

Independent Auditor's Report **To the Members of Transparency International Nepal (TIN)**

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Transparency International Nepal (TIN), which comprises the Statement of Financial Position as at 31 Ashad 2078 (15 July 2021), the Statement of Income and Expenditure, and Statement of Cash Flow for the year then ended, and notes to the financial statements, including summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of TIN as at 31 Ashad 2078, and of its financial performance and its cash flows for the year then ended on the basis of accounting policies stated in the accompanying notes.

Basis of Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in ICAN's Handbook of Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of the financial statements in accordance with applicable financial reporting framework, 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 decision 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.

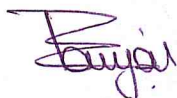
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

On the basis of our examination and according to explanations given to us, we would like to further report that:

To the best of our knowledge & belief and according to the explanation given and based on our audit, we are of view that the activities carried out are found to be within the objectives of TIN.

To the best of our information, belief and explanation given to us, we further report that TIN has complied generally with the provisions of Income Tax Act relating to withholding tax.



CA Parash Mani Aryal
P M & Associates
Chartered Accountants



Place: Kathmandu, Nepal

Date: 29 August 2021

UDIN: 210830CA00600xYuMo

Transparency International Nepal
Statement of Financial Position
As on 31 Ashad 2078 (15 July 2021)

Amount in NPR

| Particulars | Schedule | Current Year | Previous Year |
|--------------------------------------|----------|-------------------|-------------------|
| <u>Fund & Liabilities</u> | | | |
| Donor Fund-Restricted | 8 | 14,764,063 | 16,231,892 |
| Endowment Fund | 6 | 13,500,000 | 12,500,000 |
| Capital Reserve Fund | | 3,302,234 | 1,386,838 |
| Accumulated Fund | 7 | 4,081,955 | 4,074,269 |
| Current Liabilities | | 907,717 | 1,579,836 |
| Total Fund & Liabilities | | 36,555,968 | 35,772,836 |
| <u>Assets</u> | | | |
| <u>Non- Current Assets</u> | | | |
| Property Plant and Equipment | 5 | 3,305,961 | 1,391,805 |
| Endowment Fund Investment | 3 | 13,500,000 | 12,500,000 |
| <u>Current Assets</u> | | | |
| Cash and Cash Equivalent | 4 | 19,563,773 | 21,664,635 |
| Prepaid/Advance and Receivable | | 186,234 | 216,397 |
| Total Assets | | 36,555,968 | 35,772,836 |

Attached Accounting Policies and Notes to accounts are an integral part of this financial statement

As per our report of even date

Thapa

Kiran Thapa
Treasurer

Pradhan

Mukunda Bahadur Pradhan
Secretary General

Pradhananga

Padmini Pradhananga
President

Parash Mani Aryal

CA Parash Mani Aryal
P M & Associates
Chartered Accountants



Place: Kathmandu

Date: 29 August 2021

Transparency International Nepal
Statement of Income and Expenditure
For the period from 1 Shrawan 2077 to 31 Ashad 2078
(16 July 2020 to 15 July 2021)

Amount in NPR

| Particulars | Schedule | Current Year | Previous Year |
|--|----------|-------------------|-------------------|
| <u>Income</u> | | | |
| Revenue Recognition from Restricted Fund | 8 | 27,199,748 | 28,540,014 |
| Bank Interest | | 907,284 | 1,088,515 |
| Other Income | | 52,900 | 169,001 |
| Total Income | | 28,159,932 | 29,797,530 |
| <u>Expenditure</u> | | | |
| Human Resources and Activities | 9 | 24,993,928 | 26,328,852 |
| Administrative Expenses | 10 | 2,158,319 | 2,282,642 |
| Total Expenditure | | 27,152,247 | 28,611,494 |
| Surplus/(Deficit) - Income over Expenditure | | 1,007,685 | 1,186,036 |
| Balance of Accumulated Fund brought forward | | 4,074,269 | 2,888,233 |
| Total | | 5,081,955 | 4,074,269 |
| Fund transfer to Endowment Fund | | 1,000,000 | - |
| Balance of Accumulated Fund carried forward | | 4,081,955 | 4,074,269 |

