

# K.B. Associates

Registered Auditor  
ICAN No: 2063

PAN No: 302140277  
Regd. No.: 955

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LAXMI PRATISTHAN

We have audited the accompanying financial statements of the Laxmi Pratisthan, Tilganga, Kathmandu, Nepal which comprise the Balance Sheet as at Ashadh 31, 2074 (July 15, 2017), Income Statement and Cash Flow Statement for the year then ended, and a Summary of Significant Accounting Policies and Other Explanatory Notes.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Nepal Accounting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our professional judgment, including the assessments of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider the internal control relevant to the firm's preparation and fair presentation of the financial statements 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 firm's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, the financial position of the company as at 31 Ashadh 2074 (15 July, 2017) of the results of its financial performance and its cash flows for the year then ended in accordance with Nepal Accounting Standards so far as applicable in compliance with the prevailing Laws.

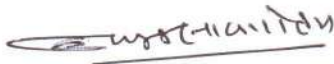
Date: 2074-05-05

Place: Kathmandu, Nepal


  
Khamba Khatri  
Registered Auditor  


**Laxmi Pratisthan**  
**Tilganga, Kathmandu**  
**Balance Sheet**  
**As on 31 Ashadh, 2074 (15 July, 2017)**

Descriptions	Schedule	Current Year	Previous Year
<b><u>SOURCES OF FUNDS</u></b>			
Capital Fund	1	135,808.75	135,808.75
Surplus/(Deficit)	2	(623,881.61)	1,102,293.73
<b>Total</b>		<b>(488,072.86)</b>	<b>1,238,102.48</b>
<b><u>APPLICATION OF FUNDS</u></b>			
Fixed Assets	3	369,088.95	203,837.15
<b><u>Current Assets</u></b>			
Cash & Bank Balance	4	248,432.85	1,650,747.49
Advance	5	-	358,000.00
<b>Total Current Assets</b>		<b>248,432.85</b>	<b>2,008,747.49</b>
<b><u>Less: Current liabilities</u></b>			
Payables	6	1,105,594.66	974,482.16
<b>Total Current Liabilities</b>		<b>1,105,594.66</b>	<b>974,482.16</b>
<b>Net Current Assets</b>		<b>(857,161.81)</b>	<b>1,034,265.33</b>
<b>Total</b>		<b>(488,072.86)</b>	<b>1,238,102.48</b>

  
 Bishnu Prasad Gautam  
 Chairman

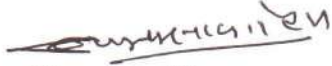
  
 Arjun Chaulagain  
 Treasurer

  
 Khamba Khatri  
 Registered Auditor  
 Beluwatar, Kathmandu



**Laxmi Pratisthan**  
**Tilganga, Kathmandu**  
**Statement of Income & Expenditure**  
**For the period from 01-04-2073 to 31-03-2074**

Description	Schedule	Current Year	Previous Year
<b>Income</b>			
Grant Income	7	10,180,126.13	6,977,380.05
Membership Fee		600,729.00	2,189,886.00
Interest Income		16,766.45	70,890.00
Misellaneous Income		4,000.00	-
<b>Total Income</b>		<b>10,801,621.58</b>	<b>9,238,156.05</b>
<b>Expenses</b>			
Adminstrative Expenses	8	3,596,381.86	3,442,067.78
Program Expenditure	9	8,824,743.02	6,880,048.17
Depreciation	3	106,672.05	53,297.05
<b>Total Expenses</b>		<b>8,931,415.07</b>	<b>6,933,345.22</b>
<b>Surplus/(Deficit) for the year</b>		<b>1,870,206.51</b>	<b>2,304,810.83</b>

