



**RESOURCES HIMALAYA FOUNDATION**

**Annual Report 2006**



रिसोर्स हिमालय  
रेसोर्स हिमालय  
RESOURCES HIMALAYA



Securing Nature in the Himalaya through "Good science" and "Politically correct" Decisions



## FOREWORD

It is a privilege to welcome you all and write foreword for the second annual report (January-December 2006) of the Resources Himalaya Foundation (RHF). This report may suggest that more hard works are ahead to usher good days for the future of the Foundation.

Information are pre-requisite for making any correct decisions as they institute knowledge system. Such information, however, is made possible only through rigorous exercises on gathering of accurate, ground-based information and through peer-review appraisals. At RHF, the emerging question now is how to build the Foundation on short-lived successes and long-term experience? While promoting “good science” to facilitate “politically correct” decision, how to garner social strength on many fronts of nature and human development?



RHF is collaborating with partners, and diversifying its programs. The biggest assurance comes from independent, grass-root organizations that we work with and the university graduates who may constitute a new generation of conservation leaders. Development is global and so demanding that many developing countries have witnessed a slow but gradual deprivation of their younger work force as they leave their countries. They are young, bright and charismatic and welcome all over because they are “moving force and knowledge.”

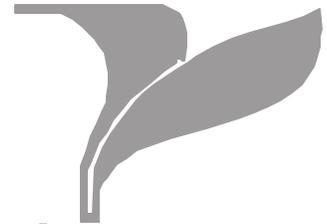
As our natural resources are intensely utilized, over-developed and degraded, we need the younger generation more than ever. Therefore, mentorship is now our focus, which is geared to develop human capacity through cohorts to address active management in natural resources. We all know that knowledge-based generation can break free their countries from the grips of backwardness and poverty. We hope you will help us.

Let me know if you need us while securing nature in the Himalaya !

December 2006

A handwritten signature in black ink, appearing to read 'Dinesh R Bhuju'.

**Dinesh R Bhuju**, PhD  
Chief Executive



# RESOURCES HIMALAYA FOUNDATION

## ANNUAL REPORT

January - December 2006

Resources Himalaya Foundation has a mission to conserve the diversity of life in the Himalaya. The Foundation aims to be a regional promoter of “good science” to facilitate “politically correct” decisions so that nature in the Himalaya is secured and benefits of conservation practices accrue to the poorest segment of the society. Being an independent regional think-tank, the Foundation seeks international support and collaborative conservation efforts to share all knowledge-based information on resource conservation. In the last 20 years, our partners have widened our collaborative horizon into agriculture biodiversity, protected areas and wildlife conservation, forest ecology, community forestry, nature tourism, mentorship, ethnography and social studies.

### VISION

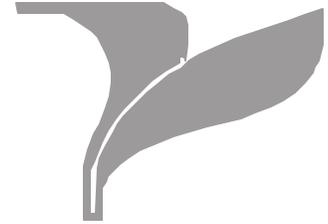
- Realizing constraints that arise from being a private conservation organization for the last 18 years, Resources Himalaya Foundation can better serve the region by being non-governmental, research organization in the region. Such a role of catalyst, is vital to bring a lasting change.
- Resources Himalaya is dedicated to provide scientific guidance in the establishment and maintenance of a sustainable human society.
- Resources Himalaya believes in collaborative processes to bring a greater support for cross-sectoral research.
- The divide and drift between the territorial approach driven by global conservation values and the community-based approach with development needs, are persistent. As both are neither flawless nor without limitations, Resources Himalaya has enormous potential to reach them at the meeting ground where pressing community issues are comprehensively addressed through

action research to sustain development and conserve natural resources.

### OBJECTIVES

As Resources Himalaya intends to serve as a catalyst, science-based information are much needed to synthesize cross-sectoral, contemporary knowledge for rigorous development processes. Therefore, to achieve the goal, four objectives are identified:

1. **INDEPENDENT REGIONAL THINK-TANK.** To operate as an independent think-tank, seek international support, share all and every accurate knowledge and information, and initiate collaborative conservation efforts on biodiversity and natural resources in the region.
2. **KNOWLEDGE-BASED DEVELOPMENT.** To maintain biodiversity conservation in the region, identify, plan and implement sustainable activities on information gathering and knowledge-based collaborative development activities.
3. **ACTION RESEARCH.** To resolve conservation-related conflicts and issues for the benefit of local communities, examine them on the grounds of human experiences and self-governance to have their applicability far beyond the circumstances in which they originate.
4. **CONSOLIDATING BIODIVERSITY CONSERVATION EFFORTS.** To strengthen program activities in the Himalaya, develop coordination with professionals, peer-review societies, academic institutions, government line agencies, local and international communities.