Khapa

Kiran Thapa
Treasurer

Mukunda Bahadur Pradhan

Mukunda Bahadur Pradhan
Secretary General

Padmini

Padmini Pradhananga
President

Parash Mani Aryal

CA Parash Mani Aryal
P M & Associates
Chartered Accountants



Place: Kathmandu

Date: 29 August 2021

Transparency International Nepal
Statement of Cash Flows
For the period from 1 Shrawan 2077 to 31 Ashad 2078
(16 July 2020 to 15 July 2021)

Amount in NPR

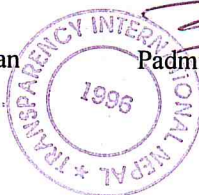
| Particulars | Current Year | Previous Year |
|--|--------------------|-------------------|
| <u>Cash from Operating Activities</u> | | |
| Surplus/ (Deficit) | 1,007,685 | 1,186,036 |
| Depreciation | 1,241 | 1,655 |
| (Increase)/Decrease in Accounts Receivable | 30,162 | 353,857 |
| (Decrease)/Increase in Accounts Payable | (672,119) | 683,124 |
| <i>Net Cash From Operating Activities</i> | 366,969 | 2,224,673 |
| <u>Cash from Investing Activities</u> | | |
| (Increase)/Decrease in Fixed Assets | (1,915,398) | 436,052 |
| (Increase)/Decrease in term deposits | (1,000,000) | - |
| <i>Net Cash from Investing Activities</i> | (2,915,398) | 436,052 |
| <u>Cash from Financing Activities</u> | | |
| Increase /(Decrease) in Donor restricted fund | (1,467,829) | 6,635,439 |
| Increase/ (Decrease) in Capital Reserve | 1,915,397 | (436,051) |
| <i>Net Cash from Financing Activities</i> | 447,567 | 6,199,388 |
| Net Increase/ (Decrease) in Cash and Cash Equivalents | (2,100,861) | 8,860,113 |
| Opening Cash and Cash Equivalents | 21,664,635 | 12,804,521 |
| Balance at the end of the year | 19,563,773 | 21,664,635 |

Thapa

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Treasurer

Mukunda Bahadur Pradhan

Mukunda Bahadur Pradhan
Secretary General



Padmini Pradhananga
Padmini Pradhananga
President

CA Parash Mani Aryal

CA Parash Mani Aryal
P M & Associates
Chartered Accountants



Place: Kathmandu

Date: 29 August 2021

Transparency International Nepal

2077/78

Accounting Policies, and Notes to accounts on the Financial Statements

1. Background

- 1.1 Transparency International Nepal (TIN) was established in 1996 as a non-governmental and non-profit making organization. TIN is registered with the District Administration Office, Kathmandu under Societies Registration Act 1977 and affiliated with the Social Welfare Council. TIN is the national chapter of Transparency International having its secretariat in Berlin, Germany. TIN is recognized as a tax exempt organization by the Inland Revenue Department.
- 1.2 TIN's mission is to work towards corruption free Nepal. Its main objectives are to:
- combat corruption in all forms at national and international levels through advocacy, representation, networking, coalitions and awareness building;
 - discourage abuse of public post and authority for personal interest and
 - motivate movements, organizations, groups, communities for proactive role against corruption.
- 1.3 The General Body of TIN elects nine members of Executive Committee including President for a tenure of two years. Vice- President, Secretary General and Treasurer are nominated by the President out of the elected members.
- 1.4 TIN has an Operation Manual 2020 for the management of administration, finance and personnel affairs.

2. Significant Accounting Policies

2.1 *Presentation of financial statements.*

- 2.1.1 The financial statements are prepared under the historical cost convention on an accrual basis except as stated in the related notes. The Financial Statements are prepared on the assumption that the organization is a going concern.

- 2.1.2 Figures have been rounded off to the nearest NRs.

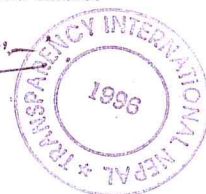
2.2 *Revenue Recognition*

- 2.2.1 Income from donors for projects is recognized on the basis of expenditure charged to the project during the year.
- 2.2.2 Income from interest on bank deposits is recognized net of tax on cash basis.
- 2.2.3 Other income from membership fee and miscellaneous income are recognized on cash basis.
- 2.2.4 The difference amount between the reconciled bank statement balance and the bank ledger has been recognized as exchange difference. The exchange difference amount has been recognized as gain/loss in the respective projects on the same basis.

