Regd. No. 751
PAN 108482340

A. POKHREL AND ASSOCIATES
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT
To the management committee of,
Madan Bhandari Memorial College,
Kathmandu, Nepal

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying Financial Statements of **M/s Madan Bhandari Memorial College**, Kathmandu ("the college"), which comprise the Statement of Financial Position as of 31 Ashad 2081, [July 15, 2024], the Statement of Profit or Loss, Statement of Changes in the Equity, Statement of Cash Flows for the year then period starting from Shrawan 1st 2080 till Ashad 31st 2081 and notes to the financial statement including a Summary of Significant Accounting Policies.

In our opinion, except for of the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying Financial Statements present fairly, in all material aspects, the financial position of the Company as at 31st Ashad, 2081, (July 15, 2024), and its financial performance, its cash flows for the year then ended, in accordance with Nepal Accounting Standards (NAS).

Basis for Qualified Opinion

1. The company has recognized revenue on cash basis which is not in accordance with Nepal Accounting Standards. Due to this, advance fee received from students is included in income of current year whereas accrued fee receivable is not booked as income in financial statements.
2. We could not verify the balance of Prime Bank Limited (Account no 00101000000530500178) due to unavailability of bank statement. The cumulative effect of differential balance if any could not be materialized due to unavailability of appropriate evidence for verification.

We conducted our audit of the financial statements 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. Further, we have fulfilled our ethical responsibilities in accordance with the Code of Ethics implemented by the Institute of Chartered Accountants of Nepal. We believe that the audit evidence we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the financial year ended 31st Ashadh, 2081. These matters were addressed in the context of our audit of the Financial Statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

A. Pokhrel & Associates
Birtamod, Jhapa
Chartered Accountants

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S.N.	Key Audit Matters	How our Audit Addressed the Key Audit Matters.
1.	Amount equal to Rs. 564830.22 which is the result of unreconciled bank balance has been recognized as fee income.	• The matter was brought into the attention of the management. • Management concluded that the said amount couldn't be identified through bank transactions. Those amounts deposited could not be tracked because the depositor's name couldn't be verified through bank statements. The depositor's identification became more complex as the students who deposited the fee in bank accounts did not come to claim and receive invoice. The management is certain that those amounts deposited is fee income from students. • Further the college administration has already proceeded for deposits being made possible only after the input of student id number in deposit slip/online payment.

Responsibility 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 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 preparing the financial statements, management is responsible for assessing the entity'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 entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibility 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 as 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,

A. Pokhrel & Associates
Birtamod, Jhapa
Chartered Accountants

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 Company'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 Company'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 Company 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, 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. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

For A. Pokhrel & Associates
Chartered Accountants

A. Pokhrel & Associates
Birtamod, Jhapa
Chartered Accountants

Aashish Pokhrel, FCA
Proprietor
Date: 23rd Mangsir 2081
Place: Kathmandu, Nepal

UDIN: 241213CA01218hn9nZ

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

STATEMENT OF FINANCIAL POSITION

As on 31st Ashad 2081

Particulars	Sch	Current Year	Previous Year
Capital and Liabilities		**69,151,931.33**	**70,753,985.27**
Capital Fund	1	43,698,768.19	43,698,768.19
Surplus & (Defict) Account	2	25,453,163.14	27,055,217.08
Non Current Liabilities		**20,422,485.43**	**21,431,563.61**
Deffered Grant Liability	3	20,422,485.43	21,431,563.61
Other Grant Liability		-	-
Current Liabilities		**47,461,441.25**	**39,916,975.88**
Short Term Borowing		-	-
Staff and Other Liabilities	4	45,583,671.60	36,825,930.74
Creditors/Payable	5	672,836.00	237,849.00
Tax/TDS Liabilities	6	1,204,933.65	2,853,196.14
Total Capital & Laibilities		**137,035,858.01**	**132,102,524.76**
Assets			
Non Current Assets		**41,261,645.24**	**42,089,957.79**
Property Plants & Equipment (Tangible Assets)	16	41,261,645.24	42,089,957.79
Intangible Assets		-	-
Current Assets			
Advance, Deposit & Receivables		**50,349,678.14**	**43,764,283.10**
Advance & Deposit	7	12,437,658.44	18,725,289.40
Student Receivable	8	37,912,019.70	25,038,993.70
Cash & Cash Equivalents		**45,424,534.63**	**46,248,283.87**
Bank Balance	9	45,419,695.63	46,242,881.44
Cash Balance	10	4,839.00	5,402.43
Total Assets		**137,035,858.01**	**132,102,524.76**

Schedule 1 to 18 are an integral part of the financial statements

Laxmi Raj Chapagain
Finance Officer

Dr. Tara Prasad Gautam
Assistant Campus Chief
(Administration)

