

FREEDOM FORUM

KATHMANDU, NEPAL

AUDITED FINANCIAL STATEMENT

FOR THE YEAR 2008/09

(July 16, 2009 – July 16, 2010)

FOR THE YEAR 2066-67

(1st Shrawan, 2066 – 32nd Asadh, 2067)

S.BASNET & CO.

Chartered Accountants

Dillibazar,
Kathmandu, Nepal
P.O Box:13805
Phone No: 4419383
E-Mail Basnetsuraj@hotmail.com

INDEPENDENT AUDITOR'S REPORT

To The Members of Freedom Forum For the Financial Year 2066/67

We have audited the accompanying balance sheet of the Freedom forum as on Ashad 32, 2067, and the related statements of income and Expenditure for the year then ended. These financial statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Nepal Standards on Auditing or relevant practices. Those Standards or relevant practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of (or 'are presented fairly, in all material respects,') the financial position of the Freedom Forum as on Ashad 32, 2067, and of the results of its operations for the year then ended in accordance with Nepal Accounting Standards



Suraj Basnet

Partner

S.Basnet & Company

Chartered Accountants

Date: 18 Ashwin 2067

Kathmandu

FREEDOM FORUM

Thapathali, Kathmandu, Nepal

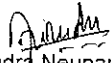
Balance Sheet

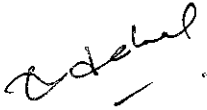
As at 32nd Asadh, 2067 (July 16, 2010)

(Amount in Rs.)


Particulars	Schedule	As on 32nd Asadh, 2067	As on 31st Asadh, 2066
<u>SOURCES OF FUNDS</u>			
Members Contribution		60,000.00	60,000.00
Balance of Fund			
Opening Balance = 1418563.18			
Surplus for the year = 544766.99		1,963,330.17	1,418,563.18
Total liabilities and payable			
Liabilities of Freedom Forum (Net)	VIII	615,442.02	419,625.00
Liabilities of different Activities (Net)	VII	305,125.00	78,950.00
TOTAL SOURCE OF FUND		2,943,897.19	1,977,138.18
<u>APPLICATION OF FUND</u>			
Fixed Assets :	XIII	677,984.80	444,777.16
Investment :			
Currents Assets:			
Cash and Bank Balance	IX		
Freedom Forum		1,527,153.70	1,038,577.11
Projects		580,258.69	493,783.91
Other Current Assets			
Freedom Form (Net)	X	158,500.00	-
Projects			
TOTAL ASSETS		2,943,897.19	1,977,138.18

Schedule XV- Notes to Accounts

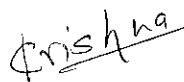

Anirudra Neupane
Accountant

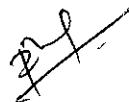

Traranath Dahal
Chairperson

As per our report of even date


Bishnu Sharma
Treasurer

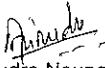



Krishna Sapkota
Program Coordinator


S. Basnet & Co.
Chartered Accountants

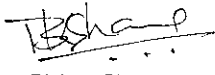
FREEDOM FORUM
Thapathali, Kathmandu, Nepal
Income and Expenditure Account
For the year ended 32nd Asadh, 2067 (July 16, 2010)

Particulars	Schedule		This Year (Rs.)	Last Year (Rs.)
<u>INCOME</u>				
Grant contribution to Freedom forum	XI	3,674,126.65		
less: Transferred from projects	XI	<u>183,055.00</u>	3,491,071.65	2,014,247.94
Grant for projects	I		2,302,735.28	3,536,688.41
TOTAL INCOME			5,793,806.93	5,550,936.35
<u>EXPENSES</u>				
Project Expenses	I		2,530,315.50	4,208,301.36
Administrative expenses	XII	2,667,557.08		
Depreciation	XIII	204,222.36		
Audit Fee		<u>30,000.00</u>		
		2,901,779.44		
Less : Transferred to Freedom Forum	XI	<u>183,055.00</u>	2,718,724.44	1,147,959.36
Refund to Donor Agency			-	12,461.45
TOTAL EXPENSES			5,249,039.94	5,368,722.17
Income over expenses			544,766.99	182,214.18


Anirudra Neupane
Accountant


Traranath Dahal
Chairperson

As per our report of even date


Bishnu Sharma
Treasurer



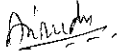

Krishna Sapkota
Program Coordinator

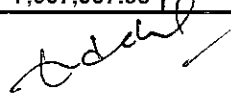

S. Basnet & Co.
Chartered Accountant

FREEDOM FORUM
Thapathali, Kathmandu, Nepal

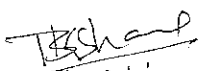
Receipt and payment Account
For the year ended 32nd Asadh, 2067 (July 16, 2010)

Receipt	Amount (Rs.)	Amount (Rs.)	Payment	Amount (Rs.)	Amount (Rs.)
Opening cash and bank balance		1,532,361.02	Total payment for Program this year		2,304,140.50
Contribution and donation to Freedom Forum	3,674,126.65				
Less: Transfer from projects	183,055.00				
Less: Equipment support	318,230.00	3,172,841.65			
Grant Received		2,302,735.28	Payment for administration expenses	2,501,740.06	
			Less: Expenses transferred to projects	183,055.00	2,318,685.06
			Advances		158,500.00
			Purchase of assets		119,200.00
			Closing Cash & Bank Balance (as on 31st Asadh, 2066)		2,107,412.39
		7,007,937.95			7,007,937.95

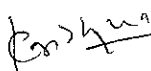

Anirudra Neupane
Accountant



Traranath Dahal
Chairperson

As per our report of even date


Bishnu Sharma
Treasurer




Krishna Sapkota
Program Coordinator


S. Basnet and Co.
Chartered Accountants


FREEDOM FORUM

Thapathali, Kathmandu, Nepal

Schedule - I Fund Accountability Statement For the period 16th July, 2009 to 16th July, 2010

(Amount in Rs.)

Particulars	Schedule	World Press Freedom Day Celebration	Project to Identify Issues of State Restructuring	Media Monitoring	Project for Budget Transparency	Freedom of Expression and Right to Information	Total
Grant Received From:							
Chemonics International		191,000.00					191,000.00
ADDCN			1,016,774.00				1,016,774.00
IBP					704,037.28		704,037.28
ARTICLE 19 (FCO)						390,924.00	390,924.00
A. Total Grant		191,000.00	1,016,774.00	-	704,037.28	390,924.00	2,302,735.28
Expenditure :							
World Press Freedom Day	VI	191,000.00					191,000.00
State Restructuring	VII		1,133,925.00				1,133,925.00
Budget Monitoring	IV				480,360.00		480,360.00
Freedom of Expression and Right to Information	III					655,975.50	655,975.50
Media Monitoring				69,055.00			
B. Expenditure		191,000.00	1,133,925.00	69,055.00	480,360.00	655,975.50	2,530,315.50
C. Surplus/ (Deficit) (A-B)		-	(117,151.00)	(69,055.00)	223,677.28	(265,051.50)	(227,580.22)
D. Opening balance			-	69,055.00		199,778.91	268,833.91
E. Transfer of fund to Freedom Forum							-
F. Refund to Donor							-
G. Closing balance of fund		-	(117,151.00)	-	223,677.28	(65,272.59)	41,253.69
Particulars of Current Assets							
Cash in hand			6,465.00		1,950.00	1,497.50	9,912.50
Cash at Bank		9,000.00	205,859.00		273,902.28	81,584.91	570,346.19
H. Total Current Assets		9,000.00	212,324.00		275,852.28	83,082.41	580,258.69
Particulars of Current liabilities							
Freedom Forum		-	112,325.00	-	5,600.00	115,955.00	233,880.00
TDS		9,000.00	50,550.00		46,575.00	32,400.00	138,525.00
Others			166,600.00				166,600.00
I. Total Current Liabilities		9,000.00	329,475.00	-	52,175.00	148,355.00	539,005.00



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FREEDOM FORUM
Thapathali, Kathmandu, Nepal
Schedule II
Insure Freedom of Expression and Right to information in Nepal
Activities Expenditure Report for the year 2066-67

(Amount in Rs.)

S.No.	Activities		Expenditure	Budget this year
Activity 1	Program Support Unit		113,120.00	116,000.00
	Coordination	105,000.00		
	Stationery	8,120.00		
Activity 3	Workshop with CA Members		152,800.00	150,000.00
	Food and snacks	64,550.00		
	Presentation/ Report Preparation	36,000.00		
	Stationeries	8,250.00		
	Per Diem and Recepted Expenditure	44,000.00		
Activity 4	Thematic Workshop		240,920.50	240,000.00
	Food and snacks	97,820.50		
	Presentation	30,000.00		
	Report Preparation	20,000.00		
	Per Diem and Recepted Expenditure	72,000.00		
	Stationery	21,100.00		
Activity 5	Preparation and Publication Newsletter		22,500.00	25,000.00
	Development and Editing	10,000.00		
	Page layout and design	3,000.00		
	Printing	9,500.00		
Activity 7	Three Thematic Discussions Out of Kathmandu		126,635.00	125,000.00
	Food and Accomodation of RP	12,000.00		
	Lunch and Snacks	69,500.00		
	Presentation	15,000.00		
	Stationeries	6,135.00		
	Transportation	24,000.00		
	Total		655,975.50	656,000.00

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FREEDOM FORUM
Thapathali, Kathmandu, Nepal

Schedule III
Project on Budget Transparency
Activities Expenditure Report for the year 2066-67

(Amount in Rs.)

S.No.	Activities		Expenditure	Budget
1	Research on Expenditure of Government Budget		220,000.00	445,000.00
	Coordinator's Remuneration	75,000.00		
	Expert's Remuneration	65,000.00		
	Facilitator's Remuneration	50,000.00		
	Researcher's remuneration	30,000.00		
2	Essay Competition on Budget Transparency		260,360.00	260,000.00
	Remuneration to School's Coordinators	35,000.00		
	Certificate Printing	5,600.00		
	School Support	140,000.00		
	Copy Evaluator's Remuneration	28,700.00		
	Award Distribution Program	13,560.00		
	First Prize	37,500.00		
Activity 1	Total		480,360.00	705,000.00

Schedule IV
Media Monitoring Project
Activities Expenditure Report for the year 2066-67

(Amount in Rs.)

S.No.	Activities	Expenditure	Budget
Activity	Newsletter		
	Administrative support	69,055.00	69,055.00
	Total	69,055.00	69,055.00

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FREEDOM FORUM
Thapathali, Kathmandu, Nepal

Schedule V
Project to Celebrate World Press Freedom Day
Activities Expenditure Report for the year 2066-67

(Amount in Rs.)

S.No.	Activities		Expenditure	Budget
1	Research on Expenditure of Government Budget		191,000.00	191,000.00
	Research and Devepopment / Administration Support	114,000.00		
	Coordinator's Remuneration	60,000.00		
	Bill Board Designing	12,000.00		
	Print Add Design	5,000.00		
Activity 1	Total		191,000.00	191,000.00

Schedule VI
Project to Identify Issues of State Structuring
Activities Expenditure Report for the year 2066-67

(Amount in Rs.)

S.No.	Activities		Expenditure	Budget
1	Monograph Preparation and Publication		297,000.00	300,000.00
	Recording	50,000.00		
	Transcription	72,000.00		
	Editing	60,000.00		
	Designing and Printing	115,000.00		
2	Radio Program Production and Broadcasting		552,925.00	550,000.00
	Audio/ Video Discs	7,325.00		
	Marantz Recorder	54,000.00		
	Microphone	21,600.00		
	Remuneration to Program Host	42,000.00		
	Research Script and Content Development	56,000.00		
	Signature Tune Preparation	10,000.00		
	Studio Recording	50,000.00		
	Editing Mixing and Packaging	144,000.00		
	Broadcasting	168,000.00		
3	Video Vox POP Preparation	122,000.00	122,000.00	130,000.00
4	DSA and Accomodation for team	162,000.00	162,000.00	162,000.00
Activity 1	Total		1,133,925.00	1,142,000.00

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FREEDOM FORUM
Thapathali, Kathmandu, Nepal

Schedule - VII
Details of Current Liabilities of Individual projects as on 32 nd Asadh 2067

(Amount in Rs.)

Particulars	Freedom of Expression and Right to Information	State Structuring	Budget Monitoring	World Press Freedom Day Celebration	Total
Freedom Forum	115,955.00	112,325.00	5,600.00		233,880.00
TDS	32,400.00	50,550.00	46,575.00	9,000.00	138,525.00
Radio Sagarmatha		42,000.00	-		42,000.00
Toofan Communication Network		124,600.00			124,600.00
					-
	148,355.00	329,475.00	52,175.00	9,000.00	539,005.00
Less : Freedom forum Balance	115,955.00	112,325.00	5,600.00		233,880.00
Total Current liabilities (Net)	32,400.00	217,150.00	46,575.00	9,000.00	305,125.00

Schedule - VIII
Details of Current Assets of Individual Projects as on 32nd Asadh 2067

(Amount in Rs.)

Particulars	Freedom of Expression and Right to Information in Nepal	State Structuring	Budget Monitoring	World Press Freedom Day Celebration	Total
Cash in hand	1,497.50	6,465.00	1,950.00		9,912.50
Cash at bank	81,584.91	205,859.00	273,902.28	9,000.00	570,346.19
Total Current Assets	83,082.41	212,324.00	275,852.28	9,000.00	580,258.69
Less : Inter Projects Receivable					-
Total Current Assets (Net)	83,082.41	212,324.00	275,852.28	9,000.00	580,258.69

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Freedom Forum
Thapathali, Kathmandu, Nepal

Schedule IX

Current liabilities of Freedom Forum as on 32nd Asadh 2067

Particulars	Amount (Rs.)
Mantra Network	14,750.00
Jana Kalyan chhapakhana	600.00
Media service International	72,100.00
Rama Furniture	1,760.00
Space Tech Computer	600.00
Subisu Cable net Pvt. Ltd.	27,610.00
Taranath Dahal	45,362.02
Nepal Printing Support	118,000.00
SAP Nepal	5,243.00
Shakambari Advertising	2,950.00
White House Rental Car Service	7,500.00
Comtec	7,200.00
TDS	273,450.00
Hotel Orchid	3,000.00
Marshyangdi Stationery	5,317.00
Audit Fee Payable	30,000.00
Total Current liabilities	615,442.02

Schedule X

Current Assets of Freedom Forum as on 32nd Asadh 2067

Particulars	Amount (Rs.)
Cash in hand	1,708.73
Cash at bank	1,525,444.97
Project for Promotion of Freedom of Expression	115,955.00
Sanat Acharya	10,000.00
Salary advance	148,500.00
State restructuring Project	112,325.00
Budget Monitoring	5,600.00
Total Current Assets	1,919,533.70
Less: Receivable from own projects	233,880.00
Total Current Assets	1,685,653.70

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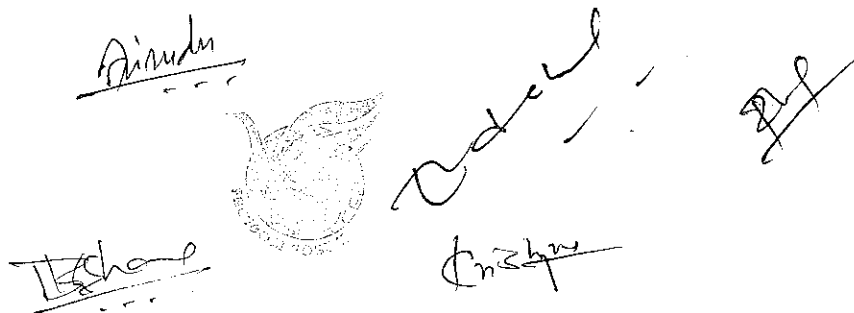
FREEDOM FORUM
Thapathali, Kathmandu, Nepal

Schedule XI
Grant & Contribution received by Freedom Forum for F/Y 2066/67

Particulars	Amount (Rs.)
Contribution by individuals and well-wishers	293,050.55
Support form USAID/NTI	1,154,335.80
Equipment Support	318,230.00
Subscriptin of books and journals	23,625.00
Support from Media Monitoring Project	69,055.00
Support from OSI	1,485,830.30
Support from Press Freedom Grand Jury	216,000.00
Support form World Press Freedom Day Project	114,000.00
Total Grant Received	3,674,126.65
Less : Transferred from the projects	183,055.00
Net Grant received by Freedom Forum	3,491,071.65

Schedule XII
Administrative expenditures for the F/Y 2066/67

Particulars	Amount (Rs.)
House Rent	204,000.00
Donation	10,000.00
Books and Journal	4,890.00
Electricity	46,153.33
Garden expenses	3,300.00
Human Rights Advocacy Material	13,000.00
Salaries	1,837,500.00
Repair and maintenance	48,067.25
Traveling & Public Relation	15,720.00
Miscellaneous Expenses	27,389.00
Newspaper	26,686.00
Refreshment	125,665.00
Publication of Newsletter	25,000.00
Telephone Expenses	110,633.00
Email/ website	39,563.00
Water	10,194.50
Report Development	10,000.00
Stationery	109,796.00
Total Administrative Expenses	2,667,557.08



 The image shows several handwritten signatures in black ink. In the center, there is a circular stamp with the text 'FREEDOM FORUM' around the perimeter and a central emblem. The signatures are written over and around the stamp.

**Freedom Forum
Kathmandu**

Details of Fixed Assets

As at 32 Asadh, 2067 (July 16, 2010)

Schedule- XIII

No.	Particulars	Dep. Rate	Opening WDV	Disposed	Original Value				Total	Depreciation for the Year	Net Value	
					Poush	Chaitra	Asadh	Total			32.03.2067	31.03.2066
1	Furniture and Fixture	25%	94,080.49				23,000.00	117,080.49	27,353.46	89,727.03	94,080.49	
2	Computers	25%	140,583.98		147,100.00	28,400.00	175,500.00	316,083.98	76,654.33	239,429.65	140,583.98	
3	Printer	25%	7,500.00		15,930.00		15,930.00	23,430.00	5,857.50	17,572.50	7,500.00	
4	Office equipment	25%	81,750.00				-	81,750.00	20,437.50	61,312.50	81,750.00	
5	Other Assets	15%	24,309.32		73,000.00		73,000.00	97,309.32	14,596.40	82,712.92	24,309.32	
6	Communication equipment	20%	41,103.36				-	41,103.36	8,220.67	32,882.69	41,103.36	
7	Bicycle	20%	5,200.01				-	5,200.01	1,040.00	4,160.01	5,200.01	
8	Motorbike	25%	50,250.00					50,250.00	12,562.50	37,687.50	50,250.00	
9	Recorder	25%	-		150,000.00		150,000.00	150,000.00	37,500.00	112,500.00	-	
	Grand Total		444,777.16	-	386,030.00	51,400.00	437,430.00	882,207.16	204,222.36	677,984.80	444,777.16	

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Schedule XIV: Salary Detail for Financial Year 2066/67

S.N.	Name	Gross Salary	Tax Liability	Status
1	Santosh Sigdel	1,100,000.00	271,500.00	Married
2	Santosh Sigdel (Advance)	148,500.00		
3	Krishna Sapkota	198,000.00		
4	Anirudra Neupane	146,000.00		
5	Siromani Dhungana	146,000.00		
6	Laxmi Lamichhane	90,000.00	-	
7	Dan Bahadur Karki	90,000.00		
8	Parbati (cleaner)	7,500.00		
9	Durga Prasad Dulal	60,000.00		
	Total	1,986,000.00	271,500.00	


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Freedom Forum

Kathmandu, Nepal

Schedule – XV

Notes to Accounts:

i. **Accounting Policies :**

The principal accounting policies are summarized below. The accounting policies have been applied consistently throughout the year and proceeding year. Financial Statement is prepared in conformity with Nepal Accounting Standards or relevant practices. The significant accounting policies are summarized as follow.

ii. **Basis of Accounting :**

Financial statement have been prepared under the historical cost convention and under the fund based accounting system. Amount transferred from the individual projects to the Freedom forum to contribute toward the administrative expenses are separately disclosed.

iii. **Accounting System:**

Accounting system is based on historical cost convention and on hybridized cash accrual system. Under which the accounts are maintained in both cash and accrual basis.

iv. **Fixed Assets:**

Fixed assets are stated at cost less depreciation. Total cost as at the year end and the total accumulated depreciation along with the depreciation charged for the year is stated in the underlying schedule XV. Assets received as donation are taken at the agreed market value or cost price if fill is available. Depreciation has been charged at the rates approved by the Freedom Forum taking the useful life of assets into consideration.

v. **Income Recognition:**

Incomes on account of donations from the donors are recognized on the basis of as and when the cash is received or income recognition is taken on the cash basis of accounting. Donation agreed and received in foreign currency

Anshu Paudyal

H. Sharma



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has been deposited and converted into equivalent Nepalese Rupees taking exchange rate of the receipt. Some projects with in support of USAID/NTI have been conducted but the account is not at Freedom Forum as expenses were directly paid by as Chemonics International.

vi. Income, Expenses, Assets and Liabilities Reporting:

Income, Expenses transferred from one project to another project or from project to Freedom forum and Assets and Liabilities due from one another projects are reported by netting off the income/expense or assets liabilities (after making adjustment of inter project transfer/due) in the financial statement.

vii. Surplus Reported in the Income & Expenditure Account

Surplus amount reported in the Income and Expenditure Account is not the surplus amount, this amount also includes the unexpired donation obligation for the projects which are not completed yet.

viii. Expenses:

All expenses have been recognized on the accrual basis except for the project strengthen media through legal support. Expenses include any VAT which can not be fully recovered, and is reported as part of the expenditure to which it relates. Some expenses of projects are the administrative expenses sharing of Freedom forum so these are shown as project expenses and deducted from the Freedom Forum's Expenses.

ix. Members' Contribution:

Member's contribution is considered as capital contribution so not taken in income and expenditure account.

x. Other Contribution:

All contributions other than 'Member's contribution' is treated as revenue income and reported in income expenses report.

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