

The Umbrella Foundation Ltd. Ireland Nepal
Swoyambhu-15, Kathmandu

Notes to the Financial Statements

Financial Year: 2068-69 (2011/ 2012)

A. Background of the Organisation

The Umbrella Foundation Ltd. Ireland Nepal (TUF) is an international non-profit making organization and registered charity that has rescued over 380 orphaned, trafficked and vulnerable children in Nepal since 2005.

Through various projects including Residential Childcare Homes, Family Reintegration and Scholarship Support, Next Steps Youth Programme and Rural Community and School Support Programmes TUF continue to help these vulnerable children and families help themselves.

TUF are a family-first organisation, working against the negative effects of child trafficking.

B. Significant Accounting Policies & Explanatory Notes

1. Basis of preparation of Financial Statements

The financial statements are prepared under the historical cost convention as per the Company's Accounting Policies. These policies are in line with the Nepal Accounting Standards (NAS). Generally accepted accounting principles as practiced in Nepal are followed where specifically not provided in the NAS. The Company's accounting policies require the management to exercise judgment in the use of accounting estimates.

2. Property, Plant and Equipment

Property, Plant & Equipment are stated at cost or as re-valued, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

3. Depreciation

Depreciation is provided on Plant and Equipment, on written down basis, as per rates prescribed by Income Tax Act, 2058. The rates of depreciation on property, plant and equipment as per Income Tax Act, 2058 are as follows:

Particulars	Rate
Furniture and Fixtures	25%
Computer and Office Equipment	25%
Other Assets	15%



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4. Receivables, Loans & Advances

Receivables loans & advances are stated at cost.

5. Cash and Cash equivalents

Cash and cash equivalents include deposits with banks in the various forms of deposit accounts, which may or may not bear interest. Term deposits held in banks are classified as bank deposits.

6. Fund Accounting

- The project's Unrestricted Fund Balance consists of funds, which the project may use for its purpose at its discretion.
- The project's Restricted Fund Balance consists of funds, which the donor has imposed restricted on the use of funds.

7. Current liabilities

Liabilities and provisions are stated at cost

8. Revenue Recognition

Revenue from the donors has been recognised to the extent of the receipt during the year.

9. Write Back & Write offs

- Prepayments amounting to NRs. 1,884 and a TDS payable debit balance have been written off due to a lack of details.
- Other payables amounting to NRs. 2,220 has been written back due to a lack of detail.

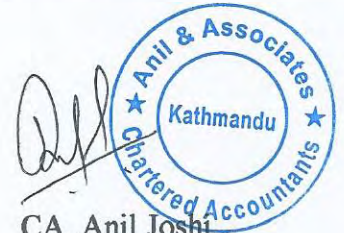
As per our report on even date

Macarthaínn Ó Gacháin

Macarthaínn Ó Gacháin
Country Director

Deepabati Shakya

Deepabati Shakya (Shrestha)
Finance & Admin Officer



CA, Anil Joshi

Proprietor

Anil & Associates
Chartered Accountants

Date: 06.05.2012

**Independent Auditor's Report of
The Umbrella Foundation Ltd. Ireland Nepal
For the financial year 2011-12 (2068-69)**

To: Members of The Umbrella Foundation Ltd. Ireland Nepal

We have audited the accompanying Balance Sheet of The Umbrella Foundation Ltd. Ireland Nepal as of 15th July 2012 (Ashad 31, 2069), and the Income and Expenditure Account and Fund Accountability Statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibilities

Management is responsible for the preparation and fair presentation of these financial statements in accordance with applicable generally accepted accounting principles. 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 Responsibilities

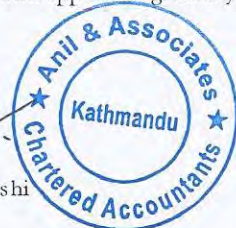
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from 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 the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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 policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, based on the information and explanation provided to us and our audit, the financial statements give true and fair view of the financial position as of 15th July 2012 (Ashad 31, 2069) and of the results of its operations and fund utilisation of **The Umbrella Foundation Ltd. Ireland Nepal** for the year then ended in accordance with applicable generally accepted accounting principles.


