



## nepal orphans home

### **Annual Report 2010**

Nepal Orphans Home, a 501(c)3 public charity incorporated in Davidson, North Carolina, was founded in 2005 by Michael Hess.

#### Mission Statement:

*Nepal Orphans Home attends to the total welfare of children in Nepal who are orphaned, abandoned, or not supported by their parents. Papa's House provides for the children's basic needs of food, shelter, and clothing, as well as schooling and health care, and administers to their emotional needs with love and compassion. Papa's House allows children to grow up in a nurturing environment. The mission of Nepal Orphans Home is not just to rescue children from abject poverty, but to enable the children to develop and realize their potentials.*

### **Review of 2010**

Once again, the year proved to be eventful for Nepal Orphans Home (NOH), with progress on a number of fronts, despite some unexpected challenges. Most importantly, the children of Papa's House continue to thrive.

#### **Papa's House**

NOH began the year operating four Papa's Houses in Dhapasi for 124 children, 26 boys and 98 girls, on three campuses within walking distance of each other and near the Skylark school attended by the children. We ended the year with 113 children under our care: 38 girls in the Samanjasya (Harmony) House, 24 girls in the Kalpana (Imagine) House, 24 girls in the Gumba (Sanctuary) House, and 27 boys in the Sambhav (Possibilities) House.

Invariably there will be new children coming to Papa's House and some children leaving over the course of a year. In the spring eight more girls and one boy came over from Narti, where NOH was supporting the Lawajuni House for girls rescued by Society Welfare Action Nepal (SWAN). In the fall, some of the former Kamlari girls who had been living in Papa's Houses did not return from the Dashain holiday. Their reasons varied: some were urged or required by their guardians to stay in their home villages, some were not making progress in school and wanted to return to a traditional life, and one girl had received a marriage proposal. Later, in December, another group of girls left Papa's House, stating their desire to return to their villages and whatever relatives they

might have there. Tragically, several of the girls who left Papa's House were resold into indentured servitude. Three newly rescued girls, though, joined Papa's House at the end of the year.

While striving to make a better life for every child who comes to Papa's House, NOH always honors the child's wishes. For those children who ask to return to their villages and for those whose families request them to return, NOH provides for their safe travel back and stands ready to help them again in the future.

### **Relocation of Papa's Kalpana and Sambhav Houses:**

Late in the year, the landlord of Papa's Kalpana House and Papa's Sambhav House decided to reclaim her property. Michael found two other houses nearby. In early December the boys moved and, later in the month, the Kalpana girls moved to their new homes. Papa's Kalpana House, still managed by Anita Mahato, is an eight-bedroom house with spacious grounds and a high security wall. Papa's Sambhav House is spacious and secure, and managed by Pratap Chetri and his wife, Devika. Both homes are within walking distance of Papa's Samanjasya House, managed by Michael. Papa's Gumba House is managed by Gita Lama. All four homes are separate properties within short walks to the Skylark School.

### **Actions of the NOH Board**

In February, with the issuance of the 2009 Annual Report, the members of the Board of Directors voted to approve the proposed NOH budget for 2010. On April 10<sup>th</sup>, the NOH Board of Directors met together for the first time in Davidson, North Carolina, in conjunction with a community celebration of the first five years of Nepal Orphans Home. All of the directors and officers attended, some traveling from outside the U.S. (Michael Hess from Nepal and Toni Thomson from Toronto). Three members of the Board of Advisers (Jesse Bach, Jamie Hess from Bolivia, and Jerry Hess) also attended.

At this board meeting, the process for the election of officers (President, Secretary, and Treasurer) was set forth. Carola Drosdeck supervised the election, with the results from the electronic voting announced on August 15<sup>th</sup>. Peter and Barbara Hess were elected for three-year terms as president and secretary-treasurer, respectively.

Updates were provided by Michael on NOH's support for the Lawajuni Home and relationship with SWAN and NOH's support for two village schools in the Ramechhap district. The other major items on the agenda were Volunteer Nepal and the future NOH campus.

