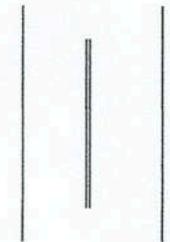
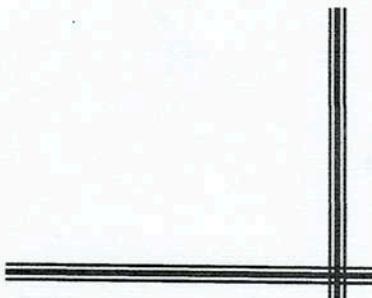


Canopy Nepal
Baluwatar, Kathmandu, Nepal



Audit Report
2080-81

A.B. Shahi & Associates
Pepsicola, Kathmandu



A. B. Shahi & Associates

Registered Auditors

Cop No. 2094, Firm Reg. No. 5967

INDEPENDENT AUDITOR'S REPORT

To the Members,
of Canopy Nepal

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Canopy Nepal (the Organization)**, which comprise Statement of Financial Position as on 31st Asadh 2081 (15th July 2081), and the Statement of Income & Expenditure, Statement of Change in Reserves, Statement of Cash Flow for the year then ended, Fund Accountability Statement and notes to the financial statements, including a summary of significant accounting policies

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at 31st Asadh 2081 (15th July 2081), and its financial performance and its cash flows for the year then ended in accordance with Nepal Accounting Standard for Not-for-Profit Organizations (NAS for NPOs).

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 Auditors Responsibilities for the Audit of the Financial Statements section of our Report. We are independent of the organization in accordance with the ICAN's Handbook of Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAN's Handbook of Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those audit matters that, in our professional judgement, were of most significance in the audit of the financial statement of the current period. Those matters were addressed in the context of the audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no any key audit matters to be reported for the period.

Information Other than the Financial Statements and Auditor's Report Thereon

The board of the organization is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement therein of this other information; we are required to report the fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Nepal Accounting Standard for Not-for-Profit Organizations (NAS 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.

In preparing the financial statements, 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 management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.



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 management.
- Conclude on the appropriateness of management's 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.
- 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.
- 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.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For A.B. Shahi & Associates
Registered Auditors



RA Aja Bir Shahi

Proprietor

Date: Ashwin 18, 2081

Place: Kathmandu, Nepal

UDIN: 241025RA0734UbgS3b

Canopy Nepal
Baluwatar, Kathmandu
STATEMENT OF FINANCIAL POSITION
As at 31st Ashadh 2081 (15th July 2024)

Figures in NPR

Particulars	Notes	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	5.1	332,145	374,921
Intangible Assets	5.2	-	-
Investment Property	5.3	-	-
Long Term Investments	5.4	-	-
Other Non Current assets	5.5	-	-
Total Non - Current Assets		332,145	374,921
Current Assets			
Short Term Investments	5.4	-	2,500,000
Inventories	5.6	-	-
Account Receivable	5.7	111,651	44,865
Cash and Cash Equivalents	5.8	2,060,568	2,144,156
Total Current Assets		2,172,220	4,689,021
Total Assets		2,504,365	5,063,942
Liabilities & Reserves			
Accumulated Reserves			
Unrestricted Funds/Accumulated Surplus	5.9	1,506,059	1,504,819
Designated Funds	5.10	-	-
Restricted Funds	5.11	459,132	3,435,683
Endowment Fund	5.12	-	-
Other Capital Reserves	5.13	-	-
Total Accumulated Reserves		1,965,191	4,940,502
Non - Current Liabilities			
Loans and Borrowings	5.14	-	-
Employee Benefit Liabilities	5.15	-	-
Deffered Revenue	5.16	-	-
Deferred Tax Liabilities	5.17	669	-
Other Non-Current Liabilities	5.18	-	-
Total Non - Current Liabilities		669	-
Current Liabilities			
Accounts Payable	5.19	475,525	111,500
Other Current Liabilities	5.20	36,483	11,940
Provisions	5.21	26,497	-
Total Current Liabilities		538,505	123,440
Total Liabilities		539,174	123,440
Total Liabilities and Reserves		2,504,365	5,063,942

The Notes on accounts form an integral part of the financial statements.
Significant accounting policies and notes to the accounts 1-4



Pratima Wosti
Finance Officer

Angirash Karki
Chairman

Roshan Bhatta
Treasurer

Shreya Upadhyay
Director

As Per Our Report of Even Date
For A.B. Shahi & Associates
Registered Auditors

Ajabir Shahi
Principal

Canopy Nepal
Baluwatar, Kathmandu
STATEMENT OF INCOME & EXPENDITURE

For the Year Ended 31st Ashadh 2081 (15th July 2024)

Figures in NPR
FY 2079-80
Restated*

Particulars	Notes	FY 2080-81	
INCOME			
Incoming Resources	5.22	11,220,364	9,556,772
Financial Income	5.23	146,009	407,835
Other Income	5.24	-	-
Total Income		11,366,372	9,964,607
EXPENDITURE			
Staff Cost/Expenses	5.25	1,080,957	1,044,000
Program Expenses	5.26	9,200,364	8,017,390
General Administrative Expenditure	5.27	889,090	495,382
Depreciation and Amortization	5.1	87,297	112,529
Other Expenditure	5.28	-	-
Total Expenditure		11,257,709	9,669,301
Net surplus/(deficit) before Taxation		108,663	295,306
Income Tax Expenses	5.29	26,497	-
Deferred Tax Expense / (Income)	5.17	669	-
Prior Period Tax		80,257	-
SURPLUS/(DEFICIT) FOR THE YEAR		1,240	295,306
APPROPRIATION OF SURPLUS FOR THE YEAR			
Allocation to Reserves		1,240	295,306
Allocation to Endowment Fund		-	-

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

Significant accounting policies and notes to the accounts 1-4

As Per Our Report of Even Date
 For A.B. Shahi & Associates
 Registered Auditors

Pratima Wasti
Finance Officer

Angirash Karki
Chairman

Place: Kathmandu
 Date: 2081-06-15

Roshan Bhatta
Treasurer

Shreya Upadhyay
Director



Canopy Nepal

Baluwatar, Kathmandu

STATEMENT OF CHANGES IN RESERVES For the Year Ended 31st Ashadh 2081 (15th July 2024)

