

INDEPENDENT AUDITOR'S REPORT
SAHAVAGI

Dhikuwa-09, Chitwan

For the year ended on Ashad 32, 2082 (July 16, 2025)

1) Audit Opinion

We have audited the accompanying statement of financial position of SAHAVAGI as of Ashad 32, 2082, and the related statements of income and Expenditure, statement of cash flows and changes in reserve & surplus for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion and to the best of our information and according to explanations given to us, the financial statements give a true and fair view of the financial position of the organization as of Ashad 32, 2082, and of the results of its operations for the year then ended in accordance with Nepal Accounting Standards for Non Profit Organization (NAS for NPOs).

2) Basis of Opinion

We conducted our audit in accordance with Nepal Standards on Auditing or relevant practices. Those Standards or relevant practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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 entity in accordance with the ICAN's Handbook of Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to or audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN's Handbook of Code of Ethics, 2023 for Professional Accountants.

3) 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 for the financial year ended on 32 Ashad 2082 (16 July 2025). 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.



Key Audit Matters	How our audit addressed the key audit matters
Board members and top level management personnel are related parties in NGOs. Considering the possibility of existence of related party transactions (regardless of whether a price is charged) that are not carried out in arm's length, we have identified related party transaction as a key audit matter	<p>Our audit procedures: We have reviewed the involvement of board members and top level personnel in organizational activities through inquiry and written representation from those charged with governance. We have verified on sample basis the probable transactions (Remuneration, uses of office vehicle, supply of goods & services etc.) with board members and top level management and did not observe any related party transaction that are not carried out at arm's length.</p> <p>Our results No material exceptions were noted</p>
Designing, Implementing and timely monitoring the internal control system is mandatory in an organization thus, we have identified review and existence of internal control system as a key audit matter.	<p>Our audit procedures: We have reviewed organization's financial, administrative, procurement, HR and other policies and performed analytical procedure to identify whether those policies were implemented properly or not. We have also reviewed and verified supporting documents relating to expenditure made on procurement & human resource through ledger scrutiny.</p> <p>Our results No material exceptions were noted</p>

4) Responsibility of Management and Those charged with governance

Management is responsible for the preparation and fair presentation of the financial statements in accordance with NFRS for NPOs 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. Those charged with governance are responsible for overseeing the Organization's Financial reporting process.

5) Auditor's Responsibility for the Audit of 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. 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.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

6) Report on Other Legal and Regulatory Requirements

We have audited attached financial statements accordingly and report that:

- 1) We have obtained prompt replies to our queries including satisfactory explanation during the course of the audit.
- 2) In our opinion, proper books of accounts have been maintained by the Organization.
- 3) The Financial Statements dealt with by this report are in agreement with the books of accounts maintained by the organization.
- 4) The organization has withheld advance tax as per Chapter 17 of Income Tax Act 2058 wherever applicable and the organization has conducted all its activities as per its objective.


Place: Kathmandu

Date: 2082/05/

UDIN: 250828CA01227BY6xp

PAN: 300334430

SAHAVAGI
Dhikuwa-09, Ratnagar, Chitwan
STATEMENT OF FINANCIAL POSITION
As At Ashad 32, 2082 (July 16, 2025)

FIGURES IN 'NPR

Particulars	Notes	Current Year	Previous Year
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	4.1	9,752,061.93	9,812,756.89
Intangible Asset	4.2	-	-
Other-Non Current Assets.		5,000.00	5,000.00
A. Total Non-Current Assets		9,757,061.93	9,817,756.89
Current Assets			
Inventories	4.3	-	-
Accounts Receivable	4.4	2,988,330.72	340,215.17
Cash and Cash Equivalents	4.5	8,195,994.61	6,073,295.47
B. Total Current Assets		11,184,325.33	6,413,510.64
Total Assets (A+B)		20,941,387.26	16,231,267.53
LIABILITIES & RESERVES			
Accumulated Reserves			
Unrestricted Funds/accumulated surplus	4.6	5,504,159.62	3,349,617.12
Research Fund	4.7	304,420.20	304,420.20
Restricted Funds	4.8	4,859,900.91	4,913,543.77
Endowment Fund	4.9	6,905,000.00	6,905,000.00
Prize Fund	4.10	17,975.00	48,400.00
Other Capital Reserves	4.11	105,984.00	132,480.00
C. Total Accumulated Reserves		17,697,439.73	15,653,461.09
Non-Current Liabilities			
Employee benefit liabilities		-	-
Other Non-Current Liabilities		-	-
D. Total Non-Current Liabilities		-	-
Current Liabilities			
Accounts Payable	4.12	3,243,947.53	577,806.44
Loans and borrowings		-	-
Provisions	4.13	-	-
Bank Overdrafts	4.14	-	-
D. Total Current Liabilities		3,243,947.53	577,806.44
Total Liability(D+E)		3,243,947.53	577,806.44
Total Liabilities (C+D+E)		20,941,387.26	16,231,267.53