  
Bishnu Prasad Gautam  
Chairman



  
Arjun Chaulagain  
Treasurer

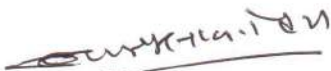
  
Khamba Khatri  
Registered Auditor  




**Laxmi Pratisthan**  
Tilganga, Kathmandu

**Cash Flow Statement for the period from 01 Shrawan 2073 to 31 Ashad 2074**

Particulars	Current Year (NRs.)	Previous Year (NRs.)
<b>A. Cash Flow From Operating Activities</b>		
Surplus	(1,726,175.35)	(1,137,256.95)
Adjustments		
Depreciation	106,672.05	53,297.05
Current Assets & Liabilities Increase/(Decrease)		
Current Assets Increase/(Decrease)	358,000.00	-
Current Liabilities Increase/(Decrease)	131,112.50	(2,056,356.60)
<b>Total (A)</b>	<b>(1,130,390.80)</b>	<b>(3,140,316.50)</b>
<b>B. Cash Flow From Investment Activities</b>		
Sale of Fixed Assets	-	-
Purchase of Fixed Assets	(271,923.85)	(63,160.00)
<b>Total(B)</b>	<b>(271,923.85)</b>	<b>(63,160.00)</b>
<b>C. Cash Flow from Financing Activities</b>		
Organisation Fund Increase/(Decrease)		
<b>Total(C)</b>	-	-
D. Net cash Flow for this year=(A+B+C)	<b>(1,402,314.65)</b>	<b>(3,203,476.50)</b>
E. Opening Cash Balance at the beginning of the year	1,650,747.50	4,854,224.00
F. Closing Cash Balance at the end of the year	<b>248,432.85</b>	<b>1,650,747.50</b>

  
Bishnu Prasad Gautam  
Chairman



  
Arjun Chaulagain  
Treasurer

  
Khamba Khatri  
Registered Auditor



**Laxmi Pratisthan**  
**Tilganga, Kathmandu**  
**Schedules**

<b>Capital Fund</b>		<b>Schedule-1</b>
<b>Description</b>	<b>Current Year</b>	<b>Previous Year</b>
Opening Balance	135,808.75	135,808.75
Adjustment during the Year	-	-
<b>Total</b>	<b>135,808.75</b>	<b>135,808.75</b>

<b>Accumulated Surplus/(Deficit)</b>		<b>Schedule-2</b>
<b>Description</b>	<b>Current Year</b>	<b>Previous Year</b>
Surplus income over expenditure upto Last Year	1,102,293.73	2,239,550.68
From Income & Expenses A/C , Surplus/(Deficit)	(1,726,175.35)	(1,137,256.95)
<b>Total</b>	<b>(623,881.61)</b>	<b>1,102,293.73</b>

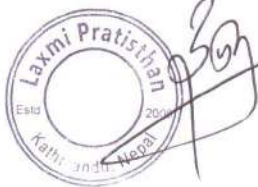
<b>Cash &amp; Bank Balance</b>		<b>Schedule-4</b>
<b>Description</b>	<b>Current Year</b>	<b>Previous Year</b>
Cash in Hand	-	-
Professional Development Bank	2,800.00	2,800.00
Nepal Investment Bank-Call Account	235,832.60	1,642,187.49
Nepal Investment Bank-Current Account	9,800.25	5,760.00
<b>Total</b>	<b>248,432.85</b>	<b>1,650,747.49</b>

<b>Advance</b>		<b>Schedule-5</b>
<b>Description</b>	<b>Current Year</b>	<b>Previous Year</b>
Bal Krishna Thapaliya		358,000.00
<b>Total</b>	-	<b>358,000.00</b>

<b>Payables</b>		<b>Schedule-6</b>
<b>Description</b>	<b>Current Year</b>	<b>Previous Year</b>
Bishnu Gautam	724,512.16	924,512.16
Audit Fee Payable	17,000.00	17,000.00
TDS on House Rent	12,000.00	10,800.00
TDS on Audit Fee	3,000.00	3,000.00
Social Security Tax Payable	26,102.50	19,170.00
Rent Payable	75,000.00	-
Salary Payable	247,980.00	-
<b>Total</b>	<b>1,105,594.66</b>	<b>974,482.16</b>

