

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

Opinion

We have audited the financial statements of Rastriya Awiskar Kendra (the 'entity'), Kathmandu which comprise the Statement of Financial Position as at Ashadh 32, 2082, Statement of Income & Expenditure, Statement of Changes in Reserve and Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the entity as at Ashadh 32, 2082 and its financial performance and its cash flows for the year then ended in accordance with Nepal Accounting Standards for NPOs (NAS for NPOs).

Basis for opinion

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

Responsibilities of Management for the financial statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with NAS for NPOs, and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

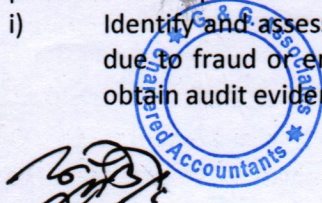
Board of Directors of entity is responsible for overseeing the entity's financial reporting process.

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 throughout the audit. We also:

- i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The

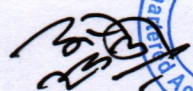
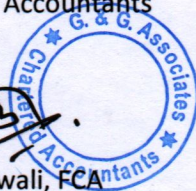


- risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
 - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - iv) 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
 - v) 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.

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 relevant ethical requirements 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.

For G. & G. Associates,
Chartered Accountants

Anish Gyawali, FCA
Partner

Date : 2082-06-02

Place : Kathmandu

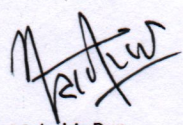
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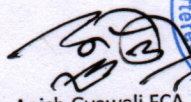
Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Statement of Financial Position
As at Ashadh 32nd, 2082 (16 July, 2025)

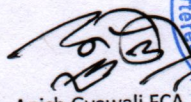
Particulars	Notes	As at 32.03.2082	Restated as at 31.03.2081
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	29,731,249	20,998,193
Intangible assets	5	-	-
Deferred tax assets	7	665,482	442,621
Total Non-Current Assets		30,396,731	21,440,813
Current - Assets			
Investments	6	53,500,000	53,500,000
Trade and Other Receivables	8	9,488,717	15,777,879
Income Tax Receivable	9	1,693,047	2,135,172
Cash & Cash Equivalents	10	93,096,675	68,299,482
Total Current Assets		157,778,439	139,712,533
Total Assets		188,175,170	161,153,346
LIABILITIES & RESERVES			
Fund Balance			
Unrestricted Funds	11	112,636,114	87,330,075
Restricted Funds	12	63,247,518	61,550,249
Corpus Fund	13	25,000	25,000
DTA Reserve	7	665,482	442,621
Total Fund Balance		176,574,114	149,347,945
Non-Current Liabilities			
Long Term Loans		-	-
Deferred Tax Liabilities	7	-	-
Total Current Liabilities		-	-
Current Liabilities			
Trade and other payables	14	11,601,056	11,805,401
Income Tax Payables	8	-	-
Total Current Liabilities		11,601,056	11,805,401
Total Liabilities		11,601,056	11,805,401
Total Funds and Liabilities		188,175,170	161,153,346

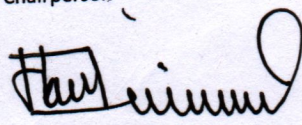
Significant Accounting Policies & Notes to Account 1-24

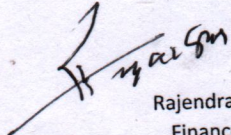
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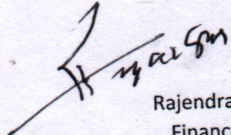

Dr. Mahabir Pun
Chairperson

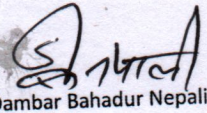

Dr. Dinesh Raj Bhuju
Director

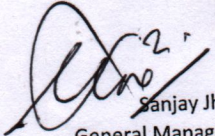

Anish Gyawali, FCA, Partner
G. & G. Associates, Chartered Accountants


CA. Hari Kumar Silwal
Director


Dr. Pramod Dhakal
Director


Rajendra Parajuli
Finance Officer


Dr. Dambar Bahadur Nepali
Director


Sanjay Jha
General Manager

Date : 2082.06.02
Place : Kathmandu




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

For the period from 1 Shrawan, 2081 to 32 Ashadh, 2082 (16 July, 2024 to 16 July, 2025)

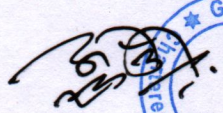
Particulars	Notes	<i>Figures in NPR</i>	
		FY 2081-82	Restated FY 2080-81
INCOME			
Project Sales	15	21,147,179	64,772,163
Interest Income	16	2,460,612	4,260,869
Donation Income	17	83,161,111	9,114,150
Other Income	18	2,969	
Total Income		106,771,870	78,147,182
EXPENDITURE			
Project Expenses	19	66,387,565	68,323,731
Administrative Expenses	20	4,032,804	3,806,208
Operating Expenses	21	3,639,046	5,912,906
Depreciation and Amortization	22	1,898,374	1,726,793
Total Expenditure		75,957,790	79,769,638
Net Surplus/(Deficit) Before Tax		30,814,080	(1,622,456)
Income Tax Expense	23	(222,862)	(442,621)
Current Tax		(222,862)	(442,621)
Deffered Tax			
Net Surplus/(Deficit) for the year		31,036,942	(1,179,835)

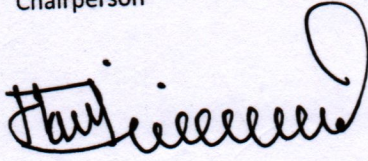
Significant Accounting Policies & Notes to Account 1-24

