

SAHARA NEPAL

BIRTAMODE - 2, CHARPANE, JHAPA

AUDIT REPORT

STATUTORY AUDIT

FOR THE YEAR 2081/82

Submitted by

K.P.N. & Associates, Chartered Accountants

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Marga 2082

INDEPENDENT AUDITOR'S REPORT

To,

The Members of

Sahara Nepal

Birtamod-2, Charpane, Jhapa

Report on the Audit of the Financial Statements for the FY 2081/82

Opinion

We have performed the financial audit of accompanying financial statements of **Sahara Nepal** comprising Statement of Financial Position as on July 16, 2025, Statement of Income and Expenditure for the period ended on July 16, 2025, Statement of Cash Flows for the period ended on July 16, 2025, Statement of changes in Reserves for the period ended on July 16, 2025, and related schedules there to.

In our opinion and to the best of our information and explanation given to us, Financial Statement together with significant accounting policy and notes to account forming part of financial statements of **Sahara Nepal** gives true and fair view of the financial position as of July 16, 2025 (32nd Ashad 2082) and the result of its operations for the year in accordance with Nepal Accounting Standard for Not-for-Profit Organizations. (NAS for NPOs)

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 Auditors Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our ethical responsibilities in accordance with these requirements. 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 matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. Those 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.

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

Managements is responsible for the preparation and fair presentation of the financial statements in accordance with Nepal Accounting Standard for Not-for-Profit Organizations, and for such internal control as management determines are 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 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.

Auditors 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 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 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 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 evidence 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 evidence 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 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.



Report on Other Legal and Regulatory Requirements

In our opinion and according to the explanation given to us, on the basis of our examination, we report that,

- We have obtained all the information and explanation, which to best of our knowledge and belief were necessary for the purpose of audit.
- The program income and expenditure have been accounted for under the correct account head and are supported by appropriate and fair supporting documents and in accordance with Double Entry System of keeping the Books of Accounts and the expenses have been made in accordance with the objectives of the program.
- The Statement of Financial Position, Statement of Income & Expenditure Account, and Cash Flow Statement dealt with by this report are in agreement with books of accounts, and
- There is no other material reportable observation that needs attention of the members.

Address: Kathmandu

Date: 25^h Mangsir, 2082

UDIN: 251211CA00469Vpveb



Keshab Prasad Neupane, FCA
K.P.N. & Associates,
Chartered Accountants

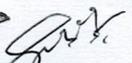
Sahara Nepal
Birtamode-2, Charpane, Jhapa

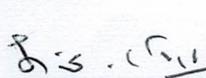
Statement of Financial Position
As at 32 Ashadh 2082

Particulars	Notes	Current Year	Previous Year
Amount in NPR			
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	4.1	16,650,183.09	17,343,018.69
Intangible Assets	4.2	-	-
Investment Property		-	-
Long term investments	4.3	-	-
Other Non Current Assets		-	-
Total Non - Current Assets		16,650,183.09	17,343,018.69
Current Assets			
Inventories	4.4	-	-
Accounts Receivable	4.5	15,655,457.25	11,093,162.00
Cash and Cash Equivalents	4.6	4,204,049.70	10,321,916.20
Total Current Assets		19,859,506.95	21,415,078.20
Total Assets		36,509,690.04	38,758,096.89
LIABILITIES & RESERVES			
Accumulated Reserves			
Unrestricted Funds/ accumulated surplus	4.7	23,081,587.00	22,880,674.44
Designated Funds	4.8	-	-
Restricted Funds	4.9	1,142,665.76	7,520,127.20
Endowment Fund	4.10	-	-
Other Capital reserves	4.11	-	-
Total Accumulated Reserves		24,224,252.76	30,400,801.64
Non - Current Liabilities			
Loans and borrowings		-	-
Employee benefit liabilities		-	-
Total Non - Current Liabilities		-	-
Current Liabilities			
Accounts Payable	4.12	12,285,437.28	8,357,295.25
Short Term Borrowing		-	-
Provisions	4.13	-	-
Bank overdrafts		-	-
Total Current Liabilities		12,285,437.28	8,357,295.25
Total Liabilities		12,285,437.28	8,357,295.25
Total Liabilities and Reserves		36,509,690.04	38,758,096.89

The notes on accounts form an integral part of the financial statement.