Description	Restricted Reserves	Designated Fund	Unrestricted Reserves	Endowment Funds	Capital Reserves	Result For the Year	Total	Figures in NPR
Balance as at 31st Ashadh 2079								4,303,532
Result for the Year								636,970
Allocation of results to Restricted Reserves								(341,664)
Allocation of results to Designated Fund	341,664							
Allocation of results to Unrestricted Fund								(295,306)
Allocation of results to Endowment Fund				295,306				
Allocation of results to Capital Fund								
Balance as at 01 Shrawan 2080	3,435,683			1,504,819				4,940,502
Result for the Year								(2,975,311)
Allocation of results to Restricted Reserves								2,976,551
Allocation of results to Designated Fund								
Allocation of results to Unrestricted Fund								(1,240)
Allocation of results to Endowment Fund								
Allocation of results to Capital Fund								
Balance as at 31 Ashadh 2081	459,132			1,506,059			0	1,965,191

The Notes on accounts form an integral part of the financial statements.
Significant accounting policies and notes to the accounts 1-4

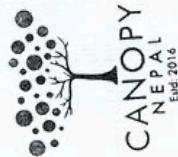
Pratima Wosti
Finance Officer

Angirash Karki
Chairman

Roshan Bhatta
Treasurer

Shreya Upadhyay
Director

As Per Our Report of Even Date
For A.B. Shahi & Associates
Registered Auditors



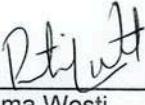
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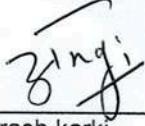
Canopy Nepal
Baluwatar, Kathmandu
STATEMENT OF CASH FLOWS
For the Year Ended 31st Ashadh 2081 (15th July 2024)

Figures in NPR
FY 2080-81
FY 2079-80
Restated*

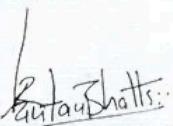
Particulars	FY 2080-81	FY 2079-80	Restated*
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus/(deficit) for the year (Before Tax)	108,663	295,306	
Adjustments to reconcile surplus/(deficit) to net cash flows: Non-cash items:			
Depreciation and impairment of property, plant and equipment	87,297	112,529	
Working capital adjustments:			
Account receivable	(66,787)	(44,865)	
Account payable	364,025	(10,011)	
Accrued expenses and deferred income	(2,976,551)	341,664	
Other Current Liabilities	24,543	11,940	
Less:			
Income Tax paid	(80,257)	-	
Interest paid	-	-	
Net cash from/(used in) operating activities	(2,539,066)	706,563	
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property Plant and Equipment	(44,522)	-	
Fixed Deposit Withdrawal	2,500,000	-	
Net cash from/(used in) investing activities	2,455,478		
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash from/(used in) financing activities	-	-	
Net cash from/(used in) Financing activities	-		
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(83,588)	706,563	
CASH AND CASH EQUIVALENTS AT 01 Shrawan	2,144,156	1,437,593	
CASH AND CASH EQUIVALENTS AT 31 Ashadh	2,060,568	2,144,156	

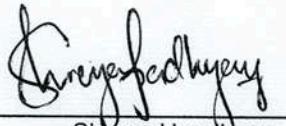
The Notes on accounts form an integral part of the financial statements.
Significant accounting policies and notes to the accounts 1-4


Pratima Wosti
Finance Officer


Angirash Karki
Chairman

Place: Kathmandu
Date: 2081-06-15


Roshan Bhatta
Treasurer


Shreya Upadhyay
Director

As Per Our Report of Even Date
For A.B. Shahi & Associates
Registered Auditors



Canopy Nepal

Statement of Accounting Policies and Notes to Financial Statements For the year ended 31st Ashadh 2081 (15th July 2024)

1. General Information

Canopy Nepal hereinafter was established with non-profit motive company registered in the office of **company registrar vide registration no.47204** and affiliated with Social Welfare Council vide affiliation number 45447 on 2073-12-09 (BS) pursuant to section 13 of the Social Welfare Act, 1992 to bring improvements in quality of education in Nepal and create accessibility to the children through scholarship programs, and improvements of interactive skills among students, teachers and youths through conducting different development and skill based programs.

Canopy Nepal is registered as non-profit making company which is situated at **Baluwatar, Kathmandu**. The Organization was registered with Inland Revenue department vide **PAN no.604238784**.

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 statement as at 31st Ashadh 2081 and for the year then ended comply with the Nepal Accounting standards for the NPOs (NAS for NPOs) issued by Accounting Standard Board of Nepal.

2.2. Transitional provisions

The financial statements have been prepared in accordance with applicable Nepal Accounting Standards for Not-for-Profit Organizations (NAS for NPOs) as issued by the Institute of Chartered Accountants of Nepal (ICAN) with effect from 1st Shrawan, 2080. These financial statements for the year ended 31st Ashadh, 2081 are the first the organization has prepared under NAS for NPOs. For all periods up to and including the year ended 31st Ashadh 2080, the organization prepared its financial statements in accordance with earlier issued Nepal Accounting Standards (hereinafter referred to as 'Previous GAAP'). This standard has been applied from 2079.04.01 onwards as it is impracticable to undertake the retrospective application of the full requirements of this standard.

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to NAS for NPOs in:



Reconciliation of Statement of Financial Position as at 31st Ashad 2080

Reconciliation of Statement of Income and Expenditure for the year ended 31st
Ashad 2080

Previous GAAP information has been reclassified/ regrouped in accordance with NAS
for NPOs, wherever necessary, based on the audited financial statements of the
organization for the year ended 31st Ashadh, 2081.

2.3. Date of Authorization

The Financial Statements were Authorized for the issue as per decision of the Board
dated 2081.06.18.

2.4. Basis of measurement

The financial Statements have been prepared using the historical cost convention or Fair
Value wherever specifically disclosed.

2.5. Functional and presentation currency

The financial statements are presented in Nepalese Rupees (NRs.), which is the
organization's functional and presentation currency. All financial information presented in
Rupees has been rounded to the nearest rupees, except when otherwise indicated.