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As Per Our Attached Report Of Even Date,

The Notes on accounts forms an integral part of the financial statements.


Vidhya Sharma
Accountant


Subharaj Sharma
Office Incharge


CA. Ram Saran Giri
R.S.G. Associates
Chartered Accountants


Khadka Bdr. Bishwokarma
Treasurer


Shaligram Sharma
Chairperson



Date: 2082/05/04

SAHAVAGI
Dhikuwa-09, Ratnagar, Chitwan
STATEMENT OF CASH FLOW
For The Year Ended Ashad 32, 2082 (July 16, 2025)


FIGURES IN 'NPR

Particulars	Current Year	Previous Year
CASH FLOW FROM OPERATING ACTIVITIES		
Surplus/ (deficit) for the Year(Before Tax)	1,667,976.11	(861,022.09)
Adjustments to reconcile surplus/(deficit) to net cash flows:		
Non-Cash items:		
Depreciation and impairment of Property, Plant and Equipment	214,025.96	231,311.66
Amortization and impairment of intangible assets	-	-
Movement in provisions, receivables and specific risks	-	-
Capital Reserve Written off	(26,496.00)	(33,120.00)
Gains/loss from disposal of fixed assets	-	-
Working Capital Adjustments:		
Accounts Receivable	(2,648,115.55)	(70,500.96)
Prepayments	-	-
Inventories	-	-
Other Financial Assets	-	-
Accounts Payable	2,666,140.82	36,905.00
Less:		
Income Tax Paid	-	-
Interest Paid	-	-
Net Cash Flow From/ (used in) Operating Activities	1,873,531.34	(696,426.39)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment	(153,330.73)	-
Purchase of Intangible Assets	-	-
Increased Unrestricted Fund	486,566.39	(1,167,494.70)
Increased Restricted Fund	(84,067.86)	3,188,460.97
Interest received	-	-
Income from securities, net	-	-
Net Cash Flow From/ (used in) Investing Activities	249,167.80	2,020,966.27
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowing of government loans	-	-
Repayment of government loans	-	-
Net Cash Flow/(used in) From Financing Activities	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,122,699.14	1,324,539.88
CASH AND CASH EQUIVALENTS AT 1 Shrawan 2081	6,073,295.47	4,748,755.59
CASH AND CASH EQUIVALENTS AT 32 Ashadh 2082	8,195,994.61	6,073,295.47

As Per Our Attached Report Of Even Date

The Notes on accounts forms an integral part of the financial statements.


Vidhya Sharma
Accountant


Subhraj Sharma
Office Incharge


CA. Ram Saran Giri
R.S.G. Associates
Chartered Accountants


Khadka Bdr. Bishwokarma
Treasurer


Shaligram Sharma
Chairperson



Date: 2082/05/04

SAHAVAGI
STATEMENT OF CHANGES IN RESERVE
Dhikuwa-09, Rafnagar, Chitwan

For The Period 2081/04/01 (2024/07/16) To 2082/03/32 (2025/07/16)