Bharak K. Giri
President


Somnath Timsina
Vice President


Mahendra K. Giri
Secretary


Shyam K. Pradhan
Treasurer

As per our report of even
date


CA. Keshab Prasad Neupane
For: K.P.N & Associates
Chartered Accountants

Date: 18.08.2082
Place: Birtamode-2, Charpane,

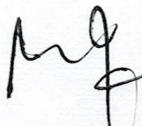


Sahara Nepal
Birtamode-2, Charpane, Jhapa

Statement of Income & Expenditure
For the year ended 32 Ashadh 2082

Particulars	Notes	Current Year	Previous Year
Amount in NPR			
INCOME			
Incoming Resources	4.14	156,111,083.13	129,148,764.56
Financial Income	4.15	9,258.11	384,104.83
Other Income	4.16	-	-
Total Income		156,120,341.24	129,532,869.39
EXPENDITURE			
Staff Cost	4.17	35,737,594.67	45,314,939.91
Programme Expenses	4.18	106,790,048.43	70,624,636.13
General Administrative Expenditure	4.19	12,698,949.98	14,541,093.91
Depreciation	4.20	692,835.60	800,748.70
Other Expenditure			
Total expenditure		155,919,428.68	131,281,418.65
Net surplus/(deficit) before Taxation		200,912.56	(1,748,549.26)
Income Tax Expenses		-	-
SURPLUS/(DEFICIT) FOR THE YEAR		200,912.56	(1,748,549.26)
APPROPRIATION OF SURPLUS FOR THE YEAR			
Allocation to Reserves		200,912.56	(1,748,549.26)
Allocation to Endowment Fund		-	-

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Vice President


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As per our report of even date


CA. Keshab Prasad Neupane
For: K.P.N & Associates
Chartered Accountants

Date: 18.08.2082

Place: Birtamode-2, Charpane,

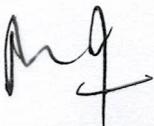


Sahara Nepal
Birtamode-2, Charpane, Jhapa

Statement of Changes in Reserves
For the year ended 32 Ashadh 2082

Description							Amount in NPF
	Restricted Reserves	Designated Fund	Unrestricted Reserves	Endowment Funds	Capital Reserves	Result for the Year	Total
Balance as at 1 Shrawan 2080	7,520,127.20	-	24,629,223.70	-	-		32,149,350.90
Result for the Year							
Allocation of results to Restricted Reserves	-	-				-	-
Allocation of results to Designated Fund						-	-
Allocation of results to Unrestricted Fund			(1,748,549.26)		-	(1,748,549.26)	(1,748,549.26)
Allocation of results to Endowment Fund				-		-	-
Allocation of results to Capital Fund					-	-	-
Balance as at 1 Shrawan 2081	7,520,127.20	-	22,880,674.44	-	-	(1,748,549.26)	30,400,801.64
Result for the Year							
Allocation of results to Restricted Reserves	(6,377,461.44)					(6,377,461.44)	(6,377,461.44)
Allocation of results to Designated Fund						-	-
Allocation of results to Unrestricted Fund			200,912.56			200,912.56	200,912.56
Allocation of results to Endowment Fund						-	-
Allocation of results to Capital Fund					-	-	-
Balance as at 32.03.2082	1,142,665.76	-	23,081,587.00	-	-	(7,925,098.14)	24,224,252.76

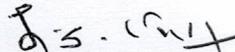
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As per our report of even date



CA. Keshab Prasad Neupane
For: K.P.N & Associates
Chartered Accountants



Date: 18.08.2082

Place: Birtamode-2, Charpane,



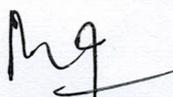
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Statement of Cash Flows
For the year ended 32 Ashadh 2082

Particulars	Amount in NPR	
	Current Year	Previous Year
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus/ (deficit) for the year (Before Tax)	200,912.56	(1,748,549.26)
Adjustments to reconcile surplus/(deficit) to net cash flows:		
Non-cash items:		
Depreciation and impairment of property, plant and equipment	692,835.60	800,748.70
Amortization and impairment of intangible assets	-	-
Provision and losses on inventories	-	-
Movement in provisions, receivables and specific risks	-	-
Losses/ (gains) on securities	-	-
Gains from disposal of fixed assets	-	-
Working capital adjustments:		
Accounts receivable	(4,562,295.25)	(2,000,000.00)
Inventories	-	15,454.50
Accounts Payable	3,928,142.03	803,416.21
Short term borrowing	-	-
Provisions	-	-
Restricted Funds	(6,377,461.44)	-
Less:	-	-
Income Tax Paid	-	-
Interest paid	-	-
Net cash from/(used in) operating activities	(6,117,866.50)	(2,128,929.85)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment	-	(191,000.00)
Purchase of intangible assets	-	-
Proceeds from sale of equipment	-	-
Purchase of investment property	-	-
Long term investment	-	-
Interest received	-	-
Net cash from/(used in) investing activities	-	(191,000.00)
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowing of government loans	-	-
Repayments of government loans	-	-
Net cash from/(used in) financing activities	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(6,117,866.50)	(2,319,929.85)
CASH AND CASH EQUIVALENTS AT 1 Shrawan 2081	10,321,916.20	12,641,846.05
CASH AND CASH EQUIVALENTS AT 32 Ashadh 2082	4,204,049.70	10,321,916.20

The notes on accounts form an integral part of the financial statement.

