

RASTRIYA AWISKAR KENDRA

Kathmandu, Nepal

Audit Report

Annual Accounts

F/Y 2080/81 (2023/24)



Auditor:

Sanjay Kumar Chaudhary
(FCA, ISA, FAFD, MBS, LLB)

S.U.M. Associates

Chartered Accountants

Aloknagar-31, Kathmandu, Nepal

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RASTRIYA AWISKAR KENDRA**

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Rastriya Awiskar Kendra (hereinafter referred to as "the Company") which comprise the Statement of Financial Position as at Asar 31, 2081 (July 15, 2024), the Statement of Income & Expenditure, the Statement of Changes in Reserve and the Statement of Cash Flows for the year then ended on that date, and a summary of the significant accounting policies and other explanatory information (hereafter referred to as "the financial statements").

In our opinion, and to the best of our information and according to the explanations given to us, and subject to the effect of matters mentioned in the Basis of Qualified Opinion paragraph, the aforesaid financial statements presents fairly, in all material respects, the financial position of the Company as at Asar 31, 2081 (July 15, 2024) and its financial performance, changes in reserve, cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, in accordance with Nepal Accounting Standards (NAS) and comply with Companies Act, 2063.

Basis of Qualified Opinion

We conducted our audit of the financial statements 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 Company in accordance with the Handbook of the Code of Ethics for Professional Accountants issued by the Institute of Chartered Accountants of Nepal (ICAN) and we have fulfilled our other ethical responsibilities in accordance with the ICAN's Handbook of the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

On review of the financial statements of the Company, we noted major issues described below which are not rectified by the management of the Company. Considering the effects of these issues, we consider to issue qualified audit report.



1. In compliance to the Labour Act, 2074, the company should provide employees with gratuity (under Section 53) and deposit to the social security fund. Similarly, it should also provide its employees with coverage of medical insurance (under Section 54) and accidental insurance (under Section 55).
2. Sales income (taxable sales) Rs.64,772,163 and donation income (non-taxable sales) Rs.28,598,489 have been recognized in the financial statements against total sales Rs.93,370,652 filed in the VAT return of the current year, for which reconciliation has been shown in the Accounting Notes to Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in the audit of the financial statements of the current period. Those matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. The Company should carry out labour audit to review compliance of the Act, rules and any other prevailing law as prescribed and prepare the labor audit report under Section 100(1) of the Labour Act, 2074.
2. The Company needs to maintain proper record of the inventory and valuation of the inventory that the company has on hand at the end of the financial year.
3. The Company needs to comply with its procurement procedures and other admin and financial procedures as well as the Income Tax Act, 2058, Value Added Tax Act, 2052 and applicable Laws.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the preparation of the other information. The other information comprises the information included in the Management Report, Report of the Board of Directors and Chairman's Statement but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements of our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Nepal Accounting Standards, 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 and error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as 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 Company or to cease the operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company'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 decisions 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 through 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 the 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 controls 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 Company'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 Company'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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Company to express an opinion in the financial statements. We are responsible for the direction, suspension and performance of the Company audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with the relevant ethical requirement regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

Based on our examination, we would like to further report that:

- i. We have obtained all the information and explanations, which were considered necessary for the purpose for our audit.
- ii. The financial statements are in agreement with the books of account maintained by the Company.
- iii. The proper books of accounts are required to be maintained under the prevailing laws.
- iv. During our examination of the books of account of the Company, we have not come across any cases where any office holder of the Company has acted contrary to the provisions of law or caused loss or damage to the Company.
- v. The company has been functioning within its jurisdiction.
- vi. We have not come across any fraudulence in the accounts, based on our sample examination of the books.



Sanjay Kumar Chaudhary, FCA
Managing Partner
S.U.M. Associates
Chartered Accountants

Date: 2081-06-24
UDIN: 241010CA00508wphNe

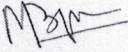
Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Statement of Financial Position
As at Ashadh 31st, 2081 (15 July, 2024)

Figures in NPR

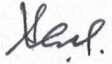
Particulars	Notes	As at 31.03.2081	As at 31.03.2080
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	20,998,192.51	22,000,740.39
Intangible assets	5	-	11,666.67
Investments	6	-	-
Total Non-Current Assets		20,998,192.51	22,012,407.06
Current - Assets			
Investments	6	53,500,000.00	53,500,000.00
Trade and Other Receivables	7	15,777,879.12	11,060,623.44
Income Tax Receivable	8	2,135,171.86	991,880.35
Cash & Cash Equivalents	9	68,299,482.00	31,322,405.31
Total Current Assets		139,712,532.98	96,874,909.10
Total Assets		160,710,725.49	118,887,316.16
LIABILITIES & RESERVES			
Fund Balance			
Unrestricted Funds	10	87,330,075.07	88,952,530.83
Restricted Funds	11	61,550,249.15	10,550,249.15
Corpus Fund	12	25,000.00	25,000.00
Total Fund Balance		148,905,324.22	99,527,779.98
Non-Current Liabilities			
Long Term Loans		-	-
Total Current Liabilities		-	-
Current Liabilities			
Trade and other payables	13	11,805,401.27	19,359,536.18
Income Tax Payables	8	-	-
Total Current Liabilities		11,805,401.27	19,359,536.18
Total Liabilities		11,805,401.27	19,359,536.18
Total Funds and Liabilities		160,710,725.49	118,887,316.16

Significant Accounting Policies & Notes to Account 1-22

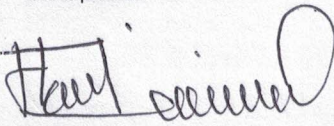
As per our report of even date

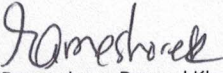

Dr. Mahabir Pun
Chairperson

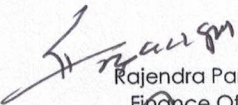
Dr. Dinesh Raj Bhuju
Director

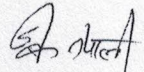

Sanjay Kumar Chaudhary, FCA
Partner
S.U.M. Associates
Chartered Accountants

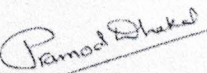


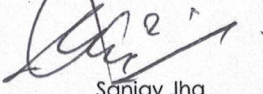

CA. Hari Kumar Silwal
Director


Rameshore Prasad Khanal
Director


Rajendra Parajuli
Finance Officer


Dr. Dambar Bahadur Nepali
Director


Dr. Pramod Dhakal
Director


Sanjay Jha
General Manager



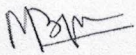
Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Statement of Income & Expenditure

For the period from 1 Shrawan, 2080 to 31 Ashadh, 2081 (17 July, 2023 to 15 July, 2024)

