

**Society of Ex-Budhanilkantha Students (SEBS)
Kathmandu, Nepal**



INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR 2079-2080
(CORRESPONDING YEAR 2022-2023)



Submitted By

Nain Bahadur Shah
For: N.B Shah & Associates
Registered Auditor





N.B. Shah & Associates

COP-0585'C'

PAN No-300949269

Address: - Dhangadhi, Nepal

INDEPENDENT AUDITOR'S REPORT

To The Members of Society of Ex-Budhanilkantha Students (SEBS)
Kathmandu, Nepal

Report On The Audit Of The Financial Statements:

Opinion:

We have audited the financial statements of **Society of Ex-Budhanilkantha Students (SEBS), Kathmandu, Nepal**, which comprise the Statement of Financial Position as at Ashad 31, 2080 (July 16, 2023) and the Statement of Financial Activities 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 present fair, in all material respects the financial position of the Organization as at Ashad 31, 2080 (July 16, 2023) and its financial performance, its cash flows, for the year then ended in conformity with (NAS) Nepal Accounting Standards.

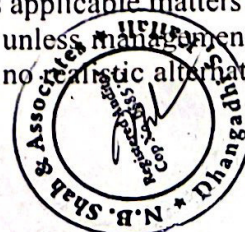
Basis for Opinion:

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 on 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, 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, appropriate and reasonable to provide a basis for 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 Nepal Accounting Standard (NAS) and for such internal control as management determines is necessary to enable that 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 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 REPOSIBILITIES FOR THE AUDIT OF THE FINANCAIAL STATEMTNTS:

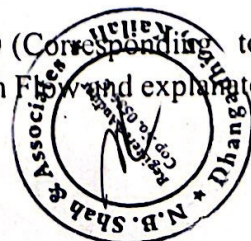
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably expect to influence the economic decisions of users taken on the basis of these financial statements.

As a 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 risk of material misstatement of the financial statements' whether due to fraud or error, design and perform audit procedures responsive to those risk and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intention omission, misrepresentation or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design plan procedures that are appropriate in the circumstances but not for the purpose of expression of opinion in the effectiveness of the organization's internal control.
- Evaluate the appropriateness for accounting policies used the reasonableness of accounting estimate and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on audit evidence obtained a materials uncertainty related to events or condition that may cause 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 disclosure are inadequate to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, further events or condition may cause the organization as going concern.
- Evaluate the overall presentation, structures and content of financial statements including the disclosures and whether financial statements represents underlying transaction and events in a manner that achieve fair presentation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

- We have obtained information and explanations asked for, which, to the best knowledge and belief, were necessary for the purpose of our audit.
- Proper books of accounts as required by prevailing laws have been maintained by the organization.
- The statement of the Financial position as at Ashad 31, 2080 (Corresponding to July16, 2023), the statement of Financial activities, Statement of Cash Flow and explanatory notes



have been prepared in accordance with Nepal Accounting Standards (NAS) and same are agreement with the books of Accounts maintained by the organization.

- We have not come across any fraudulence in accounts, based on our sample examination of books.
- To the best of our information and according to explanation given to us and so far appeared from our examination of the books of account of the organization, we have not come across cases where executive committee members or any employees of the organization have acted contrary to the provisions of law relating to the accounts, or committed any misappropriation or caused loss or damage to the organization deliberately.



NBS
Nain Bahadur Shah
For: NB Shah & Associates
Registered Auditor

Place: Kathmandu

Date: 2080/05/07

UDIN: 230824RA04798VJ7bm

Society of Ex-Budhanilkantha Students (SEBS)

Balance Sheet


As on 16th July 2023

Amount in NRs.