Dr. Babu Ram Adhikari
Campus Chief

As per our Report of Even Date

Mahendra Bahadur Pandey
Chairperson

Aashish Pokhrel, FCA
For: A. Pokhrel & Associates
Chartered Accountants

Date: 23rd Mangsir 2081

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

STATEMENT OF INCOME

For the period 1st Shrawan 2080 to 31 Ashad 2081

Particulars	Sch	Current Year	Previous Year
Fee Income	11	62,930,968.27	69,277,773.92
Less: Academic Expenses	12	32,362,698.54	33,160,679.68
Gross Surplus		**30,568,269.73**	**36,117,094.24**
Other Income	13	1,309,259.15	1,731,990.68
Grant Income	14	4,017,278.18	4,046,487.56
Total Operating Income		**35,894,807.06**	**41,895,572.48**
Less: Administrative Expenses	15	25,054,462.55	27,395,734.30
Less: Repair & Maintainance Expenses	16	1,272,946.36	1,275,172.26
Net Operating Surplus (Deficit) Before Dep. & Tax		**9,567,398.15**	**13,224,665.92**
Less : Depreciation	17	4,621,139.64	4,847,009.14
Less : Bank Interest & Charges		-	-
Net Surplus (Deficit) before Staff Bonus & Income Tax		**4,946,258.51**	**8,377,656.78**
Less : Provision for staff bonus		-	-
Net Surplus (Deficit) before Income Tax		**4,946,258.51**	**8,377,656.78**
Less: Current Year Tax		989,251.70	2,356,546.78
Add/Less: Deffered Tax		-	-
Net Surplus (Deficit) after Income Tax		**3,957,006.80**	**6,021,110.00**
Less : Excess TDS Paid over provision		-	-
Surplus Available for Appropriation		**3,957,006.80**	**6,021,110.00**

Schedules form 1 to 18 are an integral part of these financial Statements.

Laxmi Raj Chapagain
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As per our Report of Even Date

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Chairperson

Aashish Pokhrel, FCA
For: A. Pokhrel & Associates
Chartered Accountants

A. Pokhrel & Associates Birtamod, Jhapa Chartered Accountants

Date: 23rd Mangsir 2081

MADAN BHANDARI MEMORIAL COLLEGE

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

STATEMENT OF CASH FLOW

For the period 1st Shrawan 2080 to 31 Ashad 2081

Particulars	Current Year	Previous Year
A. From Operating Activities		
Net Surplus & (Deficit) before income tax	3,957,006.80	6,021,110.00
Previous year Adjustment in Surplus & (Defict)	(5,559,060.74)	(35,320.00)
Adjustment for Non operating & Non Cash Item		
Depreciation of Property, Plant and Equipments	4,621,139.64	4,847,009.14
Depreciation of Grant Building Credited to Other Income	(1,009,078.18)	(1,062,187.56)
Amortization of Goodwill	-	-
Gain on Disposal of Property, Plant and Equipments	-	-
Increase (Decrease) in Provision	-	-
Operating Cashflow Before Movements in Working Capital		
(Increase) Decrease in Current Assets	(6,585,395.04)	22,831,980.98
(Decrease) Increase in Current Liabilities	7,544,465.37	(26,476,068.77)
Less: Excess Income Tax over Provision	-	-
Deffered Tax Deduction	-	-
Paid income tax Previous Year	-	-
Net Cash flow From Operating Activities	**2,969,077.86**	**6,126,523.79**
B. Cash flow From Investing Activities		
Purchase of Property, Plant and Equipments	(8,109,310.05)	(4,374,026.33)
Capitalization of Repair to Property, Plant and Equipments	-	-
Sale/ Disposal of Property, Plant & Equipments	4,316,482.95	
Net Cash flow From Investing Activities	**(3,792,827.10)**	**(4,374,026.33)**
C. Cash flow From Financial Activities		
Increase/(Decrease) in Capital Fund	-	-
Loan Received	-	-
Deffered Grant Income	-	1,250,000.00
Net Cash flow from Financing Activities	**-**	**1,250,000.00**
Net Increase (Decrease) in cash & Cash Equivalent (A+B+C)	**(823,749.24)**	**3,002,497.46**
Cash & Cash Equivalent at the Beginning of the Year	46,248,283.87	43,245,786.41
Cash & Cash Equivalent at the End of the Year	**45,424,534.63**	**46,248,283.87**