Singi Sonam Jelangy Rautay Shatto



2.6. Changes in Accounting Policies and Disclosures

Due to change in applicable accounting standard from existing NAS (Local GAAP) to NAS for NPOs certain accounting policies has been changed and applied prospectively as it was not practicable to apply retrospectively.

The Accounting policies have been consistently applied, unless otherwise stated, and are consistent with those used in previous years.

2.7. 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. 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 results may differ from these estimates and assumptions.

3. Summary of Significant accounting policies

3.1. Property Plant and Equipment

a. Land

Land acquired through purchase

Land acquired through purchase is initially recorded at the aggregate of the purchase price paid/payable and other costs incidental to acquisition such as registration charges.

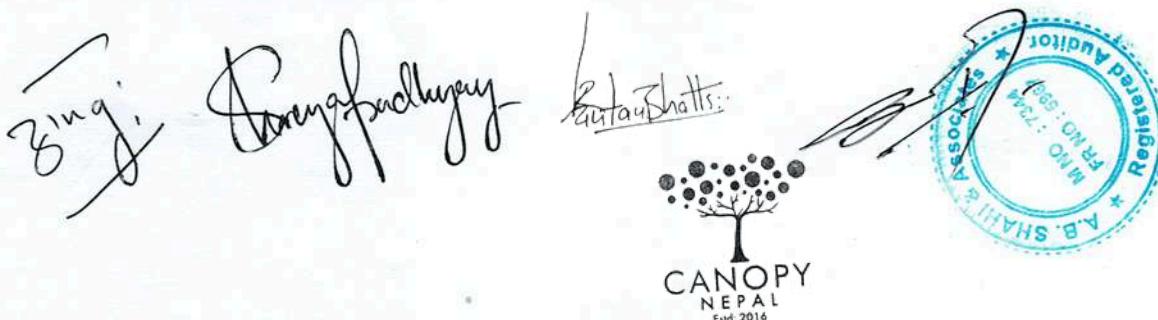
Land acquired free of cost

Land provided by individuals or institutions through an endowment for specific purposes like construction of schools, for construction of parks and similar common facilities, etc. Though the cost of such land to organization is zero. In substance, such land received is a non-monetary grant and, accordingly both grant and asset is be accounted for at the fair value.

Any incidental cost of acquisition such as registration charges shall be added to the above.

Vested Government Land

Such land is neither owned by the organization nor do the economic benefits from the use of such land flow to the organization. The ownership remains with the government and the organization merely acts as a trustee in respect of such land. Such land shall therefore not be considered as an asset of the organization. However, disclosure relating to same is made.



b. Other Property Plant and Equipment

- i. Property, plant and equipment that is received directly as donations or endowments is recognized as property, plant and equipment at fair value and a corresponding amount should be recognized as deferred income account. Such items should thereafter be depreciated while a corresponding amount could be transferred from the deferred income to the Statement of Income & Expenditure.
- ii. 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 at fair value on the conclusion of the project and brought into the financial statements under property plant and equipment with corresponding credit to a deferred income. Depreciation provided on such assets will be charged against such deferred income. For the purpose of depreciation, the date of valuation for inclusion in the financial statements is considered the date of purchase.

c. Cost and Valuation

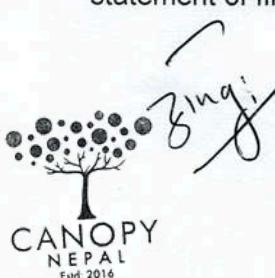
An item of property, plant or equipment purchased should initially be measured at its cost. The cost of an item of property, plant or equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing the asset to working condition for its intended use. Any trade discounts and rebates are deducted when arriving at the purchase price.

The depreciable amount (cost less expected proceeds from disposal) of an item of property, plant or equipment should be allocated on a systematic basis over its useful.

If an item of property, plant or equipment becomes impaired, in that it is unlikely to generate cash flows to absorb the carrying amount of the item over its useful life, its carrying value should be reduced to the cash flows to be recovered from the asset. Cash flows need not be discounted and could come from either the disposal value of the asset or from its continuing use. Indicators of impairment would include a significant decline in market values or obsolescence.

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 and equipment. All other expenditures is recognized in the Statement of Income & Expenditure as an expenses as incurred.

Accumulated depreciation and accumulated impairment of assets is shown in the statement of financial position as a deduction from the assets of each item.



Suryajit Bhuyan
Bartaul Shrestha



In the case of disposal or disposition of assets, such assets are removed from the balance sheet (Statement of Financial Position) and recognize the difference between the disposal amount and the carrying amount of tangible assets as the gain or loss on disposal.

Building owned are used for the purposes of Canopy Nepal only and not for income generating purpose and therefore do not fall under the definition of Investment Property.

After recognition as an asset whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

d. Depreciation

Freehold land is not depreciated. Depreciation is provided for on all Property Plant and Equipment on the Written Down Value 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.

The annual rates of depreciation currently being used by Society Development are:

<u>Assets</u>	<u>Rates p.a.</u>
Buildings	5%
Computers Equipment	25%
Office Equipment	25%

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 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. Investments Property

Investment in property are properties that are held to earn rentals or for capital appreciations.

Investment in property is measured initially at cost. For subsequent measurement an entity adopt the cost model as its accounting policy for all investment properties.

Under the cost model, investment property is measured at cost less accumulated depreciation and any accumulated impairment losses. Fair value is disclosed.

Gains and losses on disposal are recognized in Income and Expenditure.

3.4. Long Term Investments

Investments in financial assets such as shares, government bonds, debenture etc is recorded initially at cost. Such assets are measured at lower of cost or net realizable value at the reporting date.

3.5. Inventories

Inventories are valued at the lower of cost and net realizable value. Net realizable value 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 such time they are distributed or resold.

Items are on occasion received as a donation by NPO for distribution to beneficiaries or for sale with the proceeds being used for the benefit of such beneficiaries. Such items donated and held as at the Statement of Financial Position is measured at fair value.

3.6. Account receivables and Revaluation of receivables

If the receivables could not be recovered in full or part of the principal or interest, such trade receivables is impaired providing the provision or allowance for bad or doubtful debts applying reasonable and objective criteria.

