

Y. Nyaupane & Associates
Registered Auditors, Class-B

Kathmandu Metropolitan City, Ward No. 10
Naya Baneshwor, Kathmandu

Firm Registration No.: 3674
Baneshwor, Kathmandu

INDEPENDENT AUDITOR'S REPORT

To The Members of M/s Social Awareness & Multipurpose Development Alliance Nepal (SAMDAN)

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of M/s Social Awareness & Multipurpose Development Alliance Nepal (SAMDAN), Balaju, Kathmandu, Nepal which comprise of the Statement of Financial Position as at Ashad 31, 2081 (July 15, 2024), the Statement of Income & Expenditure, Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the organization as at Ashad 31, 2081 (July 15, 2024) and its financial performance and its cash flows for the year then ended on that date in accordance with Nepal Accounting Standards (NAS) for Not-for-Profit Organizations (NPOs).

Basis of Opinion

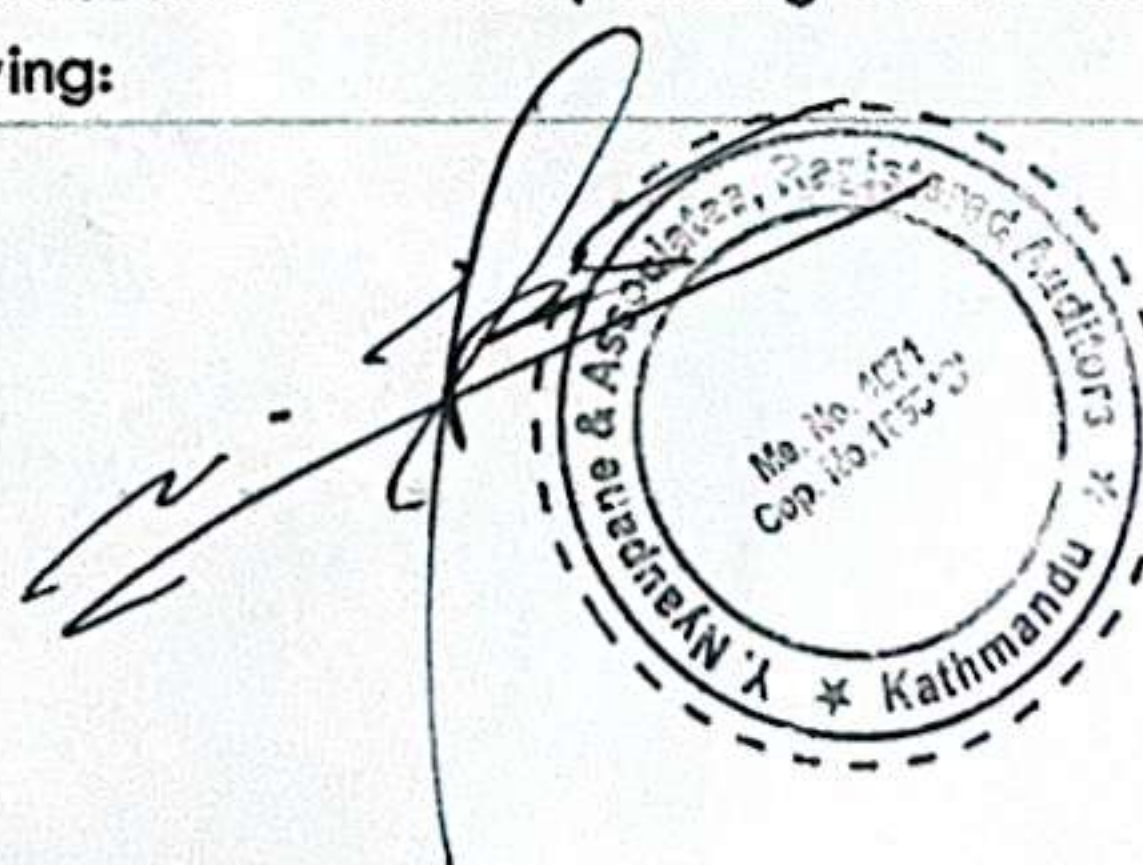
We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the organization in accordance with the Institute of Chartered Accountant of Nepal's code of ethics for professional accountants 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 those requirements. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our 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 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 the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Our Audit Approach and Responses
<p>1. Grant Income Organization received grant of Rs. 3,579,622.52 during the financial year 2080/81.</p> <p>In view of significance of amount and being the primary source of fund, we have considered it as key audit matters in our audit.</p>	<p>Our revenue testing included both testing of the company's controls, as well as substantive audit procedures targeted at grant received from major donor. Our substantive testing focused on estimates applied by management in the accounting.</p> <p>Our procedures included, among others things, the following:</p>



	<p>a. We reviewed the project budgets and agreements, traced the grants received to bank statements and obtained donor confirmation to ascertain the grant disbursed for the project.</p> <p>b. We ensured Grant Incomes were recognized only when there is reasonable assurance that the contribution will be received, and conditions stipulated for its receipt has been complied with.</p>
<p>2. Program and Administrative Expenses Program Expenses shall be expenses as per the grant agreement if conditional grant and shall be in line with the budget prepared in the beginning of the year.</p> <p>In view of significance of compliance that needs to be adhered, we have considered as key audit matters in our audit.</p>	<p>Our audit approach regarding expenditure verification includes the following among other things:</p> <p>a. Ensured the program expenditure has been expenses within the approved budget heads and is duly approved by the authorized personnel.</p> <p>b. Ensured the administrative expenses has been incurred and accounted properly.</p>

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

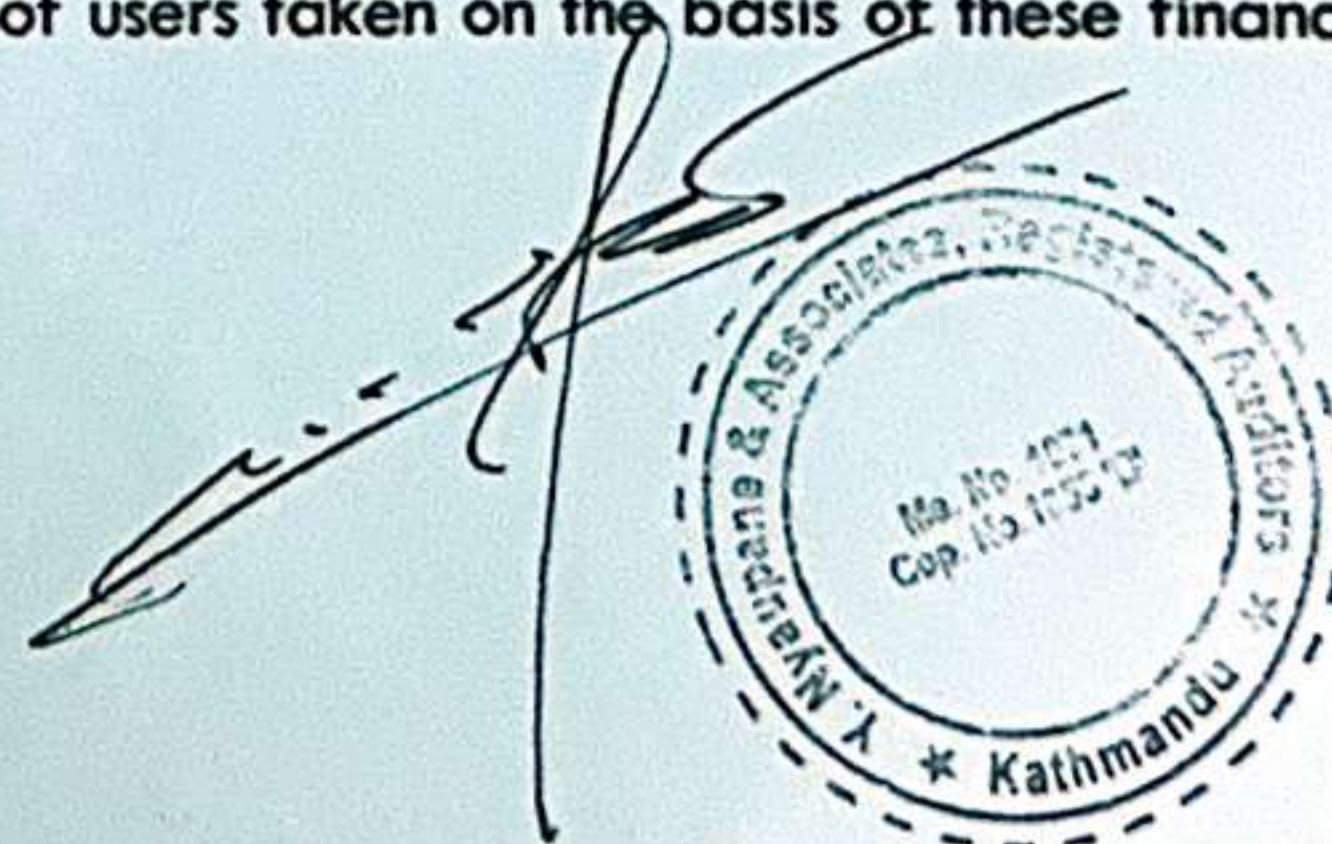
Management is responsible for the preparation and fair presentation of the financial statements in accordance with NAS for NPOs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due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

