

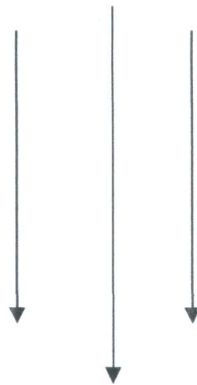


Audit Report

For

For the Period 16 July 2021 to 16 July 2022

Fiscal Year: - 2078-79



Submitted by:

S. Devkota & Company
Chartered Accountants
Kathmandu Business Park, Teku
Kathmandu, Nepal

INDEPENDENT AUDITOR'S REPORT

To The Members of Baliyo Nepal Nutrition Initiative

Opinion

We have audited the financial statements of Baliyo Nepal Nutrition Initiative (BNNI) for the year ended 32 Ashad 2079 (16 July 2022) which comprise of the Statement of Financial Position, Statement of Income and Expenditure, Statement of Cash Flows for the year ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements:

- give a true and fair view of the financial position of the organization as at 32 Ashad 2079 (16 July 2022) and of its financial performance and cash flows for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Principles;

Basis for opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). 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 Baliyo Nepal Nutrition Initiative (BNNI) in accordance with the handbook of code of ethics issued by the Institute of Chartered Accountants of Nepal (ICAN), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

The management is responsible for the preparation of financial statements that give a true and fair view in accordance with generally accepted accounting principles, and for such internal control as the management determine 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, the 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 the management either intend to liquidate the organization or to cease operations, or have no realistic alternative but to do so.



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 misstatement, 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 NSAs 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 NSAs, 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 the organization;
- Conclude on the appropriateness of the managements' 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; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Report as per the requirement of the Companies Act, 2063 and other regulatory requirements

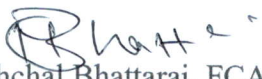
Besides the matters mentioned in the preceding paragraphs, based on our audit and the information and explanations provided to us, we also report that:

- a) we have obtained information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of such books;
- c) the attached financial statement comprising of Statement of Financial Position, Statement of Profit & Loss, Statement of Cash Flows, Statement of Changes in Equity are prepared in compliance with Nepal Accounting Standards prepared under the prevailing law and such statements are in agreement with the books of account maintained by the company;
- d) to the best of our knowledge and in accordance with explanations given to us and from our examination of the books of account of the Company necessary for the purpose of our audit, we have not come across cases where the Board of Directors or any employees of the Company have acted contrary to the provisions of law or committed any misappropriation or caused loss or damage to the Company.
- e) to the best of our knowledge, no accounting fraud has been committed in the company.

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.

For and on behalf of

S. Devkota & Company;
Chartered Accountants


Nishchal Bhattarai, FCA
Partner



Date: 1 November 2022

UDIN: 221109CA00519RwQuc

Baliyo Nepal Nutrition Initiative

(A Non Profit Distributing Company)

Sanepa, Lalitpur


Statement of Financial Position


As at 32 Ashad 2079 (16 July 2022)

Particular	Notes	Current Year (NPR)	Previous Year (NPR)
ASSETS			
Non - Current Assets			
Property Plant and Equipment		-	-
Total Non - Current Assets		-	-
Current Assets			
Accounts Receivable	4.1	1,037,798.69	41,535.00
Cash and cash equivalents	4.2	16,335,483.84	42,160.46
Total Current Assets		17,373,282.53	83,695.46
Total Assets		17,373,282.53	83,695.46
LIABILITIES & RESERVES			
Funds			
Capital Fund	4.3	50,000.00	50,000.00
Accumulated Reserves			
Unrestricted Funds/accumulated surplus	4.4	-	-
Restricted Funds			
Payable to Donor	4.5	16,123,539.34	(2,435,772.04)
Total Accumulated Reserves		16,123,539.34	(2,435,772.04)
Non - Current Liabilities			
Deferred Revenue		-	-
Other Noncurrent liabilities		-	-
Total Non - Current Liabilities		-	-
Current Liabilities			
Accounts Payable	4.6	1,199,743.19	2,469,467.50
Total Current Liabilities		1,199,743.19	2,469,467.50
Total Liabilities		1,199,743.19	2,469,467.50
Total Liabilities and Reserves		17,373,282.53	83,695.46

Significant Accounting Policies and Notes to Account
form Integral part of Statement of Financial Position