The new carrying amount of the receivables is the difference between the existing carrying amount and allowance for doubtful debts.

Allowance for accounts receivable are operating expenses (bad debt expense).

3.7. Foreign-currency transactions

Transactions in currencies other than Nepalese Rupees are converted into Nepalese 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 Nepalese Rupees at the rate of exchange at the rate of exchange at that date. Realized and unrealized exchange differences are reported in the Statement of Income & Expenditure.

3.8. Cash and cash equivalents

Canopy 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 Cash Equivalent". Bank borrowings that are repayable on demand and form an integral part of the Canopy Nepal's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

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 Canopy Nepal 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

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 the 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 and 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 certainly 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 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.

e. 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 is treated as income in the Statement of income &expenditure.

3.10. Grants and Subsidies

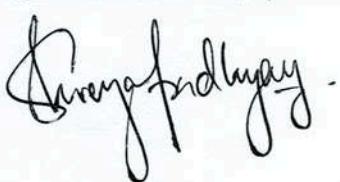
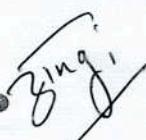
Grants and subsidies are recognized in the financial statements at their fair value. When the grant or subsidy relates to an expenses it is recognized as deferred income necessary to match it with the costs over the accounting years, which is intended to compensate for on a systematic basis.

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 assets by the amount of depreciation with corresponding debit to deferred income over more than one accounting period.

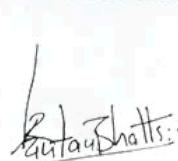
In the case grants received to fund an entire project or activity, which includes the purchase of an asset, and the cost of such asset is charged with the projects costs to the statement of Financial Performance, the grant value is recognized as income in the period as the cost of the asset is charged 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 reserves 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. Loans and Borrowings and Account Payables

Loans and borrowings and Accounts payables are stated at their cost.



Dr. Pranjal Rayamajhi



Ratna Shrestha



3.12. Non-current liabilities

Non-current liabilities refer to all liabilities except current liabilities. Non-current liabilities include long-term debt, security deposit; it includes accrued severance benefits. With respect to defined benefit pension plan, NPO has recognize the related plan assets and accrued severance benefits (plan liabilities) and made necessary provision as per actuarial valuation to meet the liability of defined benefit plan as at the end of the accounting period.

3.13. Floating debts and current liabilities

A liability is classified as a current liability when it is: (a) expected to be settled in the normal course of the entity's operating cycle; or where operating cycle is not determined, standard 12 months is considered as operating cycle and (b) Due to be settled within 12 months after the reporting period. All other liabilities is classified as non-current liabilities. Floating debt is the debt which is expected to terminate within one year. Current liabilities are short-term borrowings, trade payables, accrued expenses, accounts payable, advances, unearned revenue, deposit etc. It also includes current portion of long-term debt.

3.14. Provisions

A provision is recognized in the statement of financial position when Canopy Nepal 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.

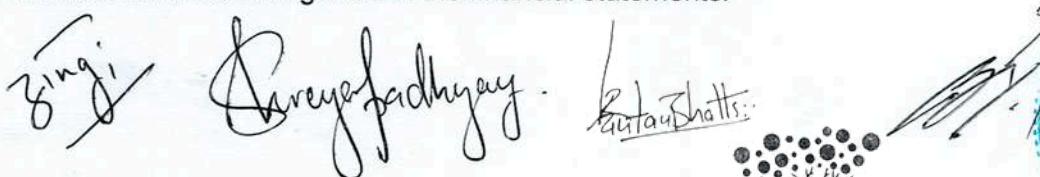
3.15. Income recognition

a. Contributions/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.

Revenue that arises from general unrestricted resources has characteristics similar to revenue in business entities and has been treated accordingly. It is only recognized when the amount of revenue can be measured reliably, or when it is probable that the economic benefits associated with the transaction will flow to the organization.

Gifts and donations received in kind are recognized at fair value at the time that they are distributed to beneficiaries, or if received for resale with proceeds being used for the purpose of Canopy Nepal at the point of such sale. Items not sold or distributed are inventoried but not recognized in the financial statements.



All other income is recognized when Canopy Nepal is legally entitled to the use of such funds and the amount can be quantified. This would include income receivable through fund raising activities and donations.

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.

3.16. Expenditure recognition

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

3.17. 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.

3.18. Taxation

a. Current Taxes

Income tax is provided in accordance with provisions of the Income Tax Act, 2058 on the profits earned by Canopy Nepal referred to in Note 5.29 to the financial statements.

b. Deferred Taxes

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected realization or settlement of the carrying amount of assets and liabilities using tax rates at the financial position date.

Deferred tax assets/liability and deferred tax income / expense is recognized and disclosed.



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Baluwatar, Kathmandu
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4 First Time Adoption of NAS for NPOs

The financial statements have been prepared in accordance with applicable Nepal Accounting Standards for Not for Profit Organizations (NAS for NPOs) as issued by the Institute of Chartered Accountants of Nepal (ICAN) with effect from 1 Shrawan, 2080, with a transition date of 1 Shrawan, 2079. These financial statements for the year ended 31 Ashadh, 2081 are the first the organization has prepared under NAS for NPOs. For all periods up to and including the year ended 31 Ashadh, 2080 , the organization prepared its financial statements in accordance with earlier issued Nepal Accounting Standards (hereinafter referred to as 'Previous GAAP').

The adoption of NAS for NPOs has been carried out in accordance with Section 56 of NAS for NPOs, Transition to the NAS for NPOs. Section 56 requires that all NAS for NPOs and interpretations that are issued and effective for the first NAS for NPOs financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the organization has prepared financial statements which comply with NAS for NPOs for year ended 31 Ashadh, 2081, together with the comparative information as at and for the year ended 31 Ashadh, 2080.

In preparing these NAS for NPOs financial statements, the organization has availed certain exemptions and exceptions in accordance with section 56 of NAS for NPOs, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under NAS for NPOs and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the organization in restating its Previous GAAP financial statements, including the Statement of Financial Position as at 31st Ashadh 2080 and the financial statements as at and for the year ended 31 Ashadh, 2080.

