

**Baliyo Nepal Nutrition Initiative
Sanepa, Nepal**

Audited Financial Statements

Financial Year : 2077/78

Auditors:
N.B.S.M. & Associates
Chartered Accountants
Member of Moore Global

INDEPENDENT AUDITOR'S REPORT

To The Members of M/s Baliyo Nepal Nutrition Initiative

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Baliyo Nepal Nutrition Initiative, (hereinafter referred to as "Organization"), which comprises the statement of financial position as at Ashad 31, 2078 [July 15, 2021] and the statement of income and expenditure Account, statement of changes in reserve and statement of cash flows for the period then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory notes.

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, 2078 (July 15, 2021) and its financial performance and its cash flows for the period then ended on that date in accordance with Nepal Accounting Standards for Not For Profit Organizations (NAS for NPOs).

Basis of Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSA's). 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 for professional accountants (ICAN Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nepal under Companies Act 2063, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

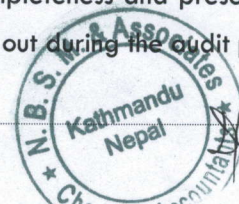
Key Audit Matters

Key audit matters are those 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 Matter in the audit of the company	How our audit addressed the Key Audit Matter
<p>1. Recognition of Grant Income</p> <p>Organization received funds amounting to Rs. 41,107,735.00 during the Financial Year 2077/78. We consider this as key audit matters because grant are the only source of funding projects and its main purpose was to finance the project activities.</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> <ul style="list-style-type: none"> 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. 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. c. We verified restricted grant which are not gratuitous were recognized as income to the extent amount equivalent spent on agreed "restricted" activities and balance amount was presented as "Restricted Fund" in Statement of Financial Position. d. We ensured Grant received from general unrestricted resources were recorded as General Fund, and amount equivalent spent on general administration of the organization not charged to restricted grant was recognized as income.
<p>2. Organization's Expenses</p> <p>The total organization expenses during the year under review amounted to Rs. 42,367,007.81. We consider this as a key audit matter as Baliyo Nepal Nutrition Initiative owes a fiduciary responsibility to the donors to expend their funds in line with the donor MOUs/contract/agreements and ethical requirements.</p>	<p>Our audit process includes both testing of the company's controls, as well as substantive audit procedures targeted at verification of project expenses, our key audit procedures include the following:</p> <ul style="list-style-type: none"> a. We verified expenses incurred by the organization against supporting documents and ensured the occurrence, accuracy, completeness and presentation of the transaction carried out during the audit period.



Key Audit Matter in the audit of the company	How our audit addressed the Key Audit Matter
	<p>b. We reviewed MOUs/contract/agreement with donor and ensured expenses incurred were in compliance with the MOUs/contract/agreement and were charged to the fund to which it purports.</p> <p>c. We conducted analytical review and variance analysis and the explanation given by the management were found satisfactory.</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 applicable Nepal Accounting Standard, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 NSA's 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 NSA's, 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, 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

We have obtained information and explanations asked for, which, to the best of our knowledge and belief were necessary for the purpose of our audit. In our opinion, proper books of account as required by law have been kept by the organization in so far as it appears from our examination of those books of account of the Organization. In our opinion the statement of financial position, statement of Income and Expenditure Account & statement of cash flows for the period then ended and a summary of significant accounting policies and other explanatory notes have been prepared in accordance with the requirements of Companies Act, 2063 and are in agreement with the books of accounts maintained by the Organization. In our opinion and to the best of information and according to the explanation given to us and from the examination of the books of accounts of the Organization, we have not come across any case where the board of directors or any employee of the Organization have acted contrary to legal provisions relating to accounts, or committed any misappropriation or caused any loss or damage to the Organization.