Particulars	Schedule	As at 31 Ashadh, 2080	As at 32 Ashadh, 2079
Fixed Assets	1		
(A) Total Value		233,527	135,733
(B) Less: Depreciation		48,009	26,683
(C) Net Value		185,518	109,050
Current Assets			
Bank and Cash	2	9,598,298	9,662,461
Prepaid, Advance & Deposit	3	362,636	476,158
Total Current Assets		9,960,934	10,138,619
Current Liabilities			
Payables	4	360,729	98,103
Total Current Liabilities		360,729	98,103
Net Assets		9,785,724	10,149,567
Represented by			
National Scholarship Program-SEBS	5	3,532,809	3,728,055
Member's Fund	6	656,509	900,000
Fund Surplus/(Deficit)	7	5,596,405	5,521,512
		9,785,724	10,149,567

Significant Accounting Policies and Notes to Accounts

As per our report of even date


Tilak Dhital
Treasurer




Nain Bahadur Shah
N.B Shah & Associates
Registered Auditors

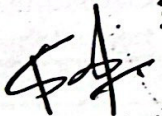
Date: 2080/05/07
Place: Kathmandu, Nepal

Society of Ex-Budhanilkantha Students (SEBS)
Income and Expenditure Statement
For the period July 17, 2022 to July 16, 2023

Amount in NRs.

S.N.	Particulars	Schedule	For the Year 2079-80	For the Year 2078-79
	Income	8	3,946,034	1,408,408
I	Total Income		3,946,034	1,408,408
	Expenditures			
	Program Expenditures	9	2,271,477	532,715
	Administrative Expenditures	10	1,746,900	861,499
	Non Operating Expenditure			
	Depreciation	1	48,009	26,683
II	Total Expenditures		4,066,386	1,420,897
III	Excess on Income over Expenditure for the Year		(120,352)	(12,489)


As per our report of even date

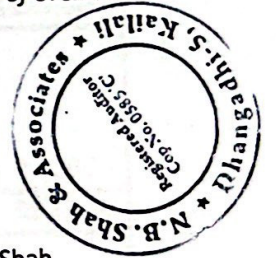

Tilak Dhital
Treasurer



Estd: 1982


Hemendra Bohra
President


Nain Bahadur Shah
N.B Shah & Associates
Registered Auditors

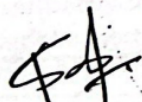


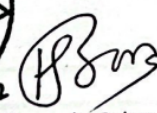
Date: 2080/05/07
Place: Kathmandu, Nepal


Society of Ex-Budhanilkantha Students (SEBS)
Statement of Cash Flow
For the period July 17, 2022 to July 16, 2023

S.N.	Particulars	For the Year 2079-80	For the Year 2078-79
A	Cash Flow from Operating Activities		
	Surplus During the year	(120,352)	(12,489)
	Adjustments		
	Depreciation	48,009	26,683
	Transfer to NSP	195,245	-
	Sub Total	122,902	14,194
	Changes in Working Capital		
	Net (increase)/decrease of Current Assets	113,522	50,817
	Net increase / (decrease) of Current Liabilities	262,626	(30,729)
	Cash Flow from Operating Activities	499,050	34,282
B	Cash Flow from Investing Activities		
	Purchase of Fixed Assets	(124,477)	(125,000)
	Sale of Fixed Assets	-	-
	Cash Flow from Investing Activities	(124,477)	(125,000)
B	Cash Flow from Financing Activities		
	Increase/(Decrease) in NSP Fund	(195,245)	-
	Member's Support Fund	(243,491)	900,000
	Cash Flow from Investing Activities	(438,736)	900,000
C	Net Increase/(Decrease) in Cash and Cash Equivalents	(64,163)	809,282
D	Opening Cash and Cash Equivalents	9,662,461	8,853,179
E	Closing Cash and Cash Equivalents	9,598,298	9,662,461

As per our report of even date


 Tilak Dhital
 Treasurer


 Hemendra Bohra
 President


 Nain Bahadur Shah
 N.B Shah & Associates
 Registered Auditors



Date: 2080/05/07
 Place: Kathmandu, Nepal

Society of Ex-Budhanikantha Students (SEBS)

Details of Fixed Assets

As on July 16, 2023

Schedule 1

S. No.	Particulars	Opening Net Value on July 17, 2022	Additions	Sale/Write-Off	Total Value	Depreciation Base	Dep. Rate %	Depreciation	Closing Net Value on July 16, 2023
	Purchased Fixed Assets								
1	Furniture & Fixture	107,932	-	-	107,932	107,932	25%	26,983	80,949
2	Office Equipment	1,118	124,477	-	125,595	84,102.59	25%	21,026	104,569
3	Computer & Accessories	-	-	-	-	-	25%	-	-
4	Other Assets	-	-	-	-	-	25%	-	-
	Total	109,050	124,477	-	233,527	192,035		48,009	185,518