## THE GOVERNING BOARD

**Mr Arjun P Shrestha, RHF Member.** He is civil engineer by profession and ex Director General of the Department of Hydropower Development. He holds a Masters Degree in hydrology from Colorado State University (USA). His book entitled "Hydropower in Nepal: Issues and concepts of development," is widely acclaimed.

**Dr Arun Rijal, RHF Member.** He has two MSc botany from Tribhuvan University and MS forest ecology from Agriculture University of Norway. He received his doctorate degree from Royal Veterinary and Agriculture University of Denmark. Currently, Dr Rijal has several university graduates studying vegetation ecology in the buffer zone of Chitwan National Park.

**Dr Ash K Rai, RHF General Secretary.** He is the foremost fishery expert in Nepal and has two Masters Degrees from Tribhuvan University (Nepal) and Auburn University (USA) and PhD from Kyoto University (Japan). He was the chief of Fisheries Research Division of Nepal Agriculture Research Council until recently.

**Dr Damber B Nepali, RHF Member.** He has Bachelor's Degree of engineering from Delhi University, Master's Degree from Roorkee University (India) and PhD from Colorado State University (USA). Dr Nepali developed the 22 MW Chilime Hydropower Project and demonstrated that Nepal has expertise, technology and funds for hydropower. He is currently undertaking the 75 MW, Mid-Bhote Koshi Project.

**Professor Pitamber Sharma, RHF Member.** He is a known name in regional planning, tourism, and population studies as he had worked in several Asian countries. He was the chief advisor to the National Commission on Population in Nepal. Professor Sharma has two Masters Degrees from Tribhuvan University (Nepal) and University of Edinburgh (UK) and PhD from Cornell University (USA).

**Dr Pralad B Yonzon, RHF Chair.** He is a Fulbright scholar and the recipient of the Order of the Golden Arc. Dr Yonzon has two Masters Degrees from Tribhuvan University (Nepal) and Colorado State University (USA) and PhD from University of Maine (USA). He specializes in wildlife biology and protected areas in the Himalaya.

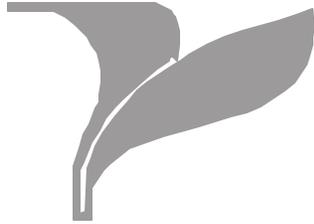
**Mr Prasanna S Yonzon, RHF Member.** He has Masters Degree in Zoology from Tribhuvan University (Nepal). He is the founder chief executive officer of Wildlife Conservation Nepal which specializes in curbing illicit wildlife trade in the region and awareness and conservation education.

**Mr Shyam K Upadhyaya, RHF Treasurer.** He is a Fulbright scholar in development economics and holds two Masters Degrees from Tribhuvan University (Nepal) and Rutgers University (USA). Mr Upadhyaya works with Winrock International as research fellow.

## EXECUTIVE OFFICE

The Resources Himalaya Foundation Board appointed Dr Dinesh R Bhuju as the Chief Executive effective from the beginning August 1, 2006. He is a Monbusho scholar and has Master's Degree from Tribhuvan University, post graduate training from University of Reading (UK) and PhD from Chiba Univeristy (Japan). Dr Bhuju specializes in forest ecology and biodiversity conservation. Earlier, he was the founding General Secretary of RHF.

The foundation is well underway and has put its sincere efforts to balance RHF views on good science and durable development processes.