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Chairperson

Aashish Pokhrel, FCA
For: A. Pokhrel & Associates
Chartered Accountants

Date: 23rd Mangsir 2081

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar,New Baneshwor,Kathmandu

Statement of Change in Fund

For the year ended 31st Ashad, 2081

Particulars	Capital Fund	General Reserve	Total
Opening Balance	**43,698,768.19**	**27,055,217.08**	**70,753,985.27**
Changes in Accounting Policy	-	-	-
Adjusted Balances : : Previous Year	-	-	-
Surplus on Revaluation of Property	-	-	-
Surplus on Revaluation of Investment	-	-	-
Gains and Losses not Recognize in Income Statement	-	-	-
Profit (Loss) : : Current Year	-	3,957,006.80	**3,957,006.80**
Transfer to General Reserve	-	-	-
Proposed Dividend/ Bonus	-	-	-
Issue/Refund of Share Capital	-	-	-
Profit on revaluation of Properties	-	-	-
Surplus on Revaluation of Investment	-	-	-
Total Adjustment Fund	-	-	-
Adjustments	-	(5,559,060.74)	**(5,559,060.74)**
Closing Equity Balance:	**70,753,985.27**	**25,453,163.14**	**69,151,931.33**

Laxmi Raj Chapagain
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(Administration)

Dr. Babu Ram Adhikari
Campus Chief

As per our Report of Even Date

Mahendra Bahadur Pandey
Chairperson

Aashish Pokhrel, FCA
For: A. Pokhrel & Associates
Chartered Accountants

Date: 23rd Mangsir 2081

MADAN BHANDARI MEMORIAL COLLEGE
Binayaknagar,New Baneshwor,Kathmandu
Statement of Surplus & Reverve Account
For the year ended 31st Ashad, 2081

Particulars	Current Year	Previous Year
Accumulated Reserve & Surplus Upto Previous Year	27,055,217.08	21,069,427.08
Net Profit For The Year	3,957,006.80	6,021,110.00
Profit Available For Distribution	**31,012,223.88**	**27,090,537.08**
Appropriatons		
General Reserve	-	-
Other Reserve Funds	-	-
Adjustment	(5,559,060.74)	(35,320.00)
Balance of Profit /(Loss) Transferred to the Balance Sheet	**25,453,163.14**	**27,055,217.08**

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(Administration)

Dr. Babu Ram Adhikari
Campus Chief

As per our Report of Even Date

Mahendra Bahadur Pandey
Chairperson

Aashish Pokhrel, FCA
For: A. Pokhrel & Associates
Chartered Accountants

Date: 23rd Mangsir 2081

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

Schedule Forming Part of Statement of Financial Position

For the period 1st Shrawan 2080 to 31 Ashad 2081

Capital Fund — **Schedule -1**

Particulars	**Current Year**	**Previous Year**
Members Contribution	1,641,000.00	1,641,000.00
Capital Grant From UGC	4,651,700.00	4,651,700.00
Developments Funds	10,500,000.00	10,500,000.00
Other Capital Contribution	26,906,068.19	26,906,068.19
Total	**43,698,768.19**	**43,698,768.19**

Surplus and deficit — **Schedule -2**

Particulars	**Current Year**	**Previous Year**
Surplus (Deficit) upto this Previous Year	27,055,217.08	21,069,427.08
Adjustment to Opening Surplus (Deficit)	(5,559,060.74)	(35,320.00)
Surplus (Deficit) for the Current year	3,957,006.80	6,021,110.00
	25,453,163.14	**27,055,217.08**

Deffered Grand Liabilities — **Schedule-3**

Particulars	**Current Year**	**Previous Year**
Grant of Building from DDC Kathmandu	21,431,563.61	22,493,751.17
Less : Depreciation	(1,009,078.18)	(1,062,187.56)
Grand Total	**20,422,485.43**	**21,431,563.61**

Staff and Other Liabilities — **Schedule-4**

Particulars	**Current Year**	**Previous Year**
Staff Account		
Kashmir Lamichhane	-	76,836.00
Smriti Kunwar	2,957.00	
Other Liabilities	-	
Audit Fee Payable	172,825.00	172,825.00
Binod Bhattarai	-	98,672.00
CIT Payable	32,220.00	32,220.00
Expenses payable	7,168.00	70,582.00
Deposit Refundable	5,052,760.00	2,612,760.00
Fee Suspense Account	37,912,019.70	25,038,993.70
Gratuity Payable	227,779.82	227,779.82
MBEF Fund	2,000.00	2,000.00
MBEF Payable	18,000.00	-
PF - Employee Contribution Payable	20,890.32	20,890.32
Salary Liabilities	1,132,702.43	7,839,705.63
Salary Payable BSCCSIT	(0.00)	277,640.87
Madan Bhandari Memorial School	647,321.93	
Welfare Fund	355,025.40	355,025.40
Total	**45,583,669.60**	**36,825,930.74**