As per our report of even date



Bharak K. Giri
President



Somnath Timsina
Vice President



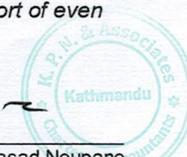
Mahendra K. Giri
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Shyam K. Pradhan
Treasurer



CA. Keshab Prasad Neupane
For: K.P.N & Associates
Chartered Accountants



Date: 18.08.2082

Place: Birtamode-2, Charpane,



Consolidated Fund Accountability Statements
For the year ended 32 Ashadh 2082

Sources of Fund	Strenghthening Livelihood and community Resilience through the promotion of NUJCS										Restricted Funds Total		
	Financial Inclusion for Marginalised women in Nepal	Bliswas Project	Community Housing Program-Cihana 2	Sub National Governance Program Phase 2	Wash Project Rasuwa & Nuwakot	NRL program	Relief 2024 Flood	Power Project I	Power Project II	Food Project		Coca cola Project	Trail Bridge Construction Program
Opening Fund Balance	1,081,058.31	474,091.04	1,589,284.10	(231,071.13)	1,463,124.18	396,697.38	5,248,013.00	6,485,361.00	9,495,811.00	802,896.00	40,196,650.00	1,246,605.00	7,520,127.20
Fund Received during the Period	1,289,289.89	17,144,038.00	1,024,698.76	8,528,479.00	12,167,659.00	1,909,765.08	5,248,013.00	6,485,361.00	9,495,811.00	802,896.00	40,196,650.00	1,246,605.00	141,072,967.53
Interest Income													
Contribution From Core Fund													
Less: Unused fund refund			37,369.20										
Total Fund Available (A)	2,370,348.00	17,618,129.04	2,613,982.86	8,297,407.87	13,630,783.18	2,306,462.46	5,248,013.00	6,485,368.96	9,495,811.00	802,896.00	40,196,650.00	1,442,824.00	148,693,094.73
Expenses													
Staff Cost	724,298.00	4,191,860.42	442,002.66	4,572,841.00	3,474,953.89	-	589,659.32	2,865,863.00	3,604,939.38	-	5,527,809.00	1,442,824.00	34,114,357.67
Program Expenses	1,143,586.00	13,367,480.90	1,945,361.83	2,784,841.00	8,988,070.05	2,306,462.46	4,658,353.68	3,000,285.78	4,865,225.93	802,896.00	33,006,844.00	-	105,634,350.43
General Administrative Expenditure	502,464.00	462,548.51	226,618.37	837,426.00	1,351,751.38			619,220.18	743,638.32		1,935,866.67		7,935,337.03
Depreciations													
Total Expenditure (B)	2,370,348.00	18,021,889.83	2,613,982.86	8,195,108.00	13,814,775.32	2,306,462.46	5,248,013.00	6,485,368.96	9,213,803.63	802,896.00	40,470,519.67	1,442,824.00	147,684,045.13
Fund Balance (A-B)	-	(403,760.79)	-	1,619,981.12	(183,992.14)	-	-	-	282,007.37	-	(273,869.67)	-	1,142,665.76
Fund Balance Represented by:													
Particulars													
Cash and Cash Equivalents	-	5,173.46	-	102,299.87	31,818.24	-	591,045.43	97,957.57	469,556.60	-	13,904.59	-	2,875,670.27
Accounts Receivable	-	-	-	-	40,032.24	-	(591,045.43)	293,948.63	126,756.22	-	(287,774.26)	-	1,605,226.97
Accounts Payable	-	(408,934.25)	-	-	(255,842.62)	-	-	(391,906.20)	(314,305.45)	-	(273,869.67)	-	(3,338,231.48)
Total	-	(403,760.79)	-	1,619,981.12	(183,992.14)	-	-	282,007.37	282,007.37	-	(273,869.67)	-	1,142,665.76



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4 Notes to the Financial Statement

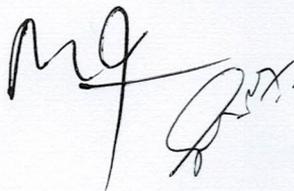
4.1 Property, Plant and Equipments

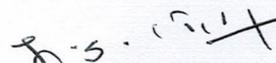
Gross Value

Item	Balance as at 01.04.2081	Additions during during the year	Disposals during the year	Balance as at 32.03.2082
Land	8,554,370.00	-	-	8,554,370.00
Central Office Building	1,212,615.33	-	-	1,212,615.33
Other Building & Structures	5,203,651.73			5,203,651.73
Office Equipments	362,021.22			362,021.22
Plant & Machineries	1,151,071.63			1,151,071.63
Bamboo Treatment Tank	960,089.43			960,089.43
Vehicles	121,055.83			121,055.83
Total Station Machine	575,503.99			575,503.99
Library Books	3,388.23			3,388.23
Sub-Total	18,143,767.39	-	-	18,143,767.39
Capital Work in Progress				
Total	18,143,767.39	-	-	18,143,767.39