As per our separate report attached

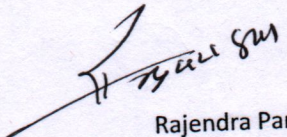

Dr. Mahabir Pun
Chairperson

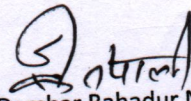
Dr. Dinesh Raj Bhuju
Director

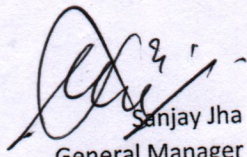

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CA. Hari Kumar Silwal
Director

Dr. Pramod Dhakal
Director


Rajendra Parajuli
Finance Officer


Dr. Dambar Bahadur Nepali
Director


Sanjay Jha
General Manager


Date : 2082.06.02
Place : Kathmandu

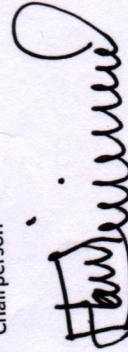


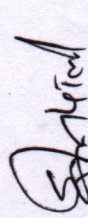
Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Statement of Changes in Reserve
For the period from 1 Shrawan, 2081 to 32 Ashadh, 2082 (16 July, 2024 to 16 July, 2025)

Particulars	Figures in NPR				
	Unrestricted Fund	Restricted Fund	Corpus Fund	DTA Reserve	Total
Balance as at 31st Ashadh 2081	87,330,075	61,550,249	25,000	442,621	149,347,945
Receipts from donors during the year					(5,508,041)
Transfer of Funds	(5,508,041)				
Allocated result of Income & Expenditure	31,036,942	1,697,269		222,862	31,036,942
Increase/Decrease in DTA	(222,862)			222,862	27,226,170
Increase/Decrease in the year	25,306,039	1,697,269	-	222,862	27,226,170
Balance as at 32nd Ashadh 2082	112,636,114	63,247,518	25,000	665,482	176,574,114

As per our separate report attached
Significant Accounting Policies & Notes to Account 1-22


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Chairperson

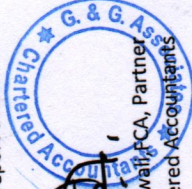
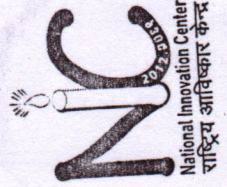

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Dr. Dambar Bahadur Nepali
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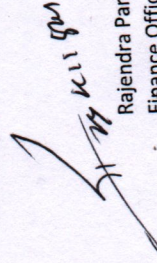
Date : 2082.06.02
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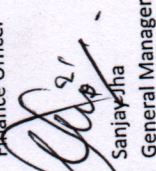
Dr. Dinesh Raj Bhujju
Director

Dr. Pramod Dhakal
Director




Anish Gyawali, FCA, Partner
G. & G. Associates, Chartered Accountants


Rajendra Parajuli
Finance Officer

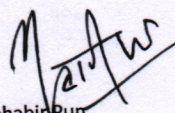

Sanjay Jha
General Manager

Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Statement of Cash Flows
For the year ended 32st Ashad 2082 (16th July 2025)

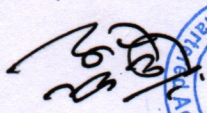
Particulars	Figures in NPR	
	FY 2081-82	Restated FY 2080-81
CASH FLOWS FROM OPERATING ACTIVITIES	31,036,942	(1,179,835)
Net Profit for the year		
Adjustment for:		
Depreciation/Impairment on Property, Plant and Equipment	1,898,374	1,726,793
Interest Income	(2,460,612)	(4,260,869)
Interest Expense		-
Loss/(gain) on subsequent measurement of investments		-
Prior period error adjusted	(5,508,041)	(442,621)
Income Tax expense charged to statement of income	(222,862)	-
Working Capital Adjustments		
Decrease/(Increase) in trade and other receivables	6,731,287	(5,860,547)
Decrease/(Increase) in Inventories		-
Increase/(Decrease) in trade and other payables	(204,346)	(7,554,135)
Increase/(Decrease) in provisions		-
Increase/(Decrease) in other liabilities		-
Cash Generated from Operations	31,270,742	(17,571,214)
Interest paid	-	-
Income tax paid	-	-
NET CASH FLOWS FROM OPERATING ACTIVITIES (A)	31,270,742	(17,571,214)
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of PPE, Investments/Financial Assets	2,460,612	4,260,869
Interest/Dividend received		-
Acquisition of Investment	(10,631,430)	(712,578)
Acquisition of Property, Plant and Equipment	(8,170,819)	3,548,291
NET CASH FLOWS FROM INVESTING ACTIVITIES (B)		
CASH FLOW FROM FINANCING ACTIVITIES		
Restricted fund receipt	1,697,269	51,000,000
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	1,697,269	51,000,000
Net Increase in Cash and Cash Equivalents	24,797,193	36,977,077
Cash and Cash Equivalents at the beginning	68,299,482	31,322,405
Exchange gains/(losses) in cash and cash equivalents		
Cash and Cash Equivalents at the end	93,096,675	68,299,482

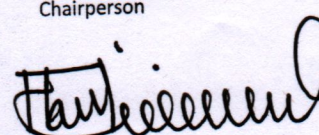
As per our separate report attached

Significant Accounting Policies & Notes to Account 1-22

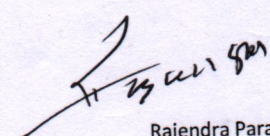

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Chairperson

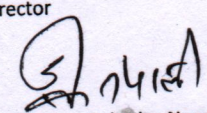
Dr. Dinesh Raj Bhujra
Director

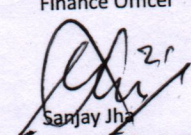

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Sanjay Jha
General Manager

Date : 2082.06.02
Place : Kathmandu

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

Figures in NPR

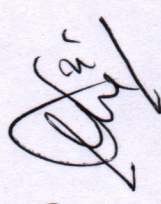
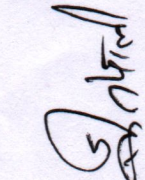