Society of Ex-Budhanilkantha Students (SEBS)
Schedules forming part of Financial Statements

Current Asset

Cash & Bank Balance

Schedule 2

S.N.	Particulars	As at 31 Ashadh, 2080	As at 32 Ashadh, 2079
1	Himalayan Bank (Current)- 029	5,000	5,000
2	Himalayan Bank Ltd. (Current)	17,694	3,700,083
3	Mahalaxmi Bikas Bank Ltd. (Current)	123,616	22,972
4	Himalayan Bank Limited	3,386,500	
5	Agricultural Development Bank Ltd.	-	6,973
6	Himalayan Bank Ltd. (028)	-	5,000
7	Himalayan Bank Ltd. (068)	11,001	-
8	Himalayan Bank Ltd. (052)	651,509	376,282
9	Mahalaxmi Bikas Bank Ltd.(0359264)	56,914	1,631,196
10	Himalayan Bank Ltd. (044)	24,155	24,155
11	Himalayan Bank Ltd. (017)	5,000	893,710
12	Mahalaxmi Bikas Bank Ltd.(501083)	1,100	1,100
13	BBC-Saving	323,384	40,978
14	e Money Balance (eSewa Account)	6,451	12
15	Cash Balance	16,975	
16	Mahalaxmi Bank	1,625,000	
17	BBC	3,344,000	2,955,000
	Grand Total	9,598,298	9,662,461

Prepaid, Advance & Deposit

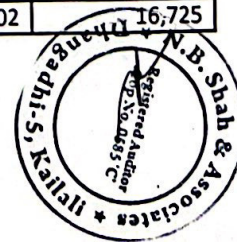
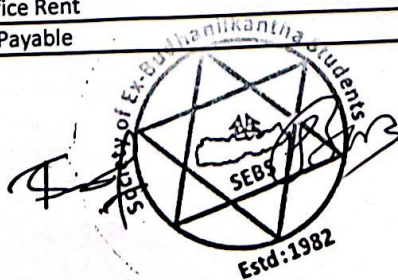
Schedule 3

S.N.	Particulars	As at 31 Ashadh, 2080	As at 32 Ashadh, 2079
1	Latarambeshwor JCB	-	794
2	TDS Receivable	362,636	268,256
3	Sundry Debtors		207,109
	Total	362,636	476,158

Current Liabilities
Payables

Schedule 4

S.N.	Particulars	As at 31 Ashadh, 2080	As at 32 Ashadh, 2079
1	Consultant Fee Payable	8,000	6,800
2	Salary Payable	106,187	-
3	Rent Payable	28,000	
4	TDS on Salary	6,861	3,011
5	TDS on Consultancy Fee	45,080	
6	TDS on Office Rent	-	32,128
7	Audit Fee Payable	29,602	16,725



8	TDS on Audit Fee Payable	398	225
9	Sundry Creditor	60,796	39,214
10	TDS Payable	75,804	
	Total	360,729	98,103

Project Funds

Schedule 5

S.N.	Particulars	As at 31 Ashadh, 2080	As at 32 Ashadh, 2079
1	National Scholarship Program-SEBS	3,532,809	3,728,055
	Total	3,532,809	3,728,055

Member Support Funds

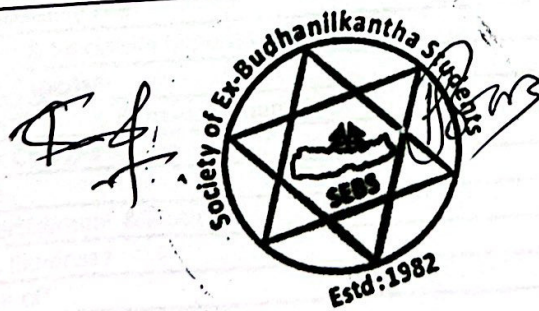
Schedule 6

S.N.	Particulars	As at 31 Ashadh, 2080	As at 32 Ashadh, 2079
1	Member's Fund	656,509	900,000
	Total	656,509	900,000

Fund Surplus/(Deficit)