A. Exemptions from retrospective application

Nepal Accounting Standard for NPOs allows first-time adopters certain exemptions from retrospective application of certain requirements. The organization has elected to apply the following optional exemptions from retrospective application:

a) Deemed cost for property, plant and equipment and intangible assets

The organization has elected to measure all its property, plant and equipment, intangible assets including under progress at the Previous GAAP carrying amount as its deemed cost on the date of transition to NAS for NPOs.

B. Transition to NAS for NPOs - Reconciliations

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to NAS for NPOs:

- I. Reconciliation of Equity as at 31 Ashadh, 2080.
- II. Reconciliation of Statement of Income & Expenditure for the year ended 31 Ashadh, 2080.

Previous GAAP information has been reclassified/regrouped in accordance with NAS for NPOs, wherever necessary, based on the audited financial statements of the Organization for the year ended 31 Ashad, 2080.

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Baluwatar, Kathmandu
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First Time Adoption of NAS for NPOs (Continued)
 Reconciliation of Statement of Financial Position as at 31st Ashad 2080

Particulars	Explanatory Note	Local GAAP	Adjustments	NAS for NPOs Balance
ASSETS				
Non - Current Assets				
Property, Plant and Equipment		374,921	-	374,921
Intangible Assets		-	-	-
Investment Property		-	-	-
Long term investments		-	-	-
Other noncurrent assets		-	-	-
Total Non - Current Assets		374,921	-	374,921
Current Assets				
Short Term Investments	A	-	(2,500,000)	2,500,000
Inventories		-	-	-
Account receivable		44,865	-	44,865
Cash and cash equivalents	A	4,644,156	2,500,000	2,144,156
Total Current Assets		4,689,021	-	4,689,021
Total Assets		5,063,942	-	5,063,942
LIABILITIES & RESERVES				
Accumulated Reserves				
Unrestricted Funds/accumulated surplus		1,504,819	0	1,504,819
Designated Funds		-	-	-
Restricted Funds		3,435,683	-	3,435,683
Endowment Fund		-	-	-
Other Capital Reserves		-	-	-
Total Accumulated Reserves		4,940,502	0	4,940,502
Non - Current Liabilities				
Loans and borrowings		-	-	-
Employee benefit liabilities		-	-	-
Deferred Revenue		-	-	-
Other non-current liabilities		-	-	-
Total Non - Current Liabilities		-	-	-
Current Liabilities				
Accounts payable	A	123,440	11,940	111,500
Other Current Liabilities	A	-	(11,940)	11,940
Loans and borrowings		-	-	-
Provisions		-	-	-
Bank Overdrafts		-	-	-
Total Current Liabilities		123,440	-	123,440
Total Liabilities		123,440	-	123,440
Total Liabilities and Reserves		5,063,942	0	5,063,942



Canopy Nepal
Baluwatar, Kathmandu
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First Time Adoption of NAS for NPOs (Continued)

Reconciliation of Statement of Income and Expenditure for the year ended 31st Ashad 2080

Particulars	Explanatory Note	Local GAAP	Adjustments	NAS for NPOs Balance
INCOME				
Incoming Resources		9,556,772.30	-	9,556,772.30
Financial Income		407,834.87	-	407,834.87
Other Income		-	-	-
Total Income		9,964,607.17	-	9,964,607.17
EXPENDITURE				
Staff Cost/Expenses	B.1	-	1,044,000.00	1,044,000.00
Program Expenses		8,017,390.30	-	8,017,390.30
General Administrative Expenditure	B.2	1,539,382.00	(1,044,000.00)	495,382.00
Depreciation		112,529.15	-	112,529.15
Other Expenditure		-	-	-
Total Expenditure		9,669,301.45	-	9,669,301.45
Net surplus/(deficit) before Taxation		295,305.72	-	295,305.72
Income Tax Expenses		-	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		295,305.72	-	295,305.72
APPROPRIATION OF SURPLUS FOR THE YEAR				
Allocation to Reserves		295,305.72	-	295,305.72
Allocation to Endowment Fund		-	-	-

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

Zingi

Sreyash Rayamajhi

Kutau Shrestha



Canopy Nepal
Baluwatar, Kathmandu
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First Time Adoption of NAS for NPOs (Continued)
Explanatory Notes

A Assets / Liabilities

Various assets and liabilities have been appropriately reclassified and regrouped upon transition to NAS for NPOs.

B Expenditures

Various expenditures have been appropriately reclassified and regrouped upon transition to NAS for NPOs.

B.1 General Administratie Expenditure

Particulars	Amount FY 2079-80
General Administratie Expenditure as per GAAP	1,539,382
Less: Staff Cost Regrouped under Staff Cost	(1,044,000)
General Administrative Expenditure as per NAS for NPOS	495,382

B.2 Staff Cost

Particulars	Amount FY 2079-80
Staff Cost as per GAAP	-
Add: Regrouped from Adminnisitrative	1,044,000
Staff Cost as per NAS for NPOs	1,044,000

Zingi *Dnyogbadhyey.* *Lata Shrestha*



Canopy Nepal
Baluwatar, Kathmandu
Notes to Financial Statements

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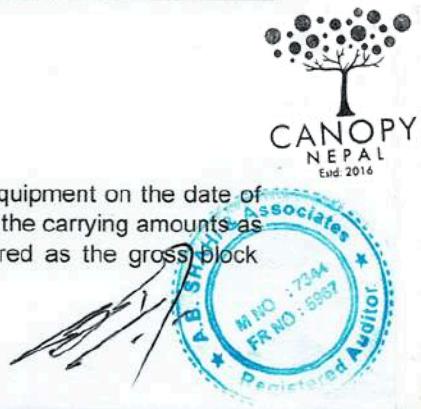
5.1 Property, plant and equipment