FIGURES IN 'NPR

Description	Restricted Reserves	Research Fund	Prize and Reward Fund	Unrestricted Reserves	Endowment Funds	Capital Reserves	Results for the Year	Total
Balance as at 01 Shrawan 2080	1,723,482.80	304,420.20	48,400.00	5,378,133.91	6,905,000.00	165,600.00	-	14,525,036.91
Results for the Year	-	-	-	-	-	-	(2,061,636.79)	(2,061,636.79)
Allocation of results to Restricted Reserves	3,190,061	-	-	-	-	-	-	3,190,061
Allocation of results to Designated Fund	-	-	-	-	-	-	-	-
Allocation of results to Unrestricted Fund	-	-	-	(2,028,516.79)	-	(33,120.00)	2,061,637	-
Allocation of results to Endowment Fund	-	-	-	-	-	-	-	-
Allocation of results to Capital Fund	-	-	-	-	-	-	-	-
Balance as at 31st Ashad 2081	4,913,543.77	304,420.20	48,400.00	3,349,617.12	6,905,000.00	132,480.00	-	15,653,461.09
Results for the Year	-	-	-	-	-	-	1,667,976.11	1,667,976.11
Allocation of results to Restricted Reserves	-	-	-	-	-	-	-	-
Allocation of results to Designated Fund	-	-	(30,425.00)	-	-	-	-	(30,425.00)
Allocation of results to Unrestricted Fund	(53,642.86)	-	-	2,154,542.50	-	(26,496.00)	(1,667,976.11)	406,427.53
Allocation of results to Endowment Fund	-	-	-	-	-	-	-	-
Allocation of results to Capital Fund	-	-	-	-	-	-	-	-
Balance as at 32, Ashadh 2082	4,859,900.91	304,420.20	17,975.00	5,504,159.62	6,905,000.00	105,984.00	-	17,697,439.73

The Notes on accounts forms an integral part of the financial statements.

As Per Our Attached Report Of Even Date,


Vidhya Sharma
Accountant


Subharaj Sharma
Office Incharge


CA. Ravi Saran Giri
R.S.G. Associates * Chartered Accountants


Madka Bdr. Bishwakarma
Treasurer


Shaligram Sharma
Chairperson



Date: 2082/05/04

SAHAVAGI

Dhikuwa-09, Ratnagar, Chitwan

Consolidated Funds Flow Statement

Financial Year: 2081-82 (2024-25)

S.N	Particulars	Capital Reserve	Unrestricted Fund/Core Account	SAHAVAGI-EPIC	SHIP	FASECC	Grand Total
A	Opening Balance of Fund	132,480.00	9,045,253.04	1,353,426.00	2,048,750.67	1,024,800.71	13,604,710.42
	Restricted Fund	-	2,048,750.67	-	(2,048,750.67)	-	-
B	Adjustment in opening Fund	-	-	-	-	-	-
	Sources of Fund	-	-	-	-	-	-
1	Fund Received During the Period	-	4,095,728.56	15,617,193.38	10,869,733.85	-	30,582,655.79
2	Fund Transfer	-	-	-	-	-	-
3	Depreciation amount charged from Capital Reserve	(26,496.00)	-	-	-	-	(26,496.00)
C	Application of Fund	-	-	-	-	-	-
1	Expenditure	-	(2,427,752.45)	(15,493,241.49)	(7,487,210.83)	(1,024,800.71)	(26,433,005.48)
	Expenses from Prize Fund	-	(30,425.00)	-	-	-	(30,425.00)
D	Inter Fund Transfer	-	-	-	-	-	-
1	Core Contribution to Project	-	-	-	-	-	-
2	Fund Transfer	-	-	-	-	-	-
3	Transferred to Core From Project (Fund of Elapsed project)	-	-	-	-	-	-
	Balance of Fund (A+B+D-C)	105,984.00	12,731,554.82	1,477,377.89	3,382,523.02	-	17,697,439.73
	Represented by	-	-	-	-	-	-
1	Fixed Assets	105,984.00	9,646,077.93	-	-	-	9,752,061.93
2	Investment	-	5,000.00	-	-	-	5,000.00
3	Advances & Receivables	-	244,644.01	123,199.95	2,620,486.76	-	2,988,330.72
4	Bank Balance	-	5,658,074.91	1,740,825.24	767,094.46	-	8,165,994.61
5	Cash	-	10,000.00	20,000.00	-	-	30,000.00
6	Grant liabilities	-	-	-	-	-	-
7	Payables	-	(2,832,242.03)	(406,647.30)	(5,058.20)	-	(3,243,947.53)
	Total	105,984.00	12,731,554.82	1,477,377.89	3,382,523.02	-	17,697,439.73