# HIGHLIGHTS OF THE YEAR

## Activity I

### INDEPENDENT THINK TANK

#### Himalayan Ecology Seminar

- **Evolution and conservation of the langurs in the Bhutan-Himalaya**

On July 26, RHF organized a regional seminar on Evolution and conservation of the langurs in the Bhutan-Himalaya. The invited speaker of the seminar, Dr Tashi Wangchuk, a primatologist and currently senior policy advisor in the United Nations Development Program in Bhutan, explained about the evolution of langurs with a focus on three species: grey langur (*Semnopithecus entellus*) which is found in western Bhutan (closer to Nepal, Darjeeling and Sikkim), golden langur (*Trachypithecus geei*) in central Bhutan and capped langur (*Trachypithecus pileatus*) in eastern Bhutan. His seminal work was aimed to determine the evolutionary history and phylogeny of langurs in order to find how did the golden langur evolved as a distinct species? Based on his extensive research

on langurs and several hypotheses and different theories propounded in recent past, were discussed: a) *Trachypithecus* (capped langur and golden langur) may have spread into north from paleo-refuge in south East Asia; and b) *Semnopithecus* (grey langur) spread into north from paleo-refuge in south India. Although these two genera are found Bhutan as they spread into north, the Sunkosh River and Pele La Range in Bhutan formed a biogeographic barrier to them. Dr Wangchuk eloquently demonstrated that langurs are hydrophobic and they do not use high altitude mountain pass as ungulates and large predators often do. Hence populations of capped langurs were isolated by rivers which later evolved into a distinct golden langur species.

In appreciation of Dr Wangchuk's relentless service, work and contribution, Mr Sharad Rai, Director General of Department of Forests, presented a bronze plaque, on behalf of Resources Himalaya Foundation.



- **Forests, Hornbills and Red Pandas of Darjeeling-Himalaya**

Red panda, an endangered species is known for its specialized diet and habitat requirements; it depends mainly on high altitude bamboos for food, and requires cavity trees in mature forests for giving birth to cubs. Its precarious breeding biology with low reproductive rate and protracted growth has realized a matter of concern among the conservationists.



Likewise, the frugivorous bird hornbills require large expanse of forest with mature trees for their nesting, optimal habitat and continual supply of fruits in order to maintain a viable population. On October 7, Dr Sunita Pradhan Padmaja of Naidu Himalayan Zoological Park, Darjeeling/India, gave seminar presentation on Forests, Hornbills and Red Pandas of Darjeeling-Himalaya. Dr Pradhan gave an insight on Darjeeling



and its significance three Ts: tea, tourism and tutors. Darjeeling's socioeconomic, political and cultural with problems and challenges have always been key focus with very little attention for biodiversity conservation. She affirmed the place to be subjected to too few studies; hence at times it has prejudiced notions. Two study sites were highlighted in the talk; Singhlila National Park and Neora Valley National Park, both of which are in world's biodiversity hotspots.

On the occasion, Dr Kheya Bhattacharya, Deputy Chief of the Mission of Embassy of India in Kathmandu, gave away a plaque to Dr Pradhan in appreciation of her dedication in wildlife conservation and research activities.

## Publications

- **Habitat Himalaya**

In 2006, Resources Himalaya published two issues of Habitat Himalaya. Volume 12 (2) contains an article entitled Trekkers, Roads and Development in Manang, Nepal Himalaya by Kamal Thapa. Volume 13 (1) contains an article Remembering Harka Gurung by Professor Pitambar Sharma. Dr Gurung, a prominent scholar, planner and advocate of indigenous ethnic communities passed away in the ill-fated helicopter flight on September 23, 2006 in eastern Nepal.

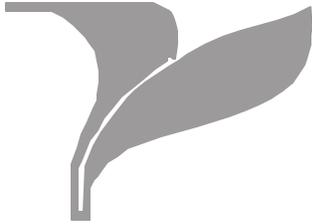
- **Conservation Biology in Asia**

Coinciding the International Mountains Day, a book entitled *Conservation Biology in Asia* was released on December 11 amidst a gathering in Kathmandu. The 461-page book, a product of a conference



of Asia Section, Society for Conservation Biology (17-20 November 2005, Kathmandu) contains 29 peer-reviewed papers. It was jointly published by the Society for Conservation Biology (SCB) and Resources Himalaya Foundation.

Mr Donald Cark, USAID Director in Nepal launched the book. A low-priced



student edition, was sold out. The Foundation also brought out a color poster entitled *Lets Nab Rhino Poachers* on rhino conservation in collaboration with Malla Press.

The book is dedicated to those leading conservationists who lost their lives in the line of duty on September 23, 2006 in eastern Nepal-Himalaya.