A. Pokhrel & Associates
Birtamod, Jhapa
Chartered Accountants

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

Schedule Forming Part of Statement of Financial Position

For the period 1st Shrawan 2080 to 31 Ashad 2081

Sundry Creditors — **Schedule-5**

Particulars	Current year	Previous Year
Broadcast Group Pvt Ltd	1,000.00	-
Bimal Valley Enterprise	26,839.00	-
E-Zone International Pvt. Ltd	223,000.00	-
M/S Khaja Ghar	270.00	-
Pratical Expenses Payable	52,850.00	-
Scholarship Payable	34,000.00	-
Betal International Pvt Ltd	11,297.00	-
Scientific Medical Technology Nepal	3,561.00	-
Garima Hardware Centre - Ghc	-	2,071.00
Gravity IT Solution Pvt.Ltd	2,787.00	-
Shree Lumbini Furnishing	4,509.00	-
AK Computer Center	2,462.00	-
Drop Supply And Services Pvt.Ltd	3,345.00	-
Bagbati Eletricals	6,255.00	-
M.S Center	1,172.00	-
Valley Interprises	6,402.00	-
Poonam Art And Media	30,684.00	-
Nepal Electricity Authority	81,331.00	-
Shandar Café	-	8,385.00
Shubhan Traders	-	167,043.00
Sujan Kafle & Associates	33,450.00	33,450.00
Snpl Trade Link	3,825.00	-
Sky Press And Trade Link Pvt. Ltd.	75,830.00	-
Ocean Drinking Water	13,859.00	
Universal Thought Consult Pvt. Ltd	26,900.00	26,900.00
The G.S Trade	27,208.00	
Total	**672,836.00**	**237,849.00**

Tax Liabilities — **Schedule-6**

Particulars	Current Year	Previous Year
Income Tax Payable	989,251.70	2,356,546.78
Social Security Tax Payable	-	164,734.43
TDS payable (CSIT)	-	200,658.30
Rental Tax	3,872.00	
TDS payable on salary	192,031.36	80,499.87
TDS Payable Other	19,778.59	50,756.76
Total	**1,204,933.65**	**2,853,196.14**

A. Pokhrel & Associates
Birtamod, Jhapa
Chartered Accountants

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

Schedule Forming Part of Statement of Financial Position

For the period 1st Shrawan 2080 to 31 Ashad 2081

Loans, Advances and deposit — **Schedule -7**

Particulars	Current Year	Previous Year
Advance Tax	191,803.53	474,349.49
Bansaj Poudel	6,000.00	-
Santosh Thapa	30,000.00	-
Advance For Teachers Training	30,000.00	30,000.00
Arun Sharma	-	10,000.00
Balaram Shrestha	116,000.00	116,000.00
Ravi Raj Baral	100,000.00	
Bishnu Khanal	-	4,000.00
Madan Bhandari Foundation	10,000,000.00	10,000,000.00
MBM Foundation & School	-	5,757,200.00
Phul Babu Jha	48,595.00	83,580.00
Prajwal Man Shrestha	400,000.00	734,900.00
Roshan Bistha	1,308,740.91	1,308,740.91
Sundara Kumari Sunar	176,519.00	176,519.00
Yagya Raj Bhatta	30,000.00	30,000.00
Total	**12,437,658.44**	**18,725,289.40**

Student Receivable — **Schedule-8**

Particulars	Current Year	Previous Year
Student Receivable	37,912,019.70	25,038,993.70
Total	**37,912,019.70**	**25,038,993.70**

Bank Balance — **Schedule-9**

Particulars	Current Year	Previous Year
ADB Saving Account	1,328,378.46	1,328,378.46
ADB (Current -054014)	25,884.68	25,884.68
Everest Bank Ltd. (Call - 03401102200005)	5,152,173.07	5,152,173.07
Everest Bank Ltd. (Current - 03400105200023)	1,688,884.43	10,001.00
Everest Bank Ltd. (Fixed)	8,239,705.72	7,750,000.00
NIC ASIA Bank (current) 3004150022431002	8,113,787.54	506,137.31
NIC ASIA Fixed Deposit A/C - NAF	-	5,900,000.00
Everest Bank Ltd. (034001052500499)	4,878,299.46	2,780,651.74
Rastriya Banijya Bank (UGC)	7,948,546.15	6,460,765.15
Everest Bank Ltd. (BSC-CSIT)	5,000.00	5,000.00
Prime Bank Ltd. (BSC-CSIT)	1,231,307.77	2,002,779.94
NMB Bank Ltd. (Fixed Deposit)	1,300,000.00	
NMB Bank(0010146409800014)	11,500.00	
Everest Fixed 03400701203303	5,000,989.72	
E-sewa (NMB)	100.00	
Prabhu Bank 0010153631300014 Current account	456,748.63	14,302,720.09
Khalti	38,000.00	18,000.00
NIC Asia Call Acc 3004450022431004	390.00	390.00
Total	**45,419,695.63**	**46,242,881.44**

Cash Balance — **Schedule -10**

Particulars	Current Year	Previous Year
Petty Cash	140.00	-
Cash in Hand	4,699.00	5,402.43
Total	**4,839.00**	**5,402.43**

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Birtamod, Jhapa
Chartered Accountants