Particulars	Notes	Figures in NPR	
		FY 2080-81	FY 2079-80
INCOME			
Project Sales	14	64,772,163.00	18,618,495.80
Interest Income	15	4,260,869.21	4,531,611.45
Donation Income	16	9,114,149.83	65,802,423.58
Total Income		78,147,182.04	88,952,530.83
EXPENDITURE			
Project Expenses	17	68,323,731.35	80,479,802.04
Administrative Expenses	18	3,806,207.99	2,764,849.18
Operating Expenses	19	5,912,905.72	5,092,378.68
Depreciation and Amortization	20	1,726,792.74	1,844,645.81
Total Expenditure		79,769,637.80	90,181,675.71
Net Surplus/(Deficit) Before Tax		(1,622,455.76)	(1,229,144.88)
Income Tax Expense	21	-	-
Current Tax		-	-
Net Surplus/(Deficit) for the year		(1,622,455.76)	(1,229,144.88)

Significant Accounting Policies & Notes to Account 1-22

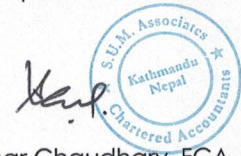
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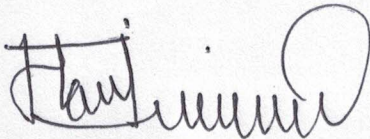


Dr. Mahabir Pun
Chairperson

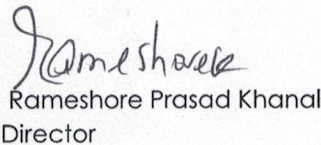
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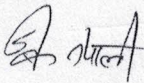




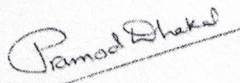
CA. Hari Kumar Silwal
Director


Rameshore Prasad Khanal
Director

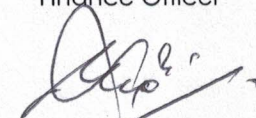

Rajendra Parajuli
Finance Officer



Dr. Dambar Bahadur Nepali
Director



Dr. Pramod Dhakal
Director



Sanjay Jha
General Manager

Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Statement of Changes in Reserve

Particulars	Figures in NPR		
	Unrestricted Fund	Restricted Fund	Corpus Fund
Balance as at 31st Ashadh 2080	88,952,530.83	10,550,249.15	25,000.00
Transfer of Funds	-	-	-
Receipt During the year	-	51,000,000.00	-
Allocated result of Income & Expenditure	(1,622,455.76)	-	(1,622,455.76)
Increase/Decrease in the year	(1,622,455.76)	51,000,000.00	49,377,544.24
Balance as at 31st Ashadh 2081	87,330,075.07	61,550,249.15	25,000.00

As per our report of even date
Significant Accounting Policies & Notes to Account 1-22

MPM

Dr. Mahabir Pun
Chairperson

Harikumar Silwal

CA. Hari Kumar Silwal
Director

Dr. Dambardur Nepali

Dr. Dambardur Nepali
Director

Dr. Dinesh Raj Bhuju
Director

Rameshore Prasad Khanal

Rameshore Prasad Khanal
Director

Pramod Dhakal

Dr. Pramod Dhakal
Director



Sanjay Kumar Chaudhary

Sanjay Kumar Chaudhary, FCA
Partner
S.U.M. Associates
Chartered Accountants

Rajendra Parajuli

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Finance Officer

Sanjay Jha

Sanjay Jha
General Manager

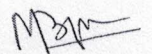


Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Statement of Cash Flows
For the year ended 31st Ashad 2081 (16th July 2024)

Particulars	FY 2080-81	FY 2079-80
<i>Figures in NPR</i>		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit for the year	(1,622,456)	(1,229,145)
Adjustment for:		
Depreciation/Impairment on Property, Plant and Equipment	1,726,793	1,844,646
Interest Income	(4,260,869)	(4,531,611)
Interest Expense	-	-
Loss/(gain) on subsequent measurement of investments	-	-
Income Tax expense charged to statement of income	-	-
Working Capital Adjustments		
Decrease/(Increase) in trade and other receivables	(5,860,547)	(3,795,090)
Decrease/(Increase) in Inventories	-	-
Increase/(Decrease) in trade and other payables	(7,554,135)	6,552,587
Increase/(Decrease) in provisions	-	-
Increase/(Decrease) in other liabilities	-	-
Cash Generated from Operations	(17,571,214)	(1,158,614)
Interest paid	-	-
Income tax paid	-	-
NET CASH FLOWS FROM OPERATING ACTIVITIES (A)	(17,571,214)	(1,158,614)
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of PPE, Investments/Financial Assets	-	-
Interest/Dividend received	4,260,869	4,531,611
Acquisition of Investment	-	(23,500,000)
Acquisition of Property, Plant and Equipment	(712,578)	(311,009)
NET CASH FLOWS FROM INVESTING ACTIVITIES (B)	3,548,291	(19,279,398)
CASH FLOW FROM FINANCING ACTIVITIES		
Restricted fund receipt	51,000,000	4,788,361
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	51,000,000	4,788,361
Net Increase in Cash and Cash Equivalents	36,977,077	(15,649,651)
Cash and Cash Equivalents at the beginning	31,322,405	46,972,056
Exchange gains/(losses) in cash and cash equivalents	-	-
Cash and Cash Equivalents at the end	68,299,482	31,322,405

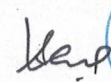
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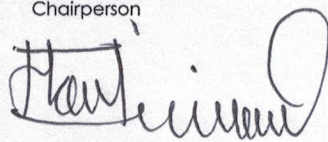
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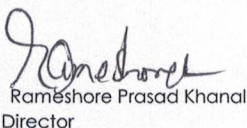
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Chairperson

Dr. Dinesh Raj Bhuj
Director

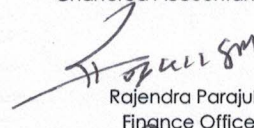

Sanjay Kumar Chaudhary, FCA
Partner
S.U.M. Associates
Chartered Accountants



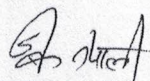
CA. Hari Kumar Silwal
Director



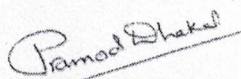
Rameshore Prasad Khanal
Director



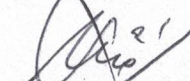
Rajendra Parajuli
Finance Officer



Dr. Dambar Bahadur Nepali
Director



Dr. Pramod Dhakal
Director



Sanjay Jha
General Manager

RASTRIYA AWISKAR KENDRA

Shivabhakta Marg-02, Kathmandu

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

1. GENERAL INFORMATION

1.1 REGISTRATION OF THE COMPANY

Rastriya Awiskar Kendra, hereinafter referred to as "RAK" or "National Innovation Center" or 'The Company', is a Not-for-Profit organization incorporated to develop the culture of research, technology, and innovation in Nepal. The company was registered pursuant to Section 5 (1) of The Companies Act, 2063 as "Company Not Distributing Profit" on 24th of Kartik, 2069 (9th November 2012). The company has been registered with Inland Revenue Department vide PAN no. 601224047 on 2070.03.24.

1.2 OBJECTIVES OF THE COMPANY

Its main objective is to foster research and development in the field of science and technology which will the overall economic as well as technological development of the country.