Depreciation

Item	Balance as at 01.04.2081	Charge for the year	Disposals during the year	Balance as at 32.03.2082
Land	-	-	-	-
Central Office Building	60,630.77	57,599.23	-	118,230.00
Other Building & Structures	260,182.59	247,173.46		507,356.05
Office Equipments	90,505.31	67,878.98		158,384.29
Plant & Machineries	172,660.74	146,761.63		319,422.37
Bamboo Treatment Tank	48,004.47	45,604.25	-	93,608.72
Vehicles	24,211.17	19,368.93	-	43,580.10
Total Station Machine	143,876.00	107,907.00		251,783.00
Library Books	677.65	542.12		1,219.77
Sub-Total	800,748.70	692,835.60	-	1,493,584.30
Capital Work in Progress				
Total	800,748.70	692,835.60	-	1,493,584.30







Carrying Amount	2081.82	2080.81
Land	8,554,370.00	8,554,370.00
Central Office Building	1,094,385.33	1,151,984.56
Other Building & Structures	4,696,295.68	4,943,469.14
Office Equipments	203,636.93	271,515.91
Plant & Machineries	831,649.26	978,410.89
Bamboo Treatment Tank	866,480.71	912,084.96
Vehicles	77,475.73	96,844.66
Total Station Machine	323,720.99	431,627.99
Library Books	2,168.46	2,710.58
Sub-Total	16,650,183.09	17,343,018.69
Capital Work in Progress		
Total	16,650,183.09	17,343,018.69

4.2 Intangible Assets

Gross Value

Item	Balance as at 01.04.2081	Additions during the year	Disposals during the year	Balance as at 32.03.2082
ERP Software	-	-	-	-
Total	-	-	-	-

Amortization

Item	Balance as at 01.04.2081	Charge for the year	Disposals during the year	Balance as at 32.03.2082
ERP Software	-	-	-	-
Total	-	-	-	-

Carrying Amount	ERP Software	Total
2080.81	-	-
2081.82	-	-

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4.3 Long Term Investment

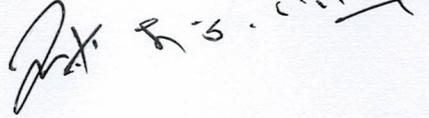
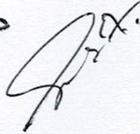
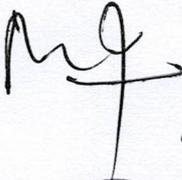
Particulars	Current Year	Previous Year
Long term fixed deposits	-	-
Total	-	-

4.4 Inventories

Particulars	Current Year	Previous Year
Raw Materials and Consumables	-	-
Finished Goods and Goods for Sale/use	-	-
Work In progress	-	-
Stationary and printings	-	-
Project materials	-	-
General inventory	-	-
Total	-	-

4.5 Accounts Receivable

Particulars	Current Year	Previous Year
Parijaat WUC	17,000.00	17,000.00
BEFH Program	775,162.00	775,162.00
Sanjay Pradhan	1,105,000.00	1,105,000.00
Shyam Kumar Pradhan	16,000.00	16,000.00
Sahara SACCOS	1,000,000.00	1,000,000.00
Energy Program (Phase - I)	4,180,000.00	4,180,000.00
Energy Program (Phase - II)	2,000,000.00	2,000,000.00
Energy Program (Phase - III)	2,000,000.00	2,000,000.00
Other Receivable		
Community Housing Program- Chhana 2	1,144,489.88	-
Wash Project Rasuwa & Nuwakot	40,032.24	-
Power Project I	293,948.63	-
Power Project II	126,756.22	-
Core Fund	2,957,068.28	-
Total	15,655,457.25	11,093,162.00