For N. B. S. M. & Associates
Chartered Accountants



CA. Durga Prasad Gnawali
Partner

Date: September 2, 2021

Place: Kathmandu, Nepal

UDIN: 210902CA00461oWk8U

Baliyo Nepal Nutrition Initiative
(A Non Profit Distributing Company)
Sanepa, Lalitpur

Statement of Financial Position
As at Ashad 31, 2078 (July 15, 2021)

Particulars	Schedule	Current Year NPR	Previous Year NPR
SOURCES OF FUNDS:			
Capital Fund	1	50,000.00	-
Restricted Fund	2	(2,444,287.04)	(1,131,543.71)
General Fund	2	8,500.00	5,029.48
Total Fund		(2,385,787.04)	(1,126,514.23)
APPLICATION OF FUNDS :			
Property, Plant & Equipment			
Gross Block	3	-	-
Less: Accumulated Depreciation		-	-
Net Block			
Current Assets, Loans & Advances			
Cash & Bank balance	4	42,145.46	65,797.77
Advances, Deposits & Receivables	5	41,535.00	131,361.00
Total Assets		83,680.46	197,158.77
Less: Sundry Payables & Provision	6	2,469,467.50	1,323,673.00
Net Current Assets		(2,385,787.04)	(1,126,514.23)
Total Assets		(2,385,787.04)	(1,126,514.23)

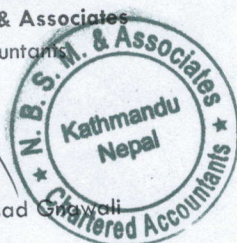
Significant Accounting Policies & Notes to Accounts

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As per our attached report of even date

For N. B. S. M. & Associates
Chartered Accountants

CA. Durga Prasad Ghoshali
Partner
Date: September 02' 2021
Place: Kathmandu, Nepal



For and on Behalf of Baliyo Nepal

Paras Khadka
Board Member

Dr. Atul Upadhyay
Chief Executive Officer

Kamal Basnet
Head of Finance



Baliyo Nepal Nutrition Initiative
(A Non Profit Distributing Company)
Sanepa, Lalitpur

Statement of Income & Expenditure
For the Period Ended Asadh 31, 2078 (July 15, 2021)

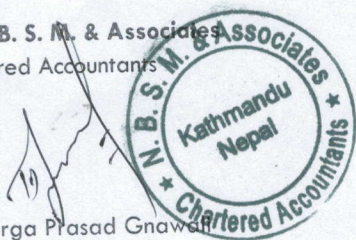
Particulars	Schedule	Current Year NPR	Previous Year NPR
Incomes			
General Grant & Other Income	7	29.48	2,529.48
Restricted Grant Income		42,366,978.33	32,582,440.21
Total Incomes (A)		42,367,007.81	32,584,969.69
Expenditures			
Phase I - Development & Planning Phase	8A	-	17,633,491.15
Phase II - Implementation Phase	8B	10,071,819.92	14,948,949.06
Phase III - Implementation Phase	8C	26,690,886.37	-
Phase III - Implementation Phase Extension	8D	3,573,737.98	-
Other Project Expenses	9	2,030,563.54	-
Total Expenditures (B)		42,367,007.81	32,582,440.21
Surplus/(Deficit) of the Current Year (C) = (A) - (B)		-	2,529.48

Significant Accounting Policies & Notes to Accounts

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As per our attached report of even date

For N. B. S. M. & Associates
Chartered Accountants



CA. Durga Prasad Gnawali
Partner
Date: September 02' 2021
Place: Kathmandu, Nepal

For and on Behalf of Baliyo Nepal

Paras Khadka
Board Member

Dr. Atul Upadhyay
Chief Executive Officer

Kamal Basnet
Head of Finance



Baliyo Nepal Nutrition Initiative

(A Non Profit Distributing Company)

Sanepa, Lalitpur

Statement of Cash Flows

For the Period Ended Asadh 31, 2078 (July 15, 2021)

