

INDEPENDENT AUDITOR'S REPORT

**The Members,
Umbrella Organization Nepal
Swoyambhu-15, Kathmandu**

Report on the Financial Statements

We have audited the financial statements of Umbrella Organization Nepal which comprises of Fund Accountability Statement for the period 1st Sharwan 2072 to 31st Ashad, 2073 (corresponding to 17th July 2015 to 15th July, 2016) and a summary of significant accounting policies and explanatory notes.

Management's Responsibility for the Financial Statements

The management of Umbrella Organization Nepal is responsible for the preparation and fair presentation of these financial statements in accordance with the relevant accounting practices. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 the financial statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of 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 professional judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider the internal control relevant to Umbrella Organization Nepal'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 Umbrella Organization Nepal's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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 opinion.

Opinion

In our opinion the Financial Statements comprising of Fund Accountability Statement as referred to above read together with significant accounting policies and explanatory notes appended thereto give true and fair view of the fund receipts, expenses incurred and balance of funds of Umbrella Organization Nepal for the period 1st Sharwan 2072 to 31st Ashad, 2073 (corresponding to 17th July 2015 to 15th July, 2016) in accordance with the accounting policies described in Schedule 6B to the Fund Accountability Statement.



Report on Other Legal and Regulatory Requirements

Umbrella Organization Nepal has generally complied with the provisions of Chapter 17 of Income Tax Act 2058.

Date: 3rd October, 2016 (17th Ashwin, 2073)

Place: Kathmandu

B.M. Dhungana

B.M. Dhungana, FCA

Partner

For: B&B Associates

Chartered Accountants



Umbrella Organization Nepal
Swoyambhu-15, Kathmandu

Schedule 6 to Financial Statements (Financial Year 2072.73)

Significant Accounting policies and Explanatory Notes

A. General Information

Umbrella Organization Nepal (UON), registered with District Administration office in Kathmandu was established as a non-profit making non-governmental organization as per Society Registration Act 2034 on 18th Jestha 2062. It is also affiliated with Social Welfare Council since 23rd Jestha 2062 with affiliation number 17912. UON also holds tax registration certificate with Permanent Account Number 302056426 and is also a tax exempt entity under the provisions of Income Tax Act, 2058 of Nepal. The registered office is located at Swoyambhu-15, Kathmandu, Nepal

UON is a knowledge driven innovative organization working in areas disrupted by poverty. It is engaged in alleviating the impact of poverty and war on children and their families in Nepal. Together with the local people, communities, and health institutions, it works on mental development of vulnerable children. UON is implementing projects in 5 thematic areas namely re-integration, rural support, building resilience and preventing trafficking through family member, next step youth and education and support the earthquake affected people.

B. Significant Accounting Policies

1. Basis of Accounting and Presentation

The Financial Statements are prepared under historical cost convention following accrual basis of accounting unless otherwise stated.

Figures in the Financial Statements expressed in Nepalese Rupees (NPR).

2. Funding Arrangements

Funds received from donors are treated as income in the year in which such funds are received.

Donations / Contributions received in cash are recognized as income on cash basis.

3. Fixed Assets

Fixed Assets procured from donor funded projects and from internal sources are charged to expenditure in the year of purchase. A separate record has been maintained for control over fixed assets.



4. Depreciation

No depreciation is charged on fixed assets.

5. Exchange rate

UON does not operate any account in foreign currency and there are no adjustments relating foreign exchange difference.

C. Explanatory Notes

1. Closing Balance of Fund

Closing balance of fund amounting to **NPR 15,426,387.80** (Previous Year **NPR 14,282,421.00**) is represented by following:

Amount in NPR

Particulars	Current Year	Previous Year
Cash & Bank Balances	14,071,610.18	11,612,976.00
Advances & Receivables	1,512,496.42	2,918,117.00
Less: Current Liabilities	(157,718.80)	(248,672.00)
Closing Fund Balance	15,426,387.80	14,282,421.00

2. Receivable from GOAL

Expenses amounting to NPR 16,851,446 has been incurred under "Post-Earthquake Shelter, Seasonal-Support and Livelihood Project in Rasuwa and Ramechhap" against NPR 16,549,407 received from GOAL during the year. Balance of NPR 302,039 is receivable from GOAL.

3. Rearrangement and grouping

Figures in the Financial Statement are rearranged or re-grouped, wherever necessary to conform to financial statement presentation.