In preparing the financial statements, management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization'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 misstatements, 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 NSAs 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.



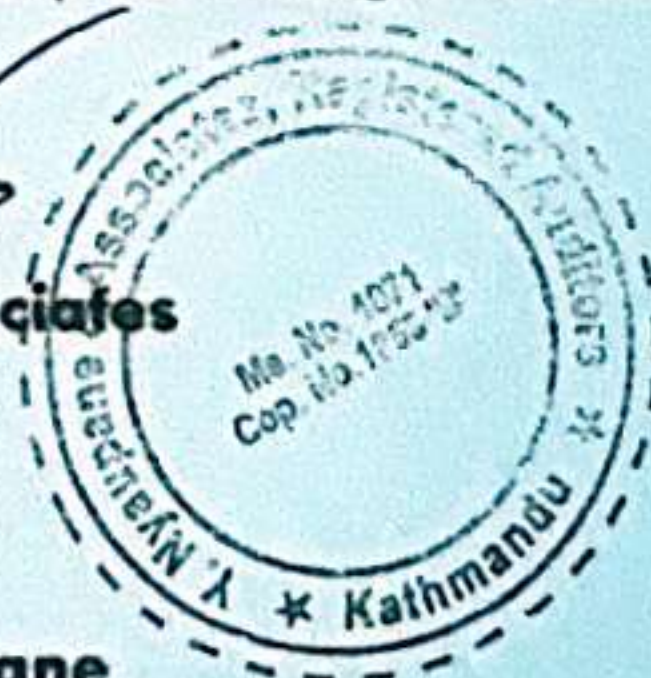
As part of an audit in accordance with NSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 evidences 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 override 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 organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidences obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization'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 evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the organization 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, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For Y. Nyaupane & Associates
Registered Auditor



RA. Yadav Prasad Nyaupane

Proprietor

Date: 30th August 2024

Place: Kathmandu, Nepal

UDIN :

SOCIAL AWARENESS & MULTIPURPOSE DEVELOPMENT ALLIANCE NEPAL
(SAMDAN)
Balaju, Kathmandu

Balance Sheet as on Ashad 31, 2081 (July 15, 2024)

Particulars	Notes	Current Year	Previous Year
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	4.1	112,364.66	149,819.55
Intangible assets	4.2	-	-
Long term investments		-	-
Other noncurrent assets		-	-
Total Non - Current Assets		112,364.66	149,819.55
Current Assets			
Accounts receivable	4.3	-	-
Cash and cash equivalents	4.4	31,839.70	161,786.79
Total Current Assets		31,839.70	161,786.79
Total Assets		144,204.36	311,606.34
LIABILITIES & RESERVES			
Accumulated Reserves			
Unrestricted Funds/accumulated surplus	4.5	(315,798.34)	(125,703.09)
Designated Funds	4.6	-	-
Restricted Funds	4.7	-	-
Endowment Fund	4.8	-	-
Other Capital Reserves	4.9	-	-
Total Accumulated Reserves		(315,798.34)	(125,703.09)
Non - Current Liabilities			
Employee benefit liabilities		-	-
Deferred Income	4.10	112,364.66	149,819.54
Other non-current liabilities		-	-
Total Non - Current Liabilities		112,364.66	149,819.54
Current Liabilities			
Accounts payable	4.11	347,638.04	287,489.89
Provisions	4.12	-	-
Total Current Liabilities		347,638.04	287,489.89
Total Liabilities		460,002.70	437,309.43
Total Liabilities and Reserves		144,204.36	311,606.34

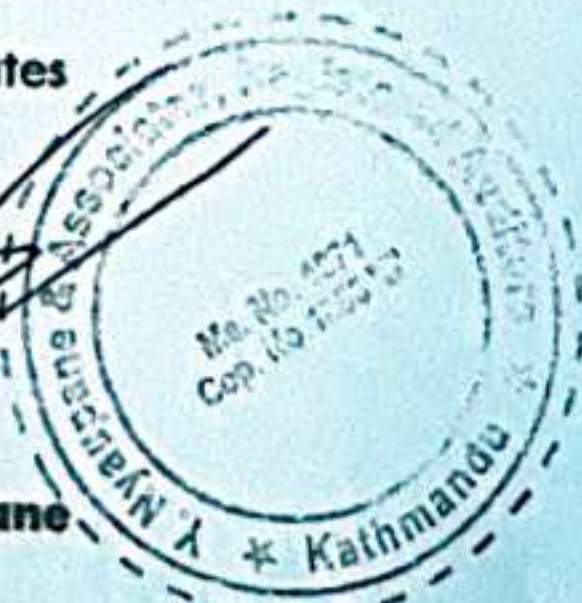
The Notes on accounts form an integral part of the financial statements

As per our report of even date attached

For Y.Nyaupane & Associates
Registered Auditor

RA. Yadav Prasad Nyaupane
Proprietor

Date: 30th August 2024
Place: Kathmandu Nepal



For and on behalf of Board

Tanka Rai
President

Devenendra Adhikari
Executive Director



Lok Bahadur (Gole) Tamang
Treasurer

Ashim Shrestha
Accountant

(Signature)