4.6 Cash and cash equivalents

Particulars	Current Year	Previous Year
Cash in Hand		
Institutional Fund	5,000.00	5,000.00
Dialogue Program	5,000.00	5,000.00
Power Program II	10,000.00	
WASH Program	-	10,000.00
Cash at bank		
Nepal Bank Ltd, Birtamod 431635	76,588.41	1,092,686.34
Nepal Bank Ltd, Birtamod 6653700001	6,436.02	6,272.63
Nabil Bank Ltd Birtamod 2106017501036	15,000.00	411,880.93
RBB Birtamod 262000002006	10,984.30	10,880.01
Excel Dev Bank Ltd, Birtamod 110700010776	19,896.64	19,896.64
Excel Dev Bank Ltd, Ilam 153980	9,247.51	8,675.50
NIC Bank Ltd, Birtamod 0941122880524001	363,619.46	191,300.46
NIC Bank Ltd, Birtamod 941122881524001	11,775.33	11,775.33
Nabil Bank Ltd Birtamod 2101017500038	5,562.81	5,562.81
Prabhu bank 15189100032	15,963.14	15,901.13
Nabil Bank Ltd Kathmandu 175002005	6,260.00	6,260.00
Prabhu Bank 3077088132600018	13,222.14	13,170.77
Century Bank Ltd, 90000066CL	2,628.66	2,618.45
Nepal SBI Bank Birtamod 200077	1,000.38	1,000.38
Kumari Bank Ltd Birtamod 0120009843800001	67,492.76	67,492.76
Rastriya Banijya Bank, Birta2620100003103001	33,224.80	33,225.00
Rastriya Banijya Bank, Birtamode262000010/06	68,830.92	68,178.88
Kumari Bank Ltd Birtamod 0120009780900002	1,563,914.51	2,950,996.37
Kumari Bank Ltd Birtamod 120009872100002	97,299.87	56,034.87
NIC Asia Bank Ltd, Birtamod 09CL053711NPR001	4,995.35	4,963.53
NIBL Birtamod 50719	33,632.52	33,632.52
Kumari Bank Ltd, 2130246291100003	31,818.24	1,570,502.41
Kumari Bank Ltd, 2130245363700001	1,148,559.71	1,378,168.44
Kumari Bank Ltd, 2130246291100002	5,173.46	474,091.04
Kumari Bank Ltd, 2130246291100001	5,964.55	1,241,446.31
Nabil Bank Ltd Itahari 17500306	6,581.00	6,581.00
Sahara Nepal SACCOS, Charpane 301.0001.01.0072	300,417.92	131,524.92
Sahara Nepal SACCOS, Charpane 301.0001.01.0072 op	1,624.00	1,372.00
Sahara Nepal SACCOS, Charpane 301.0001.01.1801	113,317.13	211,160.13
Sahara Nepal SACCOS, Charpane 301.0001.01.1801 op	32,895.00	29,364.00
Sahara Nepal SACCOS, Charpane 301.0001.01.1804	7,902.01	7,583.01
Sahara Nepal SACCOS, Charpane 301.0001.01.0072	65,038.85	62,082.85
NIC Asia Bank Ltd, Birtamod 0941122879524001	13,904.59	152,357.07
Global IME Bank 5801010000071	16,689.09	16,689.09
Nepal Bank Ltd Phidim 2579	6,588.62	6,588.62
Short-term deposits	-	-
Total	4,204,049.70	10,321,916.20

4.7 Unrestricted Funds

Particulars	Current Year	Previous Year
Balance at beginning of the year	22,880,674	24,629,224
Unrestricted surplus/deficit in operating Activities	200,913	(1,748,549)
Balance at end of the year	23,081,587	22,880,674

4.8 Designated Funds

Particulars	Current Year	Previous Year
Balance as at beginning of year	-	-
Additional Funds received during the year	-	-
Balance as at year end	-	-
Designated for		
Particulars	Current Year	Previous Year
Total	-	-



4.9 Restricted Funds

Particulars	Current Year	Previous Year
Balance as at beginning of year	7,520,127.20	7,520,127.20
Additional Funds received during the year	141,306,583.69	122,354,608.56
Transfer to Unrestricted Funds (Transferred to Statement of Income & Expenditure)	(147,684,045.13)	(122,354,608.56)
Total	1,142,665.76	7,520,127.20

Project wise allocation and movement in Restricted Funds

Project Name	Balance brought forward	Received/ Restricted surplus during the year	Transferred to Statement of Income and Expenditure	Interest Income on Restricted Funds	Balance carried forward shown in restricted fund balance
Financial Inclusion for Marginalised women in Nepal	1,081,058.31	1,289,289.69	2,370,348.00	-	-
Biswas Project	474,091.04	17,144,038.00	18,021,889.83	-	(403,760.79)
NUCS	1,689,284.10	1,024,698.76	2,613,982.86	-	-
CHP	2,746,943.32	35,633,702.00	36,698,053.40	37,389.20	1,619,981.12
Sub National Governance Program Phase 2	(231,071.13)	8,528,479.00	8,195,108.00	-	102,299.87
Wash Project	1,463,124.18	12,167,659.00	13,814,775.32	-	(183,992.14)
NRL program	396,697.38	1,909,765.08	2,308,462.46	-	-
Relief 2024 Flood	-	5,248,013.00	5,248,013.00	-	(0.00)
Power Project I	-	6,485,368.96	6,485,368.96	-	0.00
Power Project II	-	9,495,811.00	9,213,803.63	-	282,007.37
Food Project	-	802,896.00	802,896.00	-	-
Coca cola Project	-	40,196,650.00	40,470,519.67	-	(273,869.67)
Trail Bridge Construction Program	-	1,442,824.00	1,442,824.00	-	-
Total	7,520,127.20	141,269,194.49	147,684,045.13	37,389.20	1,142,665.76

4.10 Endowment Funds

Particulars	Current Year	Previous Year
Balance at beginning of the year	-	-
Surplus / deficit for the year	-	-
Balance at end of the year	-	-

