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 32, 2079 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 the Organization.

Date UDIN -

Registered Auditor

Bharatpur 10 Chitwan

Statement Of Financial Position As at Ashad 32, 2079

(Amount in Rupees)

	Schedule	Ashad 32, 2079	Ashad 31, 2078
ASSETS		A STATE OF THE PARTY OF THE PAR	
Non Current Assets			
Property, Plant & Equipments	1	1,101,906.03	538,563.12
Project WIP			57,978.00
Total Non Current Assets		1,101,906.03	596,541.12
Current Assets			*** *** ***
Account & Other Receivable	2	244,841.49	223,278.30
Cash and Cash Equipvalents	3	1,226,371.37	2,102,391.05
Other Current Assets	4	5,245,000.00	3,500,000.00
Total Current Assets		6,716,212.86	5,825,669.35
Total Assets		7,818,118.89	6,422,210.47
LIABILITIES & RESERVES Accumulated Reserves Unstricted Fund/ Accumulated Surplus General & Other Fund Total	5 6	264,508.66 5,282,000.00 5,546,508.66	174,185.93 5,282,000.00 5,456,185.93
Non - Current Liabilities Other Non Current Liabilities		-	_
Total Non-Current Liabilities		-	
Current Liabilities Deferred Government Grants		1,040,000.00	-
	7	1,231,610.23	966,024.54
Account & Other Payable		2,271,610.23	966,024.54
Total Current Liabilities	and the second second	2,271,610.23	966,024.54
Total Liabilities Total Liabilities and Reserves		7,818,118.89	6,422,210.47

Significant accounting policies and notes to accounts

Chairman

Date:

Chitwan

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Unity for Hunga

As per our report of even date



Bharatpur 10 Chitwan

Statement of Income & Expenditure For the Year Ended Ashad 32, 2079

(Amount	:	D
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For the year ended	Schedule	Ashad 32, 2079	Ashad 31, 2078
Income			
Incomings Resources	8	1,208,682.00	1,148,120.00
Other Income	9	433,583.88	466,919.14
Total Income		1,642,265.88	1,615,039.14
Expenditure			
Staff Cost	1	146,500.00	174,000.00
Programme Expenses	10	1,221,790.71	1,020,588.33
General Administrative Expenditure	11	98,257.23	262,012.00
Depreciation		55,287.64	45,677.32
Total Expenditure		1,521,835.58	1,502,277.66
Net surplus / (deficit before taxation)		120,430.30	112,761.48
Income tax expenses		(30,107.58)	(28,190.37)
Surplus /Deficit for the year		90,322.73	84,571.11

Significant accounting policies and notes

to accounts

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Treasurer

As per our report of even date

Chairman

Date: Chitwan Police Public Nopalaco

Secretary

Bharatpur 10 Chitwan

Statement of Cash Flow

For The Year Ended Ashad 32, 2079

(Amount in Rupees) Ashad 32, 2079 Ashad 31, 2078 CASH FLOW FROM OPERATING ACTIVITIES Net Profit/(Net Loss) before Income-tax and extraordinary items: 120,430.30 112,761.48 Adjustments: Depreciation 45,677.32 55,287.64 175,717.94 Operation of Cash Flow before change in Working Capital 158,438.81 Decrease / (Increase) - Current Assets (1,796,670.76)(86,079.54)Increase / (Decrease) - Current Liabilities 1,305,585.69 68,111.53 140,470.80 Cash Flow from operating activities (315,367.13)CASH FLOW FROM INVESTING ACTIVITIES Change in WIP (57,978.00)(36,000.00)Purchase/sale of Fixed Assets (560,652.55)**Net Cash Flow from Investing Activities** (560,652.55)(93,978.00)CASH FLOW FROM FINANCIAL ACTIVITIES Long Term Loan Short Term Loan Net Cash Flow from Financing Activities -(876,019.68) 46,492.80 Net increase / (decrease) in Cash 2,102,391.05 2,055,898.26 Cash & cash equivalents at the beginning of the year Cash & cash equivalents at the end of the year 1,226,371.37 2,102,391.05

Chairman

Date: Chitwan Treasurer

As per our report of even date



Bharatpur 10 Chitwan

Schedules Forming the Parts of Financial Statement For The Year Ended Ashadh 32, 2079

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.