C.A. Anil Joshi
Proprietor



Date: 06.05.2013
Kathmandu

The Umbrella Foundation Ltd. Ireland Nepal
Swoyambhu-15, Kathmandu

Statement of Financial Position
as at 31st Ashad 2069 (15 July 2012)

Particulars	Schedule	(Figures in NRs.)	
		Current Year	Previous Year
Assets			
Non-current Assets:			
Property, Plant & Equipment	1	26,629	50,768
Total Non-current Assets		26,629	50,768
Current Assets:			
Prepayments & Receivables	2	-	1,884
Cash & Bank	3	1,578,600	2,262,354
Total Current Assets		1,578,600	2,264,238
Total Assets		1,605,229	2,315,006
Fund & Liabilities			
Capital & General Fund:			
Capital Assets Fund		26,629	50,768
General Fund (Unrestricted Fund)	4	1,620,860	2,197,456
Total Capital & General Fund		1,647,489	2,248,224
Current Liabilities:			
Payables	5	(42,260)	66,782
Total Current Liabilities		(42,260)	66,782
Total Fund & Liabilities		1,605,229	2,315,006

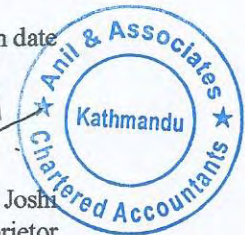
As per our report of even date

Macarhain Ó Gacháin

Macarhainn Ó Gacháin
Country Director

Anil Joshi

CA, Anil Joshi
Proprietor
Anil & Associates
Chartered Accountants
Date: 06-05-2012



Deepabati Shaky

Deepabati Shaky (Shrestha)
Finance & Admin Officer

The Umbrella Foundation Ltd. Ireland Nepal
Swoyambhu-15, Kathmandu

Income & Expenditure Account
For the year ended 31st Ashad 2069 (15 July 2012)

Particulars	Schedule	Current Year	Previous Year
(Figures in NRs.)			
<u>Income</u>			
Grants & Donation Income	6	26,822,956	26,666,732
Other Receipts		20,500	315,010
Write back of payables net	9	332	-
Total Income (A)		26,843,788	26,981,742
<u>Expenditure</u>			
Programme Costs	7	26,034,999	24,952,099
Administration Costs	8	1,380,565	1,046,346
Total Expenditure (B)		27,415,564	25,998,445
Surplus Unrestricted Fund (A-B)		(571,776)	983,297

As per our report of even date

Macarthainn Ó Gacháin

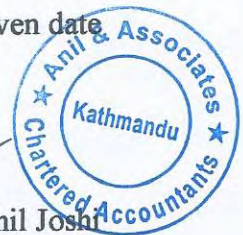
Macarthainn Ó Gacháin
Country Director

Anil Joshi

CA, Anil Joshi
Proprietor

Anil & Associates
Chartered Accountants

Date: 06.05.2013



Deepabati Shakya

Deepabati Shakya (Shrestha)
Finance & Admin Officer

The Umbrella Foundation Ltd. Ireland Nepal
Swoyambhu-15, Kathmandu

Fund Accountability Statement
For the year ended 31st Ashad 2069 (15 July 2012)

(Figures in NRs.)