1.3 FINANCIAL STATEMENTS

The financial statements of the company for the year ended 31st Ashadh, 2081 comprises of:

- Statement of Financial Position as on that date
- Statement of Income and Expenditure for the period ending of 31st Ashadh, 2081.
- Statement of Cash Flows for the period ending on 31st Ashadh, 2081.
- Notes to Accounts comprising a summary of significant accounting policies and other explanatory notes.

2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS:

2.1 STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Nepal Accounting Standards (NAS) for NPOs published by Accounting Standards Board of Nepal and in conformity with the applicable laws.

2.2 BASIS OF ACCOUNTING

Financial statements stated above have been prepared on accrual basis.

2.3 GOING CONCERN

Management is satisfied that it has requisite resources to continue its business for foreseeable future. Furthermore, Management is not aware of any material discrepancies that may cast significant doubt upon company's ability to continue as a going concern and they do not intend either to liquidate or to cease its operations. Hence, financial statements are prepared on going concern basis.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied throughout the period,



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unless otherwise stated. The financial statements are prepared on historical cost convention except where otherwise stated.

3.1 PROPERTY, PLANT AND EQUIPMENT (PPE) & DEPRECIATION

Rastriya Awiskar Kendra is a not-for-profit company, and it operates various projects throughout the year. Parts and consumables used/consumed in the deliverables of such projects are allocated to such projects. Only such assets which are to be retained in the organization for day-to-day operation are recognized as capital assets. PPE are stated at cost less accumulated depreciation. Depreciation on PPE has been charged on written down value method at the rates as specified below on day basis. Depreciation rate applied by Rastriya Awiskar Kendra is as follows:

Particulars	Rate
Building Structure	5%
Furniture, Computers & office Equipment etc.	25%
Vehicle, Automobiles	20%
Equipment & Machinery	15%

Depreciation for Intangible Assets: Amortization is provided on Straight Line Method (SLM), which reflect the management's estimate of the useful life of the intangible asset like software.

Derecognition of Property Plant and Equipment

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of such asset. Any gain or loss arising on the derecognition of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit or loss.

3.2 INVESTMENTS IN FIXED DEPOSIT:

Fixed deposit in BFIS is incorporated in financial assets costs. Financial assets refer to assets that arise from contractual agreements on future cash flows or from owning equity instruments of another entity. Since financial assets derive their value from contractual claim, these are non-physical in form and are usually regarded as being more liquid than other tangible assets. FDs placed at BFLs with a maturity per of more than 90 days is recognized at financial cost.

3.3 TRADE AND OTHER RECEIVABLE (CURRENT ASSETS)

The company classifies assets as current when such asset is expected to be realized or consumed within twelve months after the reporting period end and such assets are primarily held for ordinary purpose of business. Current assets of the company have been classified into different group based on their nature of asset held. Total current assets are categorized into different sub heading. Among which accrued income includes services fees to be received. Other receivables from different parties in addition to services fees are incorporated under 'Account Receivable Prepaid expenses and telephone deposit are recorded under Prepayment & Deposit.

3.4 CASH AND CASH EQUIVALENT:



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Short term, highly liquid assets including FDs placed at BFs with maturity period of less than 90 days, demand deposit with bank and cash in hand. The company doesn't have any restricted cash balance as on reporting date.

3.5 FUND BALANCE

3.5.1 Corpus Fund

Rastriya Awiskar Kendra, being a Not-for-Profit Company, there is no requirement of Share Capital. However, the members have contributed Rs. 5,000 each; total amounting to NRs. 25000 as initial contribution required for the registration of the company.

3.5.2 Restricted Fund

Donations are assistance made by donors in the form of transfer of fund and kind to the company. Donations have been utilized to meet various project expenses and fulfill the objectives of the company. Any excess donations over project expenses have been transferred to restricted fund for utilization of such amount in future projects.

3.5.3 Unrestricted Fund

In accordance with applicable accounting standards, unrestricted funds will be reported separately from restricted funds in the NGO's financial statements. The financial statements will disclose the movement of unrestricted funds, including income received, expenses incurred, and any remaining balance at the end of the financial period.

3.6 TRADE AND OTHER PAYABLES (CURRENT LIABILITIES)

The company classifies a liability as current when such liability is expected to be settled within twelve months after the reporting period end and it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period, and such liabilities are primarily held for ordinary purpose of business. Following tables details the current liabilities of the company.

3.7 INCOME TAXES:

a. Tax Expenses for the year:

Tax expenses/income tax comprise of current tax and deferred tax expenses/income.

b. Current Tax:

Current tax is the expected tax payable on taxable income for the year calculated as per taxation law and rates applicable at date of statement of financial position. Current tax expenses include any adjustments to income tax payable or recoverable in respect of previous years.

c. Deferred Tax:

Deferred tax is recognized based on temporary difference between financial statement's carrying amounts of asset and liabilities and their respective income tax bases. Deferred tax is determined using the tax rates that has been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. The carrying amount of deferred tax is reviewed at each reporting date and reduced to the extent of non-recoverability of deferred tax assets.

d. Current and deferred tax for the year



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Current and deferred tax for the year are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case current and deferred tax are also recognized in other comprehensive income or equity respectively

3.8 INCOME & EXPENDITURE RECOGNITION

Most of the receipts are from public donation and project sales. However, there are some interest receipts on financial assets which are also recorded in accrual basis.

Donations are assistance made by donors in the form of transfer of fund and kind to the company. Donations have been utilized to meet various project expenses and fulfill the objectives of the company. Any excess donations over project expenses have been transferred to restricted fund for utilization of such amount in future projects.

Expenditure of the Rastrya Awiskar Kendra has been broadly classified into following two categories namely: Project Expenses and Administrative Expenses.

3.9 Use of Estimates

The preparation of financial statements in conformity with NAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.



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Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kairmandu
Notes to Financial Statements

Figures in NPR

4 Property, plant and equipment	Buildings	Furniture and Fixtures	Computers	Office Equipments	Vehicles	Plant and Machinery	Total
Balance as at 31st Ashad 2080	19,197,655	263,596	611,706	1,066,329	-	2,694,434	23,833,720
Additions			188,356	91,236		432,987	712,578
Revaluation and adjustments							-
Disposals							-
Balance as at 31st Ashad 2081	19,197,655	263,596	800,062	1,157,565	-	3,127,421	24,546,298
Depreciation and impairment losses							
Balance as at 31st Ashad 2080	959,758	65,899	152,927	250,230	-	404,165	1,832,979
Charge for the year	911,895	49,424	161,784	226,834	-	365,190	1,715,126
Impairment Losses							-
Disposals							-
Balance as at 31st Ashad 2081	1,871,653	115,323	314,710	477,064	-	769,355	3,548,105
Net book value							
As at 31st Ashad 2080	18,237,897	197,697	458,780	816,098	-	2,290,269	22,000,740
As at 31st Ashad 2081	17,326,002	148,272	485,352	680,501	-	2,358,066	20,998,193

Impairment of Property, Plant and Equipment

No items of Property, Plant and Equipment have been impaired. The Company has availed the exemption in relation to the property, plant and equipment on the date of transition. The fair value as on the date of transition has been approximated to equal the carrying amounts as per previous GAAP and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

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Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes to Financial Statements

Figures in NPR

5 Intangible Assets	Software	Total
Cost		
Balance at 31 Ashadh 2080	23,333	23,333
Additions	-	-
Disposals	-	-
Balance at 31 Ashad 2081	23,333	23,333
Amortization and Impairment losses		
Balance at 31 Ashadh 2080	11,667	11,667
Charge for the year	11,667	11,667
Disposals	-	-
Balance at 31 Ashad 2081	23,333	23,333
Net Book Value		
As at 31st Ashad 2080	11,667	11,667
As at 31st Ashad 2081	-	-

Intangible assets contained software ammortized for 5 years, this being the last year also no items of Intangible Assets have been impaired.