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

Schedule Forming Part of Income Statement

For the period 1st Shrawan 2080 to 31 Ashad 2081

Student Fee Income **Schedule-11**

Particulars	Current Year	Previous Year
Gross Admission, Annual & Tuition fee	60,898,690.22	66,417,743.62
Exam, Registration, Lab & Other fee	1,304,777.00	10,617,932.80
Less : Discount/Scholarship	(286,979.00)	(8,143,450.00)
Other Income	1,014,480.05	385,547.50
Total	**62,930,968.27**	**69,277,773.92**

Academic Expenses **Schedule-12**

Particulars	Current Year	Previous Year
Dashain Allowance (BSC-CSIT)		157,660.00
Educational Lab	76,908.00	11,912.00
Entrance prepration expenses	60,000.00	23,294.10
Exam fee		830,500.00
Examination Supervision	13,000.00	194,034.50
Extra Curriculum Expenses	192,796.00	77,178.00
Field visit Expenses	549,027.80	31,000.00
Guest Lecture Expenses	48,672.22	177,046.58
Internal Exam Expenses	45,517.98	108,792.00
Journalism Practical Expenses (Radio Swet Shardul)	1,512,505.00	800,000.00
Lectures Salary	22,850,116.00	25,065,572.67
Library Expenses	91,039.00	41,850.00
Registration, Exam & Transcript fee		331,150.00
Orientation and fairwell expense	87,000.00	46,182.00
Other Academic Expenses	95,000.00	-
Practical Exam Expenses	889,842.54	651,925.23
Promotional Expenses	569,560.00	668,960.34
Research and Publication expenses	120,600.00	548,519.00
Sports Program	302,890.00	206,877.76
Teachers Training expenses		32,000.00
Thesis Guide & Supervision Expenses	179,754.00	22,189.50
Training and Seminar Expenses	14,500.00	-
TU Entrance exam expenses	-	25,750.00
TU Exam form & Registration Exp.	4,612,970.00	2,794,286.00
TU Registration and Renewal Fee	51,000.00	314,000.00
Total	**32,362,698.54**	**33,160,679.68**

Other Income **Schedule-13**

Particulars	Current Year	Previous Year
Bank Interest Income	1,278,690.15	1,254,246.74
Miscellaneous Income	-	456,223.94
Hall rent	30,569.00	21,520.00
Total other income	**1,309,259.15**	**1,731,990.68**

Grant Income **Schedule-14**

Particulars	Current Year	Previous Year
Regular Grant Income	3,008,200.00	2,984,300.00
Deffered Grant Income (Grant Building)	1,009,078.18	1,062,187.56
Total Grant Income	**4,017,278.18**	**4,046,487.56**

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MADAN BHANDARI MEMORIAL COLLEGE
Binayaknagar, New Baneshwor, Kathmandu
Schedule Forming Part of Income Statement
For the period 1st Shrawan 2080 to 31 Ashad 2081

Administrative Expenses **Schedule-15**

Particulars	Current Year	Previous Year
Administrative Salary	15,103,952.00	19,963,819.68
Advertisement	302,427.50	141,718.12
AGM Expenses	66,000.00	67,654.00
AMC Charges	52,149.00	275,810.00
Consultant fee	169,500.00	219,650.00
Audit fee	175,150.00	175,150.00
Bank Charge	775.00	1,060.00
Books and Newspaper Expenses	-	39,310.00
Canteen Expenses/Kitchen	73,590.00	32,775.00
Cleaning and Sanitary	134,909.00	79,177.00
College Day Expenses	563,290.00	306,204.52
Computer Accessories Exp. - CAE	182,345.00	10,128.00
Consultant Meeting Expenses		37,360.00
Consultant Salary		129,412.00
Consumable Goods Expenses	13,882.00	16,915.00
Donation & Charity	7,000.00	23,180.00
Drinking Water	252,014.00	167,473.00
Electricity and Goods Expenses	571,926.00	485,436.00
Exam Form TU		290,000.00
Expert Remuneration		23,175.00
Festival & Celebration Expenses	64,010.00	92,972.00
Final Interm Charges	-	24,000.00
Fuel and Lubricants	70,550.00	96,075.00
Garden Expenses	136,060.00	23,265.00
Hospitality expenses	365,695.00	87,294.00
House Keeping Exp		162,268.59
Inauguration Expenses		531,140.00
Medicine & First Aid Expenses	104,270.00	7,275.00
Meeting Expenses	166,185.10	229,705.60
Mid Defense Charge		23,000.00
Staff Dress	265,140.00	-
Newspaper & Magazines	12,800.00	18,001.00
Office Expenses		38,183.47
Other Expenses	477,346.45	31,386.00
Printing ,Publication & Stationary Expenses	2,083,904.66	597,538.54
Project Supervision Charge		16,000.00
Publication Expenses	15,000.00	35,990.50
Rates & Taxes	1,500.00	49,196.00
Refreshment Exp.	60,910.00	97,302.00
Registration and Renewal	8,000.00	18,530.00
Scholarship Expenses	777,500.00	509,250.00
TU Service Charge		882,000.00
SMS expenses	22,500.00	15,000.00
Social Works	21,920.00	52,306.00
Sports and Extra Curricular Exp.		29,860.00
Staff welfare expenses	147,736.85	189,093.00