As per our report of even date


Dr. Atul Upadhayay
Chief Executive Officer


Paras Khadka
Board Member


Prakash Bakhrel
Manager Finance and Admin


Nishchal Bhattarai, FCA
Partner
S. Devkota & Company
Chartered Accountants



Location: Lalitpur, Nepal
Date : 1 November 2022



Baliyo Nepal Nutrition Initiative

Sanepa, Lalitpur


Statement of Cash Flows

For the period 1 Shrawan 2078 to 32 Ashadh 2079 (16 July 2021 to 16 July 2022)

Particular	Current Year (NPR)	Previous Year (NPR)
Cash Flows From Operating Activities		
Surplus/ (Deficit) For The Year (Before Tax)	-	-
Adjustments to Reconcile Surplus/(Deficit) to Net Cash Flows: Non-Cash Items:		
Depreciation and Impairment of Property, Plant and Equipment	-	-
Increase/ (Decrease) in Restricted Fund	18,559,311.38	(1,312,728.33)
Working Capital Adjustments:		
Accounts Receivable	(996,263.69)	89,826.00
Accounts Payable	(1,269,724.31)	1,145,794.50
Net Cash From/(Used In) Operating Activities	16,293,323.38	(77,107.83)
Cash Flows From Investing Activities		
Purchase of Property Plant and Equipment	-	-
Proceeds From Sale Of Equipment	-	-
Net Cash From/(Used In) Investing Activities	-	-
Cash Flows From Financing Activities		
Increase/(Decrease) in Capital Fund		50,000.00
Increase/(Decrease) in General Fund		3,470.52
Net Cash From/(Used In) Financing Activities	-	53,470.52
Net Increase/(Decrease) In Cash And Cash Equivalents	16,293,323.38	(23,637.31)
Cash And Cash Equivalents at the Beginning of the Period	42,160.46	65,797.77
Cash And Cash Equivalents at the End of the Period	16,335,483.84	42,160.46

Significant Accounting Policies and Notes to Account form
Integral part of Statement of Cash Flows

As per our report of even date


Dr. Atul Upadhayay
Chief Executive Officer


Paras Khadka
Board Member


Prakash Bakhrel
Manager Finance and Admin


Nishchal Bhattarai, FCA
Partner
S. Devkota & Company
Chartered Accountants

Location: Lalitpur, Nepal
Date : 1 November 2022



Baliyo Nepal Nutrition Initiative

Sanepa, Lalitpur

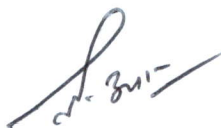
Statement of Income and Expenditure

For the period 1 Shrawan 2078 to 32 Ashadh 2079 (16 July 2021 to 16 July 2022)

INCOME	Note	Current Year (NPR)	Previous Year (NPR)
Incoming Resources			
Grants - Unrestricted Funding	4.7	-	-
Grants - Restricted Funding	4.7	43,218,984.07	42,367,007.81
Total Income		43,218,984.07	42,367,007.81
EXPENDITURE			
Unrestricted Funding	4.8	-	-
Restricted Funding	4.8	43,218,984.07	42,367,007.81
Total Expenditure		43,218,984.07	42,367,007.81
Net surplus/(deficit) before Taxation		-	-
Income Tax Expenses	4.9	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		-	-


Significant Accounting Policies and Notes to Account form
integral part of Statement of Income and Expenditure

As per our report of even date


Dr. Atul Upadhayay
Chief Executive Officer


Paras Khadka
Board Member


Prakash Bakhrel
Manager Finance and Admin


Nishchal Bhattarai, FCA
Partner
S. Devkota & Company
Chartered Accountants

Location: Lalitpur
Date : 1 November 2022



Notes to Financial Statement
 Baliyo Nepal Nutrition Initiative
 Sanepa, Lalitpur
 Statement of Accounting Policies and Notes to Financial Statement
 For the Year Ended 32 Ashad 2079 (16 July 2022)

4 Notes to Accounts

4.1 Capital Fund

Item	Current Year (NPR)	Previous Year (NPR)
Capital Fund	50,000.00	50,000.00
Total	50,000.00	50,000.00

4.2 Advances, Deposits & Receivables

Item	Current Year (NPR)	Previous Year (NPR)
Internet Deposit	1,000.00	1,000.00
Membership Fee	3,500.00	3,500.00
Prepaid Expense	-	7,035.00
Preliminary Capital	30,000.00	30,000.00
Levin Sports Pvt. Ltd	1,500.00	-
Atul Upadhyay	17,872.00	-
Ayush Gautam	25,130.00	-
Branding Bee Pvt Ltd	423,650.00	-
Indirect Cost- Advance Paid to BNNI Core Fund Project	535,146.69	-
Total	1,037,798.69	41,535.00