The Company has availed the exemption in relation to the Intangible Assets on the date of transition. The fair value as on the date of transition has been approximated to equal the carrying amounts as per previous GAAP and hence the net block carrying amount has been considered as the gross block carrvina amount on that date.



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Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes to Financial Statements

Figures in NPR

6 Investment	As at 31st Ashad 2081	As at 31st Ashad 2080
A. In Fixed Deposit		
Balance as at 1 Shrawan	53,500,000	30,000,000
Additions	-	23,500,000
Disposals	-	-
Gain/(loss) on subsequent measurement	-	-
Balance as at 31 Ashadh	<u>53,500,000</u>	<u>53,500,000</u>
Non-current portion	-	-
Current portion	<u>53,500,000</u>	<u>53,500,000</u>
Total Investments	<u>53,500,000</u>	<u>53,500,000</u>

In the current year, Fixed Deposits (FD) amounting to NPR 53,500,000.00 have been reclassified from Cash and Cash Equivalents to Investments, in accordance with the Nepal Financial Reporting Standards (NFRS). NFRS requires that FD with maturities greater than three months be classified as investments rather than cash equivalents, as they do not meet the definition of highly liquid assets readily convertible to known amounts of cash.



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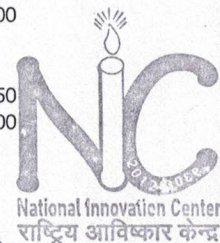
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Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes Forming Part of Financial Statements

Figures in NPR

7. Trade and Other Receivable	As at 31.03.2081	As at 31.03.2080
VAT Receivables	944,199.44	240,825.07
Advance to Crediors		
Saugat Printers Pvt.Ltd.	2,486,000.00	-
Associated Enterprise	1,943,713.00	-
Macto Spares Concern	117,551.15	117,551.15
Leisure World Tours & Travels	53,600.00	53,600.00
Route International Cargo Private Limited	47,940.01	47,939.50
Om Subham Store	37,966.00	46,255.00
Lal Trading Complex	18,500.00	18,500.00
Sarjina Poultry Suppliers	15,100.00	4,870.00
Shree Radha Krishna Electricals	-	-
Nepal Gunastar Tatha Naptaul Wibhag	12,000.00	-
Bagbazer Chhapakhana	6,000.00	6,000.00
Durga Engineerin & Auto Works P. Ltd	5,085.00	5,085.00
SRS Steels & Engineering Works Pvt.Ltd	5,011.00	-
Worldlink Communication	4,069.00	4,069.00
New Shrestha Machinery Concern	3,673.51	3,673.51
Three Brothers Trade Center Pvt. Ltd	1,644.52	-
Bishowkarma Suppliers	1,485.01	1,485.01
Nehal Electric Workshop	1,000.00	-
Himali Trading	-	971.38
Kitchen Trading Concern	-	893.00
Golden Fashion	-	115.00
Siddhartha Machinery stores	11.15	-
Bajra Barahi Steel & Aluminium Stucture	-	200,021.50
Total Advance to Crediors	4,760,349.35	511,029.05
Sundry Debtors		
Maita Singh Agro Private Limited	1,998,970.00	1,998,970.00
Kanchanjunga Coffee	1,344,700.00	1,344,700.00
Oxfam Nepal	535,623.97	535,623.97
Salyantar Primary Health Care Center	395,500.00	395,500.00
Himalayan Ecosystem Pvt.Ltd.	316,799.99	-
Dordi Gaupalika	307,556.00	307,556.00
Five Fourteen Adventure Pvt.Ltd	226,000.00	226,000.00
Dhamabeej Laboratories	216,048.09	216,048.09
Tarakhola Gaupalika Office	115,825.00	-
Green Road Waste Management Pvt. Ltd.	94,650.00	-
Sunapati Gaupalika	76,275.00	76,275.00
Aama Agro Product Pvt. Ltd.	60,000.00	60,000.00
Hamro Pahadi Organic Ghar	60,000.00	60,000.00
Pokhara Academy of Health Sciences	48,543.80	250,000.00
Katari Aspatal	38,000.00	38,000.00
Norvic International Hospital & Medical College f	19,719.00	-
Nepal National Hospital Pvt.Ltd.	14,003.70	443.70
Leapfrog Technology Nepal Pvt. Ltd	10,283.00	-
Bethanchok R.D.R. Krishi & Pasupalan Farm Pvt. Lt	6,800.00	-
Manab Kalyan Samajh Nepal	5,288.00	-
Melung Rural Municipality	3,752.00	3,751.00
SSICDC	2,542.50	94,500.00
Gai Anuwanshik Shrot Kendra	1,125.00	-
NTNC- GCAP	1,035.00	-
Pokhara Civil Aviation Office	-	121.50
Krishi Sanjal Pokhar Mahanagarpalika- 16	-	111.00



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Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes Forming Part of Financial Statements

Sankhasowa -04 Wodakaryalay	-	51.00
Division Ban Karalya	-	1,542.00
Netrawati Dabjong Rural Municipality	-	28,250.00
Shree Jaykot Bhumi Metal Udhog	-	100,000.00
Shree Krishna Agro Farm	-	46,620.00
Total of Sundry Debtors	5,899,040.05	5,784,063.26
Other Advances		
Advance to Projects	3,261,003.84	3,541,470.00
Prajal Kaju- Project Exp	253,799.44	268,412.35
Receivable for Mahabir Pun Book	160,736.02	-
Sashi Kiran Thapa- Project AD	125,000.00	-
Aakriti Kandel- Project	100,468.40	-
Dipak Khatri -Transport/PPE	56,900.00	55,400.00
Drishya Gurung-Salary Payable	49,030.58	49,030.58
Harishankar Kushwaha- Advace for Project	30,113.00	30,113.00
Dines Lama- Advance For Salary	30,000.00	30,000.00
Bhagiman Budha- Personal AD	30,000.00	-
Bal Bahadur Thapa- Wage	17,000.00	17,000.00
Ashrut Aryal-Salary Payable	14,850.00	14,850.00
Naresh Yadav- Wage Paid	14,850.00	14,850.00
Other Advance	10,889.00	10,889.00
Am Bahadur Pun- Personal AD	1,000.00	-
Suman Limbu	9,900.00	9,900.00
Bhawani Yogi- Project	8,750.00	-
Umesh Rai- Salary Payable	-	1,150.00
Krishna Bhadra Aryal	-	678.00
Sundar Singh Khatri	-	51.00
Shree Raj Steel House	-	41,897.50
Ritesh Dev- Salary Advance/Project Advance	-	175,200.00
Ram Prasad Poudel	-	50.00
Bhagiman Budha- Salary Payable	-	100.00
Rupilal Pun- Salary	-	100.00
Kishan Nath Upadhyay- Project	-	82,541.00
Prativa Parajuli- Project Advance	-	29,146.63
Hari Bahadur Pahari - Project Ad	-	151,877.00
Total of Other Advances	4,174,290.28	4,524,706.06
Total	15,777,879.12	11,060,623.44