Particulars	Schedule	Current Year	Previous Year
Opening Fund Balance		2,197,456	1,224,659
Bank Balance	3	2,217,085	1,389,675
Cash in Hand	3	45,269	-
Prepayments & Receivables	2	1,884	1,884
Payables	5	(66,782)	(166,900)
Write back of payables net	9	332	-
Other Receipts		20,500	315,010
Fund received during the period	6	26,822,956	26,666,732
Sub Total (A)		29,041,244	28,206,401
Expenditure			
Programme Costs	7	26,034,999	24,952,099
Administration Costs	8	1,380,565	1,046,346
Capital Expenditure (PPE)	1	4,820	10,500
Sub total (B)		27,420,384	26,008,945
Balance (A-B)		1,620,860	2,197,456
Balance Represented by		1,620,860	2,197,456
Bank Balance	3	1,543,597	2,217,085
Cash In Hand	3	35,003	45,269
Prepayments & Receivables	2	-	1,884
Payables	5	42,260	(66,782)

Macarhainn Ó Gacháin
Macarhainn Ó Gacháin
Country Director

Deepabati

Deepabati Shakya (Shrestha)
Finance & Admin Officer

As per our report of even date

Anil Joshi
CA, Anil Joshi
Proprietor
Anil & Associates

Chartered Accountants

Date: 06-05-2012

The Umbrella Foundation Ltd. Ireland Nepal
Swoyambhu-15, Kathmandu

Schedules forming an integral part of Financial Statements
Financial Year: 2068-69 (2011/ 2012)

(Figures in NRs.)

Schedule 2

Prepayments & Receivables

Particulars	Current Year	Previous Year
Prepayments	-	1,884
Total	-	1,884

Schedule 3

Cash & Bank

Particulars	Current Year	Previous Year
A/C no 019 01112790013	1,470,589	644,077
A/C no 019 01112790021-Building & Project a/c	73,008	1,573,008
Cash in Hand	35,003	45,269
Total	1,578,600	2,262,354

Schedule 4

General Fund (Unrestricted Fund)

Particulars	Current Year	Previous Year
Opening Balance	2,197,456	1,224,659
Less: Transferred to Capital Fund	(4,820)	(10,500)
Add: Transferred from Income & Expenditure Account	(571,776)	983,297
Total	1,620,860	2,197,456

Schedule 5

Payables

Particulars	Current Year	Previous Year
Audit Fee Payable	14,800	14,801
Other Payables	-	2,220
Sundry Creditors	(92,499)	10,950
Staff	35,239	23,239
TDS Payable	200	15,572
Total	(42,260)	66,782

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Schedule 6

Grants & Donation Income

Particulars	Current Year	Previous Year
Associacio Calidoscopi/Friends of Umbrella Spain	-	467,552
Hong Kong Football Club	-	993,985
Internationally sourced contributions, donated in Nepal	2,415,225	2,486,753
Prudent Juris	801,400	-
The Association of Round Tables Hong Kong	-	818,867
The Society for the INTL	-	72,750
Umbrella Foundation, Ireland	19,914,658	14,486,051
Umbrella Foundation, Holland (Stichting Paraplu)	1,393,635	1,450,187
Umbrella Foundation, UK (Friends of Nepal UK)	642,123	4,702,537
Umbrella Foundation, USA	1,655,915	1,188,050
Total	26,822,956	26,666,732

Schedule 7

Programme Costs

Particulars	Current Year	Previous Year
Donation paid to SolHimal-Umbrella Organization	26,034,999	24,942,099
Jagriti Samaj Nepal	-	10,000
Total	26,034,999	24,952,099

Schedule 8

Administration Costs

Particulars	Current Year	Previous Year
Audit Fee	15,000	15,000
Bank Charge	1,606	1,550
Compliance and Legal Expenses	46,762	123,633
House Rent	444,031	464,492
Organisation Support Costs	192,955	167,058
Repair & Maintenance	161,562	-
Training Expenses	20,800	-
Traveling Expenses	117,142	40,332
Staff Salary & Allowance	218,228	203,050
Visa Expenses	162,479	31,231
Total	1,380,565	1,046,346

Schedule 9

Write back/ (write off)

Particulars	Current Year	Previous Year
Write back of other payables	2,220	-
Less: Write off of prepayments	(1,884)	-
Less: Write off of TDS payable debit balance	(4)	-
Total	332	-

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