(Signature)
Ashim Shrestha

SOCIAL AWARENESS & MULTIPURPOSE DEVELOPMENT ALLIANCE NEPAL
(SAMDAN)
Balaju, Nepal

Income and Expenditures Statement for the year ended Ashad 31, 2081

Particulars	Notes	Current Year	Previous Year
INCOME			
Incoming Resources	4.13	3,579,622.52	3,586,699.23
Financial Income		-	-
Other Income		-	-
Total Income		3,579,622.52	3,586,699.23
EXPENDITURE			
Staff Cost/Expenses	4.14	929,577.16	879,001.04
Program Expenses	4.15	2,541,264.00	2,561,538.04
General Administrative Expenditure	4.16	261,421.72	261,026.72
Depreciation & Amortization	4.1	37,454.89	49,939.85
Other Expenditure		-	-
Total Expenditure		3,769,717.77	3,751,505.65
Foreign exchange gain/ (loss)		-	-
Net surplus/(deficit) before Taxation		(190,095.25)	(164,806.42)
Income Tax Expenses		-	-
Surplus/(Deficit) For The Year		(190,095.25)	(164,806.42)
Appropriation Of Surplus For The Year			
Allocation to Unrestricted Reserves		(190,095.25)	(164,806.42)
Allocation to Designated Fund		-	-

The Notes on accounts form an integral part of the financial statements

As per our report of even date attached

For Y.Nyaupane & Associates
Registered Auditor

RA. Yadav Prasad Nyaupane
Proprietor

Date: 30th August 2024
Place: Kathmandu Nepal

For and on behalf of Board

Mr. Tanka Ram
President

Devendra Adhikari
Executive Director

Lok Bahadur (Gole) Tamang
Treasurer

Ashim Shrestha
Accountant

SOCIAL AWARENESS & MULTIPURPOSE DEVELOPMENT ALLIANCE NEPAL (SAM DAN)

Balaju, Nepal

Statement of changes in Reserve for the year ended Ashad 31, 2081

Description	Restricted Fund	Designated Fund	Unrestricted Reserves	Endowment Funds	Capital Reserves	Result for the Year	Total
Balance as at 31 Ashadh 2079	-	-	105,723.60	-	199,759.39	-	305,482.99
Result for the Year	-	-	-	-	-	(164,806.42)	(164,806.42)
Grant received for Fund	2,948,159.11	-	521,980.00	-	-	-	3,470,139.11
Amount Spent out of the fund	(2,948,159.11)	-	(588,600.27)	-	-	-	(3,536,759.38)
Allocation of results to Unrestricted Fund	-	-	(164,806.42)	-	-	164,806.42	-
Allocation of results to Endowment Fund	-	-	-	-	-	-	-
Allocation of results to Capital Fund	-	-	-	-	-	-	-
Allocation to Deferred Income	-	-	-	-	(199,759.39)	-	(199,759.39)
Balance as at 01 Shrawan 2080	-	-	(125,703.09)	-	-	-	(125,703.09)
Result for the Year	-	-	-	-	-	(190,095.25)	(190,095.25)
Grant received for Fund	3,057,168.63	-	484,999.00	-	-	-	3,542,167.63
Amount Spent out of the fund	(3,057,168.63)	-	(484,999.00)	-	-	-	(3,542,167.63)
Allocation of results to Unrestricted Fund	-	-	(190,095.25)	-	-	190,095.25	-
Allocation of results to Endowment Fund	-	-	-	-	-	-	-
Allocation of results to Capital Fund	-	-	-	-	-	-	-
Allocation to Deferred Income	-	-	-	-	-	-	-
Balance as at 31 Ashadh 2081	-	-	(315,798.34)	-	-	-	(315,798.34)

The Notes on accounts form an integral part of the financial statements

As per our report of even date attached

For Y.Nyaupane & Associates
Registered Auditor

R.A. Yadav Registered Nyaupane
Proprietor



For and on behalf of Board

Taraka Raj
President

Lok Bahadur (Gole) Tamang
Treasurer

Ashim Shrestha
Accountant



Date: 30th August 2024
Place: Kathmandu Nepal

SOCIAL AWARENESS & MULTIPURPOSE DEVELOPMENT ALLIANCE NEPAL

(SAM DAN)

Balaaju, Nepal

Cash Flow Statement for the Period Shrawan 1, 2080 to Asadh 31, 2081

Particulars	Current Year	Previous Year
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus/ (deficit) for the year (Before Tax)	(190,095.25)	(164,806.42)
Adjustments to reconcile surplus/(deficit) to net cash flows:		
Non-cash items:		
Depreciation and impairment of property, plant and equipment	37,454.89	49,939.85
Amortization and impairment of intangible assets	-	-
Interest and securities income	-	-
Gains from disposal of fixed assets	-	-
Booking of Deferred Income	(37,454.89)	(49,939.85)
Working capital adjustments:		
Accounts receivable	-	50,000.00
Prepayments	-	-
Other financial assets	-	-
Accounts payable	60,148.15	251,473.06
Accrued expenses and deferred income	-	-
Other financial liabilities	-	-
Received for Unrestricted Funds	484,999.00	521,980.00
Received from Restricted Funds	3,057,168.63	2,948,159.11
Amount Spent from Un restricted Fund	(484,999.00)	(588,600.27)
Amount Spent from restricted Fund	(3,057,168.63)	(2,948,159.11)
Less:		
Income Tax Paid	-	-
Interest paid	-	-
Net cash from/(used in) operating activities	(129,947.10)	70,046.37
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment	-	-
Purchase of intangible assets	-	-
Proceeds from sale of equipment	-	-
Interest received	-	-
Income from securities, net	-	-
Net cash from/(used in) investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans and Borrowings	-	-
Net cash from/(used in) financing activities	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(129,947.10)	70,046.37
OPENING CASH AND CASH EQUIVALENTS	161,786.80	91,740.43
CLOSING CASH AND CASH EQUIVALENTS	31,839.70	161,786.80

The Notes on accounts form an integral part of the financial statements

As per our report of even date attached

For Y.Nyaupane & Associates
Registered Auditor

RA. Yadav Prasad Nyaupane

Date: 30th August 2024
Place: Kathmandu Nepal

For and on behalf of Board

Mr. Tanka Rai
President

Devenara Adhikari
Executive Director

Mr. Bahadur (Gole) Tamang
Treasurer

Ashim Shrestha
Accountant

**SOCIAL AWARENESS & MULTIPURPOSE DEVELOPMENT ALLIANCE NEPAL
(SAMDAN)**
Balaju, Nepal

Schedules Forming Part of the Financial Statements

1. General Information

Social Awareness & Multi-purpose Development Alliance Nepal (SAMDAN) is a Non-Governmental Organization based in Norway, specialized in waste management activities and educational assistance programs. SAMDAN works for the prevention of wastages in the environment as well as recycling the same into the handicraft products. Apart from providing awareness in waste management in different areas of Nepal, it also provides financial assistance to the needy children for educational growth.

2. Basis of Preparation

2.1 Statement of Compliance

The Statement of Financial Position, Statement of Income & Expenditure, Statement of Changes in Reserves, Statement of Cash Flows together with the Accounting Policies and Notes to the financial statements as at 31 Ashadh 2081 (15 July 2024) and for the year then ended comply with the Nepal Accounting Standards for NPOs (NAS for NPOs) issued by Accounting Standard Board of Nepal.

The Financial Statements were authorized for issue as per decision of the Board or Executive Committee dated 23/04/2081.

2.2 Basis of measurement

The financial statements have been prepared using the historical cost convention or at fair value wherever specifically disclosed.

2.3 Functional and presentation currency

The financial statements are presented in Nepali Rupees (NRs.), which is the organization's functional and presentation currency. All financial information presented in Rupees has been rounded to the nearest rupees/thousands/million, except when otherwise indicated.

2.4 Changes in Accounting Policies and Disclosures

The Accounting policies have been consistently applied, unless otherwise stated, and are consistent with those used in previous years.