<b>Administrative Expenditure</b>		<b>Schedule-8</b>
<b>Description</b>	<b>Current Year</b>	<b>Previous Year</b>
Salary & Allowance	2,405,060.00	1,917,000.00
Maintenance Expenses	96,536.00	86,900.00
Fuel Expenses	81,127.00	130,510.00
Office Supplies	28,390.00	98,455.00
Communication Expenses	70,689.00	9,780.00
Miscellaneous Expenses	3,411.00	-
Stationery	47,829.00	90,275.00

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Audit Fee	20,000.00	20,000.00
Travelling & Transportation Expenses	518,285.00	485,172.00
House Rent	120,000.00	108,000.00
Refreshment & Hospitality	128,655.64	309,260.00
Bank Charge	6,079.22	13,695.78
Fee & Renewal	10,120.00	26,020.00
Newspaper & Periodicals	3,200.00	-
Painting Expenses	-	25,000.00
Documentary Expenses	57,000.00	27,000.00
Smarika Publication	-	95,000.00
General Meeting Expenses	39,965.00	-
Electricity Expenses	14,231.00	-
<b>Total</b>	<b>3,596,381.86</b>	<b>3,442,067.78</b>

**Program Expenditure  
Support to School**

**Schedule-9**

Description	Current Year	Previous Year
Support to Simri School Construction	1,681,000.00	-
Support to Kandesowri School Chitawan	261,000.00	-
Interaction Program at Chitwan	-	178,000.00
<b>Total</b>	<b>1,942,000.00</b>	<b>178,000.00</b>

**Kanda Hostel Operation Expenses**

Description	Current Year	Previous Year
Food for Kanda Hostel	1,555,757.00	1,407,695.00
Food for Kandali Support	56,013.00	105,400.00
Uniform Expenses	526,265.00	506,422.00
Stationery Expenses	194,849.00	132,774.00
Kitchen Items	12,758.00	200,000.00
Construction Material	3,300,542.87	2,548,983.17
Wages	205,190.00	100,000.00
Goat/Pig/Ox Expenses	80,960.00	110,000.00
Bedding & Miscellaneous Items	-	553,309.00
Fertilizer/Seed Expenses	185,384.00	225,000.00
Water Tank Expenses	-	77,465.00
Plantation Expenses	-	90,000.00
Machine Expenses	-	20,000.00
Sports Expenses	54,300.00	-
Medicine Expenses	103,639.00	-
Transformation Campaign Expenses	116,170.00	-
Library Establishment	201,638.15	-
Refreshment Expenses	28,277.00	-
<b>Total</b>	<b>6,621,743.02</b>	<b>6,077,048.17</b>

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**Support to Individual**

Description	Current Year	Previous Year
Bhoj Bdr Gurung for Treatment	-	81,000.00
Bridrasram Sewa Sammittee Sindupalchowk	-	15,000.00
Balaram Koirala	-	10,000.00
Barsa Rayamajhi	-	40,000.00
Radhika Dahal	-	15,000.00
Sakun Kunwar	-	25,000.00
Biku Lama for Library	-	20,000.00
The Country Need us	-	25,000.00
Shree Gram School Kavre	-	25,000.00
Apanga Ekata Awaj	-	50,000.00
Nisahaya Balbalika Sewa Asram	-	20,000.00
Tekwando Academy Mulpani	-	24,000.00
Pradip Ghimire	-	20,000.00
Bal Prativa School	-	235,000.00
Sabina Khadka	-	20,000.00
Sabita B.k	10,000.00	-
Arjun Harijan	5,000.00	-
Sabina Ale Magar	15,000.00	-
Sarita Gurung	5,000.00	-
Biku Lama	20,000.00	-
Pabitra Dhal	20,000.00	-
Tulasa Basnet	10,000.00	-
Jetho Tamang	10,000.00	-
Binala Subedi	6,000.00	-
Narayan Dhungana	5,000.00	-
Shree Kandeshwari Furniture	100,000.00	-
Haribol Shrestha	50,000.00	-
Osin Magar	5,000.00	-
<b>Total</b>	<b>261,000.00</b>	<b>625,000.00</b>
<b>Total Program Expenditure</b>	<b>8,824,743.02</b>	<b>6,880,048.17</b>



