मदन भण्डारी मेमोरियल कलेज

नयाँ बानेश्वर, काठमाडौं

लेखा परीक्षण प्रतिवेदन

आ.व. २०८१/०८२

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

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying Financial Statements of **M/s Madan Bhandari Memorial College**, Kathmandu ("the college"), which comprise the Statement of Financial Position as of 32 Ashad 2082, [July 16, 2025], 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 2081 till Ashad 32 2082 and notes to the financial statement including a Summary of Significant Accounting Policies.

Because of the significance of the matter prescribed in the Basis of Disclaimer of Opinion paragraph, we have not been able to obtain sufficient and appropriate evidence for cumulative effect of not restating financial items and making disclosure as required by the first-time adopter of Nepal Accounting Standards for Micro Entities (NAS for MEs) to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statement which have not been prepared in accordance with Nepal Financial Reporting Standards (NAS for MEs).

Basis for Disclaimer of Opinion

1. The Institute of Chartered Accountants of Nepal (ICAN) has made it mandatory for entities with annual turnover (revenue of the entity) of NRS 200 million or less and Statement of Financial Position (Balance sheet) total of NRS 200 million or less (without off-setting current liabilities in currents assets) to apply Nepal Accounting Standards for Micro Entities (NAS for MEs) based financial reporting framework with effect from FY 2081/082. However, the financial statements have not been prepared applying NAS for MEs and financial information of previous years have not been restated and disclosed based on transitional provisions of section 25 of the NAS for MEs. The cumulative effect of not restating, presenting and disclosing financial information based on transitional provision of NAS for MEs is uncertain and could be material and pervasive.

2. We could not verify the balance of Prime Bank Limited (Account no 00101000000530500178), Agricultural development Bank Ltd (Account No 02112000242100 11) and NIC Asia Bank Ltd (Account No 3004150022431002) 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.

A. Pokhrel & Associates
Birtamod, Jhapa
Chartered Accountants

Birtamode-04, Jhapa
+977-9852654333
apokhrelassociates@gmail.com

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 NAS for MEs, 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 responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with Nepal Standards on Auditing. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

For A. Pokhrel & Associates
Chartered Accountants

A. Pokhrel & Associates
Birtamod, Jhapa
Chartered Accountants

Aashish Pokhrel, FCA
Proprietor
Date: 28th Ashwin 2082
Place: Kathmandu, Nepal
UDIN: 251015CA01218rRFZC

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

STATEMENT OF FINANCIAL POSITION

As on 32st Ashad 2082

Particulars	Sch	Current Year	Previous Year
Capital and Liabilities		**68,279,590**	**69,151,931**
Capital Fund	1	43,698,768	43,698,768
Surplus & (Defict) Account	2	24,580,822	25,453,163
Non current Liabilities			
Deffered Grant Liablity		**20,463,861**	**20,422,485**
Deffered Grant Liability	3	20,463,861	20,422,485
Other Grant Liability		-	-
Current Liabilities		**22,652,675**	**48,961,441**
Short Term Borowing			
Staff and Other Liabilities	4	22,027,735	47,170,914
Creditors/Payable	5	76,866	585,594
Tax/TDS Liabilities	6	548,074	1,204,934
Total Capital & Laibilities		**111,396,127**	**138,535,858**
Assets			
Net Fixed Assets		**41,221,467**	**41,261,645**
Property Plants & Equipment (Tangible Assets)	16	41,221,467	41,261,645
Intangible Assets		-	-
Current Assets			
Advance, Deposit & Receivables		**26,201,199**	**50,349,678**
Advance & Deposit	7	12,922,282	12,437,658
Student Receivable	8	13,278,917	37,912,020
Cash & Cash Equivalents		**43,973,461**	**46,924,535**
Bank Balance	9	43,973,323	46,919,696
Cash Balance	10	137	4,839
Total Assets		**111,396,127**	**138,535,858**