8. Income Tax Receivable (Payable)

	As at 31.03.2081	As at 31.03.2080
Advance Income tax	1,296,754.42	792,593.29
TDS on Interest	838,417.44	199,287.06
Less: Provision for Income Tax	-	-
Total	2,135,171.86	991,880.35



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Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes Forming Part of Financial Statements

9. Cash and Cash Equivalents	As at 31.03.2081	As at 31.03.2080
Nepal Bank	62,127,821.39	15,567,381.70
Jyoti Bikash Bank	3,639,965.50	-
Himalayan Bank - 17	1,190,411.45	2,386,497.66
Himalayan Bank - 28	59,219.63	12,322,533.49
Global IME Bank	1,096,266.37	991,886.42
Cash Balance	135,552.66	3,861.04
Everest Bank	50,245.00	50,245.00
Total	68,299,482.00	31,322,405.31

10. Unrestricted Funds	As at 31.03.2081	As at 31.03.2080
Opening Balance	88,952,530.83	-
Transfer of Funds	-	90,181,675.71
Allocated result of Income & Expenditure	(1,622,455.76)	(1,229,144.88)
Total	87,330,075.07	88,952,530.83

11. Restricted Fund	As at 31.03.2081	As at 31.03.2080
Opening Balance	10,550,249.15	95,943,563.87
Transfer of Funds	-	(90,181,675.71)
Receipt of the fund	51,000,000.00	4,788,360.99
Allocated result of Income & Expenditure	-	-
Total	61,550,249.15	10,550,249.15

12. Corpus Fund	As at 31.03.2081	As at 31.03.2080
Opening Balance	25,000.00	25,000.00
Introduction by Shareholders	-	-
Total	25,000.00	25,000.00



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Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes Forming Part of Financial Statements

13. Payables

	As at 31.03.2081	As at 31.03.2080
Duties and Taxes		
TDS on Pvt Ltd (11123)	100,484.02	37,968.85
Provident Fund 20%	44,900.00	-
TDS on Individuals/Firm (11111)	42,318.81	141,106.50
SST on Salary and Wages (11211)	26,200.79	105,077.34
TDS on Salary & Wages (11112)	11,819.07	63,959.87
TDS on Other Entities (11124)	10,725.00	3,000.00
Total Duties and Taxes payable	236,447.69	351,112.56
Salary and Wage Payables		
Harilo Agro Industry Pvt.Ltd.	-	1,000.00
Jikesh Thapa- Salary Payable	0.00	821.70
Prativa Prajuli -Salary Payable	0.00	821.70
Sameer Aryal- Salary Payable	-	600.00
Rajesh Limbu- Salary Payable	-	225.00
Ishan Shrestha- Salary Payable	-	-
Sanjay Jha-Salary Payable	-	59,850.25
Santowana Parajuli- Salary Payable	-	14,850.00
Total Salary payables	0.00	154,398.65
Sundry Creditors		
Nepal Korea Friendshio Municipal H.	500,000.00	-
Hamro Rajakot Bahuudeshiya Sahakari	329,125.00	-
Friends of Nature For Nepal	-	-
Zorsha Technologies Pvt Ltd	249,980.64	249,980.64
M.S.C. Machinery House Pvt.Ltd	114,686.34	76,994.79
Kinnovation Trading Pvt. Ltd	95,333.00	-
Bread Fruits Pvt Ltd	81,035.45	81,035.45
Gautam Overseas Pvt. Ltd.	60,644.87	60,644.87
Chhisti Kholakhani HTL And Khaja Ghar	42,700.00	-
Organic Venture Nepal	40,000.00	-
Two Brothers Set Makers	28,000.00	28,000.00
Infrasoft Solutions Pvt. Ltd	17,825.00	-
Watt & Volt House (P.) Ltd.	17,100.29	-
Green Suppliers	16,070.00	16,070.00
National Electric Trading	14,633.60	54,796.84
G.S. Iron Pvt.Ltd	11,844.95	6,221.99
Surya Power Company Pvt.Ltd	7,885.14	7,885.14
New Gautam Machinery Traders	7,812.47	7,812.47
Gywali Hardware Enterprises	7,803.00	53,571.85
Pravin Chandra Mehta	7,314.09	35,422.87
Vasu Enterprises	5,378.00	-
Bijeshwori Trade Link (P) Ltd	4,750.00	4,750.00
Sodh Tatha Bikash NirdeSanalaya	-	-
Malika variety store	3,840.00	-
Himalayan Solutions	3,529.00	29,602.33
S.K. Trades Pvt. Ltd	2,940.01	2,940.01
Total Sources Pvt. Ltd.	2,542.50	116,698.98
Rajesh Trade Links	2,203.00	51,608.23
Ankur Metal Industries Pvt. Ltd.	1,109.66	18,249.50
New Lucky Enterprises	-	960.50
Hardware Pasa Pvt.Ltd.	-	753.39
B and B It Suppliers Pvt.Ltd.	-	195.00
Shiwani Interior	-	108.45
K.H. Associates, Chartered Accountants	-	-
Sun East International Pvt,Ltd	-	21.20
Shree Shyam Hardware Pvt Ltd	-	-



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Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes Forming Part of Financial Statements