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MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

Schedule Forming Part of Income Statement

For the period 1st Shrawan 2080 to 31 Ashad 2081

Administrative Expenses — **Schedule-15**

Particulars	**Current Year**	**Previous Year**
Internship salary	43,296.00	-
Student welfare	617,380.71	28,860.00
Telephone & Internet Expenses	382,300.00	599,201.28
Teacher Welfare expenses		22,720.00
Training and Seminar Expenses	257,863.00	50,631.00
Transportation & Fuel Exp.	115,528.00	162,858.00
Travel Alllowance TU	4,040.00	13,290.00
Travelling Expenses	14,900.00	91,825.00
Vehicle Insurance	29,240.00	9,730.00
Virtual Expenses (sms ,web page)	47,460.00	-
Wages	505,207.00	17,200.00
Water Expenses	88,614.00	36,980.00
Fine Penalties And interest	97,154.28	
Welcome and Farewell expenses	381,542.00	20,400.00
Total	**25,054,462.55**	**27,395,734.30**

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MADAN BHANDARI MEMORIAL COLLEGE

MADAN BHANDARI MEMORIAL COLLEGE
Binayaknagar, New Baneshwor, Kathmandu
Schedule Forming Part of Income Statement

Repair & Maintenance — **Schedule-16**

Particulars	Current Year	Previous Year
Furniture	138,391.00	2,350.00
Office Equipment	151,103.40	93,766.40
Building	685,180.46	773,637.08
Repair & Maintenance-Other	60,832.00	20,400.00
Computer, Internet, Electricity Repairing Charge	184,632.00	157,499.53
Vehicle	52,807.50	227,519.25
Total	**1,272,946.36**	**1,275,172.26**

Depreciation Expenses — **Schedule-17**

Particulars	Current Year	Previous Year
Depreciation of Property Plants & Equipments	3,612,061.46	3,784,821.58
Depreciation of Building Granted by DDC Ktm	1,009,078.18	1,062,187.56
Total	**4,621,139.64**	**4,847,009.14**

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MADAN BHANDARI MEMORIAL COLLEGE