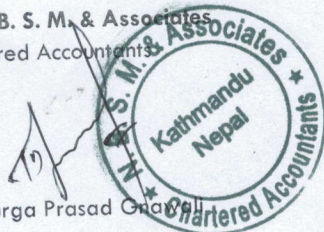
Particulars	Current Year NPR	Previous Year NPR
Surplus/(Deficit) as per income statement	-	2,529.48
Add: Depreciation	-	-
Membership Fees	-	2,529.48
Changes in Working Capital:		
(Increase)/Decrease in Advances, Deposits & Receivables	89,826.00	252,011.00
Increase/(Decrease) in Other Current liabilities	1,145,794.50	(1,885,855.00)
Net Cash Flow From Operating Activities [A]	1,235,620.50	(1,631,314.52)
Cash Flow from Investing Activities	-	-
Sale/(Purchase) of Fixed Assets	-	-
Net Cash Flow From Investing Activities [B]	-	-
Cash Flow from Financing Activities	50,000.00	
Increase/(Decrease) in Capital Fund	(1,312,743.33)	970,636.29
Increase/(Decrease) in Restricted Fund	3,470.52	2,500.00
Increase/(Decrease) in General Fund	(1,259,272.81)	973,136.29
Net Cash Flow From Financing Activities [C]	(23,652.31)	(658,178.23)
Total Cash Flow From All Activities [D]=[A] + [B] + [C]	65,797.77	723,976.00
Opening Cash & Bank Balances [E]	42,145.46	65,797.77
Closing Cash & Bank Balances [D] + [E]	107,943.23	1,389,773.77

Significant Accounting Policies & Notes to Accounts

10

As per our attached report of even date

For N. B. S. M. & Associates
Chartered Accountants



CA. Durga Prasad Chaudhary
Partner
Date: September 02' 2021
Place: Kathmandu, Nepal

For and on Behalf of Baliyo Nepal

Paras Khadka
Board Member

Dr. Atul Upadhyay
Chief Executive Officer

Kamal Basnet
Head of Finance



Baliyo Nepal Nutrition Initiative
(A Non Profit Distributing Company)

Sanepa, Lalitpur

Fund Accountability Statement
For the Period Ended Asadh 31, 2078 (July 15, 2021)

S.N.	Particulars	In NPR										
		Capital Fund	General Fund	Palinadan Municipality	Rastriya Bantiya Bank	Instant Meal Pvt. Ltd.	LAN	Megha Bank	Shrinagar Agro Firm	Chaudhary Foundation (CF)	Total Current Year	Previous Year
A	Opening Fund Balance:											
	Bank	-	2,500.00	-	-	-	-	-	-	63,111.77	65,611.77	713,976.00
	Cash	-	29.48	-	-	-	-	-	-	156.52	186.00	10,000.00
	Advance and Receivables	-	2,500.00	-	-	-	-	-	-	128,861.00	131,361.00	383,372.00
	Less: Payable	-	-	-	-	-	-	-	-	(1,323,673.00)	(1,323,673.00)	(3,209,528.00)
	Total [A]	-	5,029.48	-	-	-	-	-	-	(1,131,543.71)	(1,126,514.23)	(2,102,180.00)
B	Fund Received											
	Grant Received	50,000.00	-	100,000.00	1,600,000.00	272,000.00	100,000.00	85,000.00	127,500.00	38,769,735.00	41,104,235.00	33,555,576.50
	Membership Fees	-	3,500.00	-	-	-	-	-	-	-	3,500.00	2,500.00
	Other Income	-	-	-	-	-	-	-	-	-	-	29.48
	Total [B]	50,000.00	3,500.00	100,000.00	1,600,000.00	272,000.00	100,000.00	85,000.00	127,500.00	38,769,735.00	41,107,735.00	33,558,105.98
C	Fund Utilized											
	Phase I - Development & Planning Phase	-	-	-	-	-	-	-	-	-	-	30,775,129.67
	Phase II - Implementation Phase	-	-	-	-	-	-	-	-	10,071,819.92	10,071,819.92	1,050,331.56
	Phase III - Implementation Phase	-	-	-	-	-	-	-	-	26,690,886.37	26,690,886.37	756,978.98
	Phase III - Implementation Phase Extension	-	-	-	-	-	-	-	-	3,573,708.50	3,573,737.98	-
Other Project Expenses	-	29.48	-	-	230,563.54	100,000.00	-	-	-	2030,563.54	-	
	Total [C]	-	29.48	100,000.00	1,600,000.00	230,563.54	100,000.00	-	-	40,336,414.79	42,367,007.81	32,582,440.21
D	Closing Fund Balance (A+B-C)											
	Represented By:	50,000.00	8,500.00	-	-	41,436.46	-	85,000.00	127,500.00	(2,698,223.50)	(2,385,787.04)	(1,126,514.23)
	Bank	20,000.00	5,000.00	-	-	-	-	-	-	6,367.94	31,367.94	65,611.77
	Cash	-	-	-	-	-	-	-	-	10,777.52	10,777.52	186.00
	Advance and Receivables	30,000.00	3,500.00	-	-	41,436.46	-	85,000.00	127,500.00	-	287,436.46	131,361.00
Less: Payable	-	-	-	-	-	-	-	-	-	(2,715,368.96)	(1,323,673.00)	
	Total [D]	50,000.00	8,500.00	-	-	41,436.46	-	85,000.00	127,500.00	(2,698,223.50)	(2,385,787.04)	(1,126,514.23)