4.11 Other Capital Reserves

Particulars	Current Year	Previous Year
Balance at beginning of the year	-	-
Depreciation/Amortization for the year	-	-
Surplus / deficit for the year	-	-
Balance at end of the year	-	-

4.12 Accounts Payable

Particulars	Current Year	Previous Year
Biswas Project	408,934.25	-
Community Housing Program- Chhana 2	1,088,423.27	-
Wash Project Rasuwa & Nuwakot	255,842.62	-
Relief 2024 Flood	591,045.43	-
Power Project I	391,906.20	-
Power Project II	314,305.45	-
Coca cola Project	287,774.26	-
JOA	5,964.55	-
Core Fund	-	-
Other Payable	8,841,241.25	8,257,295
Gopal Bhattarai	100,000.00	100,000
Total	12,285,437.28	8,357,295.25

4.13 Provisions

Particulars	Current Year	Previous Year
Balance as at the beginning of the period	-	-
Allocations during the year	-	-
Use of provisions during the year	-	-
Release of provisions during the year	-	-
Total	-	-



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4.14 Incoming Resources

Particulars	Current Year	Previous Year
Grants - Restricted Funding	147,684,045.13	122,354,608.56
Grants - Unrestricted Funding	-	-
Income from endowments	-	-
Subscription Income	5,526.00	2,525.00
Bamboo Promotion Project	523,650.00	331,600.00
Mobilisation of Local Sources	2,163,550.00	1,836,545.00
House Rent Income	220,000.00	240,000.00
Institutional Dev Cost	2,600,026.00	2,885,791.00
Overhead Income	2,914,286.00	1,497,695.00
Total Incoming Resources	156,111,083.13	129,148,764.56

(a) Profit from trading activities

Particulars	Current Year	Previous Year
Sale Proceeds	-	-
Cost/Fair Value of Items	-	-
Profit earned	-	-

4.15 Financial Income

Particulars	Current Year	Previous Year
Interest Income	9,258.11	384,104.83
Total	9,258.11	384,104.83

4.16 Other Income

Particulars	Current Year	Previous Year
Sale of Scrap	-	-
Total	-	-

4.17 Staff Cost

Particulars	Current Year	Previous Year
Core Fund	1,623,237.00	712,003.00
Financial Inclusion for Marginalised women in Nepal	724,298.00	5,356,237.00
Biswas Project	4,191,860.42	12,473,643.66
Strengthening Livelihood and community Resilience through the promotion of NUCS	442,002.66	4,928,019.67
Community Housing Program- Chhana 2	6,677,307.00	8,387,532.00
Sub National Governance Program Phase 2	4,572,841.00	6,190,126.00
Wash Project Rasuwa & Nuwakot	3,474,953.89	4,922,047.08
NRL program	-	-
Relief 2024 Flood	589,659.32	-
Power Project I	2,865,863.00	-
Power Project II	3,604,939.38	-
Food Project	-	-
Coca cola Project	5,527,809.00	-
Trail Bridge Construction Program	1,442,824.00	2,345,331.50
Total	35,737,594.67	45,314,939.91

4.18 Program Expenses

Particulars	Current Year	Previous Year
Core Fund	1,155,698.00	2,050,000.00
Mock Youth Parliament and Public Hearing	-	1,137,278.00
Financial Inclusion for Marginalised women in Nepal	1,143,586.00	12,443,134.00
Biswas Project	13,367,480.90	10,259,632.85
Strengthening Livelihood and community Resilience through the promotion of NUCS	1,945,361.83	5,506,915.00
Community Housing Program- Chhana 2	28,764,942.80	18,109,913.97
Sub National Governance Program Phase 2	2,784,841.00	1,952,668.00
Wash Project Rasuwa & Nuwakot	8,988,070.05	17,561,791.69
NRL program	2,306,462.46	1,603,302.62
Relief 2024 Flood	4,658,353.68	-
Power Project I	3,000,285.78	-
Power Project II	4,865,225.93	-
Food Project	802,896.00	-
Coca cola Project	33,006,844.00	-
Trail Bridge Construction Program	-	-
Total	106,790,048.43	70,624,636.13