As per our Report of Even Date

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

Laxmi Raj Chapagain
Finance Officer

Dr. Tara Prasad Gautam
Assistant Campus Chief

Dr. Babu Ram Adhikari
Campus Chief

Mahendra Bahadur Pandey
Chairperson

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

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

STATEMENT OF INCOME

For the period 1st Shrawan 2081 to 32 Ashad 2082

Particulars	Sch	Current Year	Previous Year
Fee Income	11	60,980,953.30	62,930,968.27
Less: Academic Expenses	12	31,442,699.30	32,744,240.54
Gross Surplus		**29,538,254.00**	**30,186,727.73**
Other Income	13	1,621,953.19	1,309,259.15
Grant Income	14	6,078,124.27	4,017,278.18
Total Operating Income		**37,238,331.46**	**35,513,265.06**
Less: Administrative Expenses	15	32,003,339.08	24,672,920.55
Less: Repair & Maintainance Expenses	16	670,023.94	1,272,946.36
Net Operating Surplus (Deficit) Before Dep. & Tax		**4,564,968.44**	**9,567,398.15**
Less : Depreciation	17	5,031,078.77	4,621,139.64
Less : Bank Interest & Charges		-	-
Net Surplus (Deficit) before Staff Bonus & Income Tax		**(466,110.33)**	**4,946,258.51**
Less : Provision for staff bonus		-	-
Net Surplus (Deficit) before Income Tax		**(466,110.33)**	**4,946,258.51**
Less: Current Year Tax		-	989,251.70
Add/Less: Deffered Tax		-	-
Net Surplus (Deficit) after Income Tax		**(466,110.33)**	**3,957,006.80**
Less : Excess TDS Paid over provision		-	-
Surplus Available for Appropriation		**(466,110.33)**	**3,957,006.80**

As per our Report of Even Date

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

Laxmi Raj Chapagain
Finance Officer

Dr. Tara Prasad Gautam
Assistant Campus Chief

Dr. Babu Ram Adhikari
Campus Chief

Mahendra Bahadur Pandey
Chairperson

A. Pokhrel & Associates, Birtamod, Jhapa, Chartered Accountants

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

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

STATEMENT OF CASH FLOW

For the period 1st Shrawan 2081 to 32 Ashad 2082

Particulars	Current Year	Previous Year
A. From Operating Activities		
Net Surplus & (Deficit) before income tax	(466,110.33)	3,957,006.80
Previous year Adjustment in Surplus & (Defict)	(406,230.51)	(5,559,060.74)
Adjustment for Non operating & Non Cash Item		
Depreciation of Property, Plant and Equipments	5,031,078.77	4,621,139.64
Depreciation of Grant Building Credited to Other Income	(958,624.27)	(1,009,078.18)
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	24,148,478.98	(6,585,395.04)
(Decrease) Increase in Current Liabilities	(26,308,766.05)	9,044,465.37
Less: Excess Income Tax over Provision	-	-
Deffered Tax Deduction	-	-
Paid income tax Previous Year	-	-
Net Cash flow From Operating Activities	**1,039,826.59**	**4,469,077.86**
B. Cash flow From Investing Activities		
Purchase of Property, Plant and Equipments	(4,990,900.50)	(8,109,310.05)
Capitalization of Repair to Property, Plant and Equipments	-	-
Sale/ Disposal of Property, Plant & Equipments		4,316,482.95
Net Cash flow From Investing Activities	**(4,990,900.50)**	**(3,792,827.10)**
C. Cash flow From Financial Activities		
Increase/(Decrease) in Capital Fund	-	-
Loan Received	-	-
Deffered Grant Received for Furniture	1,000,000.00	-
Net Cash flow from Financing Activities	**1,000,000.00**	-
Net Increase (Decrease) in cash & Cash Equivalent (A+B+C)	**(2,951,073.91)**	**676,250.76**
Cash & Cash Equivalent at the Beginning of the Year	46,924,534.63	46,248,283.87
Cash & Cash Equivalent at the End of the Year	**43,973,460.72**	**46,924,534.63**