2.5 Significant Accounting Judgments, Estimates and Assumptions

The preparation of the financial statements requires the use of certain critical accounting estimates and judgments. It also requires management to exercise judgment in the process of applying the accounting policies. The management makes certain estimates and assumptions regarding the future events. Estimates and judgments are continuously evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual result may differ from these estimates and assumptions. (The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are to be disclosed).



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3. Summary of significant accounting policies

3.1 Property Plant and Equipment

a. Cost and Valuation

All items of property, plant and equipment are initially recorded at cost. Subsequent to the initial recognition of an asset, property plant and equipment are carried at cost less any subsequent depreciation. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property and equipment. All other expenditure is recognized in the Statement of Income & Expenditure as an expense as incurred.

Buildings owned are used for purposes of SAMDAN only and not for income generating purpose and therefore do not fall under the definition of Investment Property.

b. Depreciation

Depreciation is provided for on all Property Plant and Equipment on Diminishing Value Method other than land, in order to write off such amounts less any terminal value over the estimated useful lives of such assets.

The annual rates of depreciation currently being used by SAMDAN based on useful life less residual/terminal value are:

<u>Assets</u>	<u>Rate p.a.</u>
Office Building	5%
Furniture & Fixture	25%
Office Equipment	25%
Vehicles	20%
Other Assets	25%

Donated Assets

Where property plant and equipment is purchased as a part of a project through restricted funds which initially written off as project cost with corresponding income, if on conclusion of the project, the asset is not handed over to the beneficiary or returned to the original donor, the asset is valued on the conclusion of the project with the approval from funding agencies and brought into the financial statements under property plant and equipment with corresponding credit to a Capital Reserve. Depreciation provided on such assets will be charged against such capital Reserve. For purpose of depreciation the date of valuation for inclusion in the financial statements is considered the date of purchase. SAMDAN assumes that the assets used in the project would be handed over to them at the conclusion of the project, thus they would not be handed over to the original donor and the same is brought into PPE with corresponding credit to Capital Reserve at the time of purchase.

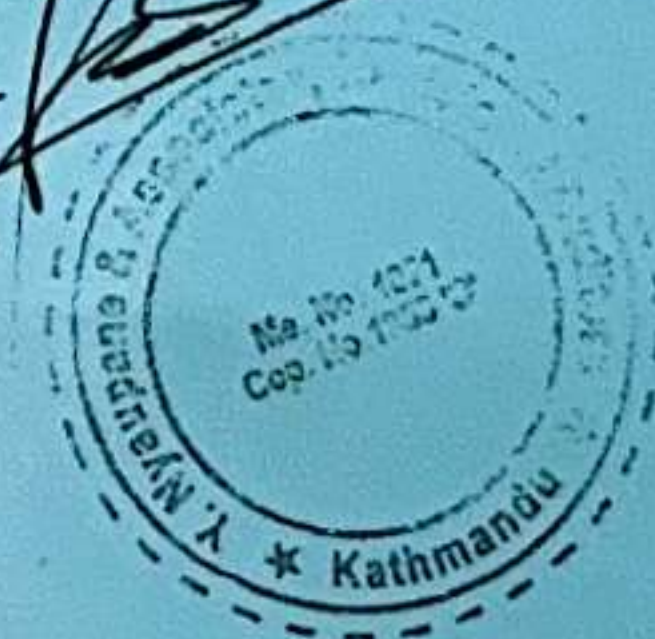
3.2 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost minus any accumulated amortization, except for assets with indefinite useful lives. Internally generated intangible assets are not capitalized; expenditure is therefore reflected in the Statement of Income & Expenditure in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite useful lives are amortized over their useful economic life. The amortization period and method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Accordingly, straight line amortization over the useful life is carried out.

Intangible assets with indefinite useful lives are tested for impairment annually. Such intangibles are not amortized. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.



3.3 Foreign-currency transactions

Transactions in currencies other than Nepal Rupees are converted into Nepal Rupees at rates which approximate the actual rates at the transaction date. At the reporting date, monetary assets (including securities) and liabilities denominated in foreign currency are converted into Nepal Rupees at the rate of exchange at that date. Realized and unrealized exchange differences are reported in the Statement of Income & Expenditure.

3.4 Cash and cash equivalents

SAMDAN considers and classifies cash in hand, amounts due from banks and short-term deposits with an original maturity of three months or less under the category of "Cash and cash equivalents". Bank borrowings that are repayable on demand and form an integral part of the SAMDAN's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash flows.

3.5 Provisions

A provision is recognized in the statement of financial position when SAMDAN has a legal or constructive obligation as a result of a past event, it is probable that an outflow of assets will be required to settle the obligation, and the obligation can be measured reliably.

3.6 Employee Benefits Liabilities

The organization's obligation in respect of the defined future benefit plans is calculated separately for each benefit plans by estimating the amount of future benefit that employees have earned in the current and prior periods. The calculation of the defined benefit obligations is performed annually.

Gratuity, medical facilities has been provided as per By- Laws.

3.7 Loans and Borrowings and Account Payables

Company has no Loans and Borrowings. Accounts payables are stated at their cost.

3.8 Accounting for the receipt and utilization of Funds/Reserves

Reserves

Reserves are classified as either restricted or unrestricted reserves.

a. Unrestricted Reserves/Funds/accumulated surplus

Unrestricted funds are those that are available for use by SAMDAN at the discretion of the Board, in furtherance of the general objectives of SAMDAN and which are not designated for any specific purpose.

Surplus funds are transferred from restricted funds to unrestricted funds in terms of the relevant Donor Agreements or with the prior approval of the Donor.

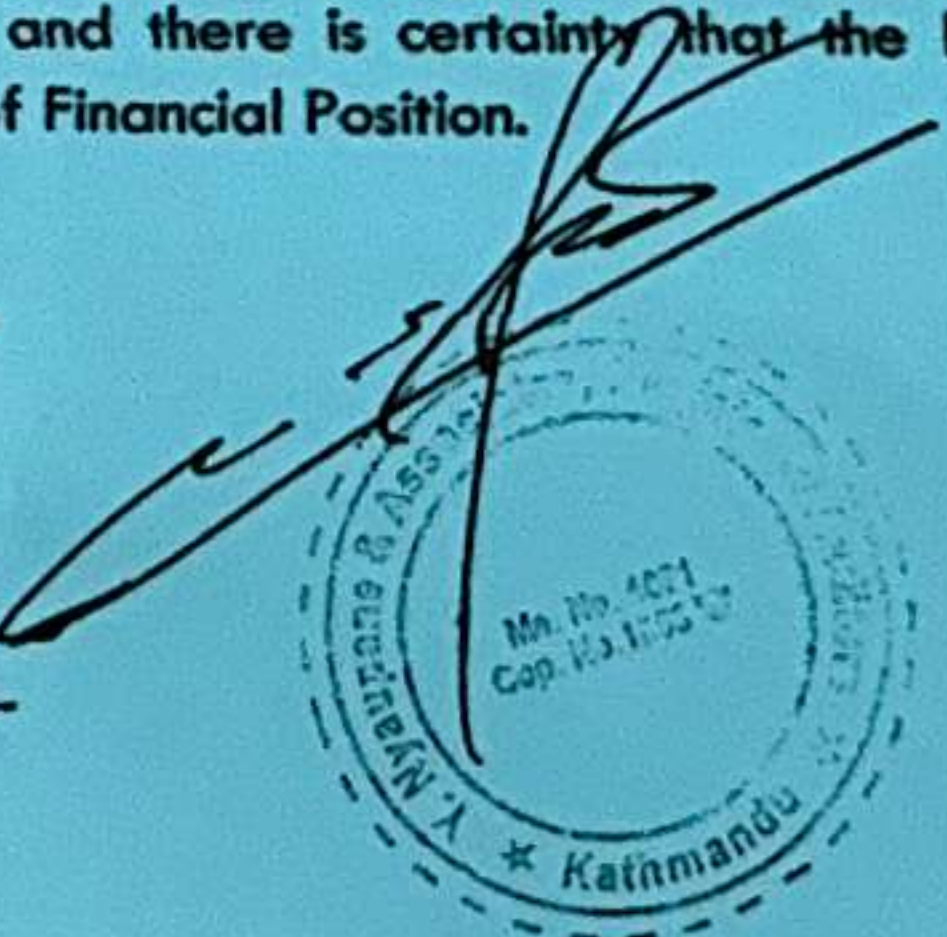
Contributions received from the general public are recognized in the Statement of Income and Expenditure on a cash basis.