Axis Enterprises Pvt.Ltd.	-	-
Bicky Hardware House Pvt Ltd	-	99,477.45
Chakratirtha Multipurpose Co. Pvt. Ltd	-	22,000.00
Chundevi Multitech Pvt. Ltd	-	16,272.00
Civil Lighting (Pvt. Ltd.)	-	36,034.25
Data Hub Pvt. Ltd	-	20,001.00
First Link Pvt. Ltd.	-	77,819.80
Galaxy International Enterprises	-	5,627.41
Hamro Lucky Kirana Pashal	20,640.00	35,340.00
Indra Oli- Project	-	18,994.00
International Machinery & Electric Centre	-	15,656.97
Jeevan Shrestha- Project	-	16,625.20
Machineer Technology Pvt. Ltd.	-	256,160.00
Mantra Incorporation Pvt.Ltd	-	1,620,099.90
Mount Sherpa Travel & Tourism Pvt. Ltd.	-	12,320.00
Nikhil Tyre Trade House	-	21,500.00
Pashupati Trade Concerns	-	1,968.41
Pawan Asian Gas Center	-	6,102.00
R.P.K.S. Associates, Chartered Accountant	-	78,150.00
Rajesh Hardwares Pvt Ltd	-	2,750.00
Reliable Bearings Nepal Pvt. Ltd.	2,227.20	33,419.63
Rishimuni Ayurvedic Harbal Pvt. Ltd	-	7,000.00
S.K. Electro Concern	-	68,014.83
Shatabdi Media Pvt.Ltd	-	26,826.00
Shree Radha Krishna Nut Bolt House	-	4,293.20
The Science House	-	4,921.00
Three Brothers Trade Center Pvt. Ltd	-	720.00
Kathmandu Santosh Work Shop	-	-
Manakamana Auto Enterprises	-	-
Other Payables		
Advances Received for Projects	8,939,815.78	8,939,815.78
Incentives 50% Payable	236,645.94	-
Audit Fee Payable	197,000.00	197,000.00
Ritesh Dev- Advance For Project	90,495.69	33,155.35
Hari Bahadur Pahari - Project Ad	108,892.00	-
Others Payables	70,476.00	70,476.00
Advance for Kitchen	50,000.00	50,000.00
Rajesh Limbu	39,375.00	39,375.00
Division Ban Karalya	-	-
Sankhawowa -05 Wodakaryalay Panchkhana	-	54.00
Bharat Dangi- Project & Kitchen	-	224,434.00
Sanajay Poudel (EHR Consultant)	-	-
Jenson Maharjan	-	-
Total Other Payables	9,732,700.41	9,618,657.93
Total	11,805,401.27	19,359,536.18



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Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes Forming Part of Financial Statements

14. Project Sales

	FY 2080-81	FY 2079-80
Goods Sales		
Mahabir Pun Book (Biography)	46,438,980.45	-
Sales of Solar Dryer	4,006,809.07	739,920.00
Plastic Extruder Project- Sales	3,473,097.35	-
Bamboo Broom Machine-Sales	1,318,761.13	220,796.46
Dewatering Machine -Sales	710,000.00	2,172,812.00
Monkey Chasing Device Sales	658,800.00	2,235,600.00
Khuwa Making Machine - Sales	555,000.00	473,900.00
Multi Grain Roaster Sales	300,000.00	330,000.00
Nyano Nani Sales	201,600.00	190,000.00
Bio Medical - Sales	130,619.50	23,490.00
Egg Incubator- Sales	70,000.00	-
Poly Carbonate Sheet -Sales	40,000.00	79,500.00
Gurukul Project Tools Sales	28,481.00	-
Calcium Carbide-Sales	21,000.00	8,400.00
Coffee Roaster-Sales	-	200,000.00
Fish Scaling Machine-Sales	-	468,141.60
OxFam Sales	-	221,313.48
Pad Vending Machine-Sales	-	442,000.00
US- Aids - Sales	-	4,724,903.27
Total Goods Sold	57,953,148.50	12,530,776.81
Service Sales		
Civil Aviation	5,089,500.00	
Bio Medical	1,391,025.12	6,087,718.99
NISER Project	338,489.38	
Total Service Sales	6,819,014.50	6,087,718.99
Total	64,772,163.00	18,618,495.80

Reconciliation of Sales with VAT return

Donation from public income of Rs. 28,598,489, which was previously filed under VAT return of Baisakh 2081 as Non Taxable Sales, has been corrected and the necessary adjustments have also been made during the VAT reconciliation process.

Sales as per VAT return	93,370,652.00
Less : Donation Income	(28,598,489.00)
Sales as per Financial Statements	64,772,163.00
Difference	-



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Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes Forming Part of Financial Statements

15. Interest Income

	FY 2080-81	FY 2079-80
Bank Interest	4,260,869.21	4,531,611.45
Total	4,260,869.21	4,531,611.45

16. Donation Income

	FY 2080-81	FY 2079-80
Gandaki Pradesh	-	19844328.59
Gharelu Udhog	10,000,000.00	4,359,876.38
Shikshya Tatha Bigyan Mantralaya	-	12,065,637.57
Donation from the Public	50,114,149.83	34,320,942.03
Less : Restricted Donation	(51,000,000.00)	(4,788,360.99)
Total	9,114,149.83	65,802,423.58

17. Project Expenses

	FY 2080-81	FY 2079-80
Gandaki Pradesh		
EHR Gandaki	5,788,308.37	1,435,156.92
ICT Lab Project	3,753,882.00	5,900,032.00
Biomedical Lab Gandaki	1,053,877.58	6,033,704.74
Jalakunbhi Harvester Project	981,695.25	1,127,575.00
Jadibuti Project	919,490.56	910,449.91
IR Cooker Project.	413,333.37	158,864.20
Krishi Chhetra Projects.	150,510.00	4,278,545.82
Total Gandaki Pradesh	13,061,097.13	19,844,328.59
Gharelu Udhog		
Bamboo Splitting Machine	1,552,299.13	-
Automatic Beath Splitting Machine	1,644,148.67	-
Paper Plate Machine	1,459,045.90	-
Pasta & Chesse Ball Machine	1,191,484.22	-
Toothpick Sapner Machine	1,154,272.92	611,697.08
Cotton Wick Project	976,062.26	-
Bottel Recycling Project	951,736.72	-
Sinke Dhup (Agarbatti Banaune) Project	802,500.51	367,103.75
Dana Banaune Machine	673,850.30	-
Amilo Pelne Machine	661,771.55	-
Total Gharelu Pradesh	11,067,172.18	978,800.83
Shikshya Tatha Bigyan Mantralaya		
E.V Project.	86,676.16	4,174,009.55
Wind Turnel	1,075,874.11	3,835,438.26
Total Shikshya Tatha Bigyan Mantralaya	1,162,550.27	8,009,447.81



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Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes Forming Part of Financial Statements

