



**M.G.S. & Associates**  
Chartered Accountants

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Kathmandu, Nepal  
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Email:mgs@mgs.com.np

18 November 2014

**Auditors' Report**

**to the members of *NGO Federation of Nepal (NFN)*,  
for the period ended on 32 Ashad 2071/16 July 2014 (FY 2070/71)**

We have audited the accompanying Financial Statements of *NGO Federation of Nepal (NFN)*, for the year ended on 16 July 2014 (32 Ashad 2071) that includes: Balance Sheet, Fund Accountability Statement for the period then ended, accounting policies and explanatory notes thereon.

***Management's Responsibility for the financial statements***

*NFN* Management is responsible for the preparation and fair presentation of these financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing. Those Standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from any material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of financial statements.

We believe that our audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the Financial Statements of *NFN* is presented fairly, in all material respects of the financial reporting of the organisation for the period and of the results of the operations for the period then ended in accordance with Nepal Accounting Standards.

  
Mahesh Kr. Guragain, FCA



***Partner***

***for M.G.S. & Associates***

Certificate of Practice (COP) No. 059, the Institute of Chartered Accountants of Nepal.  
mahesh.guragain@mgs.com.np

**NGO Federation of Nepal**  
Buddhanagar, Kathmandu, Nepal.  
**Audited Financial Statements**  
From 1st Shrawan 2070 to 32nd Ashad 2071

Amount in NRs.

	Schedule	As at Ashad 32, 2071	As at Ashad 31, 2070
<b><u>Fund and Liabilities</u></b>			
Surplus Fund	1	14,030,934.73	14,268,123.14
Other Liabilities		401,092.00	292,442.00
TDS		-	167.00
Loan for land and building	2	5,480,000.00	6,526,682.00
<b><u>GCAP Program</u></b>			
Fund from GCAP Program		408,061.50	129,631.38
TDS	3	-	50,360.00
Payable	3	-	21,343.00
<b><u>EPFG Project</u></b>			
Fund from EPFG Project		(153,963.89)	18,041,173.99
TDS	3	47,250.00	-
Payable	3	526,570.00	66,813.00
<b><u>SENSID Project</u></b>			
Fund From SENSID Project		2,000,000.00	-
Payables	3	4,750.68	-
<b><u>NGM Project</u></b>			
Fund from NGM Project		1,710,299.49	2,653,081.00
TDS	3	3,298.00	981.00
Payable	3	4,456.00	140,026.00
<b>Grand Total</b>		<b>24,462,748.51</b>	<b>42,190,823.51</b>
<b><u>Assets and Properties</u></b>			
<b><u>Fixed Assets</u></b>			
	4		
Gross Block		26,503,160.64	26,497,160.64
Depreciation		7,100,896.73	5,867,198.42
Net Block		19,402,263.91	20,629,962.22
Investment in shares		10,000.00	10,000.00
Cash and Bank Balance	5	4,346,929.60	21,010,410.29
Advance and Deposits	6	703,555.00	540,451.00
<b>Grand Total</b>		<b>24,462,748.51</b>	<b>42,190,823.51</b>

Schedule 1 to 6 and notes to accounts are integral part of this statements.

As per our report of even date.

  
Pramila Kasaju  
Finance Officer

  
Krishna Gautam  
Treasurer

  
Gopal Lamsal  
General Secretary

  
Sharmila Karki  
President

  
Mahesh Guragain, FCA  
For. MGS & Associates  
Chartered Accountants

**NGO Federation of Nepal**  
**Buddhanagar, Kathmandu, Nepal**  
**Schedule Forming Part of Audited Financial Statement as on 32 Ashadh 2071**  
**Amount in NRs.**