4 Property, plant and equipment	Buildings	Furniture and Fixtures	Computers	Office Equipments	Vehicles	Plant and Machinery	Total
<u>Cost</u>							
Balance as at 1st Shrawan 2081	19,197,655	263,596	800,062	1,157,565	-	3,127,421	24,546,297
Additions	-	-	5,227	-	1,300,000	9,326,204	10,631,430
Revaluation and adjustments							
Disposals							
Balance as at 32nd Ashad 2082	19,197,655	263,596	805,288	1,157,565	1,300,000	12,453,625	35,177,728
<u>Depreciation and impairment losses</u>							
Balance as at 1st Shrawan 2081	1,871,653	115,323	314,710	477,064	-	769,355	3,548,105
Charge for the year	866,300	37,068	122,494	170,125	64,822	637,565	1,898,374
Impairment Losses							
Disposals							
Balance as at 32nd Ashad 2082	2,737,953	152,391	437,204	647,189	64,822	1,406,920	5,446,479
<u>Net book value</u>							
As at 31st Ashad 2081	17,326,002	148,273	485,352	680,501	-	2,358,066	20,998,193
As at 32nd Ashad 2082	16,459,702	111,204	368,084	510,375	1,235,178	11,046,705	29,731,249

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.



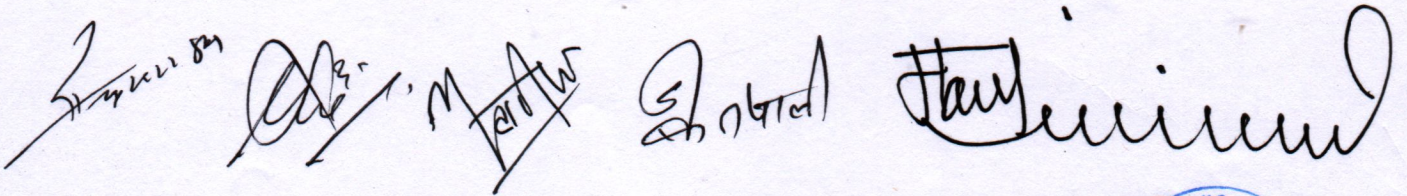
Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes to Financial Statements

Figures in NPR

5 Intangible Assets	Software	Total
Cost		
Balance at 31 Ashadh 2081	23,333	23,333
Additions	-	-
Disposals	-	-
Balance at 32 Ashad 2082	23,333	23,333
Amortization and Impairment losses		
Balance at 31 Ashadh 2081	23,333	23,333
Charge for the year	-	-
Disposals	-	-
Balance at 32 Ashad 2082	23,333	23,333
Net Book Value		
As at 31st Ashad 2081	0	0
As at 32nd Ashad 2082	0	0

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 carrying amount on that date.

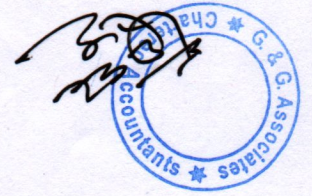




Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes to Financial Statements

Figures in NPR

6 Investment	As at 32nd Ashad 2082	As at 31st Ashad 2081	As at 1st Shrawan 2080
A. In Fixed Deposit			
Balance as at 1 Shrawan	53,500,000	53,500,000	30,000,000
Additions	-	-	23,500,000
Disposals	-	-	-
Gain/(loss) on subsequent measurement	-	-	-
Balance as at 32 Ashadh	53,500,000	53,500,000	53,500,000
Non-current portion	-	-	-
Current portion	53,500,000	53,500,000	53,500,000
Total Investments	53,500,000	53,500,000	53,500,000



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

Figures in NPR

7 Deferred tax assets and liabilities:

Deferred tax is calculated on temporary differences using a tax rate of 25%. Deferred tax assets have been recognized in respect of all tax losses and other temporary differences giving rise to deferred tax assets where the management believe it is probable that these assets will be recovered.

	As at 32nd Ashad 2082	As at 31st Ashad 2081
Reconciliation of deferred tax assets/(liability) net		
Opening Balance as at 1st Shrawan	442,621	-
Tax income/(expense) during the period recognised in profit or loss	222,862	442,621
Tax income/(expense) during the period recognised in OCI	-	-
Closing balance as at 32nd Ashad	665,482	442,621

Details of the deferred tax assets, amounts recognized in profit or loss and amounts recognized in other comprehensive income are as follows:

Particulars	Asset/ (Liability)	
	As at 32nd Ashad 2082	As at 31st Ashad 2081
Property, plant and equipment	(72,097)	-
Carried Forward Loss	737,579	442,621
	665,482	442,621