4.3 Cash and Cash Equivalents

Item	Current Year (NPR)	Previous Year (NPR)
Nabil Bank A/C (NPR)	14,485,173.39	31,382.94
Nabil Bank A/C (USD)	1,850,310.45	-
Petty Cash	-	10,777.52
Total	16,335,483.84	42,160.46

4.4 Unrestricted Funds

Item	Current Year (NPR)	Previous Year (NPR)
Balance at the Beginning of the Year	-	-
Unrestricted Surplus/(Deficit) in Operating Activities	-	-
Balance at the end of Year	-	-

4.5 Restricted Funds

Item	Current Year (NPR)	Previous Year (NPR)
Bill & Melinda Gates Foundation (BMGF) and BENWA		
Balance at the Beginning of the Year	-	-
Fund Received During The Year	46,569,795.45	-
Transfer to Income	(31,207,953.57)	-
Balance at the end of Year	15,361,841.88	-
New Venture Fund(NVF)		
Balance at the Beginning of the Year	-	-
Fund Received During The Year	8,812,500.00	-
Transfer to Income	(8,812,500.00)	-
Balance at the end of Year	-	-
Chaudhary Foundation		
Balance at the Beginning of the Year	(2,435,772.04)	-
Fund Received During The Year	6,396,000.00	-
Transfer to Income	(3,198,530.50)	-
Balance at the end of Year	761,697.46	(2,435,772.04)
Total Restricted Funds	16,123,539.34	(2,435,772.04)

4.6 Accounts Payable

Item	Current Year (NPR)	Previous Year (NPR)
Masti Nepal Travel & Tours Pvt. Ltd.	-	54,871.00



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Item	Current Year (NPR)	Previous Year (NPR)
Audit Fees Payable	-	139,375.00
CIT Payable	6,622.00	551,520.00
Gratuity Payable	2,758.00	184,623.50
Payable to BMGF Project Fund	535,146.19	-
S Devkota and Company	111,500.00	-
Salary and Benefits Payable to Staff	394,483.00	1,120,239.00
Sharmistha Pradhan	43,531.00	-
Sharmistha Pradhan (Landlord)	-	199,516.00
TDS on Individual	-	2,828.00
TDS on Office Rent Tax	-	26,775.00
TDS on Pvt. Ltd.	1,500.00	1,081.00
TDS on Remuneration	-	176,317.00
TDS on Social Security	-	6,226.00
TDS on Vehicle Rental	-	6,096.00
Vikas Food Products Pvt Ltd	104,203.00	-
Total	1,199,743.19	2,469,467.50

4.7 Incoming Resources

Item	Current Year (NPR)	Previous Year (NPR)
Restricted Funding		
Bill & Melinda Gates Foundation (BMGF) and BENWA	31,207,953.57	-
New Venture Fund (NVF)	8,812,500.00	-
BNM Chaudhary Foundation	3,198,530.50	-
Phase II - Implementation Phase	-	10,071,819.92
Phase III - Implementation Phase	-	26,690,886.37
Phase III - Implementation Phase Extension	-	3,573,737.98
Other Projects	-	2,030,563.54
Total	43,218,984.07	42,367,007.81

4.8 Expenses

Item	Current Year (NPR)	Previous Year (NPR)
Restricted Fund		
BNM_CF	3,198,530.50	-
Administration and Operation Expenditure		
Accounting Software (Truebooks)	101,700.00	-
Asst. Manager - Finance	83,753.00	-
Audit Fees	6,505.00	-
Bank Charges	30.00	-
Chief Executive Officer	542,516.00	-
Communication (Office Telephone + Admin Staff)	1,000.00	-
Communication Allowance (Admin Staff)	3,750.00	-
Fuel Cost (Admin)	35,877.00	-
Gratuity (Admin Staffs)	57,539.00	-
Head of Finance	145,999.04	-
Internet/ Email	7,910.00	-
Legal Fee	50.00	-
Local Transport	1,127.00	-
Medical and Accidental Insurance (Admin Staffs)	48,696.64	-
Office Rent	135,315.00	-
Office Supplies (consumable)	24,398.00	-
Office Support	19,612.50	-
Printing Expenses	2,200.00	-
Provident Fund (PF admin Staffs)	69,075.00	-
Rates and Taxes (registration/Renewal)	7,985.00	-
Security Service	30,000.00	-
Stationary Expenses	31,294.00	-
Utilities (water/electricity/sanitation/L.P. gas etc)	14,705.00	-
Program Expenditure		
Asst. Manager: MLE & Partnership	83,753.00	-
Communication (Program Staffs)	7,500.00	-
Communications & PR Manager	126,764.00	-
Digital Media management	120,000.00	-
Driver Salary	40,404.00	-
Formulation of Nutrition Labeling Guidelines	53,680.00	-
Fuel Cost (Program)	-	-