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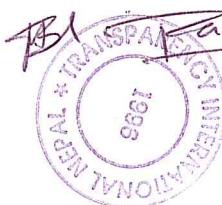
2.3 *Assets and Liabilities*

- 2.3.1 Property, plant and equipment are either acquired out of accumulated fund or capitalized upon transfer of ownership to TIN after project completion as per agreement with respective donor. The value of fixed assets is capitalized on the basis of acquisition cost less depreciation for the period already used in the various projects. The cost of acquisition is composed of suppliers' invoice price plus duties and other capital costs. Where the information relating to the cost of acquisition is not known, the value is determined on the basis of replacement cost. Depreciation is charged on written down value method: Office equipment and Furniture at 25% per annum, Vehicle at 20% per annum.
- 2.3.2 Provision is a liability of uncertain timing or amount. It is recognized when:
- a) There is present obligation (legal or constructive) as a result of past event;
 - b) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
 - c) A reliable estimate can be made of the amount of the obligation.
- 2.3.3 The closing balance of foreign currency is translated using the closing rate and the exchange difference is taken to revenue.

2.4 *Fund*

- 2.4.1 Restricted Fund represents the balance of fund received from donors for utilization in the specified projects as per the agreement or understanding between various donors and TIN.
- 2.4.2 Endowment Fund represents the balance of fund with the objective of developing future sustainability with own source by utilizing resources which are not required for use in the foreseeable future. Endowment Fund is to be invested as per the decision of the Executive Committee. The income generated from Endowment Fund will be used for meeting the administrative costs and for carrying the other activities in TIN's own initiative.
- 2.4.3 Capital Reserve Fund- it includes the value of Fixed Assets the title of which is transfer to TIN after completion of the project. Depreciation cost of these fixed assets for the year is charged to this Fund.
- 2.4.4 Accumulated Fund represents the balance of free fund available at the disposal of the organization to be spent through operational account as per TIN Operational Manual and as per the decision of the Executive Committee.

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Notes to Accounts

3. Endowment Fund Investment

| | Amount in NPR | |
|--|-------------------|-------------------|
| | Current Year | Previous Year |
| Interest bearing accounts with Commercial Bank | | |
| 6.6% Fixed Deposit - maturing on 2021.11.25 | 1,500,000 | 1,500,000 |
| 6.6% Fixed Deposit - maturing on 2021.12.17 | 6,000,000 | 6,000,000 |
| 6.6% Fixed Deposit - maturing on 2021.10.27 | 3,500,000 | 3,500,000 |
| 7% Fixed Deposit - maturing on 2022.03.18 | 1,500,000 | 1,500,000 |
| 7.1% Fixed Deposit - maturing on 2022.01.20 | 1,000,000 | 0 |
| Total | 13,500,000 | 12,500,000 |

4. Cash and Cash Equivalents

As per TIN Operational Manual 2020, the movements of fund relating to the various projects were transacted through General Account and expenditure reimbursed by Designated account. Other banking transactions were carried through the General accounts. Balance with banks and in petty cash in the various accounts as on 31.03.2078 is as per below.

| | Amount in NPR | |
|--------------------------------|-------------------|-------------------|
| | Current Year | Previous Year |
| Designated accounts (Donor) | 15,498,960 | 16,779,637 |
| Non- interest bearing accounts | 12,489,000 | 14,885,704 |
| Interest bearing accounts | 3,009,959 | 1,893,933 |
| General accounts (TIN) | 4,064,814 | 4,884,998 |
| Non- interest bearing accounts | 1,927,427 | 1,967,639 |
| Petty Cash Balance | 35,000 | 35,000 |
| Interest bearing accounts | 2,102,387 | 2,882,359 |
| Total | 19,563,773 | 21,664,635 |

Designated accounts represent the balances with bank in accounts which are in operation for specific projects under agreement with the various donors. General accounts represent the balances with bank in TIN account which are not earmarked for any specific purpose.