NIC Other Projects

Mahabir Pun Book- Expenese	15,085,945.66	-
Krishi Aujar-Birgunj	10,184,158.73	5,309,487.11
Bio-Medical Lab Departement	2,701,319.45	1,571,677.29
Civil Aviation	2,298,746.12	437,528.09
Nyano Nani - HR	1,389,233.22	
Nyano Nani - Diyalo Foundation	1,341,331.63	4,829,521.47
Drone X1	1,293,990.23	1,161,799.81
Bamboo Broom Project.	1,124,863.66	1,032,538.42
Solar Dryer	1,253,001.41	1,778,346.66
Plastic Extruder Machine Project	911,330.42	266,252.06
Dewatering	508,407.08	634,905.45
Monkey Chasing Gun	505,423.88	1,958,648.71
Hi Tech Classroom	481,435.00	2,499,384.34
Electrical Vehicle Project	377,472.81	775,139.26
Coffee Roaster	351,316.94	616,962.05
Singha's Gurukul Project	340,376.80	235,967.10
Wheel Chair Lift- Birganj	313,528.64	-
Repair and Maintenance of Vehicle	278,054.70	696,367.36
Daha Saskar Machine	239,135.81	-
Toothpick Machine	176,690.05	-
Multi Grain Roaster	176,449.28	501,825.31
Motorized Wheel Chair Project	135,822.00	-
Mellet Thresher Machine Project	130,709.24	-
Saw Mill	120,000.00	514,788.40
Electronic Health Record (EHR)	117,572.57	4,295,379.00
Electric Motorcycle Project	120,264.87	10,000.00
Vending Machine	94,116.77	-
Lathe Maintainance Machine	92,406.49	49,320.13
Khuwa Making	86,242.00	428,523.28
Solar Cooker Project	82,147.00	-
Mushrom Farming Project	80,046.54	14,566.00
Gradian Health Systems Project	69,916.50	202,546.00
Chicken Shad Project	70,015.00	120,776.00
Pramod Dhakal- Mountain Technology	67,036.44	-
Black Soldier Fly BSF-ASF	53,618.50	4,508.70
Billing System Project	41,393.00	396,236.61
Bike Repair (Roshan Basnet)	40,583.65	-
Food Lab-Prativa Prajulie	35,209.00	507,342.06
Thermal Reactor Project.	36,220.47	-
Bee Venum Project	30,898.00	131,919.00
NRNA Donation Repair Expenses	31,600.00	-
Wireless Communication Project	26,371.00	140,638.55
Food Lab Oven-Bishnu Rai	26,284.27	286,810.05
Algae Project	24,085.17	51,254.45

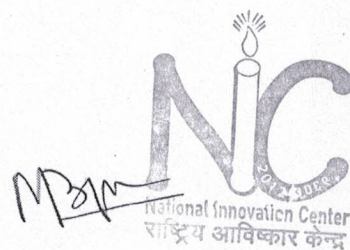


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Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes Forming Part of Financial Statements

CNC Letha Machine	18,799.00	2,034,000.00
Aadhunik Halo Project	14,733.00	80,641.96
Automated Gate Value (Oxfam)	13,747.86	1,426,551.02
Bijuli Hashiya	12,580.29	-
Egg Incubator 2	10,101.00	11,000.00
Endoscope Flushing Aid Project	5,196.00	-
Lift for Disabled Project	5,165.00	136,379.22
AI Robot Mina	4,418.30	757,833.00
Fish Farming Project	3,401.30	1,150.00
Kodo Milling Machine.	-	460,757.65
PPE Project	-	108,000.00
Automatic Aeriator Project	-	8,063.39
Automatic Water Pump Project	-	5,260.00
Banana Fiber Extraction Machine	-	1,288,101.73
Design And Fabrication Of Electric Momo Stemer	-	70,117.62
Electric Stunning Project	-	84,953.00
Energy Bin Project	-	625,394.43
Fabrication Restoration	-	119,987.92
Fireless Stove Project	-	17,378.91
Fitness Gym Park	-	32,425.00
Gandaki Pradesh (NIC Admin)	-	3,992,011.74
Gundruk Project	-	4,150.00
Heartbeat Project	-	7,046.00
Heat Pump Dryer Project	-	30,744.00
Honey Cassette	-	186,450.00
Incuction Chulo Project	-	8,362.00
KMC Project	-	46,360.00
Kodo Making Machine Project- Bhagyaman	-	3,340.00
Millet Cutter Project	-	31,304.24
Mini Combine Harvester	-	122,443.93
Moveable Shooting Target Project	-	9,050.00
Multi Heat Exchange	-	18,911.60
Okay Journey Project	-	66,752.05
Paddy Planting Machine Project	-	208,755.74
Pad Vending Machine	-	968,552.71
Pellet Machine Project	-	25,727.17
Plasma Cutter Machine	-	227,911.40
Quantum Rocket	-	1,507,477.59



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Rastriya Awiskar Kendra
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Notes Forming Part of Financial Statements

Rice Project	-	10,599.40
Sel Roti	-	140,465.16
Solar Suitcase	-	15,724.00
Solar System Project	-	127,154.26
Suntala Ghar	-	83,288.86
Thresor(Bhagyaman Buda)	-	12,226.60
Thresor(Suman Limbu)	-	1,749.24
Tractor Machine Projcet	-	104,035.74
US-AIDS	-	2,225,500.00
Wet Scrubber	-	55,420.00
Wick Making Machine Proj.	-	37,050.59
WRH Project	-	403,301.80
LMS (Boot Camp) Project	-	1,150,989.00
Sustocube Project	-	1,085,116.42
Basu Mahata- Project wages	-	300.00
Total Other Projects	43,032,911.76	51,647,224.81
Total	68,323,731.35	80,479,802.04

18. Administrative Expenses

	FY 2080-81	FY 2079-80
Salary of Admin Staff	2,495,973.27	1,436,772.23
Office Expenses	513,748.95	574,599.11
Accounting Services	420,000.00	489,000.00
Provident Fund 10%	229,000.00	-
Printing & Stationery Expenses	55,204.00	85,756.00
Communication Expenses	53,632.40	2,730.00
Legal Expenses	33,309.37	163,855.34
Bank Charge & Commission	5,340.00	11,271.50
Interest Charge	-	865.00
Total	3,806,207.99	2,764,849.18

19. Operating Expenses

	FY 2080-81	FY 2079-80
Consultancy Fee	1,830,000.00	-
Food Expenses (Kitchen)	1,520,445.36	2,545,184.55
Project Allowances	1,334,829.63	135,000.00
Repair and Maintenance of Trust	102,206.73	-
Audit Fees	200,000.00	200,000.00
Wages Expenses	192,895.00	-
Fuel Allowances	180,000.00	120,000.00
Transportation Expenses	133,980.00	-
Power & Fuel Expenses	123,138.00	109,237.00
Medical Expenses	79,038.87	157,022.00
Repair and Maintenance of Machines	74,457.83	406,120.56
Travelling Expenses	49,091.62	790,885.00



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Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes Forming Part of Financial Statements

Sanitation	47,138.00	-
Local Conveyance Expenses (External Auditor)	32,997.50	6,000.00
Internet Expenses	13,200.00	
Custom Charges	-	16,655.00
Bad Debt	(512.82)	103,837.92
Other Project Expenses	-	291,363.65
Insurance Expenses	-	45,565.00
Rubita Burja Magar-Project	-	668.00
Electricity Expenses	-	164,840.00
Total	5,912,905.72	5,092,378.68

20. Depreciation and Amortization

	FY 2080-81	FY 2079-80
Depreciation (Note 4)	1,715,126.07	1,832,979.14
Amortization (Note 5)	11,666.67	11,666.67
Total	1,726,792.74	1,844,645.81

21. Income tax

	FY 2080-81	FY 2079-80
Current tax expense		
Current tax on profits for the year	-	-
Previous year tax adjustment	-	-
Total Tax Expense	-	-

22. Additional Disclosure:

22.1 Comparative Information

The accounting policies have been consistently followed by the Organization and are consistent with those used in the previous year.