	Furniture and Fixture	Office Equipments	Vehicles	Total
<u>Cost</u>				
Balance as at 1st Shrawan 2079	233,012	67,771	186,667	487,450
Additions	-	-	-	-
Revaluation and adjustments				-
Disposals				-
Balance as at 31st Ashad 2080	233,012	67,771	186,667	487,450
Additions	44,522			44,522
Revaluation and adjustments				-
Disposals/Capitalization				-
Balance as at 31st Ashad 2081	277,534	67,771	186,667	531,972
<u>Depreciation and impairment losses</u>				
Balance as at 1st Shrawan 2079				-
Charge for the year	58,253	16,943	37,333	112,529
Impairment Losses				-
Disposals				-
Balance as at 31st Ashad 2080	58,253	16,943	37,333	112,529
Charge for the year	44,724	12,707	29,867	87,297
Impairment Losses				-
Disposals				-
Balance as at 31st Ashad 2081	102,977	29,650	67,200	199,827
<u>Net book value</u>				
As at 1st Shrawan 2079	233,012	67,771	186,667	487,450
As at 31st Ashad 2080	174,759	50,828	149,334	374,921
As at 31st Ashad 2081	174,557	38,121	119,467	332,145

Impairment of Property, Plant and Equipment

No items of Property, Plant and Equipment have been impaired.

The Organization has availed the exemption in relation to the property, plant and equipment on the date of transition. The fair value as on the date of transition has been approximated to equal the carrying amounts as per previous GAAP and hence the net block carrying amount has been considered as the gross block carrying amount on that date.



**Canopy Nepal
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NOTES TO FINANCIAL STATEMENTS

5.2 Intangible Assets

Item	Balance as at 01.04.2080	Additions during the year	Disposal during the year	Balance as at 31.03.2081
Software	-	-	-	-
Total	-	-	-	-

Amortization

Item	Balance as at 01.04.2080	Additions during the year	Disposal during the year	Balance as at 31.03.2081
Software	-	-	-	-
Total	-	-	-	-

5.3 Investment Property

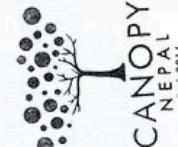
Item	Opening balance	Additional during the year	Disposal during the year	Balance as at 31.03.2081
Building (Held for Rental income)	-	-	-	-
Total	-	-	-	-

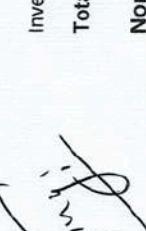
Depreciation

Item	Balance as at 01.04.2080	Charge for the year	Disposal during the year	Balance as at 31.03.2081
Building	-	-	-	-
Total	-	-	-	-

5.4 Investment

Item	Opening balance	Additional during the year	Disposal/Adjustment during the year	Closing Balance
Investment in listed Shares	-	-	-	2,500,000.00
Investment in Fixed Deposit	-	-	-	2,500,000.00
Total	2,500,000.00	-	-	2,500,000.00
Non Current Investment	-	-	-	2,500,000.00
Current Investment	-	-	-	2,500,000.00



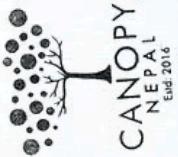
 AB SHALIKA ASSOCIATES
 MNO : 7344
 FRS NO : 5557
 Regd. No. 1000000000000000000

Canopy Nepal

Fixed Asset Register - FY 2079-80 (WDV Method)

S. No.	Grouping as per Books	Asset Name	Opening Amount	Purchase Amount	Total Cost Amount	Depreciation Rate	Year End Date	Day Used	Opening Accumulated Depreciation	Depreciation for Year	Closing Accumulated Depreciation	WDV Ashadh End
1	Furniture and Fixture	Furniture and Fixture	233,012		233,012	25%	07/16/2023	365	-	58,253.00	58,253.00	174,759.00
2	Office Equipments	Office Equipments	67,771		67,771	25%	07/16/2023	365	-	16,942.75	16,942.75	50,828.25
3	Vehicles	Vehicles	186,667		186,667	20%	07/16/2023	365	-	37,333.40	37,333.40	149,333.60
			487,450.00	-	487,450.00				-	112,529.15	112,529.15	374,920.85

Yours,
Sunita Shrestha



Canopy Nepal
Baluwatar, Kathmandu
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5.5 Other Non Current Assets

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Non Current Assets		
Total		

5.6 Inventories

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Finished Goods and Goods for Sale/use	-	-
Donation received in Kind	-	-
Books received as donation	-	-
Total		

5.7 Accounts Receivables

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Withholding Taxes	61,724.03	44,864.71
Prepaid Insurance	49,927.30	-
Less: provision for doubtful debt	-	-
Total	111,651.33	44,864.71

5.8 Cash and cash equivalent

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Cash at bank		
Siddhartha Bank Limited		
CANSHIP	408,052.61	314,468.85
FESSHIP	304,996.25	99,620.82
Canopy Nepal	234,974.47	1,265,390.79
Learners Hub	111,643.99	111,013.59
Beyond Borders	985,868.82	338,629.71
NIBL	15,032.35	15,032.35
Short-term deposits		
Total	2,060,568.49	2,144,156.11



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5.9 Unrestricted Funds/Accumulated Surplus

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Balance at beginning of the year	1,504,819	1,209,513
Unrestricted surplus/deficit in operating activities	1,240	295,306
Balance at end of the year	1,506,059	1,504,819

5.10 Designated Funds

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Balance as at beginning of year	-	-
Additional Funds received during the year	-	-
Balance as at year end	-	-

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Sreyash Shrestha

Kutay Shrestha



Canopy Nepal
Baluwatar, Kathmandu
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5.11 Restricted Funds

Particulars	As at 31st Ashad 2080 <i>2009/10</i>	As at 31st Ashad 2080 Restated*
Balance as at beginning of year	<i>3,435,683</i>	3,094,019
Additional funds received during the year	7,935,621	9,898,436
Less: Transferred to Statement of Income and Expenditure	10,766,164	9,556,772
Less: Interest income on restricted	146,009	-
Transfer to unrestricted funds	-	-
Balance As at end	<u>459,132</u>	<u>3,435,683</u>

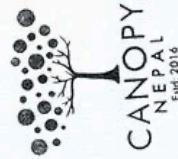
Project wise allocation and movement in restricted funds