Significant Accounting Policies & Notes to Accounts

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As per our attached report of even date

For N. B. S. M. & Associates
Chartered Accountants
CA. Durga Prasad Gnowali
Partner
Date: September 02' 2021
Place: Kathmandu, Nepal

For and on Behalf of Baliyo Nepal

Paras Khadka
Board Member

Dr. Atul Upadhyay
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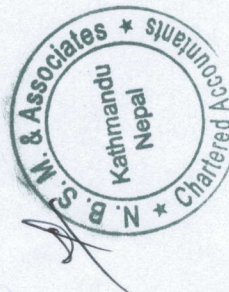
Kamal Basnet
Head of Finance



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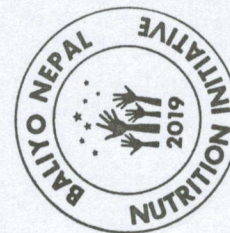
Statement of Changes Reserve
For the Period Ended Asadh 31, 2078 (July 15, 2021)

Particulars	Capital Fund	General Fund	Restricted Reserve Fund	Total
Opening Balance	-	5,029.48	(1,131,543.71)	(1,126,514.23)
Amount Received During the Year	50,000.00	3,500.00	41,054,235.00	41,107,735.00
Income Recognized During the Year	-	(29.48)	(42,366,978.33)	(42,367,007.81)
Transfer to Other Fund	-	-	-	-
Closing Balance	50,000.00	8,500.00	(2,444,287.04)	(2,385,787.04)



Signature

Signature



Baliyo Nepal Nutrition Initiative

(A Non Profit Distributing Company)

Sanepa, Lalitpur

Schedules Forming Part of the Financial Statements For the Period Ended Asadh 31, 2078 (July 15, 2021)

Advances, Deposits & Receivables

Schedule 5

Particulars	Current Year NPR	Previous Year NPR
Internet Deposit	1,000.00	1,000.00
Kalika Swablamban Samajik Kendra	-	-
Prepaid Expense	7,035.00	70,873.00
Membership Fee	3,500.00	2,500.00
Preliminary Capital	30,000.00	
Total	41,535.00	74,373.00
Staff Advance		
Puskar Raj Pathak	-	56,988.00
Total	41,535.00	131,361.00

Sundry Payables & Provisions

Schedule 6

Particulars	Current Year NPR	Previous Year NPR
Account Payables	54,871.00	644,877.00
TDS On Social Security Tax	6,226.00	1,392.50
TDS On Remuneration Tax	176,317.00	75,482.00
TDS on House rent	26,775.00	57,162.50
TDS on Individual	2,828.00	300.00
TDS On P.Ltd Payable 11123	1,081.00	-
TDS On Vehicle Hire/Other Rental	6,096.00	-
Rent Payable	199,516.00	-
CIT/PF Payable	551,520.00	98,000.00
Salary Payable	1,120,239.00	301,638.00
Gravuty Payable	184,623.50	31,821.00
Audit Fees Payable	139,375.00	113,000.00
Advance from Chaudhary Foundation	-	-
Total	2,469,467.50	1,323,673.00

Income Recognized During the Year

Schedule 7

Particulars	Current Year NPR	Previous Year NPR
General Grant Income Recognised	29.48	2,529.48
Restricted Grant Income Recognized	42,366,978.33	32,582,440.21
Total	42,366,978.33	32,582,440.21

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Sanepa, Lalitpur

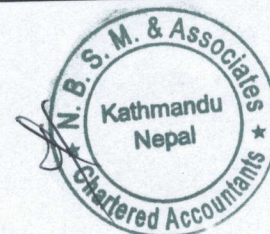
Schedules Forming Part of the Financial Statements
For the Period Ended Asadh 31, 2078 (July 15, 2021)