b. Designated Reserves/Funds

Unrestricted funds designated by the Board to a specific purpose are identified as designated funds. The activities for which these funds may be used are identified in the financial statements.

Where grants are received for use in an identified project or activity, such funds are held in a restricted fund account and transferred to the Statement of Income & Expenditure to match with expenses incurred in respect of that identified project. Unutilized funds are held in their respective Fund accounts and included under accumulated fund in the Statement of Financial Position until such time as they are required.

Funds collected through a fund raising activity for any specific or defined purpose are also included under this category. Where approved grant expenditure exceeds the income received and there is certainty that the balance will be received such amount is recognized through Debtors in the Statement of Financial Position.



c. Restricted Fund

The activities for which these restricted funds may and are being used are identified in the notes to the financial statements Restricted Reserves/Funds. Such restricted fund may include conditions for refund should there be balance of fund at the end of the project.

d. Endowment Reserves/Funds

Where assets are received as an endowment, which are not exhausted, only the income earned from such assets may be recognized and used as income.

e. Investment Income and other gains realized from funds available under each of the above categories are allocated to the appropriate funds, unless the relevant agreement or minute provides otherwise. Where such income can be used for general purpose, same shall be treated as income in the Statement of Income & expenditure.

3.9 Grants and Subsidies

Grants and subsidies are recognized in the financial statements at their fair value. When the grant or subsidy relates to an expense it is recognized as deferred income necessary to match it with the costs over the accounting years, which is intended to compensate for on a systematic basis.

Grants and subsidies in the form of PPE (Fixed assets) are generally shown as deferred income in the Statement of Financial Position and credited to the Statement of Income & Expenditure over the useful life of the asset by the amount of depreciation with corresponding debit to deferred income over more than one accounting period.

In the case of grants received to fund an entire project or activity, which includes the purchase of an asset, and the cost of such asset is charged with the project costs to the Statement of Financial Performance, the grant value is recognized as income in the same period as the cost of the asset is charged to the Statement of Income & Expenditure.

Where Property Plant and Equipment is purchased as a part of the project through restricted funds which initially written off as project cost with corresponding income if on conclusion of the project, if the asset is not handed over to the beneficiary or returned to the original donor, the asset is valued at Fair value and brought into financial statements under Property Plant and Equipment with corresponding Credit to deferred income. The depreciation provided on such assets will be provided will be charged against such deferred income. For the purpose of depreciation, the date of valuation for inclusion in the financial statements is considered the date of purchase.

3.10 Income recognition

a. Contributions/Incoming Sources

Income realized from restricted funds is recognized in the Statement of Income & Expenditure only when there is certainty that all of the conditions for receipt of the funds have been complied with and the relevant expenditure that it is expected to compensate has been incurred and charged to the Statement of Income & Expenditure. Unutilized funds are carried forward as such in the Statement of Financial Position.

Gifts and donations received in kind are recognized at fair value at the time that they are distributed to beneficiaries, or if received for resale with proceeds being used for the purpose of SAMDAN at the point of such sale. Items not sold or distributed are inventoried but not recognized in the financial statements.

All other income is recognized when SAMDAN is legally entitled to the use of such funds and the amount can be quantified. This would include income receivable through fund raising activities and donations.



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b. Financial Income

Interest earned is recognized on an accrual basis when there is certainty of receipt. Dividend received is recognized when the right to receive dividend is established.

Revenues earned on services rendered are recognized in the accounting period in which the services were rendered and accepted by the clients.

Net gains and losses on the disposal of property, plant and equipment and other non-current assets, including investments, are recognized in the Statement of Income & Expenditure after deducting from the proceeds on disposal, the carrying value of the item disposed of and any related selling expenses.

c. Other income is recognized on an accrual basis except otherwise categorically explained to be on cash basis.

3.11 Expenditure recognition

Expenses in carrying out the projects and other activities of SAMDAN are recognized in the Statement of Income & Expenditure during the period in which they are incurred. Other expenses incurred in administering and running SAMDAN and in restoring and maintaining the property plant and equipment to perform at expected levels are accounted for on an accrual basis and charged to the Statement of Income & Expenditure.

3.12 Taxation

a. Current Taxes

SAMDAN is exempted from income tax under the laws of Income Tax Act, 2058. Accordingly, income tax provision has not been recognized in the financial statements.

b. Deferred Taxes

SAMDAN has got tax exempted status and accordingly no provision for tax has been made.

c. Value added taxes

Value added taxes (VAT) that are payable on services and goods purchased are normally included in the cost of such item. An exception would be where SAMDAN is exempted and entitled to refund, in such case, same would be reflected as receivable in the Statement of Financial Position.

3.13 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset, are charged off to Statement of Income & Expenditure as expense. Other borrowing costs are treated as an expense in the period in which it is incurred.

3.14 Contingent liabilities

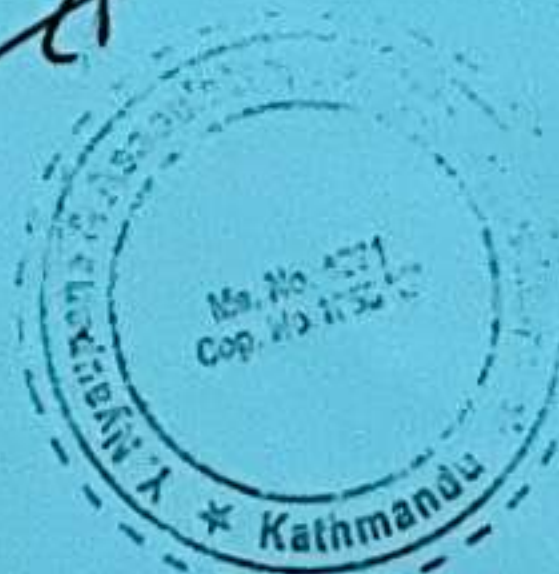
A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events that are not wholly within the control of SAMDAN. It may also be a present obligation that arises from past events but in respect of which an outflow of economic benefit is not probable or which cannot be measured with sufficient reliability. Such contingent liabilities are recorded under Note 4.19. For certain operational claims reported as contingent liabilities, it is not practical to disclose detailed information on their corresponding nature and uncertainties.