4. Previous years' figures

Previous years' figures have been regrouped and /or rearranged wherever considered necessary in order to facilitate comparison.



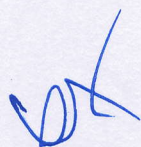
Umbrella Organization Nepal
Swoyambhu-15, Kathmandu

Fund Accountability Statement for the period 17 July 2015 to 15 July 2016

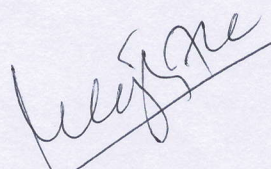
1. Sources of Fund	Sch.	Current Year	Previous Year
		NPR	NPR
(A) Opening balances	1	14,282,421.00	4,506,166.00
(B) Funds received during the period	2	70,974,822.68	36,632,061.00
(C) Other Income	3	307,303.55	150,246.00
(D) Total Sources of Fund (A+B+C)		85,564,547.23	41,288,473.00
2. Uses of Fund			
(E) Expenses during the period	4	70,138,160.43	27,006,053.00
(F) Total Uses of Fund		70,138,160.43	27,006,053.00
3. Closing Balance of Fund (D-F)			
Represented By:			
Cash & Bank Balance	5	14,071,610.18	11,612,976.00
Advance & Receivable	5	1,512,496.42	2,918,117.00
Current Liabilities	5	(157,718.80)	(248,672.00)
Total		15,426,387.80	14,282,421.00

Significant Accounting Policies and Explanatory Notes

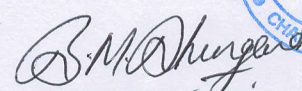
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Vimal Kumar Thapa
Treasurer
Umbrella Organization Nepal

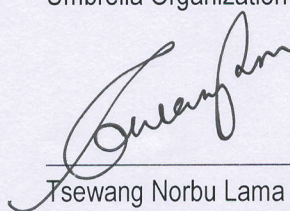
Megh Bahadur Ale
Chairperson
Umbrella Organization Nepal

CA. BM Dhungana
Partner
B & B Associates
Chartered Accountants
Date: 3rd October 2016



Keshu Sharma
Finance and Admin. Officer
Umbrella Organization Nepal



Tsewang Norbu Lama
Program Director
Umbrella Organization Nepal

Umbrella Organization Nepal
Swoyambhu-15, Kathmandu

Schedule 1 to Fund Accountability Statement - Opening Balances

Particulars	Current Year	Previous Year
	NPR	NPR
Cash - NPR	124,468.00	230,604.00
Bank of Kathmandu Lumbini Ltd.	6,281,787.00	1,957,854.00
Himalayan Bank Ltd	53,136.00	85,058.00
Nabil Bank Ltd	3,148,585.00	311,548.00
Prime Commercial Bank Ltd.	505,000.00	-
Fixed Deposit	1,500,000.00	1,500,000.00
Advances and Receivables	5,683,014.35	545,058.00
Current Liabilities	(3,013,569.35)	(123,956.00)
Total Opening Balance	14,282,421.00	4,506,166.00

Schedule 2 to Fund Accountability Statement - Fund Received during the period

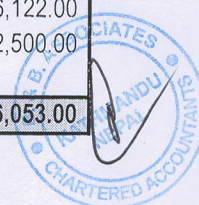
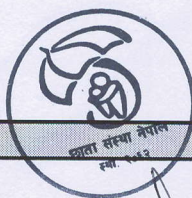
Particulars	Current Year	Previous Year
	NPR	NPR
GOAL	16,549,407.00	-
ONGD FNEL	9,334,743.98	6,317,608.00
The Umbrella Foundation Limited, Ireland & Saraswati Organization	45,090,671.70	30,314,453.00
Total Funds received during the period	70,974,822.68	36,632,061.00

Schedule 3 to Fund Accountability Statement - Other Income

Particulars	Current Year	Previous Year
	NPR	NPR
Interest Income	138,014.72	117,280.00
Miscellaneous Income	169,289.83	3,963.00
Discount Received	-	29,003.00
Total	307,303.55	150,246.00

Schedule 4 to Fund Accountability Statement - Expenses during the period

Particulars	Current Year	Previous Year
	NPR	NPR
GOAL		
Administration Cost	846,930.76	-
Personnel Cost	561,395.00	-
Programme Cost	15,443,120.00	-
ONGD FNEL		
Programme Cost	9,494,904.28	2,668,847.43
Administrative Expense	480.00	-
The Umbrella Foundation Limited Ireland, Saraswati Organization & Core		
Programme Cost	41,557,092.56	21,448,583.57
Administrative Expense	2,234,237.83	2,726,122.00
Capital Expenditure	-	162,500.00
Total	70,138,160.43	27,006,053.00



