

**Independent Auditor's Report of Freedom Forum  
for the financial year 2068-69 (2011-12)**

To: Members,

We have audited the accompanying Balance Sheet of **Freedom Forum** as of 31 Ashad 2069, and the Income Statement, Fund Accountability Statement and Notes to Accounts for the year then ended.


Management is responsible for the preparation and fair presentation of these financial statements in accordance with Nepal Accounting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

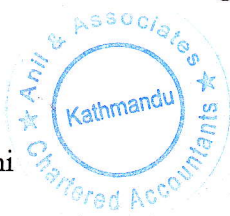
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

The financial statements give a true and fair view of the financial position as of 31 Ashad 2069, and of the results of its operations, of **Freedom Forum** for the year then ended in accordance with Generally Accepted Accounting Practices.

  
CA, Anil Joshi  
Proprietor  
Kathmandu  
Date: 14.10.2012



**FREEDOM FORUM**  
Thapathali, Kathmandu, Nepal

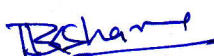
**Balance Sheet**  
As at 31 Asadh, 2069 (15 July, 2012)

*In NRs.*

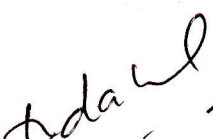
Particulars	Schedule	Current Year	Previous Year
Non-Expendable Assets	1	612,773.31	664,484.28
<b>Current Assets</b>			
Cash & Bank(Projects)	2	2,946,991.94	1,069,337.80
Cash & Bank(Core)	3	1,361,580.03	374,861.11
Receivables	4	367,127.05	477,761.27
<b>Total</b>		<b>5,288,472.33</b>	<b>2,586,444.46</b>
<b>Fund Balance</b>			
Capital Fund		612,773.31	664,484.28
Member's Contribution		60,000.00	60,000.00
General Reserve		3,718,334.55	612,615.69
Current Liabilities(project)	5	588,141.05	1,002,579.47
Current Liabilities(Core)	6	309,223.42	246,765.02
<b>Total</b>		<b>5,288,472.33</b>	<b>2,586,444.46</b>

*Schedules are integral part of financial statements*


*As per our report of even date*

  
Bishnu Sharma  
Treasurer



  
Traranath Dahal  
Chairperson

  
CA, Anil Joshi  
Partner  
Anil & Associates  
Date: 14.10.2012

  
Anirudra Neupane  
Finance Officer

  
Krishna Sapkota  
Executive Director

**FREEDOM FORUM**  
Thapathali, Kathmandu, Nepal

**Income and Expenditure Statement**  
For the period 31 Asadh, 2069 (15 July, 2012)

*In NRs.*

Particulars	Ref	Current Year	Previous Year
Grant received for Projects	FAS	9,417,031.05	5,653,426.90
Grant contribution to Freedom Forum	7	2,456,024.10	1,263,668.43
<b>Total (A)</b>		<b>11,873,055.15</b>	<b>6,917,095.33</b>
<b><u>EXPENSES</u></b>			
Project Expenses	FAS	7,124,938.49	5,627,922.26
Administrative Expenses	8	1,508,847.80	1,788,774.63
Depreciation Expenses	1	185,260.97	186,628.64
<b>Total (B)</b>		<b>8,819,047.26</b>	<b>7,603,325.53</b>
<b>Surplus/(Deficit)</b>		<b>3,054,007.89</b>	<b>(686,230.20)</b>