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Ashim Shrestha

**SOCIAL AWARENESS & MULTIPURPOSE DEVELOPMENT ALLIANCE NEPAL
(SAM DAN)**

Balaaju, Kathmandu

Trial Balance Ached 31, 2081 (July 15, 2024)

4. Notes to Financial Statement

4.1 Property Plant and Equipment

Item	Opening balance	Additions during the year	Disposals during the year	Balance at 31.03.2081
Land	-	-	-	-
Buildings	-	-	-	-
Vehicles	-	-	-	-
Computer equipment	182,350.00	-	-	182,350.00
Office Equipment	-	-	-	-
Furniture and Fittings	38,739.00	-	-	38,739.00
Other Assets	206,478.00	-	-	206,478.00
	427,567.00	-	-	427,567.00
Capital work in progress	-	-	-	-
Total	427,567.00	-	-	427,567.00

Accumulated Depreciation

Item	Balance as at 01.04.2080	Charge for the year	Disposals during the year	Balance at 31.03.2081
Land	-	-	-	-
Buildings	-	-	-	-
Motor Vehicles	-	-	-	-
Computer Equipment	94,829.98	21,880.01	-	116,709.99
Office Equipment	-	-	-	-
Furniture and Fittings	31,844.29	1,723.68	-	33,567.97
Other Assets	151,073.18	13,851.20	-	164,924.39
Capital work in progress	-	-	-	-
Total	277,747.45	37,454.89	-	315,202.34

4.2 Intangible Assets

Item	Balance as at 01.04.2080	Additions during the year	Disposals during the year	Balance at 31.03.2081
Software	-	-	-	-
Emblem	-	-	-	-
Other Intangible Assets	-	-	-	-
Total	-	-	-	-

Amortization

Item	Balance as at 01.04.2080	Charge for the year	Balance at 31.03.2081
Software	-	-	-
Emblem	-	-	-
Other Intangible Assets	-	-	-
Total	-	-	-



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4.3 Accounts Receivable

Particulars	2080-81	2079-80
Deposits and Advances		
Prepayments	-	-
Other accounts receivable	-	-
Less: Allowance for accounts receivable	-	-
Total	-	-

Notes: Where any amount become difficult to recover due to various reasons, then in such cases, the account receivable is considered as impaired and allowance for account receivable (previously known as doubtful receivable) will be made;

4.4 Cash and cash equivalents

Particulars	2080-81	2079-80
Cash in hand	9,996.00	2,395.25
Cash at bank	21,843.70	159,391.54
Short-term deposits	-	-
Total	31,839.70	161,786.79

4.5 Unrestricted Funds

Particulars	2080-81	2079-80
Balance at beginning of the year	(125,703.09)	105,723.60
Unrestricted surplus/deficit in operating activities	(190,095.25)	(164,806.42)
Additional Grant Received	484,999.00	521,980.00
Amount Spent out of the fund	(484,999.00)	(588,600.27)
Balance at end of the year	(315,798.34)	(125,703.09)

4.6 Designated Funds

Particulars	2080-81	2079-80
Balance as at beginning of year	-	-
Additional Funds received during the year	-	-
Balance as at year end	-	-

4.7 Restricted Funds

Particulars	2080-81	2079-80
Balance as at beginning of year	-	-
Additional Funds received during the year	3,057,168.63	2,948,159.11
Transfer to Unrestricted Funds	(3,057,168.63)	(2,948,159.11)
Balance as at year end	-	-

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Project wise allocation and movement in Restricted Funds

Name of Donor Organization	Project Name/ Description	Balance brought forward	Received /restricted surplus during the year	Transferred to Statement of Income & Expenditure	Interest Income on Restricted Funds	Balance carried forward shown in restricted fund balance
CESP - Norway		-	935,649.50	(935,649.50)	-	-
Income from Wilbur lua		-	452,637.07	(452,637.07)	-	-
Income from Martin		-	-	-	-	-
BEEP - Norway		-	-	-	-	-
The Support Association for Children BEEP - Norway		-	1,219,085.06	(1,219,085.06)	-	-
Eden Project - Japan		-	449,797.00	(449,797.00)	-	-
Total		-	3,057,168.63	(3,057,168.63)	-	-

4.8 Endowment Funds

Particulars	2080-81	2079-80
Balance at beginning of the year	-	-
Surplus/deficit for the year	-	-
Balance at end of the year	-	-

4.9 Other Capital Reserves

Particulars	2080-81	2079-80
Balance at beginning of the year	-	199,759.39
Transferred to Deferred Income	-	(199,759.39)
Balance at end of the year	-	-

4.10 Deferred Income

Particulars	2080-81	2079-80
Balance at beginning of the year	149,819.54	-
Transferred from Capital Reserve	-	199,759.39
Assets Handed Over	-	-
Depreciation for the year	(37,454.89)	(49,939.85)
Disposal of Assets	-	-
Balance at end of the year	112,364.65	149,819.54



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4.11 Accounts Payable

Particulars	2080-81	2079-80
Other Payables		
Audit Fee Payable	22,300.00	22,300.00
Account Payable	302,200.20	241,055.46
Duties and taxes		-
TDS on Audit Fees Payable	300.00	339.00
TDS on Lease Rental	7,197.09	21,197.09
TDS on Office Rent	3,200.06	1,933.34
TDS on Consultancy	-	665.00
SST @ 1%	5,884.19	-
Tds On Meeting Allowance	2,850.00	-
Tds On Labour	3,706.50	-
Total	347,638.04	287,489.89

4.12 Provisions

Particulars	2080-81	2079-80
Balance as at the beginning of the period	-	-
Allocations during the year	-	-
Use of provisions during the year	-	-
Less: Release of provisions during the year	-	-
Total	-	-

4.13 Incoming Resources

Particulars	2080-81	2079-80
Grants - Restricted Funding		
CESP - Norway		
Income from Wilbur lua	935,649.50	896,379.57
Income from Martin	452,637.07	876,456.74
BEEP - Norway		-
The Support Association for Children BEEP - Norway	1,219,085.06	695,061.80
Eden Project - Japan	449,797.00	480,261.00
Grants - Unrestricted Funding		-
Donations from the public		-
Binod darai	25,000.00	15,000.00
Kishor Adhikari	40,000.00	36,000.00
MCDS	60,000.00	60,000.00
Membership Fee	20,200.00	13,250.00
Others	42,845.00	153,890.00
SAMDAN Church	-	66,000.00
Schools Contribution	229,404.00	153,840.00
Yaga BK	-	24,000.00
Noa Creative Arts	10,000.00	-
Shelemiah homestay	45,550.00	-
Sunita Lama	12,000.00	-
Income from endowments	-	-
Corporate Fundraising	-	-
Gifts in kind	-	-
Profit from trading or other activities (refer (a))	-	-
Other fund raising activity	-	-
Add : Amount transferred from Capital Fund	-	66,620.27
Depreciation Income from Deferred Grant	37,454.89	49,939.85
Total	3,579,622.52	3,586,699.23

4.14 Staff Cost

Particulars	2080-81	2079-80
Staff Salary	919,577.16	876,001.04
Staff Training and Welfare	10,000.00	3,000.00
Allowances and benefits	-	-
Post-employment benefit costs	-	-
Total	929,577.16	879,001.04