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

Statement of Property, Plant, Equipment & Depreciation as at 31st Ashadh 2081

Schedule - 16

Particulars	Dep Rate	WDV Upto Last Year	Shrawan to Poush	Magh to Chaitra	Baishakh to Ashadh	Total Addition	Absorbed Addition	Unabsorbed Addition	Disposal	Depreciation Base	Depreciation this year	Balance on 2081.03.31	Balance on 2080.03.31
Block - A		**29,606,920.89**	-	-	**241,601.00**	**241,601.00**	**80,533.67**	**161,067.33**	-	**29,687,454.56**	**1,484,372.73**	**28,364,149.17**	**29,606,920.89**
New Building (Grant Received)	5%	20,181,563.61				-	-	-		20,181,563.61	1,009,078.18	19,172,485.43	20,181,563.61
Building	5%	4,519,991.91			84,129.00	84,129.00	28,043.00	56,086.00		4,548,034.91	227,401.75	4,376,719.17	4,519,991.91
Wall Construction	5%	1,484,961.00				-	-	-		1,484,961.00	74,248.05	1,410,712.95	1,484,961.00
Other Construction	5%	3,420,404.37			157,472.00	157,472.00	52,490.67	104,981.33		3,472,895.03	173,644.75	3,404,231.62	3,420,404.37
Block- B		**9,377,430.28**	**2,630,342.76**	**1,523,455.00**	**192,844.99**	**4,346,642.75**	**3,710,261.09**	**636,381.66**	**4,316,482.95**	**9,352,691.37**	**2,338,172.84**	**7,650,900.19**	**9,377,430.28**
Furniture & Fixtures	25%	1,676,572.67	1,805,116.56	1,081,918.00	40,000.00	2,927,034.56	2,539,728.56	387,306.00	1215000	3,001,301.23	750,325.31	2,638,281.92	1,676,572.67
Office Equipments	25%	1,443,147.31	123,451.00	145,772.00	76,113.99	345,336.99	246,003.66	99,333.33	1000000	689,150.98	172,287.74	616,196.56	1,443,147.31
Scientific and Education Equipments	25%	192,558.19				-	-	-		192,558.19	48,139.55	144,418.64	192,558.19
Computers	25%	4,746,311.18	213,796.00			213,796.00	213,796.00	-	1520000	3,440,107.18	860,026.80	2,580,080.39	4,746,311.18
Smart TV	25%	186,205.93	487,979.20			487,979.20	487,979.20	-		674,185.13	168,546.28	505,638.85	186,205.93
CC TV with Camera	25%	312,997.15			10,281.00	10,281.00	3,427.00	6,854.00		316,424.15	79,106.04	244,172.11	312,997.15
Electricals Equipments	25%	765,624.77		295,765.00	66,450.00	362,215.00	219,326.67	142,888.33		984,951.44	246,237.86	881,601.91	765,624.77
Laboratory Equipments	25%	54,013.08				-	-	-		54,013.08	13,503.27	40,509.81	54,013.08
Block -C		**91,362.95**	-	**2,799,800.00**	-	**2,799,800.00**	**1,866,533.33**	**933,266.67**		**1,866,533.33**	**373,306.67**	**2,426,493.33**	**91,362.95**
Vehicle	20%	91,362.95		2,799,800.00		2,799,800.00	1,866,533.33	933,266.67	91,362.95	1,866,533.33	373,306.67	2,426,493.33	91,362.95
						-	-	-					
Block -D		**2,756,817.18**	**253,859.30**	**37,152.00**	**204,255.00**	**495,266.30**	**346,712.30**	**148,554.00**		**2,613,409.48**	**392,011.42**	**2,369,952.06**	**2,756,817.18**
Water & Electrical provision	15%	211,371.70			27,200.00	27,200.00	9,066.67	18,133.33		220,438.36	33,065.75	205,505.94	211,371.70
Library Books	15%	1,528,131.18	253,859.30	37,152.00	177,055.00	468,066.30	337,645.63	130,420.67	490120	1,375,656.82	206,348.52	1,299,728.96	1,528,131.18
Other Assets	15%	81,644.15				-	-	-		81,644.15	12,246.62	69,397.53	81,644.15
Micro Processor Kit	15%	129,432.54				-	-	-		129,432.54	19,414.88	110,017.66	129,432.54
MBM FM	15%	806,237.61				-	-	-		806,237.61	120,935.64	685,301.97	806,237.61
Block -E		**257,426.47**			**226,000.00**	**226,000.00**	**75,333.33**	**150,666.67**		**332,759.81**	**33,275.98**	**450,150.49**	**257,426.47**
Software	10%	257,426.47			226,000.00	226,000.00	75,333.33	150,666.67		332,759.81	33,275.98	450,150.49	257,426.47
						-	-						
Total MBMC	-	**42,089,957.79**	**2,884,202.06**	**4,360,407.00**	**864,700.99**	**8,109,310.05**	**6,079,373.72**	**2,029,936.33**	**4,316,482.95**	**43,852,848.56**	**4,621,139.64**	**41,261,645.24**	**42,089,957.79**

Note: Property Plant and Equipment with Written down value of Rs 4225120 has been transferred to Madan Bhandari Memorial School

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MADAN BHANDARI MEMORIAL COLLEGE
Binayaknagar, New Baneshwor, Kathmandu
Significant Accounting Policies and Notes to Accounts

1. General information

MADAN BHANDARI MEMORIAL COLLEGE (hereinafter referred to as the "the College "), was incorporated as Non-profit Institute in Nepal on 2058 B.S. as a Public College. It is affiliated with Tribhuwan University and Higher Secondary Education Board. College also registers With Inland revenue Office New Baneshwor for PAN 304956937.

The College was formed with an objective of establishment for Quality Education. For the purpose of establishment of Educational Institution, the College has acquired around 14 Ropanies of Land in association with Madan Bhandari Foundation at Kathmandu Metropolitan City Ward No. 10, Binayak Nagar, and New Baneshwor Kathmandu. Presently, the college is running with various Programs in Humanities, Management & Science and Technology for Bachelor's Degree and Master's Degree.

The financial statements were authorized to issue by the management on 23rd Mangsir, 2081.

2. Significant Accounting Policies

2.1 Basis of preparation and accounting policies

2.1.1 Statement of Compliance

These financial statements have been prepared in accordance with Nepal Accounting Standards.

2.2.2 Basis of Measurement

The financial statements have been prepared on the historical cost basis except investments held-for-trade is measured at fair value.

2.2.3 Critical Accounting Estimates

The preparation of the financial statemetns in conformity with Nepal Accounting Standards requires the use of certain critical accounting estimates and judgements. The company makes certain estimates and assumptions regarding the future events. In the future, actual result may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a meterial adjustment to the carrying amounts of assets and liabilities within the next financial year are to be disclosed.

2.1.4. Functional and Presentation Currency

The financial statements are prepared in Nepalese Rupees, which is the Company's functional currency. All the financial information presented in Nepalese Rupees has been rounded to the nearest rupee, except otherwise indicated.

2.2 Accounting Policies

The pricipal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presente, unless otherwise stated.

2.2.1 Impairment of non-financial assets (excluding inventories)

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, the asset is written down accordingly. Impairment charges are included in profit or loss.