*As per our report of even date*



*B Sharma*  
Bishnu Sharma  
Treasurer

*Traranath Dahal*  
Traranath Dahal  
Chairperson

*Anil Joshi*

C.A. Anil Joshi  
Partner

Anil & Associates  
Date: 14.10.2012

*Anirudra Neupane*  
Anirudra Neupane  
Finance Officer

*Krishna Sapkota*  
Krishna Sapkota  
Executive Director



**FREEDOM FORUM**  
Thapathali, Kathmandu, Nepal

**Fund Accountability Statement (FAS)**  
For the period 31 Asadh, 2069 (15 July, 2012)

Particulars	Schedule	Social Accountability	Strategic Information Campaigning	Aid Transparency Study	Safety Training	Election and Media	Other Projects	Total
Opening Balance					270,906.00	3,859.13	(208,006.80)	66,758.33
Grant Received From:								
World Bank /PRAN		930,000.00						
UNESCO							852,000.00	1,782,000.00
Helvetas Nepal					399,957.00		216,609.00	616,566.00
INTERNEWS								
USAID						2,857,962.66		2,857,962.66
The Asia Foundation							142,691.90	142,691.90
IBP			1,103,589.00					1,103,589.00
Aid Info							274,856.85	274,856.85
A. Total Grant		930,000.00	1,103,589.00	2,305,682.75	399,957.00	2,857,962.66	333,681.89	2,639,364.64
Expenditure :							1,819,839.64	9,417,031.05
Aid Transparency Study in Nepal	I							
Guidebooks on Social Accountability	II	930,000.00		1,156,959.99				1,156,959.99
3-Day Training on Safety of Journalists	III				670,863.00			930,000.00
Enhancing Capacity of Journalists' on Election Reporting	IV							670,863.00
Strategic Information Campaign	V		5,163.99			3,253,657.41		3,253,657.41
Other Projects	VI							5,163.99
B. Expenditure		930,000.00	5,163.99	1,156,959.99	670,863.00	3,253,657.41	1,108,294.10	1,108,294.10
Closing Balance							1,108,294.10	7,124,938.49
Balance Represented by:								
Current Liabilities	6	-	1,098,425.01	1,148,722.76	-	(391,835.62)	503,538.74	2,358,850.89
Cash in hand	2	-	-	(18,294.00)	-	(554,097.05)	503,538.74	2,358,850.89
Cash at Bank	2,3	-	186.01	7,428.50	-	1,278.87	(15,750.00)	(588,141.05)
		-	1,098,239.00	1,159,588.26	-	160,982.56	519,288.74	8,893.38
								2,938,098.56

*Bishnu Sharma*  
Bishnu Sharma  
Treasurer

*Anirudra Neupane*  
Anirudra Neupane  
Finance Officer



*Traranath Dahal*  
Traranath Dahal  
Chairperson

*Krishna Sapkota*  
Krishna Sapkota  
Executive Director

*As per our report of even date*  
*Anil Joshi*  
CA, Anil Joshi  
Partner  
Anil & Associates  
Date: 14.10.2012

**FREEDOM FORUM**  
Thapathali, Kathmandu, Nepal

**Aid Transparency Study in Nepal**

		Schedule-I
S.No.	Activities	Amount (NRs)
<b>Activity 1</b>	<b>Consultation Meetings</b>	
1.1	<b>Central Level Meeting</b>	<b>37,983.00</b>
	Hi-Tea for Participants	24,083.00
	Stationeries	3,900.00
	Presentation/Modration	10,000.00
1.2	<b>District Level Meetings</b>	<b>110,484.67</b>
	Food and Accomodation	37,717.27
	Stationeries	11,106.00
	Travel Cost for Resource Persons	31,661.40
	Presentation/Modration	30,000.00
	<b>Sub-Total (A)</b>	<b>148,467.67</b>
<b>Activity 2</b>	<b>Media Programming</b>	<b>60,000.00</b>
	Feature Writers' Remuneration	60,000.00
	<b>Sub-Total (B)</b>	<b>60,000.00</b>
<b>Activity 3</b>	<b>Project Human Resource</b>	
	Project coordination	70,000.00
	Researcher's at Central Level	40,000.00
	Researcher's at District Level	40,000.00
	Thematic Experts	350,000.00
	<b>Sub-Total (C)</b>	<b>500,000.00</b>
<b>Activity 4</b>	<b>National Workshop</b>	
	Hi- Tea for Participants	20,016.65
	Stationeries	4,880.00
	Travel Cost for District Participants	15,000.00
	<b>Sub Total (D)</b>	<b>39,896.65</b>
<b>Activity 5</b>	<b>Project support</b>	
	Administrative Support	275,000.00
	Overhead	75,688.97
	<b>Sub-Total (E)</b>	<b>350,688.97</b>
<b>Activity 6</b>	<b>Monitoring Visits</b>	
	Food and Accomodation for Monitors	16,612.70
	Travel Cost	6,000.00
		<b>22,612.70</b>
<b>Activity 7</b>	<b>Situation Analysis Report (G)</b>	<b>35,294.00</b>
	<b>Total Project Expenses (A+B+C+D+E+F)</b>	<b>1,156,959.99</b>