As per our Report of Even Date

Laxmi Raj Chapagain
Finance Officer

Dr. Tara Prasad Gautam
Assistant Campus Chief

Dr. Babu Ram Adhikari
Campus Chief

Mahendra Bahadur Pandey
Chairperson

A. Pokhrel & Associates, Chartered Accountants, Birtamod, Jhapa

Aashish Pokhrel, FCA
For: A. Pokhrel &

MADAN BHANDARI MEMORIAL COLLEGE
Binayaknagar,New Baneshwor,Kathmandu
Statement of Surplus & Reverve Account Fiscal Year 2081/82

Particulars	Current Year	Previous Year
Accumulated Reserve & Surplus Upto Previous Year	25,453,163.14	27,055,217.08
Net Profit For The Year	(466,110.33)	3,957,006.80
Profit Available For Distribution	**24,987,052.81**	**31,012,223.88**
Appropriatons		
General Reserve	-	-
Other Reserve Funds	-	-
Adjustment	(406,230.51)	(5,559,060.74)
Balance of Profit /(Loss) Transferred to the Balance Sheet	**24,580,822.30**	**25,453,163.14**

....
Laxmi Raj Chapagain
Finance Officer

....
Dr. Tara Prasad Gautam
Assistant Campus Chief

....
Dr. Babu Ram Adhikari
Campus Chief

....
Mahendra Bahadur Pandey
Chairperson

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

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar,New Baneshwor,Kathmandu
Statement of Change in Fund
For the year ended 32nd Ashad, 2082

Particulars	Current Year	General Reserve	Capital Reserve	Other Reserve	Total
Opening Balance	43,698,768.19	25,453,163.14	-	-	69,151,931.33
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	-	(466,110.33)	-	-	(466,110.33)
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	-	(406,230.51)	-	-	(406,230.51)
Closing Equity Balance:	43,698,768.19	24,580,822.30	-	-	68,279,590.49