5. Property, Plant and Equipment

Detail of Property Plant and Equipment procured from Core fund, Completed Projects and Running Projects is as per below:

| | Amount in NPR | | | |
|--|------------------------|------------------|----------|--------------|
| Procured from Core Fund | Furniture & Furnishing | Office Equipment | Vehicle | Total |
| Balance at Beginning of year | 1,504 | 3,465 | - | 4,969 |
| Addition/(Disposal) during the year | - | - | - | - |
| Total Assets | 1,504 | 3,465 | - | 4,969 |
| Depreciation during the year | 376 | 866 | - | 1,242 |
| Written Down Value at the end of year | 1,128 | 2,599 | - | 3,727 |

| Transferred from Completed Projects | Furniture & Furnishing | Office Equipment | Vehicle | Total |
|--|------------------------|------------------|------------------|------------------|
| Balance at Beginning of year | 63,726 | 448,601 | 874,512 | 1,386,838 |
| Addition during the year | 4320 | 365,351 | 2,432,000 | 2,801,671 |
| (Disposal) during the year | 0 | (5,965) | 0 | (5,965) |
| Total Assets | 68,046 | 807,986 | 3,306,512 | 4,182,544 |
| Depreciation during the year charge in Capital Reserve | 17,011 | 201,996 | 661,302 | 880,310 |
| Written Down Value at the end of year | 51,034 | 605,990 | 2,645,210 | 3,302,234 |
| Total Assets Capitalized to Year End | | | | 3,305,961 |

| Procured from Running Projects- yet to be capitalized | Furniture & Furnishing | Office Equipment | Vehicle | Total |
|---|------------------------|------------------|-------------|----------------|
| Balance at Beginning of year | 124,369 | 778,015 | 2,432,000 | 3,334,384 |
| Addition during the year | - | 129,000 | - | 129,000 |
| (Disposal) or Transfer to TIN | (4,320) | (410,262) | (2,432,000) | (2,846,582) |
| Transfer other than TIN | (95,049) | (367,753) | - | (462,802) |
| Total Assets | 25,000 | 129,000 | - | 154,000 |
| Depreciation during the year | 6,250 | 17,333 | - | 23,583 |
| Written Down Value at the end of year | 18,750 | 111,666 | - | 130,416 |

Transfer other than TIN includes assets transferred to Local Government Office, School and Women Group after obtaining approval from Donor.

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Notes to Accounts

6. Endowment Fund

Amount in NPR

| Particulars | Current Year | Last Year |
|--------------------------------------|-------------------|-------------------|
| Balance at the beginning of the year | 12,500,000 | 12,500,000 |
| Transfer from Accumulated fund | 1,000,000 | - |
| Total | 13,500,000 | 12,500,000 |

7. Accumulated fund

Amount in NPR

| Particulars | Current Year | Total Accumulated |
|--------------------------------------|------------------|--------------------|
| Income | | |
| Balance at the beginning of the year | | 4,074,269 |
| Membership Fee | 52,900 | |
| Bank Interest | 907,284 | |
| Miscellaneous | - | |
| Project Overhead | 1,537,800 | |
| Total Income (A) | 2,497,984 | 6,572,254 |
| Expenditure | | |
| Expenditure (TIN Own) | 397,288 | |
| TIN Contribution to IPERR | 1,093,011 | |
| Capital Reserve | - | |
| Transfer to Endowment Fund | 1,000,000 | |
| Total Expenditure (B) | 2,490,299 | (2,490,299) |
| Net Accumulated Fund (A-B) | | 4,081,955 |

8. Restricted Fund

The movement of funds for the various donor funded Projects and the balance of fund is as per below