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

Figures in NPR

8. Trade and Other Receivable

	As at 32.03.2082	As at 31.03.2081
VAT Receivables	1,680,640	944,199
Advance to Creditors		
Associated Enterprises	-	1,943,713
Bagbazer Chhapakhana	6,000	6,000
Bishowkarma Suppliers	-	1,485
Durga Engineerin & Auto Works P. Ltd	5,085	5,085
Lal Trading Complex	18,500	18,500
Leisure World Tours & Travels	53,600	53,600
Macto Spares Concern	-	117,551
Nehal Electric Workshop	-	1,000
Nepal Gunastar Tatha Naptaul Wibhag	-	12,000
New Shrestha Machinery Concern	-	3,674
Om Shubham Store	37,966	37,966
Route International Cargo Private Limited	47,940	47,940
Sarjina Poultry Suppliers	10,230	15,100
Saugat Printers Pvt. Ltd.	-	2,486,000
Siddhartha Machinery stores	-	11
SRS Steels & Engineering Works Pvt.Ltd	-	5,011
Three Brothers Trade Center Pvt. Ltd	-	1,645
Worldlink Communication	-	4,069
Maruti Nandan Enterprises	4,711	-
Sakchhyam Printing Service Pvt. Ltd.	274	-
N B Impex	500,000	-
Total Advance to Crediors	684,306	4,760,349
Trade Receivables		
Aama Agro Product Pvt. Ltd.	-	60,000
Bethanchok R.D.R. Krishi & Pasupalan Farm Pvt. Ltd	6,800	6,800
Dhamabeej Laboratories	-	216,048
Dordi Gaupalika	-	307,556
Five Fourteen Adventure Pvt.Ltd	-	226,000
Gai Anuwanshik Shrot Kendra	-	1,125
Green Road Waste Management Pvt. Ltd.	-	94,650
Hamro Pahadi Organic Ghar	60,000	60,000
Hetauda Submetropolitan	498,750	-
Himalayan Ecosystem Pvt.Ltd.	316,800	316,800
Intrepaid Nepal Pvt. Ltd.	12,430	-
Kanchanjunga Coffee	-	1,344,700
Karnali Academy of Health Sciences	7,928	-
Katari Aspatal	38,000	38,000
Leapfrog Technology Nepal Pvt. Ltd	-	10,283
Maita Singh Agro Private Limited	-	1,998,970
Manab Kalyan Samajh Nepal	-	5,288
Melung Rural Municipality	-	3,752



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

National Academy of Medical Sciences, Bir Hospital	565,000	
Nepal National Hospital Pvt.Ltd.	-	14,004
Norvic International Hospital & Medical Collage Ltd	108,819	-
Norvic International Hospital & Medical College Pvt	-	19,719
NTNC- GCAP	-	1,035
Oxfam Nepal	535,624	535,624
Oxford University Clinical Research Unit Nepal	120,750	
Pace Nepal	21,018	-
P.A.M Mada Pauo Titora Achara Bhandar	110,000	-
Pokhara Academy of Health Sciences	-	48,544
Sahid Gangalal National Heart Cenetr	31,471	
Salyantar Primary Health Care Center	-	395,500
SSICDC	-	2,543
Sunapati Gaupalika	-	76,275
Tarakhola Gaupalika Office	-	115,825
BTL Agro Mech Industries Pvt. Ltd.	100,000	
Manmohan Memorial Medical Collage & Teaching Ho	300,000	
Pokhara Academy Of Health Service	42,969	
Total of Sundry Debtors	2,876,358	5,899,040

Other Advances

Aakriti Kandel- Project	-	100,468
Advance to Projects (78/79)	3,261,004	3,261,004
Advance to Kaushila	3,051	
Am Bahadur Pun - Project Ad	88,507	1,000
Ashrut Aryal-Salary Payable	14,850	14,850
Bal Bahadur Thapa- Wage	-	17,000
Bhagiman Budha- Personal AD	-	30,000
Bhawani Yogi- Project	8,750	8,750
Diksha Rai- Project Ad	18,595	-
Dinesh Lama-Advance Salary	30,000	30,000
Dipak Khatri -Transport/PPE	-	56,900
Dipendra Basnet- Ad for Project	32,577	-
Drishya Gurung-Salary Payable	-	49,031
Harishankar Kushwaha- Advace for Project	30,113	30,113
Indra Bahadur Oli- Project AD	23,257	
Naresh Yadav- Wage Paid	-	14,850
Other Advance	-	10,889
Other Advances	10,889	
Prajal Kaju- Project Exp	253,799	253,799
Raju Thapa- Project AD	150,000	
Receivable for Mahabir Pun Book	-	160,736
Ritesh Dev - Adv for Project	8,241	
Sashi Kiran Thapa- Project AD	-	125,000
Salary Advance	220,000	
Suman Limbu	-	9,900
Total of Other Advances	4,153,633	4,174,290

Deposit

Bhajuratna Engineering & Sales Ltd.

93,780



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Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
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Total of Deposit	93,780	-
Total	9,488,717	15,777,879

9. Income Tax Receivable (Payable)

	As at 32.03.2082	As at 31.03.2081
Advance Income tax	854,629	1,296,754
TDS on Interest	838,417	838,417
Less: Provision for Income Tax		-
Total	1,693,047	2,135,172

10. Cash and Cash Equivalents

	As at 32.03.2082	As at 31.03.2081
Cash Balance	76,991	135,553
Nepal Bank Limited 001	9,296,701	16,304,236
Nepal Bank Limited 006	73,430,997	45,823,585
Jyoti Bikash Bank Ltd.	5,834,916	3,639,966
Himalayan Bank Ltd 017	1,940,326	1,190,411
Himalayan Bank Ltd 028	2,133,571	59,220
Global IME Bank Ltd.	332,929	1,096,266
Everest Bank Limited	50,245	50,245
Total	93,096,675	68,299,482

11. Unrestricted Funds

	As at 32.03.2082	As at 31.03.2081
Opening Balance	87,330,075	88,952,531
Transfer of Funds	(5,508,041)	-
Allocated result of Income & Expenditure	31,036,942	(1,179,835)
(Increase)/Decrease in DTA Reserve	(222,862)	(442,621)
Total	112,636,114	87,330,075

12. Restricted Fund

	As at 32.03.2082	As at 31.03.2081
Opening Balance	61,550,249	10,550,249
Transfer of Funds		



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

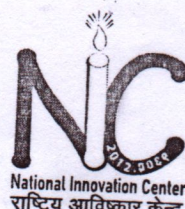
Receipt of the fund		51,000,000
Allocated result of Income & Expenditure	1,697,269	-
Total	63,247,518	61,550,249

13. Corpus Fund

	As at 32.03.2082	As at 31.03.2081
Opening Balance	25,000	25,000
Introduction by Shareholders		-
Total	25,000	25,000