Laxmi Raj Chapagain
Finance Officer

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Assistant Campus Chief

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Campus Chief

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

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

Statement of Property, Plant, Equipment & Depreciation as at 32nd Ashadh 2082

Schedule - 18

Particulars	Dep Rate	WDV Upto Last Year	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 2082.03.32
Block - A		**29,606,920.89**	**28,364,149.17**	-	-	-	-	-			**28,364,149.17**	**1,418,207.46**	**26,945,941.71**
New Building (Grant Received)	5%	20,181,563.61	19,172,485.43				-	-			19,172,485.43	958,624.27	18,213,861.16
Building	5%	4,519,991.91	4,376,719.17			-	-	-	-		4,376,719.17	218,835.96	4,157,883.21
Wall Construction	5%	1,484,961.00	1,410,712.95				-	-	-		1,410,712.95	70,535.65	1,340,177.30
Other Construction	5%	3,420,404.37	3,404,231.62			-	-	-	-		3,404,231.62	170,211.58	3,234,020.03
Block- B		**9,377,430.28**	**7,650,900.19**	**2,206,422.00**	**54,502.00**	**2,130,186.00**	**4,391,110.00**	**2,952,818.67**	**1,438,291.33**	-	**10,603,718.85**	**2,650,929.71**	**9,391,080.47**
Furniture & Fixtures	25%	1,676,572.67	2,638,281.92	234,398.00	48,902.00	520,000.00	803,300.00	440,332.67	362,967.33		3,078,614.59	769,653.65	2,671,928.27
Office Equipments	25%	1,443,147.31	616,196.56	120,537.00	5,600.00	1,150.00	127,287.00	124,653.67	2,633.33		740,850.22	185,212.56	558,271.00
Scientific and Education Equipments	25%	192,558.19	144,418.64				-	-	-		144,418.64	36,104.66	108,313.98
Computers and Equipments	25%	4,746,311.18	2,580,080.39	1,360,407.00		1,486,176.00	2,846,583.00	1,855,799.00	990,784.00		4,435,879.39	1,108,969.85	4,317,693.54
Smart TV	25%	186,205.93	505,638.85	108,480.00			108,480.00	108,480.00	-		614,118.85	153,529.71	460,589.14
CC TV with Camera	25%	312,997.15	244,172.11				-	-	-		244,172.11	61,043.03	183,129.08
Electricals Equipments	25%	765,624.77	881,601.91	382,600.00		122,860.00	505,460.00	423,553.33	81,906.67		1,305,155.24	326,288.81	1,060,773.10
Laboratory Equipments	25%	54,013.08	40,509.81				-	-	-		40,509.81	10,127.45	30,382.36
Block -C		**91,362.95**	**2,426,493.33**	-	-	-	-	-	-		**2,426,493.33**	**485,298.67**	**1,941,194.67**
Vehicle	20%	91,362.95	2,426,493.33		-		-	-	-		2,426,493.33	485,298.67	1,941,194.67
Block -D		**2,756,817.18**	**2,369,952.06**	**369,520.00**	**183,871.00**	**46,399.50**	**599,790.50**	**507,567.17**	**92,223.33**		**2,877,519.23**	**431,627.88**	**2,538,114.68**
Water & Electrical Items	15%	211,371.70	205,505.94	298,361.00		-	298,361.00	298,361.00	-		503,866.94	75,580.04	428,286.90
Library Books	15%	1,528,131.18	1,299,728.96	71,159.00	183,871.00	46,399.50	301,429.50	209,206.17	92,223.33		1,508,935.13	226,340.27	1,374,818.19
Other Assets	15%	81,644.15	69,397.53				-	-	-		69,397.53	10,409.63	58,987.90
Micro Processor Kit	15%	129,432.54	110,017.66				-	-	-		110,017.66	16,502.65	93,515.01
MBM FM	15%	806,237.61	685,301.97				-	-	-		685,301.97	102,795.30	582,506.67
Block -E		**257,426.47**	**450,150.49**	-	-	-	-	-	-		**450,150.49**	**45,015.05**	**405,135.44**
Software	10%	257,426.47	450,150.49				-	-	-		450,150.49	45,015.05	405,135.44
Total		42,089,957.79	41,261,645.24	2,575,942.00	238,373.00	2,176,585.50	4,990,900.50	3,460,385.83	1,530,514.67	-	44,722,031.07	5,031,078.77	41,221,466.97

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 2081 to 32 Ashad 2082

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	25,453,163.14	27,055,217.08
Adjustment to Opening Surplus (Deficit)	(406,230.51)	(5,559,060.74)
Surplus (Deficit) for the Current year	(466,110.33)	3,957,006.80
	24,580,822.30	**25,453,163.14**

Deffered Grand Liabilities — Schedule-3

Particulars	Current Year	Previous Year
Grant of Building from DDC Kathmandu	20,422,485.43	21,431,563.61
Less : Depreciation for DDC Kathmandu	(958,624.27)	(1,009,078.18)
Sub-Total	**19,463,861.16**	**20,422,485.43**
Grant for Purchase of Furniture from UGC	1,000,000.00	
Total	**20,463,861.16**	**20,422,485.43**

Staff and Other Liabilities — Schedule-4

Particulars	Current Year	Previous Year
Staff Account		
Smriti Kunwar	2,957.00	2,957.00
Phul Babu Jha	3,205.00	-
Other Liabilities		
Audit Fee Payable	172,825.00	172,825.00
CIT Payable	32,220.00	32,220.00
Deposit Refundable	6,642,760.00	6,552,760.00
Expenses payable	18,459.00	7,168.00
Fee Suspense Account	13,282,916.90	37,912,019.70
Gratuity Payable	227,779.82	227,779.82
Internal Audit Fee Payable	55,750.00	-
Madan bhandari school	14,712.56	647,321.93
MBEF Fund	2,000.00	2,000.00
Ocean drinking water	13,859.00	13,859.00
PF - Employee Contribution Payable	20,890.32	20,890.32
Retention Money - Guarantee	88,604.00	
Salary Liabilities	1,033,421.43	1,132,702.43
SNPL Trade link	-	3,825.00
Sujan Kafle & Associates - SKA	33,450.00	33,450.00
Universal Thought Consult Pvt. Ltd	26,900.00	26,900.00
Welfare Fund	355,025.40	355,025.40
GS Trade Concern	-	27,208.00
Total	**22,027,735.43**	**47,170,913.60**