Project Expenses

Schedule 8

Phase I - Development & Planning Phase		8A
Particulars	Current Year NPR	Previous Year NPR
Admin & General Expenses		
Salaries	-	405,977.00
Festival Allowance	-	11,667.00
Rent	-	-
Printing Expenses	-	46,882.25
Stationary Expenses	-	79,264.23
Office Supplies-Consumables	-	145,944.72
Utilities	-	10,187.00
Repair & Maintenance	-	210,153.36
Communication	-	33,735.00
Office Internal Meeting	-	10,792.00
Audit Fees	-	-
Registration and Renewale	-	15,280.00
Advertisement Expenses	-	67,800.00
Courier/Postal Charge	-	75.00
Sanitation Expenses	-	7,409.00
Bank Charge	-	125.00
Miscellaneous Expenses	-	5,040.00
	-	1,050,331.56
Project Expense		
Project Admin		
Salaries	-	2,470,000.00
Festival Allowance	-	160,417.00
Office Rent	-	425,000.00
	-	3,055,417.00
Travel/Transportation		
International Travel	-	724,456.06
National Travel	-	321,674.71
Local Travel	-	99,583.50
	-	1,145,714.27
Project Procurement		
Kitchen Utensils	-	133,240.72
	-	133,240.72
Progam Activities		
Private Sector/Influencer Summit	-	243,929.43
Technical Workshops	-	204,007.39
Presidential Launch	-	1,649,306.76
Marketing Activities	-	9,335,485.46
Market Testing/Research	-	710,048.00
Meetings Expenses	-	106,010.56
	-	12,248,787.60
Total	-	17,633,491.15

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Baliyo Nepal Nutrition Initiative

(A Non Profit Distributing Company)

Sanepa, Lalitpur

Schedules Forming Part of the Financial Statements For the Period Ended Asadh 31, 2078 (July 15, 2021)

Phase II - Implementation Phase		88
Particulars	Current Year NPR	Previous Year NPR
Salaries	1,850,001.00	3,176,472.50
Fringe	43,690.00	-
Printing Expenses	-	13,978.90
Stationary Expenses	18,680.00	18,697.00
Office Supplies-Consumables	69,214.02	17,540.00
Utilities	6,285.00	12,292.00
Repair & Maintenance	3,915.00	16,460.28
Communication	10,750.00	14,439.89
Audit Fees	-	113,000.00
Sanitation Expenses	1,885.00	5,116.00
Bank Charge	-	165.00
Miscellaneous Expenses	501.00	4,047.00
First Aid Box	-	900.00
Casual Labour	-	3,300.00
Hospitality	-	5,209.00
Recruitment Expenses	-	85,249.06
	2,004,921.02	3,486,866.63
Project Expense		
Project Admin		
Salaries	1,200,000.00	3,319,516.00
Fringe	62,429.00	-
Office Rent	178,500.00	571,625.00
Consultant Fees	-	16,950.00
	1,440,929.00	3,908,091.00
Travel/Transportation		
International Travel	-	76,545.54
National Travel	-	372,778.00
Local Travel	-	19,469.50
	-	468,793.04
Project Procurement		
Office Furniture	-	122,887.50
Computers and Laptop	45,575.00	255,610.00
Air Conditioner	-	47,251.02
EPABX System Installation	-	28,200.00
Tally Software	-	122,040.00
Kitchen Utensils	-	1,300.00
Electric Items	-	46,450.00
	45,575.00	623,738.52
Program Activities		
Private Sector/Influencer Summit	-	120,135.95
Presidential Launch	-	51,980.00
Marketing Activities	191,026.50	5,799,766.31
Meetings Expenses	36,806.00	73,338.61
Vehicle Rental (Including Driver Cost)	76,942.00	302,093.00
Vehicle Expenses (Fuel/Parking)	22,940.00	34,146.00
Capacity Building	16,950.00	80,000.00
Legal Fees	28,250.00	-
Nutrition Consultatn	130,000.00	-
EOI Publication	18,984.00	-
COVID-19 Program	6,058,496.40	-
	6,580,394.90	6,461,459.87
Total	10,071,819.92	14,948,949.06

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Baliyo Nepal Nutrition Initiative

(A Non Profit Distributing Company)