14. Payables

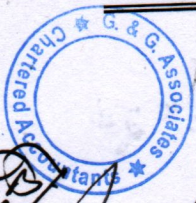
	As at 32.03.2082	As at 31.03.2081
Duties and Taxes		
TDS on Pvt Ltd (11123)	67,823	100,484
Provident Fund 20%	-	44,900
TDS on Individuals/Firm (11111)	34,951	42,319
TDS (SST) on Salary and Wages (11211)	25,371	26,201
TDS on Salary & Wages (11112)	43,713	11,819
TDS on Other Entities (11124)	5,250	10,725
Total Duties and Taxes payable	177,108	236,448
Salary and Wage Payables		
Harilo Agro Industry Pvt.Ltd.		-
Santowana Parajuli- Salary Payable		-
Total Salary payables	-	-
Advances From Debtors		
Amriso Agriculture	100,000	-
Tarakhola Gaupalika Office	360	-
Hari Baruwal	100,000	-
Total Advances From Debtors	200,360	-
Sundry Creditors		
Ankur Metal Industries Pvt. Ltd.	-	1,110
Be The Best Pvt. Ltd.	134,407	-
Bijeshwori Trade Link (P). Ltd	4,750	4,750
Bread Fruit Electronics Pvt. Ltd.	81,035	81,035
Buddhi Ratan Surya	2,700	-
Chhisti Kholakhani HTL And Khaja Ghar	-	42,700
DV Enterprises	774,784	-
G.S. Iron Pvt.Ltd	-	11,845
Gautam Overseas Pvt. Ltd.	60,645	60,645
Green Suppliers	16,070	16,070



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

Gywali Hardware Enterprises	-	7,803
Hamro Lucky Kirana Pashal	-	20,640
Hamro Rajakot Bahuudeshiya Sahakari	-	329,125
Himalayan Solutions	-	3,529
Infrasoft Solutions Pvt. Ltd	-	17,825
Kantipur Trading House	-	133,730
Kinnovation Trading Pvt. Ltd	-	95,333
M.S.C Machinery House Pvt.Ltd	1,193	114,686
Macto Spares Concern	47,078	-
Malika variety store	-	3,840
National Electric Trading	49,175	14,634
Nepal International Pvt. Ltd	-	3,570
Nepal Korea Friendshio Municipal H.	-	500,000
New Gautam Machinery Traders	7,812	7,812
Organic Venture Nepal	-	40,000
Pravin Chandra Mehta	-	7,314
Rajesh Hardware	2,750	-
Rajesh Trade Links	3,303	2,203
Reliable Bearings Nepal Pvt. Ltd.	-	2,227
S.K. Trades Pvt. Ltd	-	2,940
SAS International Traders Pvt.Ltd.	3,899	-
Surya Power Company Pvt.Ltd	7,885	7,885
Total Sources Pvt. Ltd.	3,616	2,543
Two Brothers Set Makers	28,000	28,000
Vasu Enterprises	5,378	5,378
Watt & Volt House (P.) Ltd.	6,103	17,100
Zorsha Technologies Pvt Ltd	249,981	249,981
Total Sundry Creditors	1,490,564	1,836,253
Other Payables	0	236,646
Incentives 50% Payable	197,000	197,000
Audit Fee Payable	93,246	-
Internal Audit Fee Payable	-	90,496
Ritesh Dev- Advance For Project	-	108,892
Hari Bahadur Pahari - Project Ad	39,375	39,375
Rajesh Limbu	207,780	-
5% Deposit	50,000	50,000
Advance For Kitchen	8,939,816	8,939,816
Advance for Projects	70,476	70,476
Other Payables	6,000	-
Gokul Bahadur Gurung	100,000	-
Kumar Gurung	29,332	-
Mahip Raj KC- Project Advance	9,733,024	9,732,700
Total Other Payables	9,733,024	9,732,700
Total	11,601,056	11,805,401



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National Innovation Center
राष्ट्रिय आविष्कार केन्द्र

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

15. Project Sales

	FY 2081-82	FY 2080-81
Goods Sales		
Aeration Tower	40,500	
Bamboo Broom Project.	200,000	1,318,761
Bamboo Machine	592,920	
Banana Fibre Machine	110,619	
Biomedical Lab Department	150,000	130,620
CAAN Project	691,180	
Calcium Carbide-Sales	-	21,000
Dewatering Machine -Sales	-	710,000
Duna Tapari Making Machine	839,823	
Egg Incubator- Sales	-	70,000
Electric Pottery Machine	123,894	
Fish Hatechery Project	1,010,000	
Glass Powder Making Machine.	100,000	
Gurukul Project Tools Sales	-	28,481
Hand Bamboo Spliting Machine	30,000	
Hand Tools Project	15,000	
ICT Lab	8,265	
Khuwa Making Machine	820,389	555,000
Mahabir Pun Book	5,829,187	46,438,980
Makai Polne Machine	135,197	
Monkey Chasing Gun Project	93,900	658,800
Multi Grain Roster Project	566,991	300,000
Nyano Nani Project	205,000	201,600
Paddy Wheel	260,000	
Plastic Extruder Project- Sales	450,000	3,473,097
Poly Carbonate Sheet -Sales	-	40,000
Rice Planter Project	143,000	
Sales of Solar Dryer	-	4,006,809
Solar Dryer - Jumla	303,600	
Solar Dryer Project	220,000	
Less: Sales Returns		
Plastic Machine- Army	(30,000)	
Nyano Nani Repair & Service of Norvic	(98,593)	
Total Goods Sold	12,810,874	57,953,149
Service Sales		5,089,500
Civil Aviation	247,788	
Plastic Recycling Project 2	7,286,225	1,391,025
Biomedical Lab Department	708,962	
MIT D- Lab Project.	6,080	
Nyano Nani Project	87,250	
Nyano Nani Repair & Service of Norvic		338,489
NISER Project		6,819,015
Total Service Sales	8,336,304	64,772,163
Total	21,147,179	64,772,163