Name of Donor organization	Project Name/Description	Balance brought forward	Received /restricted surplus during the year	Transferred to statement of income &Expenditure	Interest income on restricted	Balance carried forward shown in restricted fund balance
NCEP, FONAI, ISLEARNING and Various other	FEESHIP, CANSHIP, LEARNERS HUB, BEYOND BORDERS	3,435,683	7,935,621	10,766,164	146,009	459,132

*R. Bhattarai
B. Bhattarai*

D. Pradhan

A. B. Shah



Canopy Nepal
Baluwatar, Kathmandu

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5.12 Endowment Funds

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Balance at beginning of the year	-	-
Addition During the Year	-	-
Surplus/deficit for the year	-	-
Balance at the end of the year	-	-

5.13 Other Capital Reserves

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Revaluation Surplus	-	-
Deferred Income Machine	-	-
Less: Depreciation for the Year	-	-
Balance at the end of the year	-	-

5.14 Loans and Borrowings

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Term Loan	-	-
Bank Overdraft	-	-
Less: Current Portion	-	-
Balance at the end of the year	-	-

5.15 Employees Benefit Liabilities

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Employment Benefit Plan	-	-

5.16 Deferred Revenue

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Deferred Income	-	-
Less: Transferred to Statement of Income and Expenditure	-	-
Total	-	-

Zingi Dnyay Pathayay

Rajendra Shrestha



Canopy Nepal
Baluwatar, Kathmandu
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5.17 Deferred Tax Assets and Liabilities:

Deferred tax is calculated on temporary differences using a tax rate of 25% (FY 2079-80: 25%). Deferred tax assets have been recognized in respect of all tax losses and other temporary differences giving rise to deferred tax assets where the management believe it is probable that these assets will be recovered.

	31st Ashad 2081	As at 31st Ashad 2080 Restated*
<u>Reconciliation of deferred tax assets/liability net</u>		
Opening Balance as at 1st Shrawan		
Tax income/(expense) during the period recognised in profit or loss	(669)	
Closing balance as at 31st Ashad	(669)	

Details of the deferred tax assets/liabilities, amounts recognized in Statement of Income & Expenditure are as follows:

Particulars	Asset/ (Liability)	31st Ashad 2081	As at 31st Ashad 2080 Restated*
Property, Plant & Equipment		(669)	-
		(669)	-
		(669)	-
Particulars	(Charged)/Credited to Income & Expenditure	FY 2080-81	FY 2079-80 Restated*
Property, Plant & Equipment		(669)	-
		(669)	-
		(669)	-

Zingi *Sanjay Sandhyavadi* *B. Bhattarai*



Canopy Nepal
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5.18 Other Non Current Liabilities

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Other Non Current Liabilities	-	-
Total	-	-

5.19 Account Payable

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Audit Fee Payable	111,500	111,500
Other Payables	301,685	-
Insurance Payable		
Sagarmatha Lumbini Insurance Company Limited	62,340	-
Total	475,525	111,500

5.20 Other Current Liabilities

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Statutory Dues		
Social Security Tax	10,810	10,440
SST Payable - Stipend	24,174	-
TDS Payale - Audit Fee	1,500	1,500
Total	36,483	11,940

5.21 Provisions

Particulars	As at 31st Ashad 2081	As at 31st Ashad 2080 Restated*
Balance as at the beginning of the year	-	-
Allocation during the year	26,497	-
Use of provision during the year	-	-
Release of provision during the year	-	-
Total	26,497	-



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5.22 Incoming Resources

Particulars	FY 2080-81	FY 2079-80 Restated*
Grants –Restricted Funding	10,766,164	9,556,772
Grants –Unrestricted Funding	454,200	-
Other fund raising activities	—	—
Total	11,220,364	9,556,772

5.23 Financial Income

Particulars	FY 2080-81	FY 2079-80 Restated*
Interest income on Fixed Deposit	58,529	407,835
Interest income on Call Account	87,480	-
Total	146,009	407,835

5.24 Other Income

Particulars	FY 2080-81	FY 2079-80 Restated*
Dividend from Investment	—	—
Total	—	—



Canopy Nepal
Baluwatar, Kathmandu
NOTES TO FINANCIAL STATEMENTS

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5.25 Staff Cost

Particulars	FY 2080-81	FY 2079-80 Restated*
Wages and salaries	1,080,957	1,044,000
Total	1,080,957	1,044,000

5.26 Program Expenses

Particulars	FY 2080-81	FY 2079-80 Restated*
Scholarship Expense	2,492,444	3,036,123
Learners's Hub	3,583,165	2,345,366
Short Term Programs	1,573,366	1,691,305
Project Operation Expense	1,551,389	944,596
Total	9,200,364	8,017,390

4.25.1 Scholarship Expense

Particulars	FY 2080-81	FY 2079-80 Restated*
Admission/College Fees	1,414,444	1,496,713
Medicine and Checkups	2,110	21,193
Stationaries & Supplies	-	570,820
Scholars Transportation & Communication	4,000	167,953
School Workshop/Training /Sessions	-	78,218
Healthy Meal Program	-	199,253
Supplies (Electronics/Study Materials)	9,740	182,708
Uniform	115,198	314,409
Miscellaneous	-	4,856
Certificates & prizes	15,000	-
College Books	113,961	-
Events/Excursions	73,300	-
Exam Fee	30,420	-
Lunch	36,451	-
Lunch & Refreshment	480	-
Printing & stationary	48,974	-
Scholar's Emergency Fund	37,740	-
Stationary	326,856	-
Tiffin Payment	192,430	-
Transportation	5,760	-
Travelling Expenses	1,080	-
Tutoring/Coaching	55,500	-
Tutors	9,000	-
Total	2,492,444	3,036,123



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NOTES TO FINANCIAL STATEMENTS

Figures in NPR

4.25.2 Learners's Hub

Particulars	FY 2080-81	FY 2079-80 Restated*
Certificates/Token of Love	326,200	349,727
Stationaries & Supplies	153,765	337,916
School Workshop/Training/Sessions	150,450	488,556
Travelling	675,280	370,427
Tutors	600,000	311,173
Volunteer Stipends	952,700	487,567
Lunch	6,000	-
Printing & stationary	632,270	-
Speakers	86,500	-
Total	3,583,165	2,345,366