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 2081 to 32 Ashad 2082

Sundry Creditors — **Schedule-5**

Particulars	Current year	Previous Year
Ak Computer Center	-	2,462.00
Bagbati Eletricals	-	6,255.00
Betal International pvt ltd	11,297.00	11,297.00
Bimal Valley enterprise	-	26,839.00
Broadcast Group Pvt Ltd	-	1,000.00
Chemicals Instruments Center	3,540.00	
Drop Supply and Services pvt.ltd	-	3,345.00
E-Zone International pvt. Ltd	-	223,000.00
Gravity IT Solution Pvt.ltd	2,787.00	2,787.00
Hate Maalo Cleaning	6,000.00	
M.S Center	1,172.00	1,172.00
M/S khaja ghar	-	270.00
MBEF payable	-	18,000.00
Nepal Electricity Authority	-	81,331.00
Poonam Art and media	-	30,684.00
Practical Expenses payable	10,000.00	52,850.00
Scholarship Payable	34,000.00	34,000.00
Scientific medical technology nepal	3,561.00	3,561.00
Shree lumbini Furnishing	4,509.00	4,509.00
Sky Press And trade link Pvt ltd	-	75,830.00
Valley Interprises	-	6,402.00
Total	**76,866.00**	**585,594.00**

Tax Liabilities — **Schedule-6**

Particulars	Current Year	Previous Year
Income Tax Payable	-	989,251.70
Rental Tax	-	3,872.00
TDS Payable	548,073.77	211,809.95
Total	**548,073.77**	**1,204,933.65**

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 2081 to 32 Ashad 2082

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

Particulars	Current Year	Previous Year
Advance for teachers training	30,000.00	30,000.00
Teachers Salary Advance (TDS)	545,396.77	-
Advance Tax	134,346.58	191,803.53
Balaram Shrestha	116,000.00	116,000.00
Bansaj poudel	-	6,000.00
Chintamani Bhattarai	500,000.00	-
Madan Bhandari Foundation	10,000,000.00	10,000,000.00
Phul Babu Jha	-	48,595.00
Prajwal Man Shrestha	-	400,000.00
Ravi raj baral	65,280.00	100,000.00
Roshan Bistha	1,308,740.91	1,308,740.91
Rukesh Paudel	16,000.00	-
Santosh Thapa	-	30,000.00
Sundara Kumari Sunar	176,519.00	176,519.00
Yagya Raj Bhatta	30,000.00	30,000.00
Total	**12,922,282.26**	**12,437,658.44**

Student Receivable **Schedule-8**

Particulars	Current Year	Previous Year
Student Receivable	13,278,916.90	37,912,019.70
Total	**13,278,916.90**	**37,912,019.70**

Bank Balance **Schedule-9**

Particulars	Current Year	Previous Year
ADB Current Account (021010001902901l)	25,884.68	25,884.68
ADB Saving Account (0210100019029011)	1,328,378.46	1,328,378.46
E-SEWA (NMB)	100.00	100.00
Everest Bank Dollar Account (000000874606 0340)	67,325.00	-
Everest Bank Ltd. (034001052500499)	518,682.77	243,602.83
Everest Bank Ltd. (BSC-CSIT)	5,000.00	5,000.00
Everest Bank Ltd. (Call - 03401102200005)	360,580.72	1,688,884.43
Everest Bank Ltd. (Current - 03400105200023)	11,048.95	5,152,173.07
Everest Bank Ltd. (Fixed)	7,750,000.00	7,750,000.00
Everest Fixed 03400701203303	5,000,000.00	5,000,989.72
Everest Fixed 03400705200011	6,855,290.07	6,624,402.35
Everst Bank(03400105200303)	10,630.90	-
Khalti	210,500.00	38,000.00
NIC ASIA Bank (current) 3004150022431002	8,213,437.54	8,113,787.54
NIC Asia Call Acc 3004450022431004	390.00	390.00
NMB Bank Ltd. (Fixed Deposit)	1,300,000.00	1,300,000.00
NMB Bank(0010146409800014)	-	11,500.00
Prabhu Bank 0010153631300014 Current account	1,045,040.32	456,748.63
Prime Bank Ltd. (BSC-CSIT)	1,231,307.77	1,231,307.77
Rastriya Banijya Bank (UGC)	10,037,726.15	7,948,546.15
Sanima Bank 023010010001850 (College Alumni)	2,000.00	-
Total	**43,973,323.33**	**46,919,695.63**