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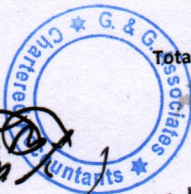
Rastriya Awiskar Kendra
Shivabhakta Marg - 02, Kathmandu
Notes Forming Part of Financial Statements

16. Interest Income	FY 2081-82	FY 2080-81
Bank Interest	2,460,612	4,260,869
Total	2,460,612	4,260,869

17. Donation Income	FY 2081-82	FY 2080-81
Gharelu Udhog		10,000,000
Donation from the Public	84,858,380	50,114,150
Less : Restricted Donation	(1,697,269)	(51,000,000)
Total	83,161,111	9,114,150

18. Other Income	FY 2081-82	FY 2080-81
Discount Received	2,958	
Miscellaneous Income	11	
Total	2,969	-

19. Project Expenses	FY 2081-82	FY 2080-81
Gandaki Pradesh		
EHR Project	4,569,877	5,788,308
ICT Lab	1,534,337	3,753,882
Biomedical Lab Gandaki	-	1,053,878
Jalkumbhi Harvester Project	386,460	981,695
Jadibuti Project	-	919,491
IR Cooker Project	75,000	413,333
Krishi Chhetra Projects.	-	150,510
Total Gandaki Pradesh	6,565,674	13,061,097
Gharelu Udhog		
Bamboo Splitting Machine	-	1,552,299
Automatic Beath Splitting Machine	-	1,644,149
Paper Plate Machine	-	1,459,046
Pasta & Chesse Ball Machine	-	1,191,484
Toothpick Sapner Machine	-	1,154,273
Cotton Wick Project	-	976,062
Bottel Recycling Project	-	951,737
Sinke Dhup Project	25,179	802,501
Dana Banaune Machine	-	673,850
Amilo Pelve Machine	9,801	661,772
Total Gharelu Pradesh	34,980	11,067,172
Shikshya Tatha Bigyan Mantralaya		
E.V Project.	-	86,676
Wind Turnel	-	1,075,874
Total Shikshya Tatha Bigyan Mantralaya	-	1,162,550



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

NIC Other Projects

Aadhunik Halo Project	-	14,733
Adding of Tool and Machine	95,000	
Admin	4,543,422	
AI Robot Mina	-	4,418
Algae Project	-	24,085
Animal Pellet Feed Making Machine	33,705	
Areator Oxygen Mining Tower	193,847	
Automated Gate Value (Oxfam)	-	13,748
Baluwa Chalne Machine	50,000	
Bamboo Broom Project.	74,906	1,124,864
Bamboo Machine	300,874	
Banaba Stem Strip Cutter Machine	14,983	
Banana Fibre Machine	5,340	
Bee Project	14,000	
Bee Venum Project	-	30,898
Bijuli Hashiya	-	12,580
Bike Repair Project (Roshan)	39,590	40,584
Billing System Project	-	41,393
Biomedical Lab Department	7,602,735	2,701,319
Black Soldier Fly BSF-ASF	-	53,619
CAAN Project	685,686	
Carpenter Department	6,000	
Chaff Cutter Machine	18,202	
Chasis Alligment Repair Machine	257,996	
Chicken Shad Project	44,890	70,015
Choya Machine Project	158,657	
Civil Aviation	-	2,298,746
CNC Letha Machine	-	18,799
Coffee Roster Project	101,000	351,317
Conveyor Belt Machine	116,796	
Dahasankar Machine	1,280,477	239,136
Dewatering	-	508,407
Drone X1 Project	2,123,520	1,293,990
Duna Tapari Making Machine	1,374,890	
Dung Dewatering Project.	136,781	
Education Department	2,605	
Egg Incubator	100,495	10,101
Electric Motorcycle Project	-	120,265
Electric Pottery Machine	74,550	
Electric Vehicle Project.	2,600	377,473
Electricity Expenses	1,386,942	
Electronic Health Record (EHR)	-	117,573

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

Endoscope Flushing Aid Project	-	5,196
EV Conversion- Deerwalk	2,195,586	
Factory Repair & Maintenance.	7,753,953	
Fish Farming Project	-	3,401
Fish Hatechery Project	167,988	
Fish Incubetor Project	292,528	
Fish Sacling Machine	33,155	
Food Expenses.	1,532,105	
Food Lab	591,351	
Food Lab Oven-Bishnu Rai	-	26,284
Food Lab Setup	399,401	
Food Lab-Prativa Prajulie	-	35,209
Fruit Pluker Machine	2,100	
Gaming Project	94,350	
Glass Powder Making Machine.	26,785	
Gradian Health Systems Project	-	69,917
Grass Cutter Machine	40,866	
Gurukul Project	813,585	
Hand Bamboo Spliting Machine	1,702	
Hand Tools Project	99,174	
Hate Krishi Tools	164,368	
Hitech Classroom	654,949	481,435
Industrial Broomer Machine	57,115	
Khuwa Making Machine	647,646	86,242
Kodo Jharne Machine	58,593	
Krishi Aujar Karkhana- Birganj	-	10,184,159
Laser Marker Machine Setup	3,052	
Lathe Maintainance Machine	-	92,406
Lift for Disabled Project	-	5,165
Log Spliter Project	8,771	
Lpha Vend Project	139,481	
Mahabir Pun Book	13,485,261	15,085,946
Makai Polne Machine	49,572	
Manual Press Machine	4,294	
Mellet Thresher Machine Project	-	130,709
Millet Planter Machine	108,799	
MIT D- Lab Project.	798,478	
Monkey Chasing Gun Project	23,593	505,424
Motorized Wheel Chair Project	-	135,822
Multi Grain Roster Project	464,490	176,449
Mushroom Farming Project	328	80,047
Nepal Wireless Project	93,360	
NRNA Donation Repair Expenses	-	31,600
Nyano Nani - HR	-	1,389,233
Nyano Nani- Diyalo Fundation	32,551	1,341,332
Nyano Nani Project	1,717,493	
Nyano Nani Repair & Service of Norvic	63,660	
Ohio State University Project.	556,000	
Omdena INC.	637,360	
Paddy Wheel	535,915	
Plastic Bottel Recycel Project	378,965	
Plastic Extruder Machine Project	-	911,330
Plastic Machine- Army	602,043	
Plastic Recycling Project 2	449,920	
Potato Planter Machine	14,789	
Pramod Dhakal- Mountain Technology	-	67,036
Ram Pump Project	31,129	
Repair and Maintenance of Vehicle	-	278,055
Rice Harvester Project.	8,674	
Rice Planter Project	468,738	
Rice Thresher Project	88,902	
Sanitary Pad	13,289	
Saw Mill	-	120,000