Adding an on-site business manager to assume some of the responsibilities of operating Papa's Houses was discussed. Later in the year, Anita Mahato, the manager of Papa's Kalpana House, and one of the first children to come to Papa's House, took over handling the daily expenses. Responsible, conscientious, and a tenacious negotiator for 'best price,' Anita has successfully relieved Michael from some of the daily business so he can focus on the larger operations.

### **By-law Amendments:**

The NOH By-laws were amended in July with new descriptions for the secretary and treasurer positions on the Board of Directors as follows.

*The Secretary will be responsible for sending necessary acknowledgments for donations, prepare end-of-year season's greetings, and gather information for the newsletter.*

*The Treasurer will be responsible for generating financial reports from the expense and revenue reports supplied by the Director of Operations, prepare the forms required by the IRS and North Carolina Secretary of State, reconcile the bank statements, and verify that each contributor has been acknowledged as required by IRS code. The treasurer will deposit donation checks and initiate wire transfers to banks in Nepal.*

With the issuance of the NOH Semi-Annual Report in August, was a proposed amendment to the NOH By-laws on the power of attorney, both to facilitate and formalize the operation of the organization. After some revision, the following amendment was approved by the Board of Directors, becoming By-law 21.

*The President and Director of Operations of Nepal Orphans Home each has power of attorney to enter into contracts and conduct business in Nepal and elsewhere on behalf of Nepal Orphans Home, Inc. The Board of Directors authorizes either the President or the Director of Operations to conduct business and enter into agreements on behalf of Nepal Orphans Home, Inc. The President or Director of Operations may conduct business and enter into agreements either separately or in tandem. The authority so given extends to all transactions and agreements necessary to or helpful for the continued operation of Nepal Orphans Home.*

Adding the position of vice president to the officers of the Board of Directors was proposed in November, with the following amendment to the By-laws. This amendment not only expands the formal officers on the board but provides for contingency leadership of the board.

*11.d. The vice president will assist the president and will maintain the records of the organization. In the event the president is no longer able to serve, the vice president will become the president, pending the approval of the board.*

### **Changes in Membership of the Board of Advisers:**

Lauren Yanks, a professor and writer from Rosendale, New York, and Marc Nathanson, the executive director of the West Side Catholic Center in Shaker Heights, Ohio joined the NOH Board of Advisers. Teri Duffy, and Tom and Fiona Gilbert, resigned from the Board of Advisers.

### **Strategic Plan:**

An initial draft of a strategic plan for Nepal Orphans Home was circulated to the boards in October. Clearly a work in progress and designed to be a living document, evolving with NOH, the strategic plan includes: the mission and vision statements of NOH, an outline of the structural and financial organization of NOH, an overview of operations (Papa's Houses, Volunteer Nepal, and outreach programs, such as support for

village schools), and a plan setting forth specific objectives, including the development of programs and facilities, with strategies and a time line for realizing these objectives. In particular, a description of the future campus for Nepal Orphans Home was provided.

### **A Campus for Nepal Orphans Home**

Plans for a NOH campus were discussed at some length in the April meeting of the boards. In January of 2009, the NOH boards had adopted a vision statement for the campus for our children's homes, volunteer hostel, and school. A preliminary plan for the buildings and facilities on the campus had been distributed prior to the meeting. Real estate in the Kathmandu valley is very expensive. Key considerations in locating our campus include access to the airport, internet connection, and adequate infrastructure, e.g., reliable power grid and water supply. Securing legal title to the purchase of property, of course, is essential. While acknowledging that NOH is still well short of the funds necessary to purchase land and build the campus, the board also recognized the need to begin the process of searching for land and retaining legal assistance in Nepal.

Subsequently land was identified in Anikot, roughly 90 minutes from the Kathmandu airport, in a quiet, rural setting with clean air, but still modest infrastructure. The asking price of roughly three acres of this undeveloped land is less than a third of more level land closer to Kathmandu. A lawyer recommended by Kathmandu School of Law was retained by NOH. Among other things, the process will entail formalizing a NOH Nepali Board of Directors and registering in Nepal as an International Non-Governmental Organization. This land was approved for purchase by the NOH board. An architectural firm in New York City, Kushner Studios, generously volunteered to develop a site plan for the campus and help design the buildings. Although this site by far was the most affordable land we had found, concerns with subsequent demands made by local Maoists, on top of the other reservations that have been noted, led to our no longer pursuing the purchase of this land.