Police Public Campaign for Children Nepal (p2C2)

Bharatpur 10 Chitwan
Schedule forming part of Financial Statements as at Ashad 32, 2079

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3			Value Why	Abcorbod	Dienoeal	Denreciable Base	Depreciation	Addition	Repair and	As at
		Kate	Opening way	A deliver	mender	achie annual dag			Maintenance	32.03.2079
				Addition				25 001 011		1 024 227 27
	Parildina	50.0	448 318 24	206 210 18		654,528.42	32,726.42	412,420.37		10-777,400,1
1	Danianis	3	100000000	200 210 10		CF 8C3 F33	32 726 42	412,420,37	•	1,034,222.37
	Total of Block A		448,318.24	200,210.18		74.076.45				は ない は ない と と と と と
		-								
			25 ACA 36			36 424 76	61.901.6	•		27,318,57
	Furniture		20,424.70			20,121				10 365 10
Ó	Office Fouriered	0.25	53.820.13	•	•	53,820.13	13,455.03			01.000,04
4	Office Edupation		2			001100	22 5/1 22		•	67.683.66
	Total of Block- B		90,244.88		•	90,244.88	77.105,77			
							•		•	
U	C Motorcycle	0.20								AUTHOR OF THE BE
	Total of Block-C			•	•	•	•	•	•	
1										The second secon
2										•
	Total of Block-D			-	•	•				2000000
١		1	20 000	200 010 10		15 577 557	55,287,64	412,420,37	•	1,101,906.03
	Grant Total		21.505,365	200,210.16		10000				









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

Schedule forming part of Financial Statement

As on	Ashad 32, 2079	Ashad 31, 2078
Schedule-2: Accunt & Other Receivables		
Advance Tax	242,166.64	207,236.63
Prepaid Expenses	2,674.85	16,041.67
Total	244,841.49	223,278.30
	1	
Schedule-3: Cash and Cash Equivalent	1	
Cash and Bank Balances	2,100.00	1,500.00
Cash	11,664.00	9,114.00
RBB (CA131000708801)	11,004.00	1,500,000.00
Kamana Sewa Bikash Bank Ltd (FD)	27,792.42	23,084.32
Kumari Bank Ltd (01100746294001)		25,00 1.52
Kumari Bank Ltd Call Account	1,092,643.65	9,663.09
Kamana Sewa Bikash Bank Ltd	8,819.60	498,931.92
Kamana Sewa Bikash Bank Ltd	1,000.00	59,174.29
Ivoti Bikash Bank Ltd (CA)	81,406.81	923.43
Garima Bikask Bank Ltd (CA, 100618161000005)	944.89	2,102,391.05
Total	1,226,371.37	2,102,391.03
	4	,
Schedule-4: Other Current Assets	3,745,000.00	3,500,000.00
Jyoti Bikash Bank Ltd (FD)	1,500,000.00	-
Kumari Bank Ltd (FD)	5,245,000.00	3,500,000.00
Total	3,243,000.00	
197 1		
Schedule-5: Accumulated Reserve & Surplus		
Opening Balance	174,185.93	89,614.82
During the year	90,322.73	84,571.11
Total	264,508.66	174,185.93
Total		
Schedule -6 General or other fund	4 100 000 00	4,100,000.00
General Fund	4,100,000.00	1,182,000.00
Other Fund	1,182,000.00	5,282,000.00
Total	5,282,000.00	3,282,000.0
a Other Peyable		
Schedule-7: Account & Other Payable	13,937.50	5,575.0
Audit Fee Payable	112.50	75.00
TDS Payable	3,164.23	
Electricity Exp Payable	790,078.00	580,532.5
Nirdesh Sedhai	102,600.00	102,600.0
Bel Bahadur Gurung	200,000.00	
Babadham Traders		
Janasewa Kirana	3,710.00	103,427.0
101 100		
anu cold Stores	24 918 00	
anu cold Stores Kirti Pustak Sadan	24,918.00	III
Subedi General Stores	21,195.00	
Killi I ustak budui.	21,195.00 58,895.00	1
Subedi General Stores Gorkhali Fresh House Kalu Tamang	21,195.00	:
Subedi General Stores Gorkhali Fresh House	21,195.00 58,895.00	- - - 51,600.0

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

Schedule forming part of Financial Statement

(Amount in Rupees)

		(Alliount in Rupees)
Acon	Ashad 32, 2079	Ashad 31, 2078
As on		
Schedule- 8: Incoming Resources	1,208,682.00	1,148,120.00
Fund Received	1,208,682.00	1,148,120.00
Total		
and the same		
Schedule -9 Other Income	433,583.88	466,919.14
Interest Income	433,583.88	466,919.14
Total		
7		
Schedule- 10 Programme Expenses	977,814.04	838,273.33
Mesh Expenses	24,609.67	-
Medical Expenses	123,408.00	182,315.00
Clothing Expenses	95,959.00	•
Education exp	1,221,790.71	1,020,588.33
Total	1,,	
_		
Schedule-11: General Administrative Expenses	8,475.00	5,650.00
Audit Fee	4,360.00	31,659.00
Office Expenses	13,000.00	13,421.00
Fuel Expenses	21,810.15	3,500.00
Telephone & Internet Expenses	5,845.00	31,826.00
Printing and Stationery Expenses	39,547.30	37,493.00
Electricity Expenses	39,547.50	2,690.00
School Fee	600.00	44,411.00
Repair and Maintenance Expenses	2,389.78	91,362.00
Misc Expenses	2,389.78	71,502.00
Bank Charges		262,012.00
Total	98,257.23	202,012.00

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