CA Ram Suman Giri
R.S.G. Associates
Chartered Accountants



Subharaj Sharma
Office Incharge

Khadka Bar. Bishwakarma
Treasurer

Vidhya Sharma
Accountant

Date: 2082/05/04

SAHAVAGI
Dhikuwa-09, Ratnagar, Chitwan

Statement of Accounting Policies and Notes to Financial Statements
For The Year Ended Ashad 32, 2082 (July 16, 2025)

1. GENERAL INFORMATION

SAHAVAGI is registered with the Chitwan District Administration Office. It was established in 1997 as a non-government organization under the Society Registration Act, 1977. It was initiated by a group of like-minded professionals for sharing their experiences in participatory and self-help oriented development.

2. Basis of Preparation

2.1 Statement of Compliance

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 Ashad End 2082 and for the year then ended comply with the Nepal Financial Reporting Standards for NPOs (NAS for NPOs) issued by Accounting Standard Board of Nepal (ASBN).

As per the Carve outs/alternative treatment issued by ASBN on section 6: Financial Statements, organization has prepared consolidated Funds Accountability Statement in addition to above mentioned set of Financial Statements.

2.2 Basis of Measurement

The Financial Statements have been prepared on an accrual basis except for cash flow information.

2.3 Functional and Presentation Currency

The financial statements have been expressed in term of NRs. which is the functional currency of the organization. All the financial information presented in Nepalese Rupees has been rounded to the nearest rupee except 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 Judgements, Estimates and Assumptions

The preparation of the financial statements requires the use of certain critical accounting estimates and judgements. It also requires management to exercise judgement in the process of applying the accounting policies. The management makes certain estimates and assumptions regarding the future events. Estimates and judgements 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.

Following are the some of assumptions and estimates made by the organization.

1. Economic Useful life of Assets
2. Fair Value of Financial Assets
3. Impairment on Financial & Non Financial Assets
4. Provision for liabilities, commitments and Contingencies

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, plant and equipment. All other expenditure is recognized in the Statement of Income & Expenditure as an expense as incurred.

b. Depreciation

Depreciation is provided for on all Property Plant and Equipment on the written Down Value(WDV) 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.

Detailed relating to depreciation of PPE presented in 4.1 of Notes to the Financial Statements.

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. 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

SAHAVAGI 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 SAHAVAGI'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 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 SAHAVAGI 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 not been provided to all staffs 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 SAHAVAGI at the discretion of the Board, in furtherance of the general objectives of SAHAVAGI 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.

b Designated Reserves/Funds



The bottom of the page features several handwritten signatures and two official circular stamps. The stamps are for 'SAHAVAGI' and 'ASSOCIATES * Chartered Accountants'. The signatures are in black ink and appear to be of various individuals, some with dates like '7/9/13' written next to them.

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.

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 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 Contribution/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.

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.

3.12 Expenditure Recognition

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

3.12.1 Rent Expenses

Organization has its own building for its administrative purposes and rent paid by the specific projects are charged under the expenses head of respective projects and considered as short term lease.

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 entity subject to exemptions referred to in Note 4.19 to the Financial Statements.

b Deferred Taxes

SAHAVAGI is a tax exempt entity thus deferred tax has not been calculated.

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 entity. 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 Note 4.20. For certain operational claims reported as contingent liabilities, it is not practical to disclose detailed information on their corresponding nature and uncertainties.