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

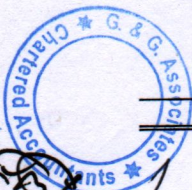
Seeding Machine	1,051	
Singha's Gurukul Project	-	340,377
Smart Dining Table Project	5,550	
Solar Cooker Project	115,947	82,147
Solar Dryer	-	1,253,001
Solar Dryer - Jumla	123,000	
Solar Dryer Project	1,283,900	
Solar Dryer Surkhet	29,085	
Therapy Clip Project.(3D Print)	13,000	
Thermal Reactor Project.	-	36,220
Toothpick Machine	-	176,690
Transportation	13,100	
Try Cycle Project	162,326	
Vehicle Repair & Maintenance	289,805	
Vending Machine Project	253,449	94,117
Wheel Chair Lift- Birganj	-	313,529
Wheel Chair Project	158,048	
Wireless Communication Project	-	26,371
Wood Splitter Project.	91,958	
Total Other Projects	59,786,911	43,032,912
Total	66,387,565	68,323,731

20. Administrative Expenses

	FY 2081-82	FY 2080-81
Salary of Admin Staff	2,779,500	2,495,973
Festival Allowance	224,500	-
Office Expenses	399,082	513,749
Internal Audit Fee	150,000	-
NIC's Contribution	19,261	-
Accounting Services	-	420,000
Provident Fund 10%	277,950	229,000
Printing & Stationery Expenses	104,135	55,204
Communication Expenses	46,968	53,632
Legal Expenses	-	33,309
Bank Charge & Commission	31,408	5,340
Total	4,032,804	3,806,208

21. Operating Expenses

	FY 2081-82	FY 2080-81
Audit Fee	200,000	200,000
Bad Debt	-	(513)
Consultancy Fee	-	1,830,000
Electricity Expenses	612,894	-
Food Expenses (Kitchen)	1,362,070	1,520,445
Fuel Allowances	-	180,000
Internet & Communication	79,424	13,200
Local Conveyance Expenses (External Auditor)	12,000	32,998
Medical Expenses	104,502	79,039
Project Allowances	523,739	1,334,830
Fuel, Repair and Maintenance of Vehicle	304,291	
Repair and Maintenance of Machines	156,000	74,458
Repair and Maintenance of Trust	-	102,207
Sanitation	29,279	47,138
Transportation and Fuel	254,847	257,118
Travelling Expenses	-	49,092
Wages Expenses	-	192,895
Total	3,639,046	5,912,906



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

22. Depreciation and Amortization

	FY 2081-82	FY 2080-81
Depreciation (Note 4)	1,898,374	1,715,126
Amortization (Note 5)	-	11,667
Total	1,898,374	1,726,793

23. Income tax

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

24. Additional Disclosure:

24.1 Comparative Information

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

24.2 Previous year figures

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

24.3 Restricted Donation

The Rastriya Awiskar Kendra recognizes restricted contributions, which are funds received for specific purposes as stipulated by the donor. In accordance with the applicable accounting standards for Non-Profit Organizations:

Revenue from restricted grants is recognized in the Statement of Income & Expenditure only to the extent that the Center has incurred qualifying expenses for the designated project or activity.

These recognized revenues are systematically matched against the related costs they are intended to compensate. This method ensures that the net financial impact of restricted project activities on the Statement of Income & Expenditure is zero.

Upon receipt, funds are initially recorded as a liability, under "Grants and Donation (restricted)," in the Statement of Financial Position. As expenses are incurred, a corresponding amount is transferred from this liability account to income. The remaining balance of the liability represents the portion of the grant unspent at the end of the reporting period.

24.4 Basis of Financial Reporting and Project Fund Management

The Rastriya Awiskar Kendra's operational model is distinct, with the vast majority of its projects designed to be self-sustaining through revenue-generating activities such as sales.

A traditional Fund Accountability Statement (FAS) is most effective for tracking and reporting on multiple, distinct donor-restricted funds. Given that the Center's primary funding source is unrestricted operational income, management has determined that the consolidated Statement of Income & Expenditure provides a more meaningful and holistic representation of the Center's overall financial performance.

24.5 Rectification of previous year error

Error identified during the year pertaining to previous years amounting Rs. 5,508,041/- has been adjusted through unresstricted fund as the error was related to year earlier than that presented as comparatives in financial statement.