4.19 General Administrative Overhead

Particulars	Current Year	Previous Year
Financial Inclusion for Marginalised women in Nepal	502,464.00	2,468,603.00
Biswas Project	462,548.51	1,286,858.35
Strengthening Livelihood and community Resilience through the promotion of NUCS	226,618.37	1,406,962.23
Community Housing Program- Chhana 2	1,255,803.60	1,487,294.78
Sub National Governance Program Phase 2	837,426.00	1,414,174.00
Wash Project Rasuwa & Nuwakot	1,351,751.38	1,706,244.05
NRL program	-	-
Relief 2024 Flood	-	-
Power Project I	619,220.18	-
Power Project II	743,638.32	-
Food Project	-	-
Coca cola Project	1,935,866.67	-
Trail Bridge Construction Program	-	-
Core Fund		
Coordination	128,539.00	123,600.00
Electricity and Water	-	15,436.00
Communication	14,063.00	34,112.00
Stationery+ Printing	22,160.00	50,576.50
Service Charge	234,325.00	91,144.00
Repair & Maintenance	-	16,365.00
Office Expenses	241,042.95	170,117.00
Insurance	-	8,090.00
Audit Fee	226,000.00	178,295.00
Board member allowance	1,229,338.00	1,135,226.00
Monitoring & Supervision	401,860.00	231,335.00
TADA	1,297,265.00	119,700.00
Interaction/General Assembly	231,024.00	73,025.00
Regional Office Exp. Ktm	81,492.00	2,014,816.00
Bamboo Factory Exp.	656,504.00	509,120.00
Total	12,698,950	14,541,094

4.20 Depreciation & Amortization

Particulars	Current Year	Previous Year
Depreciation	692,836	800,749
Amortization	-	-
Total	692,836	800,749

4.21 Income Tax Expense

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

4.21 Capital Commitments

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

4.22 Contingent Liabilities

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

4.23 Related Party Transactions

Following transactions were carried out with related parties;

	Current Year	Previous Year
Total remuneration paid to Board of Directors and Key Executiv	-	-
Meeting Allowances to Board Members	1,229,338	1,135,226
Salary and other benefits to Executive Director	-	-
Total	1,229,338	1,135,226



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Sahara Nepal
Birtamode-2, Charpane, Jhapa

Notes to Financial Statements

**Reconciliation of Statement of Financial
Position as at 31st Asadh 2081**

Figures in NPR

Particulars	Local GAAP	Adjustments	NAS for NPOs Balance
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	17,343,018.69	-	17,343,018.69
Intangible Assets	-	-	-
Investment Property	-	-	-
Long term investments	-	-	-
Other Non Current Assets	-	-	-
Total Non - Current Assets	17,343,018.69	-	17,343,018.69
Current Assets			
Inventories	-	-	-
Accounts Receivable	11,093,162.00	-	11,093,162.00
Cash and Cash Equivalents	10,321,916.20	-	10,321,916.20
Total Current Assets	21,415,078.20	-	21,415,078.20
Total Assets	38,758,096.89	-	38,758,096.89
LIABILITIES & RESERVES			
Accumulated Reserves			
Unrestricted Funds/ accumulated surplus	21,350,801.64	1,529,872.80	22,880,674.44
Designated Funds	-	-	-
Restricted Funds	-	7,520,127.20	7,520,127.20
Endowment Fund	-	-	-
Other Capital reserves	-	-	-
Total Accumulated Reserves	21,350,801.64	9,050,000.00	30,400,801.64
Non - Current Liabilities			
Loans and borrowings	-	-	-
Employee benefit liabilities	-	-	-
Total Non - Current Liabilities	-	-	-
Current Liabilities			
Accounts Payable	17,407,295.25	9,050,000.00	8,357,295.25
Short Term Borrowing	-	-	-
Provisions	-	-	-
Bank overdrafts	-	-	-
Total Current Liabilities	17,407,295.25	9,050,000.00	8,357,295.25
Total Liabilities	17,407,295.25	9,050,000.00	8,357,295.25
Total Liabilities and Reserves	38,758,096.89	18,100,000.00	38,758,096.89

The notes on accounts form an integral part of the financial statement.



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Sahara Nepal
Birtamode-2, Charpane, Jhapa

Notes to Financial Statements

Reconciliation of Statement of Income and Expenditure For the year ended 31st Asadh 2081

Figures in NPR

Particulars	Local GAAP	Adjustments	NAS for NPOs Balance
INCOME			
Incoming Resources	129,148,764.56	-	129,148,764.56
Financial Income	384,104.83	-	384,104.83
Other Income	-	-	-
Total Income	129,532,869.39	-	129,532,869.39
EXPENDITURE			
Staff Cost	45,314,939.91	-	45,314,939.91
Programme Expenses	70,624,636.13	-	70,624,636.13
General Administrative Expenditure	14,541,093.91	-	14,541,093.91
Depreciation	800,748.70	-	800,748.70
Other Expenditure	-	-	-
Total expenditure	131,281,418.65	-	131,281,418.65
Net surplus/(deficit) before Taxation	(1,748,549.26)	-	(1,748,549.26)
Income Tax Expenses	-	-	-
SURPLUS/(DEFICIT) FOR THE YEAR	(1,748,549.26)	-	(1,748,549.26)

APPROPRIATION OF SURPLUS FOR THE YEAR

Allocation to Reserves	-	-	-
Allocation to Endowment Fund	-	-	-

The notes on accounts form an integral part of the financial statement.