#### Establishment of Remote Sensing Lab

Resources Himalaya Foundation has established a remote sensing lab. It has tested some remote sensing and image processing software (demo-version) ENVI 4.2 and ERDAS 9.0, and is developing proposals for funding. The lab has a collection of over 1,000 literature published in various international journals.

#### Presentations of RHF initiatives

- At the invitation of International Centre for Integrated Mountain Development (ICIMOD), Dr Pralad Yonzon participated and presented a paper entitled 'Protected Areas in Fragmented Landscape' in a conference organized by Association of Tropical Biology and Conservation held at Kunming China from July 17-22, 2006. Prior to the conference, Dr Yonzon participated in the global mammal assessment meet in Vietnam from July 3-9, 2006.
- Dr Dinesh Bhuju participated and made a presentation on Ecology and Phytogeography of Nepal in a workshop jointly organized by ICIMOD, Chinese Academy of Sciences and Nepal Academy of Sciences on October 26 in Kathmandu.
- Dr Dinesh Bhuju made a presentation on the ecology and biodiversity of Nepal

Churiya at the conference organized by National Land Right Forum at Hariwon, Sarlahi (28-30 Nov. 2006). Later, he also participated in the Parliamentary Committee of Natural Resources in Kathmandu to discuss and suggest on conservation of Churiya.

Resources Himalaya initiated the project to prepare a nationwide ecological database of the Churiya hills in Nepal in 1999. The project has completed over 70 per cent of the range.

#### Activity II

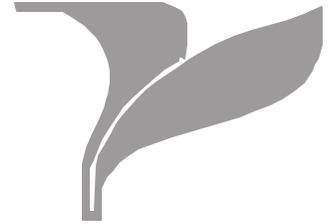
##### KNOWLEDGE-BASED DEVELOPMENT

#### Mentorship to MSc Students

Resources Himalaya Foundation has promoted mentorship as its one of the key roles. In 2006, it included ecological study of 10 village development committee (VDC) by 10 students of MSc second year at Central Department of Environmental Science (CDES), Tribhuvan University. They are: Anil KC, Apar Poudel, Ashish Dhakal, Badri Ghire, Dhan Shrestha, Dinesh Neupane, Prakash Basnet, Pratima Shrestha, Sapna Lohani and Yogesh Dongol.

Under Resources Himalaya Mentorship Program, 94% of total CDES graduate students (48) of Tribhuvan University in 2006 requested





for their enrollment in wildlife management as their specialization (academic year 2006 -2007). Only 37.5% (18) have been accepted because of their research projects as dissertation.

The study design provides: 1) Master's dissertation; 2) Matching of need assessment with yield from buffer zone forest; and 3) Development of comprehensive database of 37 VDCs that surround Chitwan National Park, which will be used to explore future scenarios with accuracy. Dr Arun Rizal and Dr Pralad Yonzon are academic supervisors of the project.

Similarly, Mr Nabin Gopal Baidya has submitted his MSc dissertation on landuse change in Chitwan buffer zone and successfully defended in July 2006. The Resources Himalaya Foundation had provided him with its GIS facilities and supervision of his works.

### **Impact of conflict on conservation**

Nepal suffered from armed conflict for over a decade long, which left tremendous impact on conservation efforts. Resources Himalaya had been monitoring the impact of armed conflict on conservation efforts of Nepal since 2002. In order to evaluate the impact of the conflict in protected areas and find economic loss, the Foundation is supporting Master's degree students of Khwopa College, affiliated to Tribhuvan University.

There are four graduate students involve in the study. They are: Mankumar Dhamala, Basanti Kumpakha, Ram Krishna Duwal, and Prakash Aryal. The students are working for their MSc thesis on impact of conflict on biodiversity in four different protected areas of Nepal, viz. Bardia National Park, Shivapuri National Park, Koshi Tappu Wildlife Reserve and Chitwan National Park.

### **GIS Training Workshop**

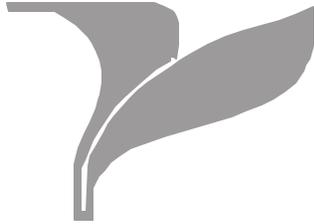


Under its collaborative mentorship program, the Foundation organized GIS Training Workshop for graduate students. In the fiscal year 2005-2006, 32 students of five colleges were benefited from this no-cost to participants program. Mr Swoyambhu Man Amatya, Secretary at the Government of Nepal, gave away certificates to the participating students in a gathering.