Particulars	As at Ashad 32,2071	As at Ashad 32,2070
<b>Schedule - 1 Surplus of Funds</b>		
Balance of Previous Year (Other than assets)	(6,361,839.08)	(7,213,771.46)
Excess of income over expenditure	990,509.90	851,932.38
<b>Total (Rs.)</b>	<b>(5,371,329.18)</b>	<b>(6,361,839.08)</b>
Add: Fixed Assets Funds	<b>19,402,263.91</b>	<b>20,629,962.22</b>
<b>Total Funds transferred to Balance Sheet</b>	<b>14,030,934.73</b>	<b>14,268,123.14</b>
<b>Schedule - 3 Payable</b>		
<b>A. Payable (Core)</b>	<b>401,092.00</b>	<b>292,609.00</b>
Membership Fee Payable	401,092.00	292,442.00
TDS Payable	-	167.00
<b>B. Payable (EPFG)</b>	<b>573,820.00</b>	<b>66,813.00</b>
Gorkha District	-	66,813.00
Mustang District	-	-
Ramechhap District	21,600.00	-
Geeta Pradhan	63,750.00	-
Khotang District	63,750.00	-
Parmananda Bhatta	21,250.00	-
Prakash Gyawali	89,250.00	-
Mahesh Guragain	180,000.00	-
Kanchan Printing Press	86,970.00	-
TDS Payable	47,250.00	-
<b>C. Payable (NGM)</b>	<b>7,754.00</b>	<b>141,007.00</b>
Rental Tax	1,284.00	-
Social Security Tax	229.00	-
TDS	3,298.00	981.00
Bhaktapur District	-	11,213.00
Kavre District	-	24,389.00
Dailekh District	-	104,424.00
Doti District	2,943.00	-
<b>D. Payable (GCAP)</b>	<b>-</b>	<b>71,703.00</b>
Sarbaraj Khadka	-	21,343.00
TDS Payable	-	50,360.00
<b>E. Payable (SENSID)</b>	<b>-</b>	<b>-</b>
Interest Payable	4,750.68	-
<b>Schedule - 5 Cash and Bank Balances</b>		
<b>Cash Balances</b>	<b>5,504.00</b>	<b>-</b>
Cash in Hand (Core)	3,478.00	5,632.00
Cash in Hand (GCAP)	-	661.00
Cash in Hand (EPFG)	-	548.00
Cash in Hand (NGM)	2,026.00	5,029.00
<b>Bank Balances</b>	<b>4,341,425.60</b>	<b>-</b>
Nabil - Saving A/C	282,813.71	321,456.81

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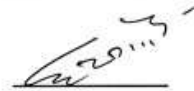
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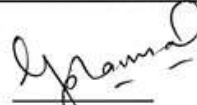
Nabil - Current A/C (SD 2015)	370,561.50	163,173.38
Agriculture Development Bank	12,581.11	12,581.11
Nabil - Current A/C (EP FG Project)	417,834.11	17,892,550.99
Nabil - Current A/C (NGMProject)	1,206,994.49	2,535,006.00
Nabil - Current A/C (NFN - Building Construction)	10,430.00	68,771.00
Rastriya Banijya Bank (NFN- Emergency Fund)	35,460.00	5,001.00
NABIL Saving-SENSID	2,004,750.68	--
<b>Total Cash and BankBalances (Rs.)</b>	<b>4,346,929.60</b>	<b>21,010,410.29</b>



Pramila Kasaju  
Finance Officer



Krishna Gautam  
Treasurer



Gopal Lamsal  
General Secretary



Sharmila Karki  
President





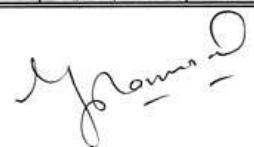




Mahesh Guragain, FCA  
For. MGS & Associates  
Chartered Accountants

**NGO Federation of Nepal**  
**Buddhanagar , Kathmandu, Nepal**  
 Schedule forming part of Audited Financial Statement as at Ashad 32, 2071