Sanepa, Lalitpur

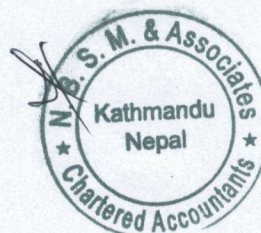
Schedules Forming Part of the Financial Statements For the Period Ended Asadh 31, 2078 (July 15, 2021)

Phase III - Implementation Phase		8C
Particulars	Current Year NPR	Previous Year NPR
Salaries	4,008,335.50	-
Fringe	306,867.00	-
Printing Expenses	26,322.76	-
Stationary Expenses	27,663.50	-
Office Supplies-Consumables	5,400.00	-
Utilities	31,086.00	-
Repair & Maintenance	17,003.00	-
Communication	257,267.00	-
Registration & Renewal	3,430.00	-
Courier/Postal Charge	300.00	-
Sanitation Expenses	11,510.00	-
Bank Charge	230.00	-
Miscellaneous Expenses	11,126.00	-
Subscription	3,400.00	-
Hospitality	750.00	-
	4,710,690.76	-
Project Admin		
Salaries	2,663,616.00	-
Fringe	248,627.00	-
Office Rent	669,375.00	-
Consultant Fees		-
	3,581,618.00	-
Travel/Transportation		
International Travel	-	-
National Travel	930,099.49	-
Local Travel	27,069.00	-
	957,168.49	-
Project Procurement		
Office Furniture	5,650.00	-
	5,650.00	-
Program Activities		
Marketing Activities	33,900.00	-
Meetings Expenses	58,268.25	-
Vehicle Rental (Including Driver Cost)	544,446.00	-
Vehicle Expenses (Fuel/Parking)	108,196.00	-
Capacity Building	20,000.00	-
Legal Fees	16,300.00	-
Nutrition Consultant	195,000.00	-
Communication Consultant	176,424.00	-
Media Engagement	1,199,116.50	-
Brand Development & Promotion	1,025,070.00	-
FCHV Activation	1,220,254.00	-
COVID-19 Program	3,172,819.34	-
Nutrition Awareness Program	137,386.47	-
Retailer Activation	618,840.46	-
School Activation	8,609,738.10	-
Volunteer Mobilization	300,000.00	-
	17,435,759.12	-
Total	26,690,886.37	-

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Baliyo Nepal Nutrition Initiative
(A Non Profit Distributing Company)
Sanepa, Lalitpur

Schedules Forming Part of the Financial Statements
For the Period Ended Asadh 31, 2078 (July 15, 2021)

Phase III - Implementation Phase Extension		8D
Particulars	Current Year NPR	Previous Year NPR
Salaries	1,081,352.50	-
Gratuity	460,316.00	-
Office Supplies-Consumables	3,705.00	-
Utilities	3,661.00	-
Repair & Maintenance	7,988.00	-
Communication	5,000.00	-
Audit Fee	141,250.00	-
Registration and Renewal	82,600.00	-
Sanitation Expenses	1,480.00	-
Miscellaneous Expenses	289.48	-
	1,787,641.98	-
Project Admin		
Salaries	1,053,804.00	-
Fringe	1,381.00	-
Gratuity	328,897.00	-
Office Rent	221,685.00	-
	1,605,767.00	-
Travel/Transportation		
Local Travel	4,182.00	-
	4,182.00	-
Project Procurement		
Equipment	81,500.00	-
	81,500.00	-
Program Activities		
Meetings Expenses	1,680.00	-
Vehicle Rental (Including Driver Cost)	60,967.00	-
Vehicle Expenses (Fuel/Parking)	12,000.00	-
Legal Fees	20,000.00	-
	94,647.00	-
Total	3,573,737.98	-

Other Project Expenses		Schedule 9
Particulars	Current Year NPR	Previous Year NPR
Palhinandan Municipality	100,000.00	-
Rastriya Baniya Bank	1,600,000.00	-
Instant Meal Private Limited	230,563.54	-
LAN	100,000.00	-
Total	2,030,563.54	-

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Baliyo Nepal Nutrition Initiative
(A Non Profit Distributing Company)

Sanepa, Lalipur

For the Period Ended Asadh 31, 2078 (July 15, 2021)