**Laxmi Pratisthan  
Tilganga, Kathmandu  
Assets List**

**As on Ashadh End 2074**

Schedule-3

S.N.	Description	Opening Balance		Addition for the Year		Deletion for the Year		Total for the Year	Dep. Rate	Dep.Amt	Balance
		Amount		Amount		Amount					
<b>A) Furniture &amp; Equipment</b>											
1	Computer	101,277.93		-		-		101,277.93	25%	25,319.48	75,958.45
2	Telephone Set	697.92		-		-		697.92	25%	174.48	523.44
3	Plastic Chair	1,214.70		-		-		1,214.70	25%	303.68	911.03
4	Sofa Set	4,657.10		-		-		4,657.10	25%	1,164.28	3,492.83
5	Revolving Chair	4,472.09		6,000.00		-		10,472.09	25%	2,618.02	7,854.07
6	Daraj	2,056.64		-		-		2,056.64	25%	514.16	1,542.48
7	Office Table	2,740.87		24,182.00		-		26,922.87	25%	6,730.72	20,192.15
8	Tea Table	1,324.95		-		-		1,324.95	25%	331.24	993.71
9	Book Rack	1,156.86		42,375.00		-		43,531.86	25%	10,882.97	32,648.90
10	Invertor	10,218.93		-		-		10,218.93	25%	2,554.73	7,664.20
11	Acer LED	2,689.45		-		-		2,689.45	25%	672.36	2,017.09
12	Visitor Chair	442.97		-		-		442.97	25%	110.74	332.23
13	Low Bed	1,265.63		-		-		1,265.63	25%	316.41	949.22
14	White Board	1,088.44		-		-		1,088.44	25%	272.11	816.33



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15	Partition Work	10,851.15	-	-	10,851.15	25%	2,712.79	8,138.36
16	Fan	1,237.50	-	-	1,237.50	25%	309.38	928.13
17	Hard Disk	-	8,000.00	-	8,000.00	25%	2,000.00	6,000.00
18	Laptop	-	85,000.00	-	85,000.00	25%	21,250.00	63,750.00
19	Display Rack	-	36,725.00	-	36,725.00	25%	9,181.25	27,543.75
20	Notice Board	-	8,588.00	-	8,588.00	25%	2,147.00	6,441.00
21	Children Chair	-	38,131.85	-	38,131.85	25%	9,532.96	28,598.89
	<b>Sub-total</b>	<b>147,393.15</b>	<b>249,001.85</b>	<b>-</b>	<b>396,395.00</b>		<b>99,098.75</b>	<b>297,296.25</b>
<b>B)</b>	<b><u>Machinery</u></b>							
1	Generator Machine	23,900.00			23,900.00	15%	3,585.00	20,315.00
2	Water Pump	-	5,400.00		5,400.00	15%	810.00	4,590.00
3	Welding Machine	-	11,022.00		11,022.00	15%	1,653.30	9,368.70
4	Drill Machine	-	6,500.00		6,500.00	15%	975.00	5,525.00
	<b>Sub-total</b>	<b>23,900.00</b>	<b>22,922.00</b>	<b>-</b>	<b>46,822.00</b>		<b>7,023.30</b>	<b>39,798.70</b>
<b>C)</b>	<b><u>Intangible Assets</u></b>							
1	Software	32,544.00			32,544.00	10%	550.00	31,994.00
	<b>Sub-total</b>	<b>32,544.00</b>	<b>-</b>	<b>-</b>	<b>32,544.00</b>		<b>550.00</b>	<b>31,994.00</b>
	<b>Total (A+B+C)</b>	<b>203,837.15</b>	<b>271,923.85</b>	<b>-</b>	<b>475,761.00</b>		<b>106,672.05</b>	<b>369,088.95</b>

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**B. Associates**  
Registered Auditor  
Reg No. 2063  
Beluwatar, K...

