 805,866.67 and Rs 805,866.67 as income in FY 2074/075, FY 2075/076 and FY 2076/077 respectively. Further Balance of Rs. 322,346.67 have been booked as donation income in the current year.
4. The NGO has received specific donation of Rs 134,591,059.80 since FY 2075.76 till Ashad End 2078 from donor for the purchase of Land and construction of building. Out of Total donation received, Rs 49,629,216.00 has been spent for purchase of land during FY 2075/76. Out of balance amount, Rs 19,89,000.00 has been spent under Land Development during the FY 2076-77 and Rs 32,279,467.40 has been spent for construction of building. Balance of Rs 50,687,409.70 has been transferred to Donor's fund. The balance amount which not been utilized till FY 2077/078 for purchase of Land and construction of building has been booked under Donor's payable, since the amount has to be refunded to the Donor if the purpose is not met.
5. Rs 32,279,467.10 has been booked under Capital WIP of Building out of which Rs 1,166,330.90 spent for Design and layout & Government taxes & Rs 31,113,136.20 for construction of building. The amount will be capitalized to Fixed Asset once the building is available for use.
6. Schedules are the integral part of the financial statements.
7. All amounts are stated in the Nepalese Rupees.
8. Previous year figures have been regrouped or rearranged wherever considered necessary to make them comparable with the current year figures.

As per our attached report of even date

**For & On Behalf of the Board**

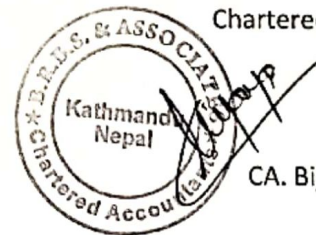
  
Treasurer

  
Vice-President

  
President



**For B.R.B.S. & Associates**  
Chartered Accountants



CA. Bijaya Sukupayo  
Partner

Date: 2078.06.18

Place: Kathmandu