Cash Balance **Schedule -10**

Particulars	Current Year	Previous Year
Cash Balance	137.39	4,839.00
Total	**137.39**	**4,839.00**

A. Pokharel & Associates
Birtamod, Jhapa
Chartered Accountants

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

Schedule Forming Part of Income Statement

For the period 1st Shrawan 2081 to 32 Ashad 2082

Student Fee Income — Schedule-11

Particulars	Current Year	Previous Year
Gross Admission, Annual & Tuition fee	60,021,196.30	60,898,690.22
Exam, Registration, Lab & Other fee	2,018,785.00	1,304,777.00
Less : Discount/Scholarship	(1,137,528.00)	(286,979.00)
Other Income	78,500.00	1,014,480.05
Total	**60,980,953.30**	**62,930,968.27**

Academic Expenses — Schedule-12

Particulars	Current Year	Previous Year
Educational Lab	-	76,908.00
Entrance prepration expenses	10,500.00	60,000.00
Examination Supervision	244,717.50	13,000.00
Extra Curriculum Expenses	31,265.00	192,796.00
Field visit and Educational Tour Expenses	557,083.00	549,027.80
Guest Lecture Expenses	36,500.00	48,672.22
Internal Exam Expenses	88,105.00	45,517.98
Journalism Practical Expenses (Radio Swet Shardul)	-	1,512,505.00
Lecturers' Salary	20,877,211.80	22,850,116.00
Library Expenses	113,100.00	91,039.00
Orientation and Farewell expense	374,710.00	468,542.00
Other Academic Expenses	583,723.00	95,000.00
Practical Exam Expenses	1,146,074.00	889,842.54
Promotional Expenses	281,250.00	569,560.00
Research and Publication expenses	920,000.00	120,600.00
Sports Program	499,958.00	302,890.00
Thesis Guide & Supervision Expenses	121,304.00	179,754.00
Training and Seminar Expenses	161,308.00	14,500.00
TU Exam form & Registration Exp.	5,395,890.00	4,663,970.00
Total	**31,442,699.30**	**32,744,240.54**

Other Income — Schedule-13

Particulars	Current Year	Previous Year
Bank Interest Income	895,644.19	1,278,690.15
Canteen Rent Income	120,000.00	
Hall rent	456,499.00	30,569.00
Miscellaneous Income	127,810.00	-
Scrap Sales Income	22,000.00	
Total other income	**1,621,953.19**	**1,309,259.15**

Grant Income — Schedule-14

Particulars	Current Year	Previous Year
Regular Grant Income	5,119,500.00	3,008,200.00
Deffered Grant Income (Grant Building)	958,624.27	1,009,078.18
Total Grant Income	**6,078,124.27**	**4,017,278.18**