Guidebooks on Social Accountability		Schedule :II
<b>Activity 1</b>	<b>Guide Books Publication</b>	
	Case Study Report	17,500.00
	Content Development	50,000.00
	Editing	45,000.00
	Scripts for Sketchs	25,000.00
	Text Translation	44,500.00
	Layout and Design	80,600.00
	Printing Books	330,000.00
	<b>Sub Total (A)</b>	<b>592,600.00</b>
<b>Activity 2</b>	<b>Project Support</b>	
	Coordination	25,000.00
	Administrative Support	312,400.00
	<b>Sub Total (B)</b>	<b>337,400.00</b>
	<b>Total Cost (A+B)</b>	<b>930,000.00</b>

*Solal Lal*

*Anil & Associates*  
FREEDOM FORUM

*Thapathali*

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**FREEDOM FORUM**  
Thapathali, Kathmandu, Nepal

**3-Day Training on Safety of Journalists**

		Schedule-III
S.No.	Activities	Amount (NRs)
1	Food and Accommodation for participants	252,650.00
2	Communication and Media Coordination	50,000.00
3	Multimedia	18,000.00
4	Reporting and Report Development	20,000.00
5	Training Coordinator	37,500.00
6	Stationeries	8,100.00
7	Trainers' Remuneration	120,000.00
8	Training Materials	14,830.00
9	Travel Cost for RPs	64,683.00
10	Travel cost for Participants	57,100.00
11	Training Manual Development	28,000.00
<b>Total</b>		<b>670,863.00</b>

**Enhancing Capacity of Journalists' on Election Reporting**

		Schedule-IV
S.No.	Activities	Amount (NRs)
1	Administration Support	246,000.00
2	Electoral Advisor	900,000.00
3	Blog Coordinator	480,000.00
4	Media Coordinator	400,000.00
5	Social Media Coordinator	100,000.00
6	Legal Assistant	300,000.00
7	Office Assistant	144,000.00
8	Telephone and Internet	67,607.41
9	Travel Cost	30,000.00
10	Supplies	66,525.00
11	Printing and Stationery	50,410.00
12	Newsletter	166,506.00
13	Logistics and refreshment	78,519.00
14	Consultation Meeting	14,190.00
15	Furniture and Fixtures	99,900.00
16	Text Translation and Editing	80,000.00
17	Promotional Video Development	30,000.00
<b>Total</b>		<b>3,253,657.41</b>

**Strategic Information Campaigning**

		Schedule-V
1	Strategic Information Campaigning	5,163.99

**Other Projects**

		Schedule-VI
S.No.	Activities	Amount (NRs)
1	<b>Media Law Speaker's Program</b>	
	Administrative Support	41,554.60
	Gift	965.00
	Hi-Tea for Workshop Participants	90,962.00
	Meeting Expenses	9,210.30
		<b>142,691.90</b>
2	<b>Budget Transparency</b>	
	Budget Research	<b>105,000.00</b>
3	<b>National Convention (Administrative Support)</b>	860,602.20
4	<b>Media Research on Aid Transparency</b>	-
<b>Total</b>		<b>1,108,294.10</b>

*Odakal* *Aim* *for* *freedom*

FREEDOM FORUM

Kathmandu

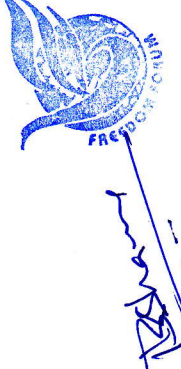
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**Freedom Forum  
Kathmandu**

**Details of Non Expendable Assets  
As at 31 Asadh, 2069 (15 July, 2012)**

Schedule 1  
In NRs.

No.	Particulars	Dep. Rate	Original Value				Depreciation for the Year	Net Value	
			Opening WDV	Disposed	Poush	Chaitra	Asadh	Total	Total
1	Furniture and Fixtures	25%	69,245.27		51,000.00		6,000.00	57,000.00	126,245.27
2	Computers	25%	179,572.24		17,500.00			17,500.00	197,072.24
3	Printer	25%	13,179.37					-	13,179.37
4	Office equipments	25%	45,984.37					-	45,984.37
5	Other Assets	15%	92,608.98		23,050.00			23,050.00	115,658.98
6	Communication equipments	20%	26,306.15		4,000.00			4,000.00	30,306.15
7	Bicycle	20%	3,328.01					-	3,328.01
8	Motorbike	25%	28,265.62					-	28,265.62
9	Recorder	25%	84,375.00					-	84,375.00
10	YAHAMA Petrol Generator	25%	121,619.27					-	121,619.27
11	Camera	25%	-		32,000.00			32,000.00	32,000.00
<b>Grand Total</b>			<b>664,484.28</b>	<b>-</b>	<b>127,550.00</b>	<b>-</b>	<b>6,000.00</b>	<b>133,550.00</b>	<b>798,034.28</b>
								<b>185,260.97</b>	<b>612,773.31</b>
									<b>664,484.28</b>

  
FREEDOM FORUM  
KATHMANDU

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Kishor

Kathmandu  
Kathmandu

**FREEDOM FORUM**  
Thapathali, Kathmandu, Nepal

**Cash & Bank(Projects)**

Schedule-2

Particulars	Strategic Information Campaigning	Aid Transparency	Election and Media	Other Projects	Total(NRs)
Cash in hand	186.01	7,428.50	1,278.87		8,893.38
Cash at bank	1,098,239.00	1,159,588.26	160,982.56	519,288.74	2,938,098.56
<b>Total</b>	<b>1,098,425.01</b>	<b>1,167,016.76</b>	<b>162,261.43</b>	<b>519,288.74</b>	<b>2,946,991.94</b>

**Cash & Bank( Core Accounts)**


Schedule-3

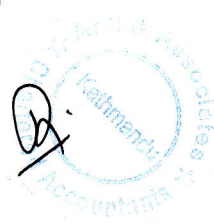
Particulars	Current Year	Previous year
Cash in hand	11,813.59	22,771.57
Cash at bank	1,349,766.44	352,089.54
<b>Total</b>	<b>1,361,580.03</b>	<b>374,861.11</b>

**Receivables**

Schedule-4

Particulars	Current Year	Previous year
Sanat Acharya	20,000.00	10,000.00
Jimmi Lal Majhi	6,000.00	6,000.00
Staffs	-	15,866.00
Public Servic Broadcasting	-	161,750.00
National Convention on RTI	-	92,516.00
Election and Media Project	243,716.05	191,629.27
Chiranjibi Kafle	18,000.00	
Dan Bahadur Karki	20,920.00	
Krishna Sapkota	13,300.00	
Anirudra Neupane	14,000.00	
Manju Dahal	1,485.00	
Rama Giri	756.00	
Sanjeeb Ghimire	1,950.00	
Shiromani Dhungana	1,000.00	
Haribinod Adhikari	11,500.00	
Aid Transparency Project	14,500.00	
<b>Total Current Assets</b>	<b>367,127.05</b>	<b>477,761.27</b>

*Handwritten signatures and stamps:*  
  
*Sanat Acharya*  
*Jimmi Lal Majhi*  
*Krishna Sapkota*  
*Manju Dahal*

*Handwritten signature and stamp:*  
  
*P. W. Arts & Associates*  
*Kathmandu, Nepal*  
*Accountants*



**Freedom Forum**  
**Thapathali, Kathmandu, Nepal**


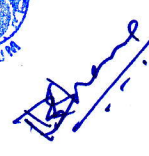
**Current Liabilities**

				Schedule-5
Particulars	Aid Transparency Study	Election and Media	Other Projects	Total
Freedom Forum	14,500.00	243,716.05		258,216.05
TDS	3,794.00	99,928.03	15,750.00	119,472.03
Nepal Printing Support	-	11,413.00		11,413.00
Dues to Project HR	-	199,039.97		199,039.97
<b>Total</b>	<b>18,294.00</b>	<b>554,097.05</b>	<b>15,750.00</b>	<b>588,141.05</b>

**Core Account Liabilities**

			Schedule-6
Particulars	Current Year	Previous Year	
CCRI	18,000.00	-	
RF Deduction	3,875.00	-	
Nepal Printing Support	118,735.00	118,735.00	
Marsyangdi Stationery	-	2,396.00	
SAP Nepal	37,953.40	5,443.00	
TDS	10,297.00	16,766.00	
Space Tech Computer	-	600.00	
Subisu Cable net Pvt. Ltd.	27,610.00	27,610.00	
Subedi Bakery	-	2,210.00	
Taranath Dahal	43,093.02	32,395.02	
Shakambari Advertising	4,950.00	4,950.00	
Techno Global	6,760.00	6,110.00	
Audit Fee Payable	33,450.00	29,550.00	
Sikharapur Yatayat	3,500.00	-	
Saroj Thapa	1,000.00	-	
<b>Total</b>	<b>309,223.42</b>	<b>246,765.02</b>	

*Deben*  
*Dimby*  
*Kishor*


**FREEDOM FORUM**  
Thapathali, Kathmandu, Nepal

**Grant & Contribution**

Particulars	Schedule-7	
	Current Year	Previous Year
Contribution by individuals and well-wishers	588,778.33	640,010.00
Membership Renewal	6,000.00	-
Support from Aid Project	350,688.97	-
Support from election and Media Project	246,000.00	68,000.00
Support from Media Law Speaker's Program	41,554.60	-
Support form National Convention	860,602.20	130,000.00
Support form Journalist's Safety Project	50,000.00	-
Support from PRAN Project	312,400.00	-
Contribution by individuals and well-wishers	-	-
Support form Gender Training	-	29,478.15
Contribution form Public Service Broadcasting	-	155,000.00
Support from Budget Transparency	-	183,461.28
Support form State Restructuring Project	-	57,719.00
<b>Total Grant Received</b>	<b>2,456,024.10</b>	<b>1,263,668.43</b>

**Administrative expenditures**

Particulars	Schedule-8	
	Current Year	Previous Year
House Rent	288,000.00	204,000.00
Donation	5,000.00	3,200.00
Books and Journal	4,040.00	5,712.00
Electricity	38,629.40	38,811.54
Garden expenses	4,725.00	2,480.00
Fuel for Generator	-	4,273.00
Salaries	744,500.00	721,665.00
Salary of Project Advisor	-	148,500.00
Repair and maintenance	41,067.00	53,613.00
Traveling & Public Relation	62,290.00	58,718.00
Miscellaneous Expenses	11,306.00	30,927.00
Newspaper	32,228.00	34,624.00
Newsletter Development	10,000.00	12,735.00
Refreshment	56,530.00	170,179.00
Media Monitoring Report	-	17,000.00
Telephone Expenses	22,607.00	62,010.00
Email/ website	-	22,543.50
Water	14,123.00	12,360.00
World Press Freedom Day Celebration	-	12,405.00
Postal Expenses	-	1,641.00
Stationery	26,981.00	63,585.00
Democracy Dialogue	-	10,120.00
Cleaning	2,400.00	2,400.00
Audit Fee	33,900.00	30,000.00
Information Campaigning	10,449.00	-
Contribution to Press Freedom Grand Jury	20,000.00	-
Unrecovered Debt	-	65,272.59
IFEX Membership Fee & Bank Charge	7,600.00	-
Retirement Contribution	31,750.00	-
Internet/Email	9,002.00	-
Document Translation	13,324.00	-
Program on Social Justice in Education	18,396.40	-
<b>Total</b>	<b>1,508,847.80</b>	<b>1,788,774.63</b>

*Eda L*

*Prinkey*

*Krishna*

*Tejash*



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**Freedom Forum**  
**Kathmandu, Nepal**  
**F/Y 2068/'69**

**Notes to the financial statements:**

**1. Basis Of Accounting:**

Financial statements have been prepared under the historical cost convention and under the fund based accounting system which included hybrid of cash and accrual system. Amount transferred from the individual projects to the Freedom Forum to contribute towards the administrative expenses are separately disclosed.

**2. Non-Expendable Assets**

Non-Expendable Assets are stated at cost less depreciation. Assets received as donation are recognized on agreed market value. Depreciation has been charged at the rates approved by the Freedom Forum (by determining useful life of assets). Non-Expendable Assets are recognized in balance sheet creating separate capital asset fund.

**3. Grant Recognition:**

Grants are recognized on cash basis. Grant received in foreign currency has been recognized by converting into equivalent Nepalese currency of date of receipts.

**4. Surplus/(Deficit) Surplus Reported in the Income & Expenditure Account :**

Surplus amount reported in the Income and Expenditure Statement includes the unexpired donation obligation for the projects which are not completed yet.

**5. Expenses**

All expenses have been recognized on the actual basis. Some expenses of projects are the administrative expenses sharing of Freedom forum.


**6. Members Contribution:**

Member's contribution is considered as capital contribution.

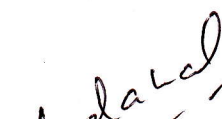
**7. Previous year's figures have been regrouped or rearranged wherever necessary.**




Bishnu Sharma  
Treasurer


  
Anirudra Neupane  
Finance Officer



  
Traranath Dahal  
Chairperson

  
Krishna Sapkota  
Executive Director

As per our report of even date

  
CA, Anil Joshi  
Proprietor

Anil & Associates  
Date: 14.10.2012