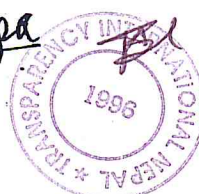
Amount in NPR

| Particulars | CGI | OC4H | ALAC Outreach | T-SAI | IPERR | UNCAC | Total of Project Activities |
|---|------------------|------------------|---------------|-------------------|----------------------|----------------|-----------------------------|
| Sources of Fund | | | | | | | |
| Opening Balance of fund | 5,843 | 1,588,748 | 88,518 | (80,500) | 14,629,283 | - | 16,231,892 |
| Fund Received During the period | 4,693,650 | 3,055,652 | - | 3,608,794 | 14,373,823 | - | 25,731,919 |
| Interest Income | - | - | - | - | - | - | - |
| Exchange Gain/(Loss) | - | - | - | - | - | - | - |
| Fund Refunded/ Adjustment | - | - | - | - | - | - | - |
| Capital Reserve | - | - | - | - | - | - | - |
| Income from OH Charge | - | - | - | - | - | - | - |
| Fund Available for the Period | 4,699,492 | 4,644,400 | 88,518 | 3,528,294 | 29,003,106 | - | 41,963,811 |
| Utilization of fund | | | | | | | |
| Personnel Expenses | 645,435 | 1,327,270 | - | 900,125 | 1,973,014 | - | 4,845,844 |
| Activity Costs | 1,794,824 | 2,532,711 | - | 1,733,207 | 12,726,627 | - | 18,787,370 |
| Project Administration/OH Charge | 329,529 | 774,125 | - | 353,311 | 2,104,564 | 5,005 | 3,566,534 |
| Total Expenditure | 2,769,788 | 4,634,107 | - | 2,986,643 | 16,804,205 | 5,005 | 27,199,748 |
| Balance of Fund as on 15 July 2021 | 1,929,704 | 10,293 | 88,518 | 541,651 | 12,198,901 | (5,005) | 14,764,063 |
| Represented by: | | | | | | | |
| Cash | - | - | - | - | - | - | - |
| Bank/ Deposits | 2,049,410 | 234,261 | 94,613 | 631,676 | 12,489,000 | - | 15,498,960 |
| Account Receivable- Inter Project | - | - | 33,905 | - | - | - | 33,905 |
| Accounts receivable/Advances- Other | 31,845 | 17,244 | - | 30,475 | 61,214 | - | 140,778 |
| Account Payable- Inter Project/ TIN | (131,551) | (211,211) | (40,000) | (80,500) | (133,908) | (5,005) | (602,176) |
| Accounts Payable Other | (20,000) | (30,000) | - | (40,000) | (217,405) | - | (307,405) |
| Balance Fixed Assets | - | - | - | - | - | - | - |
| Total Balance of Fund | 1,929,704 | 10,293 | 88,518 | 541,650.92 | 12,198,901.33 | (5,005) | 14,764,063 |

Expenditure charged under project administration expenses includes overhead support provided by various projects which has been booked as income of TI Nepal. The detail of overhead support from respective project is as per below:

| Project Title | Amount in NPR |
|---------------|------------------|
| IPERR | 1,194,813 |
| OC4H | 211,436 |
| CGI | 131,551 |
| Total | 1,537,800 |

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9. Project HR and Activities Expenditure:

The direct cost of the activities of the various projects as per respective agreement with the concerned donors:

Amount in NPR

| Particulars | CGI | OC4H | T-SAI | IPERR | TIN | Total |
|---------------------------|------------------|------------------|------------------|-------------------|------------------|-------------------|
| Salary and allowances | 645,435 | 1,327,270 | 900,125 | 6,996,942 | - | 9,869,772 |
| Consulatants cost | 630,223 | 633,525 | 319,447 | 1,504,932 | 116,600 | 3,204,727 |
| Research & Consultancy | - | 327,416 | - | - | - | 327,416 |
| Workshop and Seminar | 105,940 | 202,659 | 153,672 | 1,092,628 | 53,145 | 1,608,044 |
| Meeting Refreshments | 80,126 | - | 32,026 | 262,934 | 9,865 | 384,951 |
| Transport and conveyance | 57,413 | 45,925 | 29,340 | 658,724 | 25,720 | 817,122 |
| Travel and daily expenses | 52,600 | 61,845 | 13,600 | 210,120 | 2,850 | 341,015 |
| Monitoring and Evaluation | 100,000 | 130,000 | - | - | - | 230,000 |
| Office Equipment | - | - | 129,000 | - | - | 129,000 |
| Furniture | - | - | - | - | - | - |
| Awareness and Publicity | 357,053 | 836,798 | 988,709 | 2,728,196 | 47,545 | 4,958,301 |
| Printing and publication | 55,274 | 287,402 | 55,273 | 299,900 | 11,978 | 709,827 |
| Contribution and Support | 354,645 | - | - | - | - | 354,645 |
| Bank charges | 1,550 | 265 | 190 | 1,674 | - | 3,679 |
| Rent | - | - | - | 463,365 | - | 463,365 |
| Utility | - | - | - | 195,237 | - | 195,237 |
| Communication cost | - | - | - | - | - | - |
| Office materials | - | - | - | 79,356 | - | 79,356 |
| Resource Center | - | 4,368 | - | - | - | 4,368 |
| Repair & Maintenance | - | - | 11,950 | 127,454 | - | 139,404 |
| Insurance expenses | - | 2,508 | - | 78,179 | - | 80,687 |
| TIN contribution to IPERR | - | - | - | - | 1,093,011 | 1,093,011 |
| Total | 2,440,259 | 3,859,981 | 2,633,332 | 14,699,641 | 1,360,714 | 24,993,928 |

Climate Governance Integrity (CGI)