A. Pokhrel & Associates, Chartered Accountants, Birtamod, Jhapa

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

Schedule Forming Part of Income Statement

For the period 1st Shrawan 2081 to 32 Ashad 2082

Administrative Expenses — Schedule-15

Particulars	Current Year	Previous Year
Administrative Salary	23,293,528.75	15,103,952.00
Advertisement	161,058.00	302,427.50
AGM Expenses	501,795.00	66,000.00
AMC and Renewal Charges	254,000.00	52,149.00
External Audit Fee	175,150.00	175,150.00
Audit Expenses	1,330.00	-
Consultant fee	-	169,500.00
Calender Expenses	192,805.00	-
Internal Audit Fee	113,000.00	-
Bank Charge	4,130.04	775.00
Hospitality and Canteen Expenses	569,085.00	439,285.00
Cleaning and sanitary	111,507.00	134,909.00
College day expenses	755,383.00	563,290.00
Computer Accessories Exp. - CAE	68,452.00	182,345.00
Consumable Goods Expenses	-	13,882.00
Donation & Charity	-	7,000.00
Drinking Water	100,906.00	340,628.00
Electricity and Goods Expenses	962,744.98	571,926.00
Festival & Celebration Expenses	34,605.00	64,010.00
Fuel and Lubricants	17,310.00	70,550.00
Garden Expenses	18,405.00	136,060.00
ID Card Printing Expenses	16,200.00	-
Medicine & First Aid Expenses	7,723.00	104,270.00
Meeting Expenses	122,589.10	166,185.10
Membership Fee	41,200.00	-
Staff dress	289,600.00	265,140.00
Newspaper & Magazines	55,300.00	12,800.00
Other Expenses	52,675.50	477,346.45
Printing and Staionary	918,839.00	2,083,904.66
Pocket Diary Expenses	111,870.00	-
Publication Expenses	515,754.00	15,000.00
Rates & Taxes	-	1,500.00
Refreshment Exp.	-	60,910.00
Registration and Renewal	-	8,000.00
Result Day Expenses & Talent Hunt Expense	52,155.00	-
Scholarship Expenses	-	777,500.00
SMS expenses	29,100.00	22,500.00
Social Works and Health Disaster Manageme	200,300.00	21,920.00
Celebration Expenses	433,863.00	-
Prize Expenses	184,690.00	-
Picnic Expenses	120,350.00	-
Staff welfare expenses	8,750.00	147,736.85
Internship salary	23,600.00	43,296.00
Idea X Hakathon Program Expenses	350,621.00	617,380.71
Telephone & Internet Expenses	437,650.00	382,300.00
Training and Seminar Expenses	98,880.00	257,863.00
Transportation & Fuel Exp.	28,845.00	130,428.00
Travel Alllowance TU	138,798.00	4,040.00
Vehicle Insurance & Other Expenses	14,000.00	29,240.00
Virtual Expenses (sms ,web page)	41,810.00	47,460.00
Wages	271,420.00	505,207.00
Fine Penalties And interest	100,361.71	97,154.28
Photography Expenses	1,200.00	-
Total	**32,003,339.08**	**24,672,920.55**

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Birtamod, Jhapa
Chartered Accountants

MADAN BHANDARI MEMORIAL COLLEGE

Binayaknagar, New Baneshwor, Kathmandu

Schedule Forming Part of Income Statement

Repair & Maintenance — **Schedule-16**

Particulars	Current Year	Previous Year
Furniture	159,905.00	138,391.00
Office Equipment	49,428.00	151,103.40
Building	243,076.94	685,180.46
Repair & Maintenance-Other	118,376.00	60,832.00
Computer, Internet, Electricity Repairing Charge	99,038.00	184,632.00
Vehicle	200.00	52,807.50
Total	**670,023.94**	**1,272,946.36**

Depreciation Expenses — **Schedule-17**

Particulars	Current Year	Previous Year
Depreciation of Property Plants & Equipments	4,072,454.50	3,612,061.46
Depreciation of Building Granted by DDC KTM	958,624.27	1,009,078.18
Total	**5,031,078.77**	**4,621,139.64**

A. Pokhrel & Associates
Birtamod, Jhapa
Chartered Accountants

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 is also registered under SSF(Social Security Fund) from Mangshir 2081 with registration no: 330608M800005444.

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.

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 material 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.

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

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.

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

Binayaknagar, New Baneshwor, Kathmandu

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.

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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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