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Sahara Nepal

Statement of Accounting Policies and Notes to Financial Statements

For the year ended 32 Ashadh 2082

1 General Information

Sahara Nepal is a non-governmental not for profit organization established under Associations Registrations Act, 2034. It is established on 10.01.2052, Jhapa in District Administration Office and registered in Social Welfare Council on 10.02.2052. It is registered in Inland Revenue Department with PAN 301562371. Its registered office is in Birtamode-2, Charpane, Jhapa as a principle place of activities.

Except for certain activities that will conclude on the realization of their relevant activities in accordance with the relevant terms of reference, the financial statements have been prepared on going concern basis.

2 Basis of Preparation

2.1 Statement of Compliances

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 32 Ashadh 2082 and for the year then ended comply with the Generally Accepted Accounting Principles to the extent applicable and 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

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).



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 organization 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 the written down value basis and is calculated on the cost of all property, plant and equipment 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 organization based on useful life less residual/terminal value are:

Assets	Rate P.a.
Central Office Building	5%
Other Office Building Structure	5%
Office Equipments	25%
Plant & Machineries	15%
Bamboo Treatment Tank	5%
Vehicles	20%
Total Station Machine	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.

3.2 Intangible Assets

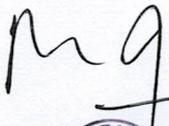
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost minus any accumulated amortization, except for assets with indefinite useful lives. Internally generated intangible assets are not capitalized; expenditure 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.

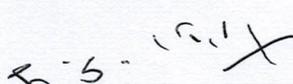
Intangible assets with indefinite useful lives are tested for impairment annually. Such intangibles are not amortized. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in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

The organization 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 organization's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash flows.

3.5 Inventories

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the price at which inventories can be reasonably expected to be sold in the market place, less any estimated cost necessary to make the sale. The cost is determined on first-in first-out (FIFO) method and includes expenditure incurred in acquiring the inventories and bringing them to their present location and condition. Items donated for distribution or resale are not included in the financial statements until such time they are distributed or resold.

3.6 Provisions

A provision is recognized in the statement of financial position when the organization 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.

3.7 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 & accumulated leave provision has been provided as per Bye Laws, assuming that all the staffs will be retired at the reporting date.

3.8 Loans and Borrowings and Account Payables

Loans and Borrowings and Accounts payables are stated at their cost.

3.9 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 the organization at the discretion of the Board, in furtherance of the general objectives of the organization 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 & Expenditure on a cash basis.

The movement of unrestricted reserve has been presented below. The Board has not decided any matter for the fund to be used thus all the fund except from donor has been placed under unrestricted reserve.

Description	Surplus/Deficit	Amount in NPR			
		Bamboo Promotion fund	Member Welfare Fund	Institutional Development Fund	Total
Balance as at 1 Shrawan 2081	4,361,821.27	4,050,000.00	5,000,000.00	9,468,853.17	22,880,674.44
Result for the Year	200,912.56	-	-	-	200,912.56
Allocation	-	-	-	-	-
Balance as at 32.03.2082	4,562,733.83	4,050,000.00	5,000,000.00	9,468,853.17	23,081,587.00



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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

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.

3.10 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.

At the end of the project, when there is certain fair value remains of such assets charged to Statement of Income & Expenditure, same will be recognized as capital reserve at fair value with corresponding value of PPE. Each year and over its useful life, the depreciation will be charged to capital reserve with corresponding credit to related PPE.

3.11 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 the organization 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 the organization 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.

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

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



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3.12 Expenditure recognition

Expenses in carrying out the projects and other activities of the organization are recognized in the Statement of Income & Expenditure during the period in which they are incurred. Other expenses incurred in administering and running the organization 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.

3.13 Taxation

a. Current Taxes

Income tax is provided in accordance with the provisions of the Income Tax Act on the profits earned by the organization subject to exemptions referred to in Note xx to the financial statements.

b. Deferred Taxes

Deferred Tax is provided on the difference between the values of assets and liabilities as per the Statement of Financial Position and as listed for the purpose of Income Tax as at the date of the Statement of Financial Position adjusting for any differences that will not reverse in the foreseeable future.

The carrying amount of such deferred taxes will be reviewed at each date of the Statement of Financial Position and will be increased by virtue of any new assets being included or be reduced by the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. OR the organization 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 the organization is exempted and entitled to refund, in such case, same would be reflected as receivable in the Statement of Financial Position. Or In case of NPO is VAT registered and required to file returns, in such case, VAT paid on services and goods will be shown as receivable. Generally, in such VAT NPO, income will also be vatable hence will be required to issue VAT invoices. In such case, VAT invoices are shown as payable and on monthly filing difference between payable and receivable will be swapped and difference if payable is settled.

3.14 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.

3.15 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 the organization. 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 Notes. For certain operational claims reported as contingent liabilities, it is not practical to disclose detailed information on their corresponding nature and uncertainties.