4. Notes to the Financial Statement

4.1 Property, Plant and Equipment

Items	Balance as at 1 Shrawan, 2081	Additions During the Year	Disposals during the year	Balance as at 32 Ashadh, 2082
Land	6,460,089.95	-	-	6,460,089.95
Buildings	3,584,666.41	-	-	3,584,666.41
Kitchen Room	-	135,406.00	-	135,406.00
Office/Computer Equipment	354,802.90	17,925.00	-	372,727.90
Furniture and Fittings	5,808.87	-	-	5,808.87
Machinery	82,503.99	-	-	82,503.99
CCTV Camera	28,000.00	-	-	28,000.00
Total	10,515,872.12	153,331.00	-	10,669,203.12

Depreciation

Items	Balance as at 1 Shrawan, 2081	Charge for the Year	Disposals during the year	Balance as at 32 Ashadh, 2082
Land	-	-	-	-
Buildings	511,263.04	153,670.17	-	664,933.21
Kitchen Room	-	3,208.94	-	3,208.94
Office/Computer Equipment	139,268.75	44,579.34	-	183,848.09
Furniture and Fittings	2,241.50	535.11	-	2,776.61
Machinery	40,261.94	8,448.41	-	48,710.35
CCTV Camera	10,080.00	3,584.00	-	13,664.00
Total	703,115.23	214,025.96	-	917,141.19

Net Value

Items	Balance as at 32 Ashadh, 2082	Balance as at 1 Shrawan, 2081
Land	6,460,089.95	6,460,090
Buildings	2,919,733.20	3,073,403
Office/Computer Equipment	188,879.81	215,534
Furniture and Fittings	3,032.26	3,567
Machinery	33,793.64	42,242
Kitchen Room	132,197.06	-
CCTV Camera	14,336.00	17,920
Total	9,752,061.93	9,812,756.89

4.2 Intangible Assets

Items	Balance as at 1 Shrawan, 2081	Additions During the Year	Disposals during the year	Balance as at 32 Ashadh, 2082
Software	-	-	-	-
Emblem	-	-	-	-
Other Intangible Assets	-	-	-	-
Total	-	-	-	-

Amortization

Item	Balance as at 1 Shrawan, 2081	Charge for the Year	Balance as at 32 Ashadh, 2082
Software	-	-	-
Emblem	-	-	-
Other Intangible Assets	-	-	-
Total	-	-	-

Sahavagi has no any intangible assets as on reporting date.

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4.3 Inventories

All inventories item purchased by the NGO was charged as expenses on respective projects and core account at the time of purchase and thus, there is no value of inventories.

4.4 Accounts Receivable

Particulars	Current Year	Previous Year
Central Office		
Telephone Deposit	3,140.00	3,140.00
Deposit for Mobile	3,000.00	3,000.00
Receivable from Various Municipality	117,227.47	117,227.47
TDS on Interest	35,238.54	35,238.54
Rental TDS (10%)	-	2,222.00
Birbhadra Acharya	-	12,800.00
SHIP Project	74,235.00	74,235.00
Saroj Raj Poudel (PO)	11,803.00	11,803.00
Sub total	244,644.01	259,666.01
SAHAVAGI-EpiC		
VAT Receivable EpiC Nepal	123,199.95	80,549.16
Sub total	123,199.95	80,549.16
SHIP Project		
Receivable from Core	2,620,486.76	-
Sub total	2,620,486.76	-
Total	2,988,330.72	340,215.17

4.5 Cash and cash Equivalents

Particulars	Current Year	Previous Year
Central Office		
Prime Bank Ltd. (00300204CA)	5,525.05	5,525.05
RBB-Bharatpur (5196CA)	18,180.25	3,180.25
Sunrise Bank Ltd.	322,690.18	17,301.27
Prabhu Bank Ltd.	341,368.44	103,029.77
Garima Bikas Bank Ltd.	5,000.92	341,571.92
Atharwa Saving & Credit Co-operative Ltd.	2,323,568.00	1,792,205.92
Petty Cash	10,000.00	9,999.00
Prime Bank Ltd. (00300185CA)	2,641,742.07	2,059,691.01
Sub Total	5,668,074.91	4,332,504.19
SHIP		
Garima Bikas Bank Ltd.	767,094.46	-
Sub Total	767,094.46	-
SAHAVAGI-EpiC		
Nepal Investment Megha Bank Ltd.	1,740,825.24	1,720,791.28
Cash in Hand	20,000.00	20,000.00
Sub Total	1,760,825.24	1,740,791.28
Total	8,195,994.61	6,073,295.47

The cash and bank represents the amount of Rs 8,195,994.61 this year.