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4.15 Program Expenses

Particulars	2060-81	2079-80
Paper, Plastic, Handicraft & Compost Materials	26,031.00	83,271.00
Tree Planting	73,390.00	4,175.00
Water & Electricity Expenses	31,405.00	35,260.00
Transportation Expenses	30,778.00	23,633.75
Labor Charges	346,672.00	213,822.00
Land Lease Rent	184,800.00	144,096.29
Meeting And Hospitality	12,049.00	52,450.00
Communication Expenses	3,000.00	9,050.00
Repair & Maintenance	22,274.00	50,435.00
Eco-Club Mobilization	40,313.00	309,215.00
Environment Education Materials	356,752.00	149,110.00
Education & Health Support Grant	1,381,460.00	1,311,200.00
Exhibitions And Events		-
Transportation, School/House Visiting And Follow Up	18,700.00	140,010.00
General Health Check Up	7,100.00	33,400.00
Office Assets(Capital Expenditure)	1,150.00	-
Cleaning Campaign & Awareness	5,390.00	2,200.00
Composting Materials		210.00
Total	2,541,264.00	2,561,538.04

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4.16 General Administrative Expense

Particulars	2080-81	2079-80
Audit Fees	22,600.00	22,600.00
Social Audit	26,447.50	-
Office Rent	66,666.72	66,666.72
Meeting Allowances	-	35,690.00
Meeting and Hospitality	13,000.00	3,950.00
Communication Expenses	6,935.00	400.00
Printing and Stationery	5,490.00	3,525.00
General Assembly and Social Expenses	26,447.50	29,595.00
Internet Expenses	9,600.00	9,600.00
Renewal Expenses	72,595.00	65,000.00
Monitoring and Evaluation	6,900.00	-
Inter-house School /Class Competition	4,740.00	-
Financial Consultancy Services	-	24,000.00
Total	281,431.72	281,826.72

4.17 Income Tax Expense

SAMDAN has got tax exempted status and accordingly no provision for tax has been made.

4.18 Capital Commitments

The organization has not entered into any capital commitments as of the date of this report.

4.19 Contingent Liabilities

The organization holds no contingent liabilities as of the reporting period.

4.20 Related Party Transactions

Following transactions were carried out with Board Members of the NPO,

	2080-81	2079-80
Total remuneration paid to Board of Directors and Key Executives	-	-
Meeting Allowances to Board Members	13,000.00	39,640.00
Salary and other benefits to Executive Director	576,000.19	576,000.19
Total	589,000.19	615,640.19



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4.21 First-time adoption of NAS for NPOs

These financial statements, for the year ended 31 Ashadh 2081, are the first the organization has prepared in accordance with Nepal Accounting Standards for Non-profit Organizations (NAS for NPOs). For periods up to and including the year ended 31 Ashadh 2080, the organization prepared its financial statements in accordance with local generally accepted accounting principles.

Accordingly, the organization has prepared financial statements that comply with NAS for NPOs applicable as at 31 Ashadh 2081, together with the comparative period data for the year ended 31 Ashadh 2080, as described in the summary of significant accounting policies. This note explains the principal adjustments made by the organization in restating its local GAAP financial statements, including the statement of financial position for the year ended 31 Ashadh 2080.

Reconciliation of Statement of Financial Position as at 31 Ashadh 2080 (date of transition to NAS for NPOs)

Particulars	Previously Reported	Reclassification and Remeasurements	NAS for NPO's as at 31 Ashadh 2080
Non - Current Assets			
Property, Plant and Equipment	149,820	-	149,820
Intangible Assets			
Investment Property			-
Long term Investments			
Other Non Current Assets			
Total Non - Current Assets	149,820	-	149,820
Current Assets			
Inventories			-
Accounts Receivable			
Cash and Cash Equivalents	161,786.79		161,786.79
Total Current Assets	161,787	-	161,787
Total Assets	311,606	-	311,606
LIABILITIES & RESERVES			
Accumulated Reserves			
Unrestricted Funds/ accumulated surplus	(125,703.09)	-	(125,703.09)
Designated Funds			
Restricted Funds			-
Endowment Fund			
Other Capital reserves	149,819.54	149,820	
Total Accumulated Reserves	24,116	149,820	(125,703)
Non - Current Liabilities			
Employee benefit liabilities			
Deferred Income		(149,819.54)	149,819.54
Total Non - Current Liabilities			
Current Liabilities			
Accounts Payable	287,490		287,489.89
Total Current Liabilities	287,490	-	287,490
Total Liabilities	287,490	-	287,490
Total Liabilities and Reserves	311,606	(0)	311,606

Note:

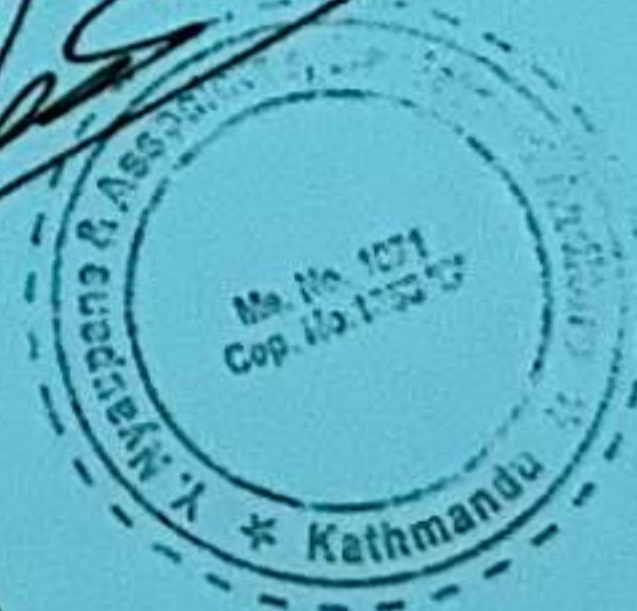
1. PPE purchased from restricted fund for the project had been booked in financials as per GAAP. Such PPE have been derecognized in financial statements as per NAS for NPOs.
2. Capital reserve had been recongnized equal to the book value of PPE handed over by the donor after the completion of project. Such amount has been reclassified as Deferred Income as per NAS for NPOs.



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Reconciliation of Statement of Income and Expenditure for the year ended 31 Ashadh 2080

Particulars	Previously Reported	Remeasurements and reclassifications	NAS for NPO's for the year ended 31 Ashadh 2080
Incoming Resources	3,701,566	(114,866.58)	3,586,699.23
Financial Income		-	-
Other Income		-	-
Total Income	3,701,566	(114,867)	3,586,699
EXPENDITURE			
Staff Cost		879,001	879,001
Programme Expenses	3,110,539	(549,001)	2,561,538
General Administrative Expenditure	591,027	(330,000)	261,027
Depreciation		49,940	49,940
Other Expenditure	-	-	-
Total expenditure	3,701,566	49,940	3,751,506
Net surplus/(deficit) before Taxation	-	(164,806)	(164,806)
Income Tax Expenses	-	-	-
SURPLUS/(DEFICIT) For the Year	-	(164,806)	(164,806)

4.21.1 Property, Plant and Equipment

Recognition of Assets transferred from Projects

In accordance with NAS for NPO's' Where property plant and equipment is purchased as a part of a project through restricted funds which initially written off as project cost with corresponding income, if on conclusion of the project, the asset is not handed over to the beneficiary or returned to the original donor, the asset is valued on the conclusion of the project with the approval from funding agencies and brought into the financial statements under property plant and equipment with corresponding credit to a Capital Reserve.

The organization has only recognized the assets transferred to projects at fair value as of 31 Ashadh 2080 in line with NAS for NPO's creating a equivalent Deferred Income in Funds.