Amount in NPR

| Name of Affiliated Organization | Opening Balance | Advance | Total Advance | Advance settlement | Balance Advance |
|--|-----------------|----------------|----------------|--------------------|-----------------|
| Bhrastachar Birudda Aviyan Bharatpur | 56400 | 310000 | 366,400 | 364,600 | 1,800 |
| Sushasanka Lagi Nagarik Samaj, Pokhara | 24379 | 367231 | 391,610 | 383,865 | 7,745 |
| Total | 80,779 | 677,231 | 758,010 | 748,465 | 9,545 |

10. Project Administration Expenditure

Amount in NPR

| Particulars | CGI | OC4H | IPERR | T-SAI | UNCAC | TIN | Total |
|------------------------|----------------|----------------|----------------|----------------|--------------|----------------|------------------|
| Meeting & Refreshments | - | 24,870 | 32,765 | 5,530 | - | 8,420 | 71,585 |
| Rent | 118,396 | 326,893 | 365,878 | 133,965 | - | - | 945,132 |
| Office materials | 11,002 | 98,881 | 147,624 | 35,557 | - | 3,232 | 296,296 |
| Repair & Maintenance | - | 17,525 | 75,940 | 25,300 | - | 44,118 | 162,883 |
| Registration and Taxes | - | 2,900 | 48,405 | 3,900 | 5,000 | 25,965 | 86,170 |
| Insurance expenses | 4,625 | 9,251 | 33,869 | 6,910 | - | 26,326 | 80,981 |
| Communication cost | 40,089 | 27,330 | 47,055 | 79,144 | - | 2,013 | 195,631 |
| Utility | 3,866 | 25,039 | 92,098 | 23,005 | - | 10,973 | 154,981 |
| Miscellaneous expenses | - | - | 1,117 | - | 5 | 2,297 | 3,419 |
| Depreciation | - | - | - | - | - | 1,241 | 1,241 |
| Audit fee | 20,000 | 30,000 | 65,000 | 40,000 | - | 5,000 | 160,000 |
| Total | 197,978 | 562,689 | 909,751 | 353,311 | 5,005 | 129,585 | 2,158,319 |

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11. Current Liabilities

Current Liabilities includes amount of Rs.404,180 allocated for gratuity fund. The fund is created by charging expenses at the rate of 8.33% of basic salary of each staff. Amount equivalent of the allocated fund is deposited in separate bank account which would be paid at the time of retirement of staff.

Movement of Gratuity fund during the year was as per below

| | |
|---|------------------|
| Opening balance | 1,318,336 |
| Addition this year | 603,172 |
| Total | 1,921,508 |
| Less : Paid during the year | 1,517,328 |
| Balance Gratuity of Gratuity Payable | 404,180 |

12. The profile of the various projects undertaken by TI Nepal during the year:

| <u>Project Acronym</u> | <u>Donor</u> | <u>Project title</u> | <u>Project Duration</u> | <u>Currency</u> | <u>Project Budget</u> | <u>Status</u> |
|------------------------|---------------------------------------|---|--------------------------------------|-----------------|-----------------------|---------------|
| IPERR | European Union Delegation to Nepal | Integrity in Post Earthquake Reconstruction and Rehabilitation | 13 May 2016- 12 April 2021 | Euro | 1,052,632 | Completed |
| OC4H | TI UK | Open Contracting for Health Initiative | December 2018- June 2021 | Pound | 152,044 | Completed |
| CGI | TI - Secretariat | Climate Governance Integrity | 17 October 2019- 31 December 2021 | Euro | 73,309 | Ongoing |
| T-SAI | TI - Secretariat | Together for Social Accountability and Integrity | 15 June 2020 to 31 August 2023 | Euro | 148,024 | Ongoing |
| UNCAC | UNCAC Coalition | UN Convention against Corruption | 28 April 2021 to 28 November 2021 | Euro | 3,000 | Ongoing |

Thapa

Kiran Thapa
Treasurer

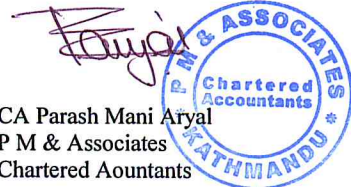
Pradhan

Mukunda Bahadur Pradhan
Secretary General



Pradhan

Padmini Pradhananga
President



CA Parash Mani Aryal
P M & Associates
Chartered Aountants

Place: Kathmandu

Date: 29 August 2021