For the fiscal year 2006-2007, RHF is planning to give GIS training to 72 students of Environmental Science. Out of this, 40 students have already been trained. Tribhuvan University's has prescribed a GIS course in its Environmental Science curriculum, both at Bachelors and Master's degrees. However, the departments lack the facility for practical courses. The trainees are selected on merit basis and should include at least one girl student and one from ethnic community.

### **Climate Change and Alpine Vegetation Study**

Researchers in various parts of the world are conducting studies on the impact of global warming on the dynamics of glacial lakes, agriculture lands and crops, and biodiversity distribution. Nepal's high Himalaya and its alpine vegetation could provide a verifiable information on the issue, that could be a reliable tool for management. Resources Himalaya Foundation has initiated a study in Sagarmatha National Park and conducted a preliminary survey to develop a long-term research study plan on the impact of climate change on



vegetation distribution in the high altitudes in collaboration with Ev-K2-CNR and DNPWC. Mr Sanuraja Maharjan, a research fellow, visited the area in October. He studied vegetation particularly that of the tree-line and collected some samples of tree cores of *Juniper recurva* and *Abies spectabilis*.



**Activity III**  
ACTION RESEARCH

**Rhino Contingency Study Plan**

The Ministry of Forests and Soil Conservation, Government of Nepal has authorized Resources Himalaya Foundation to prepare a Rhino Contingency Plan. The study team is collating political events and incidents of rhino poaching at present. The last census of rhino (*Rhinoceros unicornis*), carried out in February 2005 in Chitwan put the number at 372. After the census, 38 rhinos have been killed by poachers. Additionally, 10 rhinos have died natural deaths after the census.



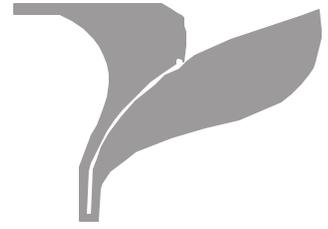
**Elephant Contingency Plan**

As per the resolutions of 23<sup>rd</sup> Warden Conference of Department of National Parks and Wildlife Conservation, Ministry of Forests and Soil Conservation, Resources Himalaya Foundation will assist DNPWC to develop contingency plan for the wild elephant (*Elephas maximus*) especially address loss of human lives in eastern Nepal.

Every year migrating herds of wild elephants cross the Mechi River in east Nepal and damage the ripened crops and pulling down the huts and fruit trees. Experts say the wild elephants have been using the traditional migratory route covering Nepal-India border since hundreds of years.

Clearance of forests for agricultural and infrastructure development have fragmented elephant habitats and their route. The aimless wanderers in the broken patches of forests not only raid crop in the adjoining fields and destroy huts and property, it often results in loss of human life and the death of the protected wildlife.

**Activity IV**



## BIODIVERSITY CONSERVATION EFFORTS

### Memorandum of Understanding Signed

Resources Himalaya Foundation has signed an MOU with Central Department of Environmental Science of Tribhuvan Univeristy and seven TU affiliates, viz. Amrit Campus, Trichanra Campus, Padma Kanya Campus, College of Applied Sciences, Khwopa College, KITS Education Foundation and Viswo Niketan Campus.

### Chitwan Campground



A campground in Chitwan is in offing to facilitate the biodiversity study and field education on conservation biology. The construction is being supervised by a committee formed in active participation of Bird Education Society. The campground will be enough to provide services to 35 students at a time. RHF and BES are working on developing field guide and field conservation biology course for Environmental Science students. The students are visiting Chitwan for field study from the beginning of 2007, and will be stationed at the Campground.

### WCN to join Chitwan Campground



Wildlife Conservation Nepal (WCN), a charitable non-governmental organization for the welfare and protection of environment, has shown its interest to join RHF-BES initiated Chitwan Campground and build an office premises to reinforce its conservation activities in Chitwan. The presence of WCN and its activities in the site is expected to strengthen conservation efforts while reducing the management cost.

Recently, Wildlife Conservation Nepal has been quite active in supporting line agencies in controlling illegal wildlife trade in rural and urban areas of the country, and conducting outreach programs for the school children and college youths.