Description	Previously Reported	Reclassification and Remeasurements	NAS for NPO's as at 31 Ashadh 2080	Remarks
Property, Plant and Equipment				
Computer & Accessories	87,520	-	87,520	Recognition of assets transferred from projects.
Furniture and Fittings	6,895	-	6,895	
Other Assets	55,405	-	55,405	Asset has not been transferred from the projects.
Total	149,820	-	149,820	



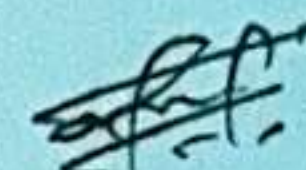
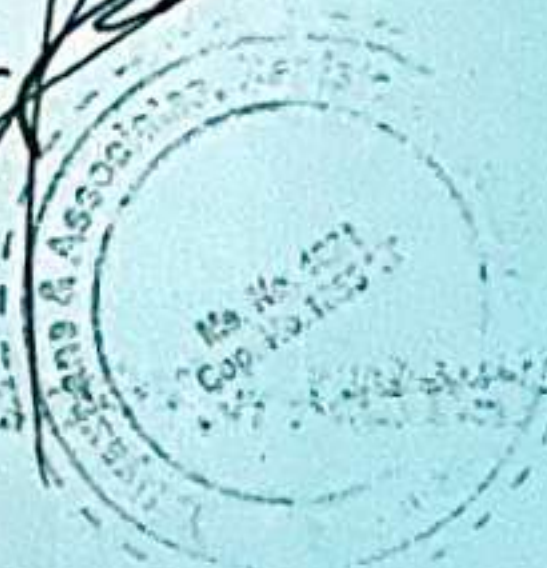
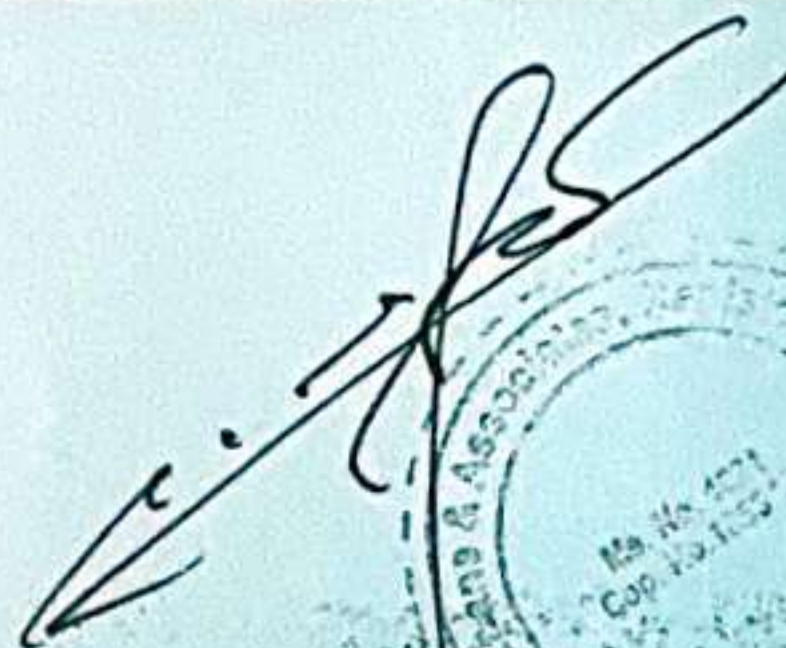
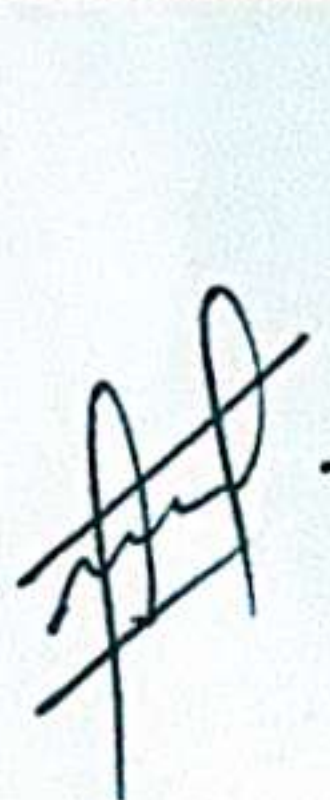
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4.21.2 Classification of Funds

SAMDAN has change its policy regarding classification of fund between restricted and unrestricted fund while adopting NAS for NPOs as the existing policy of the organization used to show the same under Capital Fund which was not in line with the NAS. SAMDAN has booked capital reserved equal to the value of PPE transferred from the project. However, it has been re-classified as Deferred Income after adopoting NAS for NPOs.

The adoption of this policy was applied retrospectively from Shrawan 1, 2079. Following adjustments were made in the figures of 31 Ashadh 2080 to reclassify funds in accordance to NAS for NPOs.

Description	Previously Reported	Reclassification and Remeasurements	NAS for NPO's as at 31 Ashadh 2080	Remarks
Funds				
Capital Fund	(125,703.09)	125,703.09	-	
Unrestricted Funds	-	(125,703.09)	(125,703.09)	
Restricted Funds	-	-	-	
Capital Reserve	149,819.54	0.00	149,820	Reclassification of Capital Reserve
Total	24,116.45	0.00	24,116.45	



Ashim Shrestha



SAMDAN
Kathmandu, Nepal
F.Y. 2079-80
Note: 4.1 Property, Plant & Equipment

S.N.	Particulars	Depreciation Rate	Gross Block					Depreciation			W.D.V as on 31-03-2080	W.D.V as on 31-03-2079	
			Opening Cost Value	Addition during the Year			Disposal	Total	Depreciable Base	Opening balance			On Addition
Up to Poush	Month to Chaitre	Balance to Aashad											
1	Block B	25%											
	Computer & Accessories		183,500.00	-	-	-	183,500.00	116,693.36	66,806.64	29,173.34	95,979.98	87,520.02	116,693.36
	Furniture & Fixtures		38,739.00	-	-	-	38,739.00	9,192.95	29,546.05	2,298.24	31,844.29	6,894.71	9,192.95
	Others		206,478.00	-	-	-	206,478.00	73,873.09	132,604.91	18,468.27	151,073.18	55,404.82	73,873.09
	Sub-Total		428,717.00	-	-	-	428,717.00	199,759.39	228,957.61	49,939.85	278,697.46	149,819.54	199,759.39
	Total		428,717.00	-	-	-	428,717.00	199,759.39	228,957.61	49,939.85	278,697.46	149,819.54	199,759.39

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SAMDAN
Kathmandu, Nepal
F.Y. 2079-80
Note: 4.1 Property, Plant & Equipment

S.N.	Particulars	Depreciation Rate	Opening Cost Value	Gross Block				Total	Depreciable Base	Depreciation			W.D.V as on 31-03-2080	W.D.V as on 31-03-2079
				Up to Pouch	Much to Chetna	Boisath to Aashad	Disposed			Opening balance	On Addition	Total		
1	Block B	25%												
	Computer & Accessories		183,500.00	-	-	-	-	183,500.00	116,693.36	66,806.64	29,173.34	95,979.98	87,520.02	116,693.36
	Furniture & Fixtures		38,739.00	-	-	-	-	38,739.00	9,192.95	29,546.05	2,298.24	31,844.29	6,894.71	9,192.95
	Others		206,478.00	-	-	-	-	206,478.00	73,873.09	132,604.91	18,468.27	151,073.18	55,404.82	73,873.09
	Sub-Total		428,717.00	-	-	-	-	428,717.00	199,759.39	228,957.61	49,939.85	278,897.46	149,819.54	199,759.39
	Total		428,717.00	-	-	-	-	428,717.00	199,759.39	228,957.61	49,939.85	278,897.46	149,819.54	199,759.39



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