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Signature



Item	Current Year (NPR)	Previous Year (NPR)
Gratuity (Program Staffs)	53,234.00	-
Head - Operation, Programs & Partnerships	214,506.00	-
HR & Procurement Officer	26,287.50	-
Initiate National Action Plan formulation for food fortification	53,680.00	-
Jingle Airing	150,000.00	-
Laptops	83,500.00	-
Medical and Accidental Insurance (Program Staffs)	28,307.82	-
Office Coodinator	64,002.00	-
Outreach and Partnering	355,000.00	-
Program Manager	128,004.00	-
Provident Fund (PF Program Staffs)	63,905.00	-
Research Coordinator	57,044.00	-
Vehicle Rental	117,922.00	-
BNNI-Core_Bill & Melinda Gates Foundation (BMGF) Shared Project	7,516,963.90	
Adminstration and Operation Expenditure		
Accomodation cost	8,035.00	
Audit Fees	113,000.00	
Bank Charges and other miscellaneous charges	30.00	
Basic Salary	2,713,758.00	
Communication Expenses	89,550.00	
DSA	20,000.00	
Festival Allowance	149,719.00	
Grauity	220,198.00	
Hospitality	50,897.00	
Internet /Email	22,600.00	
IT Maintenance	18,080.00	
Legal Fees	26,000.00	
Local Transport	24,162.00	
Medical & Accidental Insurance	7,829.69	
Office Rental	958,720.00	
Office Supplies (consumable)	102,853.00	
Others Allowance	289,380.00	
Postal and Courier Charges	9,000.00	
Printing Expenses	20,569.00	
Providend Fund	262,827.00	
Rates and Taxes	1,941.00	
Security Service	150,000.00	
Software procurement	181,659.00	
Staff Insurance	27,595.21	
Stationary Expenses	39,052.00	
Subscription	3,600.00	
Travel Cost	11,735.00	
Utilities	61,463.00	
Vehicle Fuel	219,269.00	
Vehicle Rental	666,670.00	
Program Expenditure		
Basic Salary	653,495.00	
Festival Allowance	170,473.00	
Grauity	52,678.00	
Leave encashment (Leave Allowance)	96,889.00	
Others Allowance	8,502.00	
Providend Fund (PF)	64,735.00	
Bill & Melinda Gates Foundation(BMGF)	23,690,989.67	-
Adminstration and Operation Expenditure		
Scooter	200,000.00	-
Accomodation	312,862.00	-
Air fare	272,721.00	-
Ass Manager Finance	498,539.00	-
Chief Executive Officer	3,698,070.00	-
Field Supervisor	373,268.69	-
Finance Officer	298,065.00	-
Ground transportation	213,043.00	-
Laptops	242,699.00	-
Local Transportation	43,460.00	-
Office Furniture	234,737.00	-