Late in the year Michael began a discussion with the Tilingatar Land Trust about a 3-acre (24 ropani) plot in Dhapasi. Although negotiations were still in the early stages by the end of the 2010 year, one plan involved an exchange. For use of some of this land for our campus, Nepal Orphans Home would pay for the construction of a new elementary school, to be run by Tilingatar. Any commitment by NOH would have to be approved by the board. In any case, once land is secured, we would begin in earnest a capital campaign.

### **The Kamlari Problem**

Despite being illegal, the sale of children into indentured servitude in Nepal continues. In particular, the Kamlari system persists.

In February of 2008, NOH opened the Lawajuni Home in Narti in the Dang district for former Kamlari girls, rescued by Society Welfare Action Nepal (SWAN). In the next two years, NOH financially supported the operation of the Lawajuni Home and Volunteer Nepal provided volunteers for service there. We were able to bring over seventy rescued Kamlari girls to two new Papa's Houses in Dhapasi. Overtime, however, we became increasingly concerned with SWAN's management of the Lawajuni Home.

Early in 2010, it became clear that SWAN had failed to honor agreements on the number of girls that could be adequately provided for at the home. Combined with SWAN's resistance to improving its operation and accountability, the NOH board decided at the annual meeting in Davidson in April to discontinue funding for the Lawajuni Home.

While ceasing its financial support, the board allowed for possible future collaboration with SWAN in bringing more rescued girls to Papa's House. General guidelines for accepting new children, when there is room at Papa's House, were established. Children will be considered on a case-by-case basis with priority given to those in greatest need--to include rescued Kamlaris, Dalits, and previously trafficked, all either orphans or with parents unable to provide for them.

Towards the end of 2010, Michael began discussing with Man Bahadur Chhetri, an Ashoka fellow and founder of the Indentured Daughters Program, the possibility of establishing a home in the Bardiya district for rescued girls.

### **Volunteer Nepal**

Volunteer Nepal (VN), the NOH volunteer program, continues to thrive, despite the ongoing challenging conditions in Nepal. Over the year, 105 individuals from countries around the world, including the U.S., Canada, U.K., Germany, Spain, Finland, and Australia volunteered through VN. A half dozen of the volunteers were returning for second or third stints. During the summer, three members of the NOH Board of Directors and one member of the Board of Advisers also volunteered at Papa's House.

Also, in June, NOH advertised on Idealist.org for an assistant to the director of operations to replace Emma Brakes who had managed Volunteer Nepal for the first four months in 2010. In late July, Brian LaGuardia of New York City began his work as the Deputy Director of Operations for NOH, joined by Alexis Fisher, also from New York City, the new Deputy Director of Programs for NOH. In early October, however, Brian and Lexi submitted their resignations, citing their differences with the philosophy and policies of Nepal Orphans Home. NOH was fortunate to hire Sonam Dolkar, born in Nepal, educated in India and the United States, fluent in Hindi, Tibetan, Nepali, and English, who had been interning at the Human Rights Watch in the Asia Division before coming to NOH.

In addition to those who volunteered through Volunteer Nepal, Papa's House received a number of visitors during the year. Among the groups were the Jersey Cricket Club from the Channel Islands, the participants from the inaugural Yoga for Freedom experience organized and led by Jesse Bach of the NOH Board of Advisers, and Amanda Tapping and Jill Bodie of the Sanctuary for Kids Foundation.

Among the initiatives during the year were a revision of the Volunteer Nepal Handbook, the institution of exit interviews with volunteers, and the development of a contract for volunteers specifying liabilities. The Volunteer Nepal brochures, which can be sent electronically, should prove useful in spreading awareness of our volunteer program on college campuses.