4.6 Unrestricted Funds

Particulars	Current Year	Previous Year
Balance as at beginning of year	3,349,617.12	5,378,133.91
Transferred from restricted fund	486,566.39	-
Unrestricted surplus/ deficit in operating activities	1,667,976.11	(2,028,516.79)
Total	5,504,159.62	3,349,617.12

4.7 Research Fund

Particulars	Current Year	Previous Year
Balance as at beginning of year	304,420.20	304,420.20
Additional Funds received/(paid) during the year	-	-
Balance as at year end	304,420.20	304,420.20



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4.15 Incoming Resources (Projects)

Particulars	Current Year	Previous Year
SAHAVAGI-EpiC	15,493,241.49	17,028,789.80
SHIP	7,487,210.83	-
FASECC	1,024,800.71	1,020,477.70
Total	24,005,253.03	18,049,267.50

(a) Incoming Resources (Core Fund)

Particulars	Current Year	Previous Year
Income from Overhead (EPIC)	938,632.10	110,454.00
Income from Municipality (Bridge)	772,690.93	678,983.56
Income from Membership Fee	8,200.00	20,000.00
Income from Other (Photocopy and Conference Pad)	-	82,323.44
Surplus fund FASECC	1,024,800.71	8,000.00
Contribution from Staff/Others	30,842.00	11,000.00
Interest from Fixed Deposits	131,562.00	218,209.47
Income From Land	15,000.00	15,000.00
Income from NHSSP	110,320.20	2,209,575.00
Interest from Call account	14,455.19	-
Individual Contribution	631,650.44	-
Income from Overhead (SHIP)	373,231.99	-
Other Income	17,847.00	56,563.40
Total	4,069,232.56	3,410,108.87

(b) Other Income

Particulars	Current Year	Previous Year
Depreciation charged from Capital Reserve	26,496.00	33,120.00
Total	26,496.00	33,120.00

4.16 Staff Cost

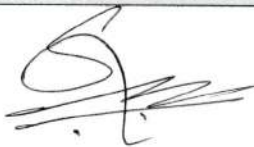
Particulars	Current Year	Previous Year
Salaries-Core	1,297,130.00	869,029.00
Salaries-NHSSP	-	2,057,071.00
Salaries-BBLL	323,032.00	1,597,806.00
Total	1,620,162.00	4,523,906.00

4.17 General & Administrative Expenditure

Particulars	Current Year	Previous Year
Books & Newspaper	9,600.00	4,900.00
Communication, email & internet	45,150.00	45,597.00
Stationery/Print/Photocopy	9,685.00	36,870.00
Fuel/Transportation	44,150.00	103,675.00
Repair and Renewal	20,745.00	18,070.00
Insurance Premium	16,020.00	28,040.00
Travel and per diem	26,670.00	-
Bank Charge	935.49	1,210.00
Audit fee	100,000.00	56,500.00
Board Meeting Expenses	40,000.00	32,610.00
HRDC Meeting	13,000.00	11,000.00
Office Expenses	54,039.00	35,226.00
Public relation	23,757.00	-
Organization Renewal	-	2,510.00
Website Hosting/Design	19,210.00	17,515.00
Miscellaneous	44,114.00	18,450.00
Strategic Planning Meeting Expenses	-	10,000.00
SAHAVAGI day celebration	4,460.00	8,274.00
Other Expenses (Tax Returns)	-	5,000.00
General Assembly Meeting	29,268.00	15,000.00
Public Hearing	20,130.00	5,000.00
Water and Electricity	23,441.00	1,454.00
Year Planner Publication	15,900.00	10,055.00
Program Monitoring from BOD	12,690.00	10,000.00
FSIL Meeting Expenses	-	4,840.00
SWC Monitoring	20,600.00	-
Expenses of BBLL		
-TADA	-	234,732.00
Total	593,564.49	716,528.00