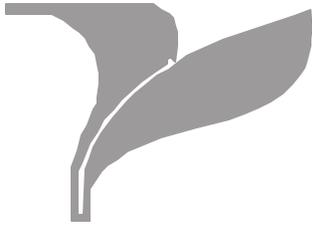
### Biodiversity web site

The Resources Himalaya Foundation has been posting regional news and information from the Himalayan region including China on weekly basis. It updates events, current trends and issues in natural resource management and biodiversity conservation. The site has now 450 information tips.

### Collaboration Sought Across the Border

In June 2006, Dr Pralad Yonzon and Ms Deepmala Subba visited Darjeeling and adjoining Nepalese areas, to explore collaborative programs. They also went to Ilam for a field observation of protected private areas.





## **Activity V**

### **MEETINGS AND OTHERS**

- On January 3, 2006 Professor Ram B Chetri and Professor Nawa R Kanel delivered a special lecture on Socio-economy Survey and Household Random Sampling at RHF. Graduate students of Central Department of Environmental Science, Tribhuvan University interacted in the program.
- On May 9, 2006 a RHF team including consultant Dr Arun Rizal visited Chitwan and observed the construction progress of Chitwan Campground. During the visit, a meeting was organized with President of Bird Education Society Mr Yogesh Adhikary, Mr Rupendra Karmacharya and other executives.
- Ms Deepmala Subba, Administrative Office of RHF participated in a Training Program of Trainees on Advocacy Strategies and Approaches organized by ICIMOD and LDTA. The training was held from May 30-June 3, 2006 in Kathmandu.
- On November 5, 2006 Mr David L Hulse, Program Officer with the John D and Catherine T Mac Arthur Foundation,



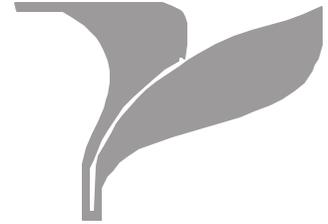
visited RHF executive office. He was acquainted with RHF's recent activities supported by Mac Arthur Foundation in particular. The Board Members of RHF were also present during the meeting.

## **OBITUARY**



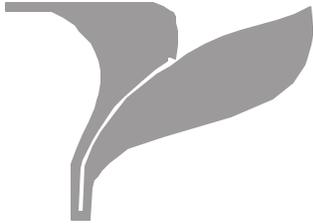
RHF Governing Board Member Dr Chandra Prasad Gurung passed away in the ill-fated helicopter flight on September 23, 2006. He was on the way to Kathmandu from Ghunsa, Taplejung after handing over the Kanchenjugha Conservation Area to the local community. Our heartfelt memories of Dr Gurung and those leading conservationists who lost their lives in the line of duty.





### **List of Some Reports Prepared by Resources Himalaya**

- Global Climate Change and Protected Areas in Nepal and Bhutan
- Monitoring Wildlife in the Forest Management Units of eastern Bhutan
- The Annapurna Conservation Area Management Plan
- The 1998 National Biodiversity Action Plan (Draft)
- Conservation Status of the Red Panda in the Himalayas
- Opportunities in Eco-Region Based Conservation in the Kanchenjunga Complex
- Opportunities in Ecoregion Based Conservation in the Darjeeling – Himalaya
- Opportunities in Ecoregion Based Conservation in the Sikkim – Himalaya
- Ecology of Nepal Churiya, Part 1: Mechi – Saptakoshi
- Conservation Plan And Biodiversity of the Western Terai - Churiya Region, Nepal
- Birds of the Western Terai - Churiya Region, Nepal
- Understanding Human Resources For Biodiversity Conservation in the Western Terai – Churiya Region, Nepal
- Integrated Development Plan for the Western Terai - Churiya Conservation Program, Nepal
- A Conservation Plan for the Biological Corridor in Kailali District, Nepal
- A Conservation Plan for the Biological Corridor in Kanchanpur District, Nepal
- Legal Framework for the Conservation of the Western Terai - Churiya Region, Nepal
- Strategic Planning To Maintain the Ecology of the Western Terai - Churiya Forests, Nepal
- Wildlife Strategic Action Plan for the Western Terai – Churiya Region, Nepal
- A Rapid Biodiversity Survey Framework for the Protected Areas in Bhutan
- Spatial Status And Dispersion Of Wild Elephants in Terai Arc Landscape Of Far Western Nepal
- The Royal Shuklaphanta Wildlife Reserve Management Plan, Farwest Nepal
- Societal Diagnosis of the Settlements in the Buffer Zone of the Royal Shuklaphanta Wildlife Reserve, Farwest Nepal
- The 2003 Bird Survey in Royal Shuklaphanta Wildlife Reserve, Farwest Nepal
- Conservation And Development Approaches in Royal Shuklaphanta Wildlife Reserve, Farwest Nepal
- Vegetation Ecology of the Royal Shuklaphanta Wildlife Reserve, Farwest Nepal
- The Snow Leopard Conservation Action Plan for the Kingdom Of Nepal