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**Laxmi Prasthan**  
2006  
Kath. Indu, Nep...

**Laxmi Pratisthan  
Tilganga, Kathmandu  
Staff Salary Statement**

S.No.	Name	Taxable Salary	Exemption Limit	Tax Liability			Tax Liability
				1%	15%	25%	
1	Haribol Shrestha	193,050.00	400,000.00	1,930.50	-	-	1,930.50
2	Krishna Gautam	215,200.00	350,000.00	2,152.00	-	-	2,152.00
3	Manoj Shrestha	231,500.00	400,000.00	2,315.00	-	-	2,315.00
4	Bal Krishna Thapaliya	75,000.00	400,000.00	750.00	-	-	750.00
5	Lata Shrestha	103,080.00	400,000.00	1,030.80	-	-	1,030.80
6	Santa Maya Praja	128,700.00	400,000.00	1,287.00	-	-	1,287.00
7	Alisha Tamang	70,000.00	400,000.00	700.00	-	-	700.00
8	Anus Praja	192,050.00	400,000.00	1,920.50	-	-	1,920.50
9	Begam Chaudhary	40,720.00	400,000.00	407.20	-	-	407.20
10	Elina Limbu	67,300.00	400,000.00	673.00	-	-	673.00
11	Jivan Praja	66,000.00	400,000.00	660.00	-	-	660.00
12	Kimu Sherpa	5,600.00	400,000.00	56.00	-	-	56.00
13	Lakpadiki Sherpa	40,000.00	400,000.00	400.00	-	-	400.00
14	Laxmi Khadka	10,000.00	400,000.00	100.00	-	-	100.00
15	Lok Bdr Gurung	89,340.00	400,000.00	893.40	-	-	893.40
16	Puspa Gurung	118,800.00	400,000.00	1,188.00	-	-	1,188.00
17	Ranjeeta Praja	5,000.00	400,000.00	50.00	-	-	50.00
18	Setulal Praja	57,000.00	400,000.00	570.00	-	-	570.00
19	Sumitra Rai	10,000.00	400,000.00	100.00	-	-	100.00
20	Sukram Praja	31,680.00	400,000.00	316.80	-	-	316.80
21	Kabilal Praja	108,600.00	400,000.00	1,086.00	-	-	1,086.00
22	Kritija Tamang	47,640.00	400,000.00	476.40	-	-	476.40
23	Dal Bdr Praja	40,720.00	400,000.00	407.20	-	-	407.20
24	Som Maya Praja	101,440.00	400,000.00	1,014.40	-	-	1,014.40
25	Suman Dahal	139,640.00	400,000.00	1,396.40	-	-	1,396.40
26	Ful Maya Praja	74,700.00	400,000.00	747.00	-	-	747.00
27	Muna Sherpa	142,300.00	400,000.00	1,423.00	-	-	1,423.00
	<b>Total</b>	<b>2,405,060.00</b>		<b>24,050.60</b>	<b>-</b>	<b>-</b>	<b>24,050.60</b>



*Sumitra Rai*

*[Signature]*



# Laxmi Pratisthan

## Tilganga, Kathmandu

### Significant Accounting Policies & Notes Relating to Accounts

#### 1. Basis of Presentation

The financial statements are prepared in accordance with the historical cost convention, on an accrual basis of accounting (except disclosed otherwise) and in accordance with Nepal Accounting Standards and other Generally Accepted Accounting Principles

#### 2. Capitalization of Fixed Assets

Fixed assets are recorded at cost. The organization capitalizes all direct costs relating to the acquisition and installation of fixed assets.

#### 3. Depreciation

Depreciation on fixed assets has been charged in compliance with the provision of Income Tax Act; 2058.

#### 4. Provision for Income Tax

Provision for income tax has not been made as the organization is tax exempted entity.

#### 5. Previous Year Figure

Previous year figure has been rearranged/regrouped whenever necessary.