Umbrella Organization Nepal
Swoyambhu-15, Kathmandu

Schedule 5 to Fund Accountability Statement - Closing Balances of Fund

Cash and Bank Balance	Current Year	Previous Year
	NPR	NPR
Cash - NPR	76,501.00	124,468.00
Fixed Deposit with Himalayan Bank Ltd	1,500,000.00	1,500,000.00
Himalayan Bank Ltd	111,915.32	53,136.00
Janata Bank Nepal Ltd.	5,000.00	-
Nepal investment Bank Ltd.	2,500.00	-
Nabil Bank Ltd. (Account No. 3201017500435)	822,508.00	-
Nabil Bank Ltd. (Account No. 3806017500016)	8,592,828.84	3,148,585.00
Prime Commercial Bank Ltd.	5,000.00	505,000.00
Bank of Kathmandu Lumbini Ltd	2,955,357.02	6,281,787.00
Total (A)	14,071,610.18	11,612,976.00

Advances and Receivables	Current Year	Previous Year
	NPR	NPR
Prem Singh Tharu	-	92,090.00
Bachhu Ram Tamang	28,547.00	18,346.00
Dilip Kumar Shrestha	1,114.00	1,114.00
Keshu Sharma	-	5,000.00
Khem Lal Tamang	-	3,000.00
Kusum Rana	-	103,500.00
Raj Kumar Magar	-	3,000.00
Raj Kumar Pandit	-	2,000.00
Rajesh Dangol	-	5,100.00
Roshani Dangol	42,504.35	50,109.00
Saran Pariyar	-	53,135.00
Saraswoti Shrestha	-	500.00
Shyam Kumar Lama	-	9,800.00
Sujata Sharma	-	47,200.00
Sushma Nepali	5,000.00	-
Tsewang Norbu Lama	27,481.50	1,429,830.00
Tulshi Maya Shrestha	-	17,000.00
Dil Raj Joshi	-	74,930.00
Chyamra Devi Secondary School	309,680.00	-
Shree Mukrapdevi H. S. S	328,400.00	-
Arjun Kafle	233,450.00	-
Advance House Rent	27,419.00	-
Interest Receivable	1,331.97	7,798.00
Other Receivable	36,616.00	36,616.00
Prepaid Rent	62,141.00	62,141.00
School Depsoit	5,500.00	5,500.00
Citizen's Investment Trust	-	2,251.00
Remuneration Tax	135.67	-
TDS Receivable	19,669.60	-
Classic Tech Pvt. Ltd	36.00	36.00
D & C Engineering Consultancy	-	86,107.00
Jobsnepal. Com Pvt. Ltd	2,293.00	2,293.00
Merojob.Com	390.00	390.00
Mona Ranjit	94,500.00	-
Mrs. Kyamuna Tamang	103,912.33	71,831.00
Ms. Pratima Lama	124,500.00	-
Suresh Suppliers	-	697,500.00
Transcultural Psychological Organization Nepal	30,000.00	30,000.00
World Link Communication Pvt. Ltd	27,875.00	-
Total (B)	1,512,496.42	2,918,117.00



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Current Liabilities	Current Year NPR	Previous Year NPR
Audit Fee Payable	111,500.00	111,500.00
Nabin Maharjan	-	2,541.00
Rajesh Dangol	10,000.00	-
Sangita Lamichanne	2,209.00	2,209.00
Other Payable	4,443.00	4,443.00
Yogesh Chaudhary	5,000.00	-
Salary	11,021.00	11,021.00
TDS Payable	2,249.80	57,660.00
Garima Store	-	4,800.00
Gyanodaya Secondary School	770.00	770.00
Kantipur Stationery Suppliers	8,006.00	1,625.00
L.B.M Suppliers	-	5,757.00
Maharjan Kirana Store	-	60.00
Mrs. Mithai Manandhar	2,520.00	27,000.00
Ms. Pratima Lama	-	10,500.00
National Graphics	-	8,786.00
Total (C)	157,718.80	248,672.00

Total Closing Balances (A+B-C)	15,426,387.80	14,282,421.00
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