## **List of GIS trained students in 2006**

### Amrit Science Campus

1. Krishna Khanal
2. Amar Thapa
3. Dickshya Shrestha
4. Sangita Subedi

### Central Department of Environmental Science Tribhuvan University, Kirtipur

1. Gyan Kumar Shrestha
2. Salina Poudel
3. Dinesh Neupane
4. Pratima Shrestha
5. Apar Paudyal
6. Yogesh Dangol
7. Badri Ghimire
8. Asish Dhakal
9. Prakash Basnet
10. Sapana Lohani
11. Anil KC
12. Dhan Shrestha

### Khowpa College

1. Prakash Gaudel
2. Bimala Pandey
3. Pragya Adhikari
4. Pratibha Duwal

### Padma Kanya Multiple Campus

1. Purnima Shakya
2. Anju Pandit
3. Rita Karki
4. Ratna Maya Lama

### Trichandra Multiple Campus

1. Neelam Niraula
2. Soni Aryal
3. Anushiya Shrestha
4. Aruna Thapa Magar

### Vishwa Niketan Science Campus

1. Shovana Maharjan
2. Aatin Gurung
3. Swechchha Shrestha
4. Pramina Nakarmi



CSC & Co  
Chartered Accountants  
1955, Tanka Prasad Ghumli Sadak  
Babar Mahal  
PO Box: 4861, Kathmandu, Nepal  
Tel : +977-1-4259414, 4268798  
Fax : +977-1-4244255  
E-mail: csc@ntc.net.np

## Auditor's Report

To: Resources Himalaya Foundation  
GPO Box 2448, Kathmandu Nepal

We have audited the accompanying Fund Accountability Statement of Resources Himalaya Foundation (RHF) for the year ended 16<sup>th</sup> July, 2006. This statement is the responsibility of the RHF management. Our responsibility is to express an opinion on the statement based on our audit.

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

In our opinion, the statement of the RHF referred to above are presented fairly, in all material respects, for the year ended and as of 16<sup>th</sup> July, 2006 in conformity with accounting principles generally accepted.



L. D Mahat  
Partner



Thursday, September 28, 2006  
Kathmandu

**Resources Himalaya Foundation**  
Schedules forming part of financial statement 2005/06.

**MacArthur Project Expenditures**

**Schedule - 1**

Particulars	Current Year	Previous Year
Other employees salaries and wages	683,689.32	249,702.93
Pension plan, employee benefits paid	58,049.19	14,318.19
Legal fees	29,585.00	9,650.00
Accounting Fees	136,747.00	
Occupancy Costs, rent etc. paid	274,311.05	79,591.39
Conference and Meetings	28,575.00	-
Travel expenses paid	230,599.75	18,130.00
Printing and publications expenses paid	57,335.00	25,275.00
Office expenses paid	152,732.52	79,558.36
Equipment repair and maintenance paid	16,791.50	28,777.00
<b>Approved Capital asset expenditures paid:</b>		
Telephone Equipments		48,730.00
Computer Equipment and Software	168,550.00	141,301.00
Vehicles	212,616.00	658,600.00
Other office equipment	188,362.00	1,902.00
Office Remodelling and Decorating	13,718.20	205,247.70
Vehicle Insurance	21,320.60	-
<b>Other expenditures paid:</b>		
Refreshments	17,737.35	12,760.00
Gardening	600.00	265.00
Miscellaneous	10,113.00	4,978.00
<b>Total</b>	<b>2,301,432.48</b>	<b>1,578,786.57</b>