Schedule 3

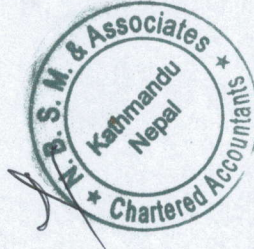
Fixed Asset received as donation:

S.N	Particulars	Depreciation Rate	As on 1st Shrawan 2076	Gross Block			As on 1st Shrawan 2076	Accumulated Depreciation		Net Block
				Up to Poush	Magh to Chaitra	Baisakh to Aashad		For the Year	As on Aashad End, 2077	
1	Block B Furniture & Fixtures	25%	-	-	-	-	-	-	-	-
2	Block B	25%	-	-	-	-	-	-	-	-

Fixed asset Purchased from General fund / Institutional Fund

S.N	Particulars	Depreciation Rate	As on 1st Shrawan 2076	Gross Block			As on 1st Shrawan 2076	Accumulated Depreciation		Net Block
				Up to Poush	Magh to Chaitra	Baisakh to Aashad		For the Year	As on Aashad End, 2077	
1	Block B Furniture & Fixtures	25%	-	-	-	-	-	-	-	-

Signature



Baliyo Nepal Nutrition Initiative

(Non-Profit Distributing Organization)

Sanepa, Lalitpur

Financial Year 2077-2078

Schedules forming part of the Financial Statements

Schedule – 10: Statement of Accounting Policies & Notes to Financial Statements

A. Background:

Baliyo Nepal Nutrition Initiative is a Non-Profit Distributing Organization domiciled in Nepal. The Organization was incorporated as Non-Profit Distributing Organization under Company Registration Act 2063 from Company Registrar Office, Tripureshwor on Falgun 30, 2075 (March 14, 2019) Vide Registration No. 210762. The registered office and place of business is located in Lalitpur District, Lalitpur Sub-Metropolitan City, Ward No. 2, Sanepa.

The primary objectives of the organization are mobilizing and uniting all the forces that can contribute to end malnutrition: government, private sector, international and non-governmental organizations, civil society and the people of Nepal. It will develop a diversity of programme to fight the multiple facets of malnutrition such as working with the food industry and retailer organizations to improve the nutritional value of the food they sell, while making it more accessible and affordable or work with media partners, celebrities, private sector and NGOs to facilitate access to complementary foods for the two thirds of 6 to 23 months old nepali children who don't have a minimum acceptable diet.

B. Significant Accounting Policies:

1. Accounting Conventions:

The financial statements are prepared under the historical cost conventions on an accrual concept unless otherwise stated and are in accordance with Nepal Accounting Standards and others as applicable laws prevalent in Nepal. Grant/ Donation are recognized on Cash Basis. Received Grant/Donation is transferred to revenue to the extent of expenditure recognized and balance is recognized as liability. Further, Membership fees is recognized on accrual basis as income on account of annual membership fee required to be paid by the promoter members as laid in the Memorandum of Association.

2. Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the periods in which the results are known/ materialized.

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Baliyo Nepal Nutrition Initiative
(Non-Profit Distributing Organization)
Sanepa, Lalitpur
Financial Year 2077-2078

3. Property, Plant & Equipment:

a) Property Plant & Equipment Received As Donation

Property, Plant & Equipment that is received directly as donation or endowment is recognized as property plant & equipment and corresponding amount is recognized as deferred income account. Such item shall be thereafter be depreciated while a corresponding amount could be transferred from deferred income to the statement of Income & Expenditure.

b) Property Plant & Equipment Purchased For Project

Property, Plant & Equipment purchased as a part of project through restricted funds is initially written off as project cost with corresponding income. On the conclusion of project, if the assets is not handed over to the beneficiary or returned to the original donor, the assets shall be valued at fair value & brought into the financial statements under property plant & equipment with corresponding credit to the deferred income.

c) Property Plant & Equipment Purchased For General Use.

Property Plant & Equipment is stated at historical cost inclusive of all direct and indirect expenses attributable to the assets being put into use less depreciation.

4. Going Concern:

The Financial Statements have been prepared on assumption that the Baliyo Nepal is a going concern.