A. Pokhrel & Associates Chartered Accountants Birtamod, Jhapa

MADAN BHANDARI MEMORIAL COLLEGE

2.2.2. Foreign currency

Transactions entered into by company entities in a currency other than the currency of the primary economic environment in which they operate (the functional currency is NPR) are recorded at the rates ruiling when the transactions occur. Foreign currency monetary assets and liablities are translated at the rates ruiling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liablities are recognized immdediately in profit or loss.

2.2.3. Property, plant and equipment

Items of property, plant and equipment are initially recognized at cost. Cost includes the purchase price and other directly attributable costs. Subsequently, items of property, plant and equipment are measured at cost less depreciation less impairment.

2.2.4. Depreciation

Freehold land is not depreciated. Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property, plant and equipment so as to write-off their carrying value over the expected useful economic lives.

Depreciation has been computed on WDV method using rates as per Income Tax Act, 2058.

2.2.5. Leased Assets

When all the risks and rewards incidential to the ownership are not transferred to the company (an operating lease), the total rentals payable under the lease are charged to the statement of income over the lease term.

2.2.6. Investments

Investments are initially measured at cost and subsequently at lower of cost or market price. The provision for impairment is recognized in the statement of income.

2.2.7. Trade and Other Receivables

Trade and other receivables are stated at their cost less provision for impairment. The amount of the provision is recognized in the income statement.

2.2.8. Inventories

Inventories are initially recognized at cost, and subsequently at the lower of cost and net realisable value.

The cost is determined on first-out-first (FIFO) method or weighted average method and included expenditure incurred in acquiring the inventories and bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes direct material and labour cost and it does not include overheads which is charged to the statemnt of income in the period in which it is incurred.

2.2.9. Cash and cash equivalents

Cash and cash equivalents comprises cash balances, call deposits and other short term highly liquid investments. Bank overdrafts that are repayble on demand and form and integral part of the company's cash management are included within borrowings in current liabilities on the balance sheet.

2.2.10. Share capital

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset the company's equity shares are classified as equity instruments.

Members' contribution and other capital contribution are stated as capital fund of the college.

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MADAN BHANDARI MEMORIAL COLLEGE

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Significant Accounting Policies and Notes to Accounts

2.2.11. Borrowing costs

Interest bearing borrowings are recognized initially at cost, net of attributable transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated at amortized cost. Borrowing costs are charged to the income statement in the period in which it is incurred.

2.2.12. Retirement Benefits

Defined contribution schemes

Benefits payable on contribution scheme is measured and recognized as expenses at the amount that needs to be contributed (whether or not actually contributed; i.e. on accrual basis) by the company during the reporting period.

Defined benefit schemes

Benefits payable for defined benefit scheme is measured and recognized as a liablity at the amount that would be payable at the end of the reporting period, if the employees leave on that date. Employees who have not completed the minimum period of services to be entitled to the retirement benefit at the end of the reporting period are not considered in the masurement of the liability.

2.2.13. Taxation

Income tax is the expected tax payable on the taxable income for the year using tax rate at the balance sheet date and any adjustment to tax payable in respect of previous years.

Additional income taxs that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend.

2.2.14. Trade and other payables

Trade and other payables are stated at their cost.

2.2.15. Provisions

The provisions for liabilities of uncertain timing or amount include those for warranty claims, leasehold dilapidations and legal disputes. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

2.2.16. Income

Revenue

Renenue for the sale of goods or services is recognized when the entity has transferred the significnat risks and rewards of ownership to the buyer and it is probable that the company will receive the previously agreed upon payment.

Interest income

Interest income are recognized in the statement of income using the effective interest method.

Dividend income

Dividend income is recognized in the income statement when the right to receive payment is established.

2.2.17. Expenses

Operating lease payments

Payments made under operating lease are recognized in the income statement on a straight -line basis over the term of the lease.

Interest

Interest expenses are recognized in the statement of income using accrual method.

MADAN BHANDARI MEMORIAL COLLEGE

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MADAN BHANDARI MEMORIAL COLLEGE
Binayaknagar, New Baneshwor, Kathmandu
Significant Accounting Policies and Notes to Accounts

3. Notes to Accounts

3.1. Revenue
Fee income has been recognized in cash basis. For student receivable reflected in financial statements, corresponding amount has been reflected in "Fee Receivable Suspense Account".

3.2. Related Party Transactions

Identity of related parties
No transaction with related parties was identified during the year.

3.3. Current/Non-current Assets and Liabilities

Current assets are expected to be realized within the normal operating cycle of the entity or within twelve months after the reporting period or are intended for sale or consumption within the normal operating cycle of the entity or are held primarily for the prupose of trading or are cash and cash equivalents. All other assets are classified as Non-current assets.

Current liabilities are expected to be settled in the entity's normal operating cycle or are primarily held for trading or are due to be settled within a period of twelve months after the reporting period. All other liabilities are classified as non-current liabilities.

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MADAN BHANDARI MEMORIAL COLLEGE
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