4.18 Program Expenses

Particulars	Current Year	Previous Year
LSP-Humla Project	-	-
SAHAVAGI-EpiC	15,493,241.49	16,868,137.80
SHIP	7,487,210.83	-
FASECC	1,024,800.71	13,635.00
Total	24,005,253.03	16,881,772.80



a) Detailed of Program Expenses

Particulars	Current Year	Previous Year
Personnel Cost		
Per Diem	-	-
Travel	-	-
Office Setup and Operations		
Written off Expenses	-	-
Sub-total (A)	-	-
SAHAVAGI-EpiC		
Salaries	7,431,152.00	7,665,036.00
Provident Fund Contribution	743,175.00	766,509.00
Festival Allowances	618,986.00	638,491.00
Gratuity	618,985.00	638,491.00
SSF	121,058.00	-
Group Accidental Coverages	-	125,234.00
Local Transportation for Management Team	162,357.00	229,540.00
Per diem for Management Team	135,250.00	293,540.00
Office Rental (Bharatpur, Chitwan)	672,774.00	633,720.00
Office Rental (Bardaghat NP)	334,830.00	304,392.00
Office Utilities	70,881.00	73,011.00
Office Supplies	196,861.32	295,115.00
Communication	81,475.00	130,030.00
Repair and Maintenance	24,163.00	68,967.00
Motorbike Operation Cost	29,950.00	48,200.00
Staff Recruitment Cost	1,060.00	20,740.00
Audit Fee	40,000.00	46,080.00
DIC Operation Cost	17,160.00	29,425.00
Printer	-	55,000.00
Laptop	-	94,690.24
Office Table	-	15,000.00
Revolving Chair	13,230.00	10,000.00
Office shifting cost	46,991.00	-
Water Filter RO	-	29,850.00
Batteries for inverter	47,517.70	-
Carpet	13,600.00	-
Desktop Computer	85,265.49	-
UPS For Desktop	4,424.77	-
Assets Insurance Premium	10,309.10	25,007.06
Office Daraz	36,770.00	-
Cover and Glass for Tablet	-	-
Lab and Medical Supplies	170,494.00	244,828.50
City Clinic Worker	40,500.00	16,500.00
Transportation Cost for Peer Navigators	329,255.00	479,550.00
Communication Cost for Peer Navigators	64,666.00	84,000.00
Transportation Cost for HA	20,320.00	32,925.00
Transportation Cost for HA ART	800.00	10,100.00
Support Cost for PLHIV Case Documentation	8,500.00	10,500.00
Support Cost for ART Initiation for PLHIV	114,007.00	286,822.00
Per Diem for HIV and VL Testing , ART Ini	83,600.00	193,255.00
Service Procurement for Hepatitis B	3,200.00	9,960.00
Referral Cost for HIV Testing	8,890.00	8,075.00
PrEP Roll Out Cost	231,185.00	385,100.00
Monthly Viral Load Camp	221,539.00	193,969.00
Transportation Cost for ART Counselor	13,200.00	22,824.00
Consultation for ART and PrEP Initiation	85,600.00	155,600.00
Consultant ART Counselor Weekly Case Mgmt	14,400.00	29,082.00
Support Group/Adherence Club Meeting	90,295.00	140,870.00
Transportation Cost for Lab Staff	21,825.00	24,945.00
Technical and Logistic Support ART Center	33,275.00	74,640.00
Transportation Cost CBS	276,770.00	388,430.00
Communication Cost for CBS	53,061.00	72,000.00
EPOA Cost	28,800.00	23,300.00
Creative Event for KP and PLHIV	79,802.00	194,583.00
S&D Reduction Training	59,940.00	109,700.00
Promotion Mero Sathi and Other Promotion	7,000.00	10,000.00
Clinical Helper Backup	61,157.00	57,000.00
Continued medical Education	24,850.00	-
Monthly performance review meeting	19,675.00	-
Monthly Meeting with ART Center	58,315.00	69,520.00