### **Outreach Programs**

In 2008 Nepal Orphans Home began assisting two remote villages in the Ramechhap district. NOH supported the Shree Sham primary school in Dumrikharka and

the Mudkeswori primary school in Votetar, funding hot lunch programs and contributing to teacher salaries and school supplies for over 140 children, most of whom are Dalits (untouchables). In addition, through Volunteer Nepal, NOH sent volunteers to teach in the village schools. Unfortunately, an internal power struggle in the village undermined these efforts and led to the suspension of our volunteer placements and NOH support in early 2010.

The villagers soon regretted the loss of these valuable programs, addressed the internal dissension, and appealed to NOH for resumption of support. Convinced of the sincerity of their appeal and confident that our efforts had significantly improved the lives of the villagers, NOH agreed to renew its support for the schools and energy projects, albeit with safeguards in place to ensure proper management.

Subsequently, NOH ceased supporting the Mudkeswori school in Votetar, due to logistical concerns and administrative problems in that village, but continues to support Shree Sham with funds as well as regularly sending volunteers there.

In 2010 NOH began helping a small Tibetan school near the Bigu Monastery, where many NOH volunteers serve. This school benefits about 20 poor Sherpa children, who attend for free. In late summer, NOH helped arrange for a group of eleven Americans to volunteer at Bigu for two weeks, where they assisted the school as teachers and tutored the older nuns. The volunteers also helped with maintenance of the grounds, worked in the gardens, and advised with business planning.

Another outreach associated with Volunteer Nepal involved medical students from Australia who came to Kathmandu for two months in the fall to work at nearby hospitals, assisting in the health care of patients.

### **Contributions**

Nepal Orphans Home depends on donations and the income from Volunteer Nepal. In 2010, over 300 individuals made financial contributions and/or provided gifts-in-kind, including sports equipment, school supplies, and a water purification system. Significant for the raising of funds and spreading awareness of the Nepal Orphans Home mission were the numerous events held by former volunteers and their friends. These ran the gamut from a bake sale and a photography exhibit in San Francisco, to a yoga session on the shores of Lake Erie and numerous Cleveland area projects, including calendar sales and elementary schools choosing NOH as the beneficiary of charity drives, to couples in North Carolina and Washington directing wedding gifts to NOH. Many of our visitors and volunteers return to their homes motivated to continue raising funds for NOH.

NOH is fortunate to have the continued support of two foundations. Toni Thomson's Possible Worlds Foundation (PW), based in Canada, has been integral in raising awareness and generating funds for our mission. PW is providing funding for the education of twenty Papa's House children. The Sanctuary for Kids Foundation (SFK), also based in Canada, has pledged C\$100,000 towards the first residential building on our future campus. In 2010, NOH received two installments on that pledge. With the second installment, came an additional contribution that was used for covering the educational cost of Papa's Gumba (Sanctuary) House girls.

### **Special Events:**

Of the special events held in support of Nepal Orphans Home in 2010, two might stand out as extraordinary. First, in conjunction with the Board of Directors meeting in Davidson on April 10<sup>th</sup>, was the celebration of the first five years of Nepal Orphans Home. Friends of NOH were able to meet Michael Hess and members of the boards, hear two Davidson College students eloquently speak of their Volunteer Nepal experiences, and view Toni Thomson's trailer to the documentary film she is making on Michael's work and Alecia Westphalen's video on Papa's House children. A silent auction of items donated by local businesses and artists was held and additional financial donations were received.

In June, the first Yoga for Freedom expedition took place in Nepal. Fifteen members of the greater Cleveland yoga community, led by Jesse Bach, spent two weeks traveling throughout Nepal, practicing yoga and visiting historical sites. The highlight of the trip, however, was meeting the children of Papa's House. Half of each participant's fees for this unique experience went to Nepal Orphans Home, enough to cover the annual expenses of one Papa's House child.

### **Policy on Gifts and Benefits:**

NOH is most fortunate to have the goodwill of many across the world who desire to support our mission by holding benefits or events or even creating products, e.g., calendars or jewelry, with a portion of the profits donated to NOH. A policy on gifts (financial and in-kind donations), fundraisers, benefits, artistic performances and creations and other projects on behalf of Nepal Orphans Home was developed and then adopted to protect NOH's status as a 501(c)3 public charity.