4.25.3 Short Term Programs

Particulars	FY 2080-81	FY 2079-80 Restated*
Certificates/Token of Love	-	305,595
Tshirt Distribution Expense	300,000	-
Volunteer & Trainer Stipend	749,700	305,190
Stationaries & Supplies	166,219	344,500
Social Media Expenses	-	412,498
Travelling Expenses	318,451	109,222
Tutors	-	214,300
Lunch & Refreshment	20,500	-
Miscellaneous Expense	1,900	-
Project Equipment	16,596	-
Total	1,573,366	1,691,305

4.25.4 Project Operation Expense

Particulars	FY 2080-81	FY 2079-80 Restated*
Meals & Refreshment	378,818	240,756
Travelling Expenses	-	302,525
Project Printing & Stationaries	119,950	48,600
Project Supplies & Equipments	26,450	171,315
Monitoring & Evalution	-	140,000
Miscellaneous	28,340	41,400
Certificates & Prizes	1,710	-
Office Equipment	178,175	-
Stationary	30,000	-
Volunteer Stipends	714,956	-
Tax & Legal	1,000	-
Courier Expense	71,990	-
Total	1,551,389	944,596



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5.27 General Administrative Expenses

Particulars	FY 2080-81	FY 2079-80 Restated*
Lease Rental	420,000	144,000
Printing & Stationary	-	1,670
Travelling Expenses	-	18,000
Audit Fee	113,000	113,000
Internet, Telephone & Communication	26,600	68,910
Insurance Expense	16,197	76,292
Water & Electricity	14,172	25,308
Renewal Charges	-	47,342
Miscellaneous Expense	82,340	860
Bank Charges and Commissions	3,563	-
Tax & Legal	19,971	-
Repair & Maintenance Vehicles	7,720	-
Repair & Maintenance Office Equipment	8,125	-
Kitchen Items	177,402	-
Total	889,090	495,382

Zingi Shrestha *Lata Shrestha*



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5.28 Other Expenditure

Particulars	FY 2080-81	FY 2079-80 Restated*
Interest Expenses	-	-
Impairment Loss	-	-
Total	-	-

5.29 Income Tax Expense

Particulars	FY 2080-81	FY 2079-80 Restated*
Current tax expense	-	-
Current tax on profits for the year	26,497	-
Total Tax Expense	26,497	-

Reconciliation of tax expense and the accounting profit multiplied by NPO's tax rate for 2079-80 and 2080-81:

Particulars	FY 2080-81	FY 2079-80
Accounting profit before income tax	108,663	295,306
Add: Depreciation as per Books	87,297	112,529
Less: Depreciation as per Income Tax Act	(89,974)	(112,529)
Add: Employment Benefit		
Taxable profit before income tax	105,987	295,306
NPO's statutory income tax rate of 25% (FY 2079-80.: 25%)	26,497	-
Income tax expense reported in the statement of profit or loss	26,497	-

As per Income Tax Act, the organization is liable to be taxed at 25% for any surplus during the accounting period where it fails to receive income tax exemption status.

Singh *Dinesh Pradhanayak* *Kanta Shrestha*



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Salary Sheet 80/81					

S.N.	Name	PAN No	Designation	Gross Salary	TDS@1%	Net Salary
1	Angirash Karki		Chairperson	395,000.00	3,950.00	391,050.00
2	Monal Bhattacharai		Program Manager	393,180.00	3,931.80	389,248.20
3	Pratima Wosti		Finance Officer	148,500.00	1,485.00	147,015.00
4	Anjula Joshi		Program Manager	144,000.00	1,440.00	142,560.00
Total				1,080,680.00	10,806.80	1,069,873.20

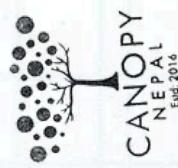


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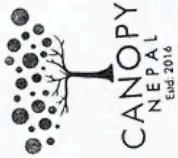
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Depreciation as FY 2080-81
(As per Section 19 of Income Tax Act)



François

Ernesto Gómez

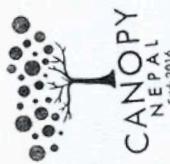
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Canopy Nepal Fixed Asset Register - FY 2080-81 (WDV Method)

S. No.	Grouping as per Books	Asset Name	Opening Amount	Purchase Amount	Total Cost Amount	Purchase Date BS	Purchase Date AD	Depreciation Rate	Year End Date	Day Used	Opening Accumulated Depreciation	Depreciation for Year	Closing Accumulated Depreciation	WdV Ashadhi End
1	Furniture and Fixture	Furniture and Fixture	233,012		233,012			25%	07/15/2024	365	58,253.00	43,689.75	101,942.75	131,069.25
2	Office Equipments	Office Equipments	67,771		67,771			25%	07/15/2024	365	16,942.75	12,707.06	29,649.81	38,121.19
3	Vehicles	Vehicles	186,667		186,667			20%	07/15/2024	365	37,333.40	29,886.72	67,200.12	119,466.88
4	Furniture and Fixture	Table		28,250.00	28,250	208/1/28	06/10/2024	25%	07/15/2024	35		677.23	677.23	27,522.77
5	Furniture and Fixture	Chairs		16,272.00	16,272	208/1/28	06/13/2024	25%	07/15/2024	32		396.65	396.65	15,975.35
Total			487,450.00	44,522.00	531,972.00		90,909.00			112,529.15		87,297.41	198,226.56	322,145.44

Signature - *Suraj Bhatti*

Signature - *Bijay*



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Prepaid Insurance - FY 2080-81

Insurance	Premium Paid	Starting	Year End date	Ending	Expense Days	Prepaid Days	Expense	Prepaid
Scooter Insurance	1,706.30	21-Dec-2023	15-Jul-2024	20-Dec-2024	207	158	968.00	738.30
Medical Insurance	28,020.00	29-Apr-2024	15-Jul-2024	28-Apr-2025	77	288	5,911.00	22,109.00
Accidental Insurance	34,320.00	29-Apr-2024	15-Jul-2024	28-Apr-2025	77	288	7,240.00	27,080.00
Total	64,046.30						14,119.00	49,927.30

Yogi Gurung
Signature

Rajeshwari
Signature



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