Monitoring Visit From HO/LB/ART Counselor	49,580.00	112,408.00
Commemorate National and International Day	21,810.00	43,165.00
Weekly Review /Monthly Staff Meeting	58,105.00	326,687.00
Monthly Review Meeting with PO	43,890.00	71,795.00
Coordination Meeting with Stakeholder	31,700.00	117,785.00
Indirect/overhead Costs	938,632.11	-
Participate in Training Org by FHI 360	566,378.00	632,151.00
Sub-total (B)	15,493,241.49	16,868,137.80
SHIP Project		
Salaries and fringe benefits	2,271,446.00	-
Vidhya Devi Sharma(Part-Time)	2,020.00	-
Field Coordinator-Agriculturist TBN	2,000.00	-
Insurance	10,060.00	-
Travel Costs	226,613.00	-
SWC Program Approval Exercise in Kathmandu	19,365.00	-
Laptop	192,000.00	-
Printer	54,500.00	-
Projector	50,000.00	-
Furniture & Need Based Materials for Office	199,506.00	-
GPS	20,000.00	-
Weighing Machine	36,000.00	-
LRP Development Basic Training	63,405.00	-
LRP Development Topical Training	79,275.00	-
Program Orientation Training to SHIP Staffs	20,107.00	-
Nursery Management Training	31,500.00	-
Vehicle Fuel Support to Field Office	29,990.00	-
Need Based Materials Transport to Field	9,908.00	-
Stationary LRP Development Basic Training	7,510.00	-
Stationary LRP Development Topical Training	6,495.00	-
Seed Support for Home Garden	375,945.00	-
Home Garden Tools and Equipment Support	1,124,808.00	-
Fruit Sapling Distribution	276,265.00	-
Fodder Sapling Distribution	83,244.00	-
Communication	12,000.00	-
Stationary for Field Office	39,653.83	-
Nursery Establishment/management Supplies	52,160.00	-
Baseline Survey	149,205.00	-
Participatory Program M&E Cost	44,900.00	-
SWC Approval and Monitoring&Evaluation Cost	120,000.00	-
SAHAVAGI M&E Department Monitoring	109,950.00	-
Monthly Meeting	35,960.00	-
Program Approval From Local Government	5,000.00	-
Project Site Selection&Preliminary Data	50,000.00	-
Program Orientation to Rm Staff	21,845.00	-
LRP Mobilization Cost to Cover Fooding	1,130,145.00	-
Half Yearly Review Meeting with RM	14,000.00	-
Annual Review Meeting with RM	21,300.00	-
Field Office Rent	101,500.00	-
Field Office Utilities	14,805.00	-
Internet Expenses	16,000.00	-
Overseas NGO Support Cost (5%)	356,825.00	-
Sub-total (C)	7,487,210.83	-
FASECC		
Surplus fund transferred to core	1,024,800.71	-
Salaries	-	-
Overhead	-	-
-SWC Programme Approval Exercise Allowance	-	13,635.00
Sub-total (D)	1,024,800.71	13,635.00
Total (A+B+C+D)	24,005,253.03	16,881,772.80

4.19 Income Tax Expense

SAHAVAGI has obtained the tax-exempt status under section 2(Dha) of Income Tax Act 2058, of Nepal As such, the organization is exempt from income tax for its income and earned in pursuit of the entity's function as per its objectives.

4.20 Capital Commitments

SAHAVAGI has not made any capital commitment with respect to any works.




4.21 Contingent Liabilities

SAHAVAGI has no legal cases against it nor does it have any claims against it. Hence, there is no contingent liability endorsed by SAHAVAGI at the end of Ashad, 2082.

4.22 Related Party Transactions

Board of Directors of the organization and office incharge are the related parties. Following are the members of the board of directors.

S. N.	Name	Designation
1	Saligram Sharma Paudel	Chairperson
2	Dr. Yeknarayan Paudel	Secretary
3	Khadga Bahadur B.K.	Treasurer
4	Birhadra Acharya	Member
5	Dr. Susan Acharya	Member
6	Luk Bahadur Rana	Member
7	Mina Kharel	Member
8	Dr. Keshab Raj Chalise	Member
9	Gita Devkota	Member

Office Incharge: Subha Raj Sharma

SAHAVAGI has not carried out any related party transactions in violation of arm's length during the reporting period.

4.23 Project Surplus Fund

Upon the conclusion of the FASEC Project, the remaining balance of Rs. 1,024,800.71 has been transferred to the organization's core funds and recognized as income in the financial statements.

4.24 Previous Year Figures

Previous year figures have been re-arranged/re-grouped wherever necessary to make the current year figures comparable.

4.25 Subsequent Event

No event has occurred subsequent to audit period that require adjustment to or disclosure in the financial statements.