**Other Expenditures**

**Schedule - 2**

Particulars	Current Year	Previous Year
Other Employee Salaries and Wages	7,727.30	177,250.00
Pension plans, Employee benefits	-	45,400.00
Legal Fees	-	2,200.00
Occupancy Costs	-	22,085.00
Travel Expenses	-	28,283.00
Conference and Meeting Expenses	4,881.60	23,026.25
Printing and Publication Expenses	-	123,950.00
Office Expenses	100.00	61,537.00
Equipment Rent and Maintenance	-	2,000.00
Other Expense	-	29,133.00
<b>Capital Expenses:</b>		
Computer Equipment and Software	-	10,500.00
Other Office Equipment	-	435.00
<b>Total</b>	<b>12,708.90</b>	<b>525,799.25</b>

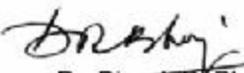
**Procurement of Fixed Assets**

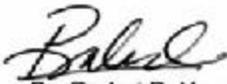
**Schedule - 3**

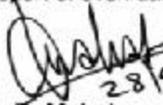
Particulars	Current Year	Previous Year
Furniture & Fixtures	-	330,000.00
Digital Database Capital (GIS Database)	-	5,625,000.00
Office equipments	-	1,570,000.00
<b>Total</b>	<b>-</b>	<b>7,525,000.00</b>

As per our report of even date

  
Bijay Bajracharya  
Account Officer

  
Dr. Dinesh R. Bhujra  
Chief Executive

  
Dr. Pralad B. Yonzon  
Chairperson

  
L.D. Mahat  
Partner  
CSC & Co.

Chartered Accountants



# Resources Himalaya Foundation

## Fund Accountability Statement

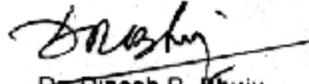
For the period from July 16, 2005 to July 16, 2006

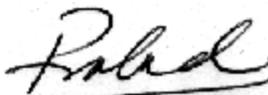
Particulars	Schedule	Current Year Amount in NPR	Previous Year Amount in NPR
<b>Sources of Fund:</b>			
Opening balance of Fund		3,568,676.16	-
<b>Fund received during the year:</b>			
Grant received from Dr. Pralad B. Yonzon		-	7,621,871.73
Advances received Dr. Pralad B. Yonzon		-	236,000.00
Grant Received from MacArthur		3,068,769.79	5,343,037.50
Membership fees		9,000.00	-
Interest Income		3,194.33	-
Other Income		12,269.82	295,057.27
<b>Total</b>		<b>3,093,233.94</b>	<b>13,495,966.50</b>
<b>Total Funds Available (A)</b>		<b>6,661,910.10</b>	<b>13,495,966.50</b>
<b>Uses of Fund:</b>			
MacArthur Project expenditure	1	2,301,432.48	1,578,786.57
Other expenses	2	12,708.90	525,799.25
Procurement of Fixed Assets	3	-	7,525,000.00
Exchange (gain)/loss		-	65,654.52
<b>Total Uses of Fund (B)</b>		<b>2,314,141.38</b>	<b>9,695,240.34</b>
<b>Closing Balance of Fund (A-B)</b>		<b>4,347,768.72</b>	<b>3,800,726.16</b>
<b>Balance of fund represented by:</b>			
Cash		14,424.00	68,606.61
Bank (USD A/C)		3,909,656.79	3,669,424.34
Bank (NPR 7020100)		110,518.65	55,503.14
Bank (NPR 7524240)		49,222.28	11,142.07
Payable to Dr. Pralad B. Yonzon		(236,000.00)	(236,000.00)
Advances		499,947.00	-
<b>Total</b>		<b>4,347,768.72</b>	<b>3,568,676.16</b>

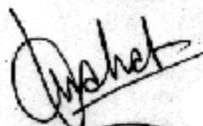
Notes to Accounts & Significant Accounting Policies 4  
Schedules 1 to 4 form part of these financial statements.

As per our report of even date

  
Bijay Bajracharya  
Account Officer

  
Dr. Dinesh R. Dhju  
Chief Executive

  
Dr. Pralad B. Yonzon  
Chairperson

  
L.D. Mishra  
Partner  
CSO & Co.  
Chartered Accountants  
Kathmandu

Date: 28/9/06  
Place: Kathmandu

RESOURCES HIMALAYA FOUNDATION

GPO Box 2448, Kathmandu, Nepal /Tel: +977 1 5537502, 5544970; Fax: +977 1 5551930 / [www.resouceshimalaya.org](http://www.resouceshimalaya.org)