### **Donations of Stock:**

To allow supporters to donate shares of stocks, Nepal Orphans Home opened an account with Scottrade. The NOH Treasurer will sell donated stocks and deposit proceeds into the NOH operating account. This provides another way to donate to NOH, one with tax advantages to the donors of the stocks.

### **Initiatives:**

Throughout the year there were numerous projects and developments. Three initiatives are highlighted here. First, with respect to promoting the volunteer program, Marcie Westphalen designed a Volunteer Nepal logo, which will be featured on t-shirts given to our volunteers and on correspondence with prospective volunteers. We hope to create a DVD for prospective volunteers showing a sample of our Volunteer Nepal placements and establish processes for following up with volunteers after their services with VN and for recruiting new volunteers through colleges and gap-year programs.

Second, a former volunteer, Tamara Saltzman, is working with Michael to develop an on-line mentoring program between the children of Papa's House and students at Aiglon College, an independent college preparatory school in Switzerland.

Third, Lauren Yanks initiated collaboration with Children of Tomorrow (CoT), a

nongovernmental organization with a mission to provide solutions to communities with large-scale educational challenges. Upon funding of a grant Lauren has proposed, CoT will provide solar-powered laptop computers, downloaded with educational curriculum, vocational training, and life skills to Papa's House to enhance our children's studies and training. In addition, CoT will offer workshops and tutorials for teachers and children to learn this technology.

### **Current Situation and Future Concerns**

Nepal remains a challenging place to live in and operate. In his blog entry of January 10, 2011, Mikel Dunham ([www.mikeldunham.blogs.com](http://www.mikeldunham.blogs.com)) summarized the past year.

*The year 2010 was another disappointing year for the people of Nepal. The peace process was deadlocked, with extreme polarization within and among the political parties on various issues. Despite the extension of the Constituent Assembly (CA) for a year, the parties could not complete even the rudimentary task of drafting a new constitution. The blame for this unsettled state of affairs was conveniently heaped on the so-called external forces. The only silver lining in the dark clouds was the high-level task force headed by UCPN-Maoist leader Prachanda, which resolved around 100 out of 220 contentious issues, and the formation of the Army Integration Special Committee (AISC) secretariat.*

An earlier blog (October 27, 2010) Dunham wrote identifies the underlying problems:

*Despite the fact that Nepal held relatively peaceful elections in 2008 – its voters were determined to establish a viable democracy – political instability, lawlessness, nepotism and lack of accountability continue to prevail in the society. Corruption is one of the main villains. Up until now, the country has failed to make an anti-corruption agenda a political and social priority.*

*Transparency International, which has been publishing an annual Corruption Perceptions Index (CPI) since 1995, just released its 2010 findings and the news is not good for Nepal. Since last year, Nepal slipped in the international standings.*

*With a 2.2 score, Nepal fell three positions and now stands at 146th among 180 countries. Last year, Nepal held the 143rd rank. Afghanistan, coming in at 176th place, had the dubious honor of being the most corrupt country in South Asia.*

Despite these challenges, Nepal Orphans Home remains steadfast, inspired by the wonderful children of Papa's House and energized by those around the world who have supported our mission, as volunteers and donors, contributing funds and services, organizing benefits and spreading awareness of our work.

As 2011 unfolds, NOH persists in its efforts to secure land for our campus. Once this is realized, we will launch a capital campaign for the construction of buildings. We are exploring opening a new home in the Bardiya district for rescued kamlaris. We are providing private schooling for all of Papa's House children and encourage them to continue with their education as far as they can. We aspire to be able to send our children to university. We are also mindful of the need to provide vocational training for our children who reach the end of their formal education and are ready to transition into Nepali society. All will require funding and we are committed to raising the resources necessary. We will continue to seek grants and support from foundations and corporations.

Over the last six years, Nepal Orphans Home has come far, yet we still have much to do. Guided by the strategic plan and resilient to the inevitable challenges that will arise, Nepal Orphans Home will achieve its vision.