22.2 Previous year figures

Previous year figures have been regrouped/re-casted wherever considered necessary to facilitate comparison with current year's figures.



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22.3 First Time Adoption of NFRS

The Financial Statements for the year ending 15th July 2024 are the first set of Financial Statement prepared under NFRS by the company which includes the Statement of Financial Position and Statement of Income and Expenditure of transition date for this the statements are restated for Income year 2079/80 under NAS for NPOs.

Significant changes form the accounting policies adopted under previous GAAP (i.e. Nepal Accounting Standard) and the adoption of NFRS has been disclosed in the respective segments including the impact.

NFRS 1 "First-Time Adoption of Nepal Financial Reporting Standards" allows the first-time adopters with certain exemption from the retrospective application of certain NFRSs, when such exemption has been adopted same has been disclosed in respective segment.

Reconciliation of Statement of Financial Position

Particulars	E.N	Figures in NPR		
		Restated As Per NAS 2079-80	As Per GAAP 2079-80	Reco Adjustments
ASSETS				
Non-Current Assets				
Property, plant and equipment		22,000,740.39	22,000,740.39	-
Intangible assets		11,666.67	11,666.67	-
Investments		-	-	-
Total Non-Current Assets		22,012,407.06	22,012,407.06	-
Current - Assets				
Investments	1	53,500,000.00	-	53,500,000.00
Inventories		-	-	-
Trade and Other Receivables		11,060,623.44	11,060,623.44	-
Income Tax Receivable		991,880.35	991,880.35	-
Cash & Cash Equivalents	1	31,322,405.31	84,822,405.31	(53,500,000.00)
Total Current Assets		96,874,909.10	96,874,909.10	-
Total Assets		118,887,316.16	118,887,316.16	-
LIABILITIES & RESERVES				
Fund Balance				
Unrestricted Funds		88,952,530.83	-	88,952,530.83
Restricted Funds		10,550,249.15	99,502,779.98	(88,952,530.83)
Corpus Fund		25,000.00	25,000.00	-
Total Fund Balance		99,527,779.98	99,527,779.98	(0.00)
Non-Current Liabilities				
Long Term Borrowings		-	-	-
Total Current Liabilities		-	-	-
Current Liabilities				
Trade and other payables		19,359,536.18	19,359,536.18	-
Income Tax Payables		-	-	-
Total Current Liabilities		19,359,536.18	19,359,536.18	-
Total Liabilities		19,359,536.18	19,359,536.18	-
Total Funds and Liabilities		118,887,316.16	118,887,316.16	(0.00)



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Reconciliation of Statement of Income and Expenditure

<i>Figures in NPR</i>				
Particulars	E.N	Restated As Per NAS 2079-80	As Per GAAP 2079-80	Reco Adjustments
INCOME				
Project Sales		18,618,495.80	18,618,495.80	-
Interest Income		4,531,611.45	4,531,611.45	-
Donation Income		65,802,423.58	65,802,423.58	-
Total Income		88,952,530.83	88,952,530.83	-
EXPENDITURE				
Project Expenses		80,479,802.04	80,479,802.04	-
Administrative Expenses		2,764,849.18	2,764,849.18	-
Operating Expenses		5,092,378.68	5,092,378.68	-
Depreciation and Amortization		1,844,645.81	1,844,645.81	-
Total Expenditure		90,181,675.71	90,181,675.71	-
Net Surplus/(Deficit) Before Tax		(1,229,144.88)	(1,229,144.88)	-
Income Tax Expense		-	-	-
Current Tax		-	-	-
Net Surplus/(Deficit) for the year		(1,229,144.88)	(1,229,144.88)	-

Explanatory Note (E.N.)

E.N 1 : Reclassification of Fixed Deposits

Under NFRS, Fixed Deposits (FD) are classified as investments rather than cash and cash equivalents. In the previous accounting treatment under GAAP, FD was measured under cash and cash equivalents. However, as per NAS 2079-80, NPR 53,500,000.00 has been reclassified from cash and cash equivalents to investments, reflecting the correct treatment under the NFRS framework.



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22.4 Reconciliation of Income Tax

Income Tax has been calculated by including sales income, donation income and other income under Annex 5. Deductions has been claimed as per Income tax Act 2058. Due to no taxable income (i.e. loss), there is no income tax liability for the income year 2080.81

S. N.	Particulars	Section	As per Books of Accounts	As per Income Tax Act	Difference	Notes/ Remarks
1.0	Inclusions:					
1.1	Amount Derived from Disposal of Trading Stock	7(2)(Kha)	64,772,163.0	64,772,163.0	-	
1.2	Other Amount to be included in Profit and Gains		13,375,019.0	13,375,019.0	-	
	Assessable Income		78,147,182.0	78,147,182.0	-	
2.0	Deduction Expenses					
2.1	General Deduction	13	62,720,712.7	62,641,150.7	79,562.0	Sub Note 1
2.2	Cost of stock-in-trade	15	15,085,945.7	15,085,945.7	-	
2.3	Repair and Improvement expenses	16	236,186.7	236,186.7	-	
2.4	Depreciation	19	1,726,792.7	1,726,792.7	-	
	Sum of Deductible Expenses		79,769,637.8	79,690,075.8	79,562.0	
3.0	Deductible Loss					
3.1	Losses trf from other business in this year	20(1)	-	-	-	
3.2	Carried forward of unrelieved losses from previous year	20(1)(Kha)	-	1,770,482.9	(1,770,482.9)	
	Sum of Deductible Loss			1,770,482.9	(1,770,482.9)	
	Total Deductions [2+3]		79,769,637.8	81,460,558.7	(1,690,920.9)	
	Business Income or Loss		(1,622,455.8)	(3,313,376.6)	1,690,920.9	
4.0	Loss trf to other business		-	-	-	
	Taxable Income for this Income Year		(1,622,455.76)	(3,313,376.6)	1,690,920.9	
5.0	Income Tax Rate	Schedule 1	-	25%	-	
6.0	Income Tax Liability		-	-	-	

Sub Note 1: Unallowed General Deduction

S.N	Particulars	Amount
1	Invoices of Rs.2350, Rs.790 and Rs.577 in the name of Mr. Indra Bahadur Oli instead of NIC	3,717.0
2	PAN bill not obtained for meal and lunch.	4,350.0
3	K.O.T. obtained instead of Bill for food items of Kiritpur Hospital Canteen.	53,295.0
4	Estimate bill of Rs.2400, Rs.2900 and Rs.3700 of food and Rs.6500 of Jeep service.	15,500.0
5	Estimate bill of Rs. 2700 found for the purchase of mithai.	2,700.0
	Total Unallowed Expenses	79,562.0



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