Schedule - 3

Assets & Properties

S.N	Particulars	Gross Block			Rate of Dep.	Depreciation Block				Net Block
		As on 2070/04/01	Additional / (Diposal) during the Year	Total		As on 2070/04/01	For the Year	Diposal	Total	As on 2071/03/32
<b>NFN</b>										
	Land	3,700,000.00	-	3,700,000.00	0%	-	-	-	-	3,700,000.00
	Building Purchased in Kartik 2066	17,362,565.00	-	17,362,565.00	5%	2,476,335.84	744,311.46	-	3,220,647.30	14,141,917.70
1	Furniture & Fixture	965,803.09	-	965,803.09	25%	708,210.72	64,398.09	-	772,608.81	193,194.28
2	Office Equipment	2,489,806.00	6,000.00	2,495,806.00	25%	1,979,235.27	127,642.68	-	2,106,877.95	388,928.05
3	Others	315,980.55	-	315,980.55	15%	162,907.42	22,960.97	-	185,868.39	130,112.16
4	Motorcycle	203,990.00	-	203,990.00	20%	162,892.34	8,219.53	-	171,111.87	32,878.13
	<b>Total</b>	<b>25,038,144.64</b>	<b>6,000.00</b>	<b>25,044,144.64</b>		<b>5,489,581.59</b>	<b>967,532.73</b>	<b>-</b>	<b>6,457,114.32</b>	<b>18,587,030.32</b>
<b>GCAP Project</b>										
1	Office Equipment	241,830.00	-	241,830.00	25%	126,880.13	28,737.47	-	155,617.60	86,212.40
	Others	68,133.00	-	68,133.00	15%	26,290.82	6,276.33	-	32,567.15	35,565.85
	<b>Total</b>	<b>309,963.00</b>	<b>-</b>	<b>309,963.00</b>		<b>153,170.95</b>	<b>35,013.79</b>	<b>-</b>	<b>188,184.74</b>	<b>121,778.26</b>
<b>EPFG Project</b>										
1	Furniture & Fixture	268,110.00	-	268,110.00	25%	67,027.50	50,270.63	-	117,298.13	150,811.88
2	Office Equipment	612,135.00	-	612,135.00	25%	153,033.75	114,775.31	-	267,809.06	344,325.94
	<b>Total</b>	<b>880,245.00</b>	<b>-</b>	<b>880,245.00</b>		<b>220,061.25</b>	<b>165,045.94</b>	<b>-</b>	<b>385,107.19</b>	<b>495,137.81</b>
<b>HD 2010</b>										
1	Office Equipment	10,022.00	-	10,022.00	25%	4,384.63	1,409.34	-	5,793.97	4,228.03
	<b>Total</b>	<b>10,022.00</b>	<b>-</b>	<b>10,022.00</b>		<b>4,384.63</b>	<b>1,409.34</b>	<b>-</b>	<b>5,793.97</b>	<b>4,228.03</b>
<b>NGM Project</b>										
1	Office Equipment	258,786.00	-	258,786.00	25%	-	64,696.50	-	64,696.50	194,089.50
	<b>Total</b>	<b>258,786.00</b>	<b>-</b>	<b>258,786.00</b>		<b>-</b>	<b>64,696.50</b>	<b>-</b>	<b>64,696.50</b>	<b>194,089.50</b>
	<b>Gross Total</b>	<b>26,497,160.64</b>	<b>6,000.00</b>	<b>26,503,160.64</b>	<b>-</b>	<b>5,867,198.42</b>	<b>1,233,698.31</b>	<b>-</b>	<b>7,100,896.73</b>	<b>19,402,263.91</b>

## NGO Federation of Nepal

Fiscal Year 2070/071 (Till Ashad 32, 2071)

### Schedule - 6

	Advances and Deposits	As on Ashad 32, 2071	As on Ashad 31, 2070
<b>(A)</b>	<b>Advance (Core)</b>	<b>155,000.00</b>	<b>10,010.00</b>
1	Sambhu Pd. Neupane	10,000.00	10,000.00
2	Shanti Shrestha	13,000.00	10.00
3	Baburam Shrestha	8,000.00	-
4	Center Regional Resource Center	100,000.00	-
5	Telephone Deposit	24,000.00	24,000.00
<b>(B)</b>	<b>Advance (GCAP)</b>	<b>37,500.00</b>	<b>37,500.00</b>
1	Dalit NGO Federation (DNF)	37,500.00	37,500.00
<b>(C)</b>	<b>Advance (EPFG Project)</b>	<b>2,022.00</b>	<b>214,888.00</b>
1	District Branch Kailali	2,022.00	-
2	District Branch Mugu	-	180,868.00
3	District Branch Rolpa	-	230.00
4	District Branch Mustang	-	31,290.00
5	District Branch Udyapur	-	2,500.00
<b>(D)</b>	<b>Advance (NGM Project)</b>	<b>509,033.00</b>	<b>254,053.00</b>
1	District Branch Baglung	153,666.00	78,600.00
2	District Branch Parbat	36,336.00	28,546.00
3	District Branch Kaski	176,906.00	106,900.00
4	District Branch Bhaktapur	32,910.00	-
5	District Branch Kavrepalanchok	24,439.00	-
6	District Branch Dailekh	84,776.00	-
7	District Branch Doti	-	40,007.00
<b>Total (A+B+C)</b>		<b>703,555.00</b>	<b>516,451.00</b>

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