## **Financial Statement**

Below please find the financial statement for Nepal Orphans Home for 2010. For the year, income from donations, volunteer fees, and grants totaled \$329,104. The total expenses of NOH summed to \$210,438. Consequently, the net income for 2010 was \$118,666. For comparison, the figures for 2009 were: total income of \$236,550; total expenses of \$159,035; and net income of \$77,515.

From the net income for 2010 NOH added \$111,122 to its capital fund, which stood at \$168,557 entering into 2011. The proposed budget for Nepal Orphans Home for 2011 follows the financial statement.



nepal orphans home inc.  
a 501©3 Public Charity registered in North Carolina - P.O. Box 1254 Davidson, North Carolina, 28036  
dedicated to helping children in need.  
[www.nepalorphanshome.org](http://www.nepalorphanshome.org)

**NEPAL ORPHANS HOME Statement of Expenditures and Income  
(January 1 - December 31, 2010)**

Figures are expressed in U.S. dollars, converted from the actual expenditures in Nepalese rupees using an exchange rate determined each month.

**Papa's Houses Expenditures:**

\$ 30,190 ..... Grounds and Buildings  
    \$ 8,181.....Building Lease Samanjasya  
    \$ 971.....Land lease (playground) for Samanjasya  
    \$10,737.....Building Lease Sambhav and Kalpana  
    \$ 3,410.....Building Lease Gumba  
    \$ 1,467.....Repairs & Improvements at all houses  
    \$ 2,186.....Utilities at all houses  
    \$ 3,238.....Cost of furniture

\$ 52,186 ..... Childcare  
    \$31,577 .... Food  
    \$ 7,502 .... Clothing  
    \$ 8,499 .... Supplies for children  
    \$ 1,296 .... Entertainment and Enrichment  
    \$ 3,312 .... Medical Services and Medicine

\$ 6,264 ..... Supplies for homes  
\$ 10,760 ..... Staff Wages  
\$ 9,939 ..... Skylark school, tutors, and other tuition and fees  
\$ 6,248 ..... School expenses--books, uniforms, school bags, supplies  
\$ 945 ..... Transportation

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**\$116,532 .....Total Expenses for Papa's Houses**

**Business and Fundraising Expenditures:**

\$ 7,075 ..... Communication & Fundraising  
    \$ 2,399 ..... Fundraising  
    \$ 3,682 ..... On-line service, computers  
    \$ 994 ..... Web site maintenance

\$ 6,138 ..... Business expenses (registration of NOH in Nepal, office supplies, etc)  
\$ 8,927 ..... Banking fees (Pay Pal, wire transfers, conversion fees)

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**\$ 22,140 ..... Total Business and Fundraising Expenses**

**Other Expenses (Support and local charity):**

\$ 4,952 ..... Local charity  
\$ 1,007 ..... Other projects  
\$ 750 ..... SWAN -- support for girls at Lawajuni  
\$ 1,513 ..... Transport to and from Narti  
\$ 3,019 ..... Remote village schools -- Dumrikharka and Votetar

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**\$ 11,241 ..... Total Other Expenses**

**Volunteer Nepal:**

\$ 6,591 ..... House lease, utilities, repairs, furnishings  
\$ 10,253 ..... Wages to employees  
\$ 1,411 ..... Apt., phone and taxes paid for employees  
\$ 2,839 ..... Stipend to coordinator (2009 and 2010)  
\$ 39,431 ..... Food, transport, placement

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**\$ 60,525 ..... Total Volunteer Nepal Expenses**

**\$210,438 ..... Total Expenses for Nepal Orphans Home in 2010**

**Nepal Orphans Home Income:**

\$ 144,141 ..... Donations (\$7792 designated for Capital Fund)  
\$ 71,375 ..... Grants (\$63,330 designated for Capital Fund)  
\$ 112,105 ..... Volunteer Fees  
\$ 1,483 ..... Interest (Capital Fund and Nepal bank)

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**\$329,104 ..... Total Income for Nepal Orphans Home in 2010**

**\$118,666 ..... Net Income for Nepal Orphans Home in 2010**

## NEPAL ORPHANS HOME Proposed Budget for 2011

The assumptions underlying the proposed budget for 2011 include:

