## **INDEPENDENT AUDITOR’S REPORT**

The Country Director

Christian Blind Mission (CBM) Nepal

Lalitpur, Nepal

**Opinion**

We have audited the accompanying financial reports of CBM Nepal with respect of *Project HEALTH RIGHT: Inclusive Eye and Ear and Hearing Health in Karnali of Nepal (Project number: 4111-BMZ-MYP)* for the period from 1 January 2021 to 31 December 2024 which includes *“Annex 1: Statement of Accounts for each of annual year 2021, 2022, 2023 and 2024” and “Annex 2: Statement of Accounts for the period from 1 January 2021 to 31 May 2024”*.

In our opinion, the accompanying financial report corresponds, in all material respects, with the CBM Nepal & partner organisation’s accounts, and has also, in all material respects, been prepared in accordance with the agreement between Nepal Netra Jyoti Sangh (NNJS) and CBM Christoffel-Blindenmission Christian Blind Mission e.V.

**Basis for Opinion**

We have conducted the audit in accordance with International Standards on Auditing (ISA) 800. Our responsibility according to these standards are further described in the section “Auditor’s responsibility for the audit of the financial report” in our report. We are independent in relation to CBM and NNJS according to the professional ethical requirements that are relevant for the audit of the financial report in Nepal and have otherwise fulfilled our professional 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.

**Emphasis of Matter – Basis of Accounting and restrictions on use**

We would like to draw attention to the basis of accounting used in the preparation of the financial reports. The reciepts are accounted for in cash basis and the expenditure are accounted for under accrual basis of accounting. Any fixed assets and inventory procured for the project are charged as expenditure at the time of the procurement.

The financial reports for the project have been prepared for the CBM, the donor and NNJS to fulfil the requirements imposed under the agreement. Our report is intended solely to communicate the financial affairs of the project during the said period for the use of CBM & the donor and may not be suitable for other purposes.

**Responsibilities of Management for the Financial Reporting**

The Management of NNJS is responsible for the preparation of the financial report in accordance with the above-mentioned agreement and for the financial control which the Management deems necessary to prepare the financial report free from material misstatements, whether due to fraud or error.

Management is responsible for the supervision of the Organisation's processes for financial reporting.

**Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report, based on our assessment of the relevant sections of the agreement, as a whole is free from material misstatement, whether these are 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 no guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or aggregated, they could reasonably be expected to influence the economic decisions of users taken based on this financial report.

As part of an audit in accordance with ISAs we exercise professional judgement and maintain a professional scepticism throughout the audit. We also:

* ldentify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate in order to form 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 Organisation’s internal control.
* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by Project Management.
* Evaluate the overall presentation, structure and content of the financial report, including disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management 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

Nischal Bhattarai, FCA

Partner

Date:

UDIN: