



INDEPENDENT AUDITOR'S REPORT

TO THE POLICE PUBLIC CAMPAIGN FOR CHILDREN NEPAL (P2C2)

Opinion

We have audited the financial statements of Police Public Campaign for Children Nepal (P2C2), which comprise the statement of financial position as at Ashad 31, 2078 and the statement of income & expenditure, 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, the accompanying financial statements give a true and fair view of, the financial position of the organization as at Ashad 31, 2078 and of its financial performance and its cash flows for the year then ended in accordance with Nepal Accounting Standards.

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 Organization 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 and 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 opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with NASS, 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 preparation of the financial statements, management is responsible for assessing the Organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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. 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 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 Organization'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 Organization'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 Organization to cease to continue as a going concern.

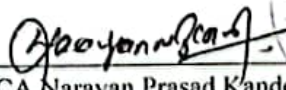
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


Report on other legal and Regulatory Requirements

On the basis of our examination, we would like to further report that:

- a. We have obtained prompt replies to our queries and explanations asked for.
- b. The Balance sheet, Income statements are in agreement with the books of accounts maintained by the Organization.
- c. The accounts and records of the Organization have been accurately maintained in accordance with the law.
- d. To the best our information and according to the explanations given to us, neither the Executive Member of the Organization nor any employee of the Organization have acted contrary to legal provisions relating to accounts nor committed any misappropriation causing loss or damage to the Organization.

Date:
Place: Chitwan
UDIN - 211020CA01511A5mvc


CA Narayan Prasad Kandel
Proprietor
Narayan Kandel & Associates
Chartered Accountants



Police Public Campaign for Children Nepal (p2C2)
 Bharatpur 10 Chitwan
Statement Of Financial Position
 As at Ashad 31, 2078

(Amount in Rupees)

	Schedule	Ashad 31, 2078	Ashad 31, 2077
ASSETS			
Non Current Assets			
Property, Plant & Equipments	1	538,563.13	548,240.45
Project WIP		57,978.00	-
Total Non Current Assets		596,541.13	548,240.45
Current Assets			
Account & Other Receivable	2	223,278.30	165,389.13
Cash and Cash Equipvalents	3	2,102,391.05	2,055,898.26
Other Current Assets	4	3,500,000.00	3,500,000.00
Total Current Assets		5,825,669.35	5,721,287.39
Total Assets		6,422,210.47	6,269,527.84
LIABILITIES & RESERVES			
Accumulated Reserves			
Unstricted Fund/ Accumulated Surplus	5	174,185.93	89,614.82
General & Other Fund	6	5,282,000.00	5,282,000.00
Total		5,456,185.93	5,371,614.82
Non - Current Liabilities			
Other Non Current Liabilities		-	-
Total Non-Current Liabilities		-	-
Current Liabilities			
Account & Other Payable	7	966,024.54	897,913.01
Total Current Liabilities		966,024.54	897,913.01
Total Liabilities		966,024.54	897,913.01
Total Liabilities and Reserves		6,422,210.47	6,269,527.83

Significant accounting policies and notes to accounts

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As per our report of even date

Chairman

Secretary

Inspector

Narayan Prasad Kandel
 Chartered Accountants

Date
 Chitwan



Police Public Campaign for Children Nepal (p2C2)

Bharatpur 10 Chitwan

Statement of Income & Expenditure

For the Year Ended Ashad 31, 2078

(Amount in Rupees)

For the year ended	Schedule	Ashad 31, 2078	Ashad 31, 2077
Income			
Incomings Resources	8	1,148,120.00	605,582.00
Other Income	9	466,919.14	304,841.24
Total Income		1,615,039.14	910,423.24
Expenditure			
Staff Cost		174,000.00	-
Programme Expenses	10	1,020,588.33	720,706.91
General Administrative Expenditure	11	262,012.00	144,154.09
Depreciation		45,677.32	50,279.75
Total Expenditure		1,502,277.66	915,140.75
Net surplus / (deficit before taxation)		112,761.48	(4,717.51)
Income tax expenses		(28,190.37)	-
Surplus /Deficit for the year		84,571.11	(4,717.51)

Significant accounting policies and notes
to accounts

12

As per our report of even date


Chairman


Secretary


Treasurer


CA Narayan Prasad Kandel
Narayan Kandel & Associates
Chartered Accountants



Date
Chitwan



Police Public Campaign for Children Nepal (p2C2)
Bharatpur 10 Chitwan
Statement of Cash Flow
For The Year Ended Ashad 31, 2078

(Amount in Rupees)

	Ashad 31, 2078	Ashad 31, 2077
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit/(Net Loss) before Income-tax and extraordinary items:	112,761.48	(4,717.51)
<u>Adjustments:</u>		
Depreciation	45,677.32	50,279.75
Operation of Cash Flow before change in Working Capital	158,438.81	45,562.24
Decrease / (Increase) - Current Assets	(86,079.54)	(43,149.05)
Increase / (Decrease) - Current Liabilities	68,111.53	82,170.00
Cash Flow from operating activities	140,470.80	84,583.19
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Change in WIP	(57,978.00)	-
Purchase/ sale of Fixed Assets	(36,000.00)	-
Net Cash Flow from Investing Activities	(93,978.00)	-
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
Long Term Loan		
Short Term Loan		
Net Cash Flow from Financing Activities	-	-
Net increase / (decrease) in Cash	46,492.80	84,583.19
Cash & cash equivalents at the beginning of the year	2,055,898.26	1,971,315.07
Cash & cash equivalents at the end of the year	2,102,391.05	2,055,898.26

As per our report of even date


Chairman


Secretary


Treasurer


Narayan Prasad Kandel
Narayan Kandel & Associates
Chartered Accountants

Date
Chitwan



Police Public Campaign for Children Nepal (p2C2)

Bharatpur 10 Chitwan
Schedules Forming the Parts of Financial Statement
For The Year Ended Ashadh 31, 2078

Schedule-12

Significant Accounting Policies & Notes to the Accounts

A Significant Accounting Policies

1 Accounting Conventions

The Financial Statements are prepared under the Historical Cost Convention on an Accrual Concept and are in accordance with Nepal Accounting Standards and others applicable laws prevalent in Nepal. The accounting policies are consistently applied by the company.

2 Property, Plant & Equipment and Depreciation

- i) Property, Plant & Equipment are stated at cost inclusive of all expenses incurred in commissioning/ putting them into use, less accumulated depreciation
- ii) Depreciation on Property, Plant & Equipment has been charged on Written Down Value (WDV) Method as per the rates prescribed in the Income Tax Act 2058.

B Notes to the Accounts

- 1 Previous Year's figures have been regrouped or rearranged wherever it is necessary.
- 2 Schedule 1 to 11 form the integral parts of the Balance Sheet and Income Statement.

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Schedule -1 Property Plant & Equipment

Police Public Campaign for Children Nepal (p2c2)
Bharatpur 10 Chitwan
Schedule forming part of Financial Statements as at Ashud 31, 2078

Pool	Particulars	Dep. Rate	Opening WDV	Absorbed Addition	Disposal	Depreciable Base	Depreciation	Unabsorbed Addition	Capitalized Repair and Maintenance	Net Block	
										As at	
A	Building Shed	0.05	471,913.94	-	-	471,913.94	23,595.70	-	-	31.03.2078	
	Total of Block A		471,913.94	-	-	471,913.94	23,595.70	-	-	448,318.24	
B	Furniture		48,566.34	-	-	48,566.34	12,141.59	-	-	36,424.76	
	Office Equipment	0.25	27,760.17	12,000.00	-	39,760.17	9,940.04	24,000.00	-	53,820.13	
C	Total of Block- B		76,326.51	12,000.00	-	88,326.51	22,081.63	24,000.00	-	90,244.88	
	Motorcycle	0.20	-	-	-	-	-	-	-	-	
D	Total of Block-C		-	-	-	-	-	-	-	-	
	Total of Block-D		-	-	-	-	-	-	-	-	
	Grant Total		548,240.45	12,000.00	-	560,240.45	45,677.32	24,000.00	-	538,563.13	

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Police Public Campaign for Children Nepal (p2C2)
Bharatpur 10 Chitwan

Schedule forming part of Financial Statement

(Amount in Rupees)

As on	Ashad 31, 2078	Ashad 31, 2077
Schedule-2: Account & Other Receivables		
Advance Tax	207,236.63	165,389.13
Prepaid Expenses	16,041.67	-
Total	223,278.30	165,389.13
Schedule-3: Cash and Cash Equivalent		
Cash and Bank Balances		
Cash	1,500.00	2,000.00
RBB (CA131000708801)	9,114.00	9,114.00
Kumari Bank Ltd(0110074629400003)	-	100,000.00
Kumari Bank Ltd (01100746290005)	-	900,000.00
Kumari Bank Ltd (01100746294004)	-	500,000.00
Kamana Sewa Bikash Bank Ltd (FD)	1,500,000.00	-
Kumari Bank Ltd (01100746294001)	23,084.32	539,664.97
Kamana Sewa Bikash Bank Ltd (CA)	9,663.09	-
Kamana Sewa Bikash Bank Ltd (Call Account)	498,931.92	-
Jyoti Bikash Bank Ltd (CA)	59,174.29	-
Garima Bikash Bank Ltd (CA, 100618161000005)	923.43	5,119.29
Total	2,102,391.05	2,055,898.26
Schedule-4: Other Current Assets		
Jyoti Bikash Bank Ltd (FD)	3,500,000.00	-
Kumari Bank Ltd (FD)	-	3,500,000.00
Total	3,500,000.00	3,500,000.00
Schedule-5: Accumulated Reserve & Surplus		
Opening Balance	89,614.82	94,332.33
During the year	84,571.11	(4,717.51)
Total	174,185.93	89,614.82
Schedule -6 General or other fund		
General Fund	4,100,000.00	4,100,000.00
Other Fund	1,182,000.00	1,182,000.00
Total	5,282,000.00	5,282,000.00
Schedule-7: Account & Other Payable		
Audit Fee Payable	5,575.00	5,000.00
TDS Payable	75.00	75.00
Nirdesh Sedhai	580,532.54	454,370.33
Bel Bahadur Gurung	102,600.00	102,600.00
Janasewa Kirana	122,215.00	335,867.68
anu cold Stores	103,427.00	-
Ghimire Kirana	51,600.00	-
Total	966,024.54	897,913.01



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**Police Public Campaign for Children Nepal (p2C2)
Bharatpur 10 Chitwan**

Schedule forming part of Financial Statement

(Amount in Rupees)

As on	Ashad 31, 2078	Ashad 31, 2077
Schedule- 8: Incoming Resources		
Fund Received	1,148,120.00	605,582.00
Total	1,148,120.00	605,582.00
Schedule -9 Other Income		
Interest Income	466,919.14	304,841.24
Total	466,919.14	304,841.24
Schedule- 10 Programme Expenses		
Mesh and Medical Expenses	838,273.33	720,706.91
Clothing Expenses	182,315.00	-
Total	1,020,588.33	720,706.91
Schedule-11: General Administrative Expenses		
Audit Fee	• 3,650.00	-
Office Expenses	• 31,659.00	56,517.98
Fuel Expenses	• 13,421.00	14,507.00
Telephone & Internet Expenses	• 3,500.00	7,500.00
Printing and Stationery Expenses	• 31,826.00	36,394.00
Electricity Expenses	• 37,493.00	27,695.11
School Fee	• 2,690.00	1,340.00
Repair and Maintenance Expenses	• 44,411.00	-
Misc Expenses	• 91,362.00	-
Bank Charges	-	200.00
Total	262,012.00	144,154.09



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Police Public Campaign for Children Nepal (p2C2)
Bharatpur 10 Chitwan
FA addition 77-78

Particulars	Date	Amount	Absorbed addition	Unabsorbed
Refrigerator	2078 02.04	36000	12000.00	24000.00
Total		36000	12000	24000

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