1. The number of children provided for in the four Papa's Houses in Dhapasi could increase to 125, approximately the average number of children in 2010.
  2. A projected general increase of 15 percent for childcare, staff expenses, and operating costs, allowing for price inflation. The projected increase for school tuition and expenses, allowing for additional tutoring and enrichment programs, is 20 percent. For food, expected inflation is also 20 percent. Outreach programs and local charity are budgeted to increase by 20 percent overall.
  3. Growth of 20 percent in the number of volunteers to 125, with corresponding increases of 20 percent in income and expenses for Volunteer Nepal.
  4. Growth of 20 percent in donations, but a reduction of 30 percent in expected grants. The majority of the over \$71,000 in grants received by Nepal Orphans Home in 2010 was from the Sanctuary for Kids Foundation, reflecting the first two installments on their pledge to the capital fund. In 2011 NOH will likely receive the third installment from the Sanctuary for Kids Foundation. NOH will continue to pursue foundation support and other grants, however, no such income is budgeted. If NOH secures land in 2011, a capital campaign will be launched, which will be separate from this proposed budget.
  5. Projections of income and expenses are conditional. In general, expected are continued improvement in the global economy and no further political instability or unrest in Nepal.
  6. A general rounding up of estimates to the nearest hundred dollars.
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### **Papa's Houses Expenditures:**

\$ 34,600 ..... Grounds and Buildings  
    \$ 9,400.....Building Lease Samanjasya  
    \$ 1,100.....Land lease (playground) for Samanjasya  
    \$12,300.....Building Lease Sambhav and Kalpana  
    \$ 3,900.....Building Lease Gumba  
    \$ 1,700.....Repairs & Improvements at all houses  
    \$ 2,500.....Utilities at all houses  
    \$ 3,700.....Cost of furniture

\$ 61,700 ..... Childcare  
    \$38,000 .... Food  
    \$ 8,600 .... Clothing  
    \$ 9,800 .... Supplies for children  
    \$ 1,500 .... Entertainment and Enrichment  
    \$ 3,800 .... Medical Services and Medicine

\$ 7,200 ..... Supplies for homes  
\$ 12,400 ..... Staff Wages  
\$ 12,000 ..... Skylark school, tutors, and other tuition and fees

\$ 7,200 ..... School expenses--books, uniforms, school bags, supplies  
\$ 1,100 ..... Transportation

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**\$136,200 .....Total Expenses for Papa's Houses**

**Business and Fundraising Expenditures:**

\$ 8,100 ..... Communication & Fundraising  
    \$ 2,800 ..... Fundraising  
    \$ 4,200 ..... On-line service, computers  
    \$ 1,100 ..... Web site maintenance  
  
\$ 7,100 ..... Business expenses (registration of NOH in Nepal, office supplies, etc)  
\$ 10,300 ..... Banking fees (Pay Pal, wire transfers, conversion fees)

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**\$ 25,500 ..... Total Business and Fundraising Expenses**

**Other Expenses (Support and local charity):**

\$ 7,000 ..... Local charity  
\$ 1,500 ..... Other projects  
\$ 5,000 ..... Remote village schools -- Dumrikharka and Bigu

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**\$ 13,500 ..... Total Other Expenses**

**Volunteer Nepal:**

\$ 8,000 ..... House lease, utilities, repairs, furnishings  
\$ 12,300 ..... Wages to employees  
\$ 52,300 ..... Food, transport, placement

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**\$ 72,600 .....Total Volunteer Nepal Expenses**

**\$247,800 .....Total Expenses for Nepal Orphans Home in 2011**

**Nepal Orphans Home Income:**

\$ 173,000 ..... Donations  
\$ 50,000 ..... Grants (\$33,333 designated for Capital Fund)  
\$ 135,000 ..... Volunteer Fees  
\$ 2,000 ..... Interest (Capital Fund and Nepal bank)

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**\$360,000 .....Total Income for Nepal Orphans Home in 2011**

\$100,000 .....Additions to Capital Fund  
\$ 12,200 .....Allocation to Contingency Fund

**\$ 0 .....Projected Net Income for Nepal Orphans Home in 2011**