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Item	Current Year (NPR)	Previous Year (NPR)
Perdiem	372,250.00	-
Tablet	80,000.00	-
Program Expenditure		
Baliyo Nepal Cricket Tournament of 5 province	5,715,000.00	-
Baseline and end line study	1,720,000.00	-
Branding/ promotion/ media coverage	498,864.00	-
Collaborate with E/DPs on fortification/MIYCN/Private sector Engagement	102,718.00	-
Collaboration with PS partners	269,241.60	-
Collaterals such as diaries, calendars, La pin, etc	228,932.00	-
Cricket Expenses	380,036.98	-
Cricket games included in sports tournaments like Mayor Cup or President Cup	39,970.00	-
Field Coordinator	16,902.00	-
Head of Operation Partnerships and Program	2,249,032.00	-
Intern at the rate of 2 pax	98,424.00	-
Joint research conducted with academia and/ or food partners on iron rich foods	49,550.00	-
Media Agency for ideation, creation & production of collaterals	1,424,373.00	-
On boarding representatives of government bodies with BNNI as influencers	30,089.00	-
Orientation Program	122,646.00	-
Outreach Programs	1,560,360.00	-
Partnership and MLE Manager	901,612.00	-
Partnership areas identified (National Fortification Action Plan -Outcome 5)	175,324.40	-
Publication	15,000.00	-
Research Coordinator	399,071.00	-
Research on fortified foods, MIYCN and others	128,465.00	-
Sr. Food Technology Officer	499,664.00	-
Staff Capacity Building Training	226,000.00	-
New Venture Fund (NVF)	8,812,500.00	
Administration and Operation Expenditure		
Salary and Benefits	246,188.00	-
Program Expenditure		
Indirect Costs	119,547.00	-
Other field expenses	198,324.00	-
Program Supplies	7,815,688.00	-
Project Evaluation	100,000.00	-
Staff Travel Cost	332,753.00	-
Phase II - Implementation Phase	-	10,071,819.92
Phase III - Implementation Phase	-	26,690,886.37
Phase III - Implementation Phase Extension	-	3,573,737.98
Other Project Expenses	-	2,030,563.54
Grand Total	43,218,984.07	42,367,007.81

4.9 Income Tax Expenses

Item	Current Year (NPR)	Previous Year (NPR)
Provision for Income Tax	-	-
Total	-	-

There is no taxable income during the current year. Accordingly, no provision for Income Tax has been made.

4.10 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 Baliyo Nepal. 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.

No contingent liabilities exist as of the date of the Statement of Financial Position.

4.11 Comparative Information

Previous year figures have been regrouped and rearranged wherever necessary to facilitate the comparison.



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Baliyo Nepal Nutrition Initiative
Sanepa, Lalitpur

Statement of Accounting Policies and Notes to Financial Statement
For the Year Ended 32 Ashad 2079 (16 July 2022)

1. General Information

Baliyo Nepal Nutrition Initiative, herein after mentioned as “Baliyo Nepal” or “the organization”, 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 sectors, 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.

2. Basis of preparation

The financial statements have been prepared using the historical cost convention or at Fair value wherever specifically disclosed.

2.1 Going Concern

Except for certain activities that will conclude on the realization of their relevant activities in accordance with the relevant terms of reference, the financial statements have been prepared on going concern basis.

2.2 Functional and Presentation Currency

The financial statements are presented in Nepali Rupees (NPR), which is the organization's functional and presentation currency. All financial information are presented in Rupees, except when otherwise indicated.

2.3 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.



2.4 Significant Accounting Judgments, Estimates and Assumptions

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

3. Significant Accounting Policies

3.1 Recognition of Income

Unrestricted Reserves/Funds/accumulated surplus

Unrestricted funds are those that are available for use by Baliyo Nepal, in furtherance of the general objectives of Baliyo Nepal and which are not designated for any specific purpose. Further income such as bank interest, membership income, overhead income and other income of Baliyo Nepal core fund is recognized as income in accrual basis.

Restricted Fund

The activities for which these restricted funds may and are being used are identified in the financial statements Restricted Funds. Such restricted fund may include conditions for refund should there be balance of fund at the end of the project. The income from such restricted funds is recognized to the extent of the expenditure incurred for the project activities. The excess of fund over the expenditure is represented by the Receivable from Donor and Restricted Fund and same will be utilized for the agreed program implementation in the succeeding period.

3.2 Recognition of Expenses

Total expenditure NPR 43,218,984.07 incurred by Baliyo Nepal are recognized on accrual basis.

3.3 Fixed assets and Depreciation

All items of property, plant and equipment acquired from the restricted funds for the year, are charged as expense at the time of acquisition. Further a memorandum Fixed Assets Register (FAR) listing all the assets is maintained.

When the assets are handed over to the organization by the respective donor, the assets will be recognized at fair value at the date of handover with corresponding credit to deferred revenue.



3.4 Inventory

The cost of inventory in hand at the year end is not valued and not reflected in the Financial Statement. Inventory items are charged as expenses at the time of acquisition

3.5 Cash and cash Equivalents

Baliyo Nepal 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 Bank Balances”.

3.6 Accounts Receivable & Payables

Accounts payables are stated at their transaction price.

3.7 Related Party Transaction :

Details of transaction with related parties ore given below:

Name of the Party	Net Transaction (NPR)	Remarks
Chaudhary Foundation	6,396,000.00	Donation Received