Schedule 7

S.N.	Particulars	As at 31 Ashadh, 2080	As at 32 Ashadh, 2079
	Surplus / (Deficit) till Last Year	5,521,512	5,284,835
	Funds transferred from NSP	195,245	249,166
	Excess on Income over Expenditure for the Year	(120,352)	(12,489)
	Closing Balance	5,596,405	5,521,512



Income

Schedule 8

S.N.	Particulars	For the Year 2079-80	For the Year 2078-79
1	Membership Contribution	1,308,100	916,040
2	Donation	1,385,622	50,000
3	Programme Receipt	727,437	
4	Other Income	524,875	442,368
	Total	3,946,034	1,408,408

Program Expenditures

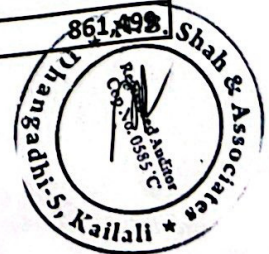
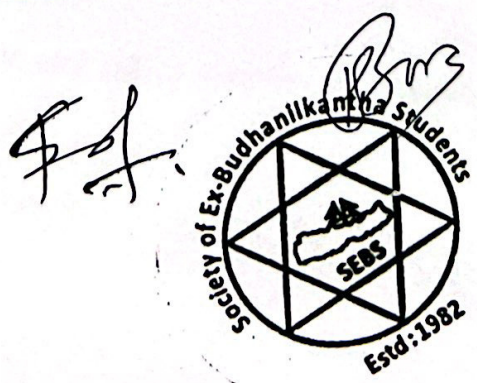
Schedule 9

S.N.	Particulars	For the Year 2079-80	For the Year 2078-79
1	Programme & Distribution Expense	45,529	48,500
2	Donation to BNKS/Member	365,000	25,000
3	NSP Scholarship Awarded	-	168,465
4	Student Support Expense	121,093	-
5	Member and Programme support Expenses	1,739,856	290,750
	Total	2,271,477	532,715

Administrative Expenses

Schedule 10

S.N.	Particulars	For the Year 2079-80	For the Year 2078-79
1	Staff Salary & Allowances	686,117	301,124
2	Printing and Stationery	41,889	48,378
3	Telephone & Internet Expense	39,079	27,186
4	Office Expense	101,658	91,467
5	Office Expense	30,000	16,950
6	Audit Fee Expenses	379,682	-
7	Consultancy Fee	-	8,029
8	Water & Electricity Expense	-	56,300
9	AGM Expenses	36,165	1,950
10	Registration & Renewal Expense	758	1,000
11	Bank Charges	365,765	217,778
12	Rent	-	90,400
13	Advertisement & Notice	32,884	937
14	Misc Expenses	32,903	-
	Total	1,746,900	861,498



**Society of Ex-Budhanilkantha Students
Kathmandu**

Significant Accounting Policies and Notes to Account for F.Y. 2022/23

1. Reporting Entity

Society of Ex-Budhanilkantha Students (SEBS) is national level non-profit organization established in Nepal. It is registered with Social Welfare Council (SWC) with registration number 5117. SEBS is a volunteer organization with the main aim to provide social service to the community of Nepal and helps in its development. SEBS organize various programs in the field of education and health like National Scholarship Program, health etc, to help the people who are in need.

2. Basis of Preparation:

The financial statements have been prepared in accordance with generally accepted accounting principles except for revenue which are prepared on cash basis of accounting.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a. Income

Fund received are accounted on cash basis and funds are received in Nepalese Rupees from the donor.

b. Fixed Assets

Items of fixed assets are measured at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the assets.

c. Depreciation

Depreciation is charged on the assets as prescribed by Income Tax Act, 2058

d. Inventories

All costs related to stationery and office supplies are charged to expenses at the time of procurement.



e. Fund Balances

- **General Fund**

It represents accumulated balance of surplus generated by SEBS from unrestricted grants and other income received after charging all the expenditures.

- **NSP Fund**

It represents accumulated balance generated by SEBS from restricted grants under the National Scholarship Programme.

4. Income Tax

SEBS is a non-profit making organization and is, accordingly, exempt from income tax as per Income Tax Act, 2058, Section 2 (Dha).

5. Previous Year Figures

Corresponding previous year figures has been rearranged and regrouped wherever necessary and rounded off to nearest rupees.