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

24.4 Reconciliation of Income Tax
Income Tax has been calculated by including sales income, donation income and other income under Annex 5 and Annex 5(ka). Deductions has been claimed as per Income tax Act 2058. Due to no taxable income (i.e. loss) from operations other than donation income and donation income being tax exempt, there is no income tax liability for the income year 2081.82

S. N.	Particulars	Section	As per Books of Accounts	Taxable Income As per Income Tax Act	Difference	Notes/ Remarks
1.0	Inclusions:					
1	Amount Derived from Project Sales	7(2)(kha)	21,147,179	21,147,179	-	
1	Other Amount to be included in Profit and Gains		2,460,612	-	2,460,612	
1	Donation & Other Income		83,164,080	-	-	Exempt Income
	Assessable Income		106,771,870	21,147,179	2,460,612	
2	Deduction Expenses					
2	General Deduction	13	74,059,416	20,275,119	53,784,297	
2	Cost of stock-in-trade	15	-	-	-	
2	Repair and improvement expenses	16	1,898,374	433,109	1,465,265	
2	Depreciation	19	75,957,790	20,708,228	55,249,562	
	Sum of Deductible Expenses					
3	Deductible Loss					
3	Losses trf from other business in this year	20(1)	-	-	-	
3	Carried forward of unrelieved losses from previous year	20(1)(kha)	-	2,950,318	(2,950,318)	
	Sum of Deductible Loss			2,950,318	(2,950,318)	
	Total Deductions [2+3]		75,957,790	23,658,546	52,299,244	
	Business Income or Loss		30,814,080	(2,511,368)	33,325,448	
4	Loss trf to other business		-	-	-	
	Taxable Income for this Income Year		30,814,080	(2,511,368)	33,325,448	
5.0	Income Tax Rate	Schedule 1	-	25%	-	
6.0	Income Tax Liability		-	-	-	

Signature

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

Calculation of Deferred Tax

Deferred tax as at 31 Ashadh 2081

Particulars	Carrying amount	Tax Base	Temporary Difference	DTA/(DTL)
Property, plant and equipment	20,998,193	20,998,193	-	-
Carried Forward Loss	-	1,770,483	1,770,483	442,621
TOTAL				442,621
Closing Deferred tax asset				-
Opening deferred tax asset				442,621
Deferred tax Income				

Deferred tax as at 32 Ashadh 2082

Particulars	Carrying amount	Tax Base	Temporary Difference	DTA/(DTL)
Property, plant and equipment	29,731,249	29,442,860	(288,389)	(72,097)
Carried Forward Loss	-	2,950,318	2,950,318	737,579
TOTAL				665,482
Closing Deferred tax asset				442,621
Opening deferred tax asset				222,862
Deferred tax income				

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RASTRIYA AWISKAR KENDRA

Shivabhakta Marg-02, Kathmandu

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

For the year ended Ashadh 32, 2082

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 32nd Ashadh, 2082 comprises of:

- Statement of Financial Position as on that date
- Statement of Income and Expenditure for the period ending of 32nd Ashadh, 2082.
- Statement of Cash Flows for the period ending on 32nd Ashadh, 2082.
- 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

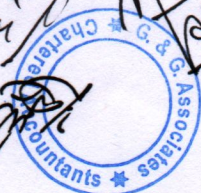
Management is satisfied that it has requisite resources to continue its business for foreseeable future. Furthermore, Management is not aware of any material discrepancies that may cast significant doubt upon company's ability to continue as a going concern and they do not intend either to liquidate 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, unless otherwise stated. The financial statements are prepared on historical cost convention except where otherwise stated.

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NC
National Innovation Center
राष्ट्रिय आविष्कार केन्द्र

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 considering the useful life of the assets:

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 BFIs with a maturity per of more than 90 days is recognized at financial cost.

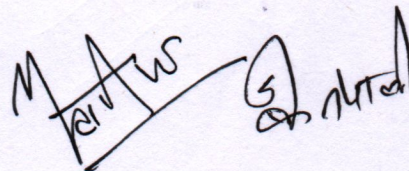
3.3 TRADE AND OTHER RECEIVABLE (CURRENT ASSETS)

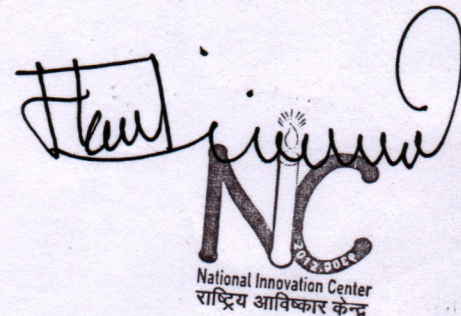
The company classifies assets as current when such asset is expected to be realized or consumed within twelve months after the reporting period end and such assets are primarily held for ordinary purpose of business. Current assets of the company have been classified into different group based on their 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:

Short term, highly liquid assets including FDs placed at BFIs 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. A few adjustment entries were made after obtaining sufficient and appropriate evidence and these were the prior period error rectifying entries hence were directly impacting the unrestricted fund.

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

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, Kathmandu

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

For the year ended Ashadh 32, 2082

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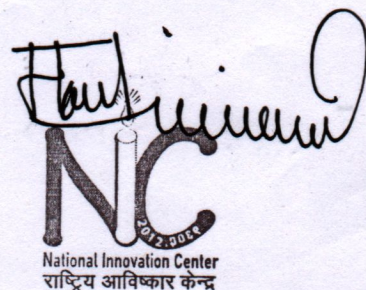
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3.5 FUND BALANCE

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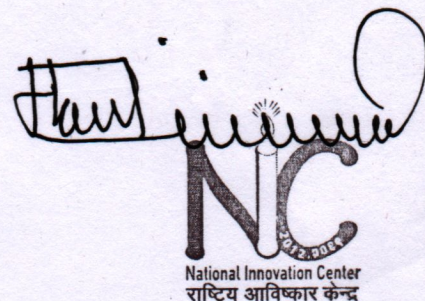
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