

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASSOCIATION OF BRITISH ALUMNI IN NEPAL
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Association of British Alumni in Nepal (the Association)**, which comprise the statement of Balance Sheet as at Ashadh 31, 2076, and the Income Statement and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, attached financial statements prepared in accordance with Nepal Accounting Standards and generally accepted accounting principles, give a true and fair view of financial position of the Association as at Ashadh 31, 2076, its operation results for the period then ended, its cash flow for the period then ended and changes in equity during the period.

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 Association in accordance with the ICAN Handbook of Code of Ethics for Professional Accountants (the Code) 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 and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Association'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 Association or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Association'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:




- 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.
- 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 Association'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 Association's ability to continue as a going concern. 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 Association 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.

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.

Report on the requirements of Other Acts and Regulations

We have obtained satisfactory information and explanations asked for, which to the best of our knowledge and belief were necessary for the purpose of our audit; the financial statements and notes to financial statements have been prepared in all material respect in accordance with the provisions of the relevant Acts, and they are in agreement with the books of accounts of the Association; and the accounts and records are properly maintained in accordance with the prevailing laws.

To the best of our information and according to the explanations given to us, in the course of our audit, we observed that: the business of the Association was conducted satisfactorily, and the Association's transactions were found to be within the scope of its authority. We did not come across cases of accounting related fraud and the cases where the board of directors or any office bearer of the Association has acted contrary to the provisions of law or caused loss or damage to the Association or committed any misappropriation of the funds of Association.


CA Achyut Raj Joshi

Address: 5th Floor, Nirdhan Bhawan, Naxal, Kathmandu, Nepal

Date: Ashwin 5, 2076

ASSOCIATION OF BRITISH ALUMNI IN NEPAL
KATHMANDU, NEPAL

BALANCE SHEET
As at 31st Ashadh 2076 (16th July 2019)

Sources of Fund	Sch	This Year	Previous Year
1. Reserve & Surplus			
a. Surplus/(Deficit) upto previous year		943,683.22	945,073.45
b. Add: Surplus/(Deficit) of this year		(91,237.73)	(1,390.23)
Accumulated Surplus(Deficit)		852,445.49	943,683.22
2. Other Non Current Liabilities		-	-
Total Source of Fund		852,445.49	943,683.22
Application of Fund			
1. Fixed Assets		-	-
2. Investment		-	-
3. Current Assets			
a. Bank Balance	1	1,488,278.38	1,528,591.24
b. Receivables	2	17,421.09	16,344.13
c. Prepaid, advance & deposit	3	75,616.38	5,000.00
Total Current Assests(A)		1,581,315.85	1,549,935.37
Less: Current Liabilities			
a. Payables	4	728,870.36	606,252.15
b. Other Payable		-	-
Total Current Liabilities(B)		728,870.36	606,252.15
Net Current Assets		852,445.49	943,683.22
Total Application of Fund		852,445.49	943,683.22

Significant Accounting Policies and Notes to the Accounts

7

Schedule 1 to 7 form integral part of the financial statement

[Signature]
Treasurer

General Secretary



[Signature]
President

As per our report of even date

[Signature]
CA. Achyut Raj Joshi
Proprietor
A.R. Joshi & Co.
Chartered Accountants



**ASSOCIATION OF BRITISH ALUMNI IN NEPAL
KATHMANDU, NEPAL**

**INCOME & EXPENDITURE STATEMENT
FOR THE PERIOD FROM 1ST SHRAWAN, 2075 TO 31ST ASHADH, 2076 (2018/2019)**

Sources of Fund	Sch	This Year	Previous Year
Income			
Membership & Other Income	5	183,977.52	644,436.97
Total Income		183,977.52	644,436.97
Administrative Expenditure			
2. Other Non Current Liabilities			
Administrative Expenditure	6	275,215.25	645,827.20
Total Expenditures		275,215.25	645,827.20
Surplus (Deficit) for the Year		(91,237.73)	(1,390.23)
Surplus(Deficit) upto Previous Year		943,683.22	945,073.45
Accumulated Surplus/(Deficit) for the Year		852,445.49	943,683.22

Significant Accounting Policies and Notes to the Accounts

7

Schedule 1 to 7 form integral part of the financial statement

[Signature]
Treasurer

General Secretary

[Signature]
President

As per our report of even date

[Signature]
CA. Achyut Raj Joshi
Proprietor
A.R. Joshi & Co.
Chartered Accountants



ASSOCIATION OF BRITISH ALUMNI IN NEPAL
KATHMANDU, NEPAL

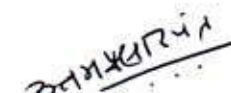
CASH FLOW STATEMENT
FOR THE PERIOD FROM 1ST SHRAWAN, 2075 TO 31ST ASHADH, 2076(2018/2019)

PARTICULARS	Current Year	Previous Year
1. Cashflow from Operational Activities		
Excess of Income or (Expenditure)	(91,237.73)	(1,390.23)
Cashflow before change in Changeable Capital	(91,237.73)	(1,390.23)
(Increase)/Decrease in Current Assets	(71,693.34)	15,077.45
Increase/(Decrease) in Current Liabilities	122,618.21	584,230.42
Net Cash Flow from Operational Activities (1)	(40,312.86)	597,917.64
2. Cashflow from Investing Activities		
(Purchase of Fixed Assets)	-	-
Sale of Fixed Assets	-	-
Net Cash Flow from Investing Activities (2)	-	-
3. Cash Flow from Financing Activities(3)		
Loans Received	-	-
(Loans Paid)	-	-
Net Cash Flow from Financing Activities (3)	-	-
Surplus/(Deficit) for the Year (1+2+3)	(40,312.86)	597,917.64
Increase/(Decrease) in net cashflow	(40,312.86)	597,917.64
Opening Balance of Cash and Bank Balance	1,528,591.24	930,673.60
Closing Balance of Cash and Bank Balance	1,488,278.38	1,528,591.24


Treasurer



General Secretary


President

As per our report of even date


CA. Achyut Raj Joshi
Proprietor
A.R. Joshi & Co.
Chartered Accountants

ASSOCIATION OF BRITISH ALUMNI IN NEPAL
KATHMANDU, NEPAL
FY 2075/76 (2018/19)

Schedule forming part of Financial Statement

Cash & Bank Balance

Schedule-1

SN	Particulars	Current Year	Previous Year
1	Mega Bank Ltd.	10,262.54	4,829.34
2	Nepal Bangladesh Bank Limited	12,292.35	119,652.97
3	Central Finance Limited	95,723.49	44,108.93
4	Mega Bank Ltd.-Fixed Deposit	870,000.00	850,000.00
5	Central Finance Limited-Fixed Deposit	500,000.00	510,000.00
6	Cash in Hand	-	-
	Total	1,488,278.38	1,528,591.24

Accounts Receivable

Schedule-2

SN	Particulars	Current Year	Previous Year
1	Hem Lal Aryal	100.00	100.00
2	Sujan Shrestha(Website)	5,620.00	5,620.00
3	Upendra Man Malla	6,757.00	6,757.00
4	Square Pvt. Ltd.	3,744.09	3,481.59
5	Bhairab Printing Solution	-	81.36
6	Danfe Pvt. Ltd.	-	0.25
7	Mass Printing Press	-	303.93
8	Shiba Kafle	1,200.00	-
	Total	17,421.09	16,344.13

Prepaid , Advance , Loans and Deposit

Schedule-3

SN	Particulars	Current Year	Previous Year
1	<u>Prepaid, Advance and Loans</u>	54,760.00	5,000.00
	a) Radha Krishna	10,460.00	5,000.00
	b) HR Bhatta	20,000.00	-
	c) Others	24,300.00	-
2	<u>Advance Tax- Bank Interest</u>	20,856.38	-
	Total	75,616.38	5,000.00

Accounts Payable

Schedule-4

SN	Particulars	Current Year	Previous Year
1	Audit Fee Payable	19,630.50	8,500.00
2	TDS on Audit Fee	169.50	1,500.00
3	TDS - Individual Proprietorship	355.50	-
4	TDS -Private Limited Companies	787.50	-
5	TDS -Rent	8,400.00	8,400.00
5	Uttam Prasad Pant	146,700.00	75,600.00
6	Universal Language & Computer Institute	15,500.00	-
7	Bhairab Printing Solutions	122.64	-
8	Dharma Furniture Udyog	22,500.00	-
9	Mass Printing Press	3,712.57	-
10	Others Payable	510,992.15	512,252.15
	Total	728,870.36	606,252.15



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ASSOCIATION OF BRITISH ALUMNI IN NEPAL
KATHMANDU, NEPAL
FY 2075/76 (2018/19)

Schedule forming part of Financial Statement

Income

Schedule-5

SN	Particulars	Current Year	Previous Year
1	Membership Fee	30,000.00	22,600.00
2	Bank Interest	137,477.52	84,775.47
3	Donation Income	-	201,000.00
4	Magazine Income	3,000.00	336,061.50
5	Miscellaneous Income	13,500.00	-
	Total	183,977.52	644,436.97

Administrative Expenses

Schedule-6

SN	Particulars	Current Year	Previous Year
1	Printing & Publication	52,073.00	353,995.87
2	Social Services		47,210.00
3	Advertisement Expenses	33,900.00	-
4	Audit Fee	11,300.00	10,000.00
5	Office Expenses	22,500.00	37,658.00
6	Refreshment Expenses	22,964.00	34,165.00
7	Bank Charges	800.00	12,766.33
8	Rent Expenses	84,000.00	84,000.00
9	AGM Expenses	29,703.00	-
10	Communication Expenses	5,650.00	-
11	Miscellaneous Expenses	12,325.25	66,032.00
	Total	275,215.25	645,827.20



31/12/2019

**Association of British Alumni in Nepal
Kathmandu, Nepal**

**Schedule forming part of financial statements for the year ended
31 Ashadh, 2076 (16 July, 2019)**

Schedule 7: Significant Accounting Policies and Notes to the Accounts

Background

Association of British Alumni in Nepal (ABAN) is a non-profit, non-governmental social organization domiciled in Nepal. The registered office of the organization is in Kathmandu, Nepal.

A. Significant Accounting Policies

1. Statement of Compliance

The financial statements have been prepared in accordance with Nepal Accounting Standards adopted by Accounting Standards Board Nepal (ASB Nepal).

2. Basis of Preparation

The financial statements have been prepared on accrual basis following the requirements of prevailing laws of Nepal. The financial statements are presented in Nepalese Rupees (NRs.). The preparation of financial statements is in conformity with Nepal Financial Reporting Standard, which requires the use of certain accounting estimates. It also requires the management to exercise judgment in the process of applying the organization's accounting policies.

3. Revenue

Membership fees received from members are recognized as income on accrual basis. Total interest received from the bank is recognized as income on accrual basis and tax deducted by the bank is recognized as advance income tax.

4. Expense Recognition

All the expenses have been accounted for on accrual basis.

5. Regrouping and Rearranging

Previous year's figures have been re-grouped and re-arranged wherever necessary to facilitate the comparison and for better presentation of the financial statements.



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