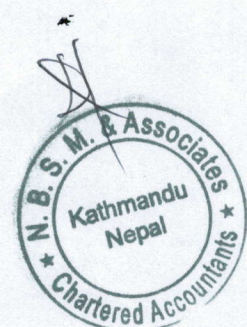
5. Foreign Currency Transaction:

Foreign Currency Transactions are accounted for at the exchange rate prevailing on the date of Transaction.

6. Inventories:

Inventories, as taken, valued and certified by the Management, are valued at Cost on FIFO Basis.

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Baliyo Nepal Nutrition Initiative

(Non-Profit Distributing Organization)

Sanepa, Lalitpur

Financial Year 2077-2078

C. Notes to Accounts

1. Restricted Reserve Fund:

Funds received from Donors for specific utilization in the work/project at per the Memorandum of Understanding (MOA) or Term of Reference (TOR) are classified as Restricted Reserve Fund.

Further, Restricted Reserve Fund also represents the balance of the accumulated surplus/deficit from operations and other incomes. The surplus/(deficit) as per Statement of Income & Expenditure is transferred to Restricted Fund which relates to surplus or deficit of restricted fund.

Income has been recognized to the extent of extent of expenditure recognized. Hence as on Ashad 31, 2078, there is a deficit in restricted fund balance of Rs. 2,444,287.04.

Particulars	Amount (In Rs.)
Opening Reserve Fund Balance (A)	(1,131,543.71)
Restricted Fund Income Received (B)	41,054,235.00
Restricted Grant Expenses	(42,366,978.33)
Transfer to General Reserve	-
General Fund Income Recognized (C)	(42,366,978.33)
Restricted Reserve Fund (A+B-C)	(2,444,287.04)

2. General Reserve Fund

General reserve fund includes income recognized to the extent of Membership Fees & other income. Hence, as on Asadh 31, 2078, there is surplus in the General Fund Balance of Rs. 8,500.

3. Preliminary Capital & Membership Fees:

Members has introduced Preliminary Capital of Rs. 50,000 as stated by Clause 7 "Share Capital For The Company" of Memorandum of Association (MOA) and company has also received Membership fees of Rs. 3,500 during the financial year in line with Memorandum of Association of the organization

4. Expenditure:

During the Financial Year 2077/78, total expenditure of Rs. 42,367,007.81 has been incurred comprising of Project, Administrative and General Expenses.

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Baliyo Nepal Nutrition Initiative

(Non-Profit Distributing Organization)

Sanepa, Lalitpur

Financial Year 2077-2078

5. Related Party Transaction :

Details of transaction with related parties are given below:

Name of the Party	Net Transaction(NRS)	Remarks
Chaudhary Foundation	38,769,735.00	Donation Received

6. Property Plant & Equipment

I. Property Plant & Equipment Received As Donation

Property, Plant & Equipment that is received directly as donation or endowment is recognized as property plant & equipment and corresponding amount is recognized as deferred income account. Such item shall be thereafter be depreciated while a corresponding amount could be transferred from deferred income to the statement of Income & Expenditure.

II. Property Plant & Equipment Purchased For Project

Property, Plant & Equipment purchased as a part of project through restricted funds is initially written off as project cost with corresponding income. On the conclusion of project, if the assets is not handed over to the beneficiary or returned to the original donor, the assets shall be valued at fair value & brought into the financial statements under property plant & equipment with corresponding credit to the deferred income.

Details of Property Plant & Equipment purchased for project from restricted fund are given below:

Particulars	Amount (Rs.)
Computers and Laptop	45,575.00
Office Furniture	5,650.00
Equipment	81,500.00
Total	132,725.00

III. Property Plant & Equipment* Purchased For General Use.

Property Plant & Equipment is stated at historical cost inclusive of all direct and indirect expenses attributable to the assets being put into use less depreciation.

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Baliyo Nepal Nutrition Initiative

(Non-Profit Distributing Organization)

Sanepa, Lalitpur

Financial Year 2077-2078

7. Income Tax:

The Income Tax has not been calculated as there is no surplus during the year.

8. All amounts are stated in Nepalese Rupees.
9. Schedules 1 to 10 forms the integral part of Financial Statement.
10. Balances from/to the parties are subject to confirmation.
11. Capital contribution from the members of Baliyo Nepal as required is yet to be paid to the entity.

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R.H.

