

**AUDITOR'S REPORT TO THE MEMBERS
OF
NON – RESIDENT NEPALI ASSOCIATION (NRNA)**

1. We have audited the accompanying financial statements of **Non – Resident Nepali Association (NRNA)**, which comprises the Balance Sheet as on Ashad 31, 2072, (July 16, 2015) and the Income & Expenditure accounts, related Schedules and Notes to the accounts for the period (1st Shrawan 2071 to 31st Ashad 2072) then ended.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depended on our professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considered the internal control relevant to Association's preparation and fair presentation of the financial statements in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the Association's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management as well as evaluating the overall presentation of the financial statements.

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

Opinion

4. On the basis of our examination, we would like to report that:
- i. We have not come across the cases where NRNA is non - compliant of chapter 17 of Income Tax Act 2002, and
 - ii. We have not come across the cases where NRNA had carried any objective contrary to its objective.
5. In our opinion, the accompanying financial statements give a true and fair view, in all material respects the financial position of the **Non – Resident Nepali Association (NRNA)** as at 31st Ashad, 2072 (16th July 2015), and of the results of its financial performance for the period then ended in accordance with accounting policy adopted by NRNA and relevant practices.

For: S. R. Pandey & Co.
Chartered Accountants

CA. S. R. Pandey
Partner

Place: Kathmandu
Date: 2072/06/06

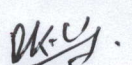


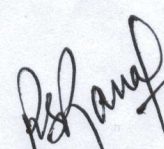
Non-Resident Nepali Association
Kathmandu, Nepal
Balance Sheet
As on 31st Ashad, 2072 (16th July, 2015)

Assets	Sch	31/03/2072	32/03/2071
		NRS	NRS
Current Assets			
Cash and Bank Balances	2	256,030,590.71	46,034,668.99
Advance, Receivables and Deposits	5	2,066,071.00	2,920,538.68
Total Current Assets		258,096,661.71	48,955,207.67
Invesments	4	-	24,251,078.99
Fixed Assets			
Land		127,881,425	-
Building WIP		903,848.02	-
Office Equipments/Furniture	3	1,293,099.00	1,284,499.00
Less: Depreciation		820,539.97	652,346.34
Net Fixed Assets		129,257,832.05	632,152.66
Total Assets		387,354,493.76	73,838,439.32

Liabilities and funds		31/03/2072	32/03/2071
Funds and Surplus			
Funds	1	352,643,513.34	47,200,793.04
Capital Reserve (For Grant Assets)		-	45,736.44
Surplus		25,617,271.51	26,052,155.43
Total Fund and Non- Current Liabilities		378,260,784.85	73,298,684.90
Current Liabilities			
Loan		9,000,000	-
Accounts Payables	6	45,871.42	539,379.42
Withholding Tax Payable		47,837.50	375.00
Total Current Liabilities		9,093,708.92	539,754.42
Total Funds and Liabilities		387,354,493.77	73,838,439.32

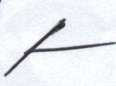
As per our report of even date
For: S.R. Pandey & Co.
Chartered Accountants


Pramod K C
Accounts Officer
NRNA


Rajesh Rana
Executive Director
NRNA


Badri KC
Treasurer
NRNA -ICC




Shesh Ghale
President
NRNA-ICC

CA Sudarshan Raj Pandey



Date: 2072.06.06
Place: Kathmandu

Non-Resident Nepali Association


Kathmandu, Nepal

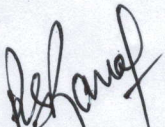
Income and Expenditure Account

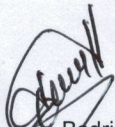
For the period 01/04/2071 to 31/03/2072 (17/07/2014 to 16/07/2015)

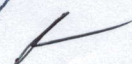
(Amount in NPR)

Income	Sch	31/03/2072	32/03/2071
ICC Member Contribution		488,362.75	4,235,673.56
NCC Member Contribution		2,995,465.90	4,416,482.60
Interest from Banks		2,304,587.04	976,499.30
Program Income	9	471,740.00	-
Mis. Income		47,500.00	-
Foreign Gain/(loss)		14,205.74	-
Total Income		6,321,861.43	9,628,655.46
Expenditures			
Administrative and Operational Expenses	7	4,326,146.20	3,065,364.17
6th Global Conference		-	1,981,980.00
Assets Write off		15,001.79	6,650.00
Depreciation	3	107,455.40	74,442.00
Balances Written off (net)		1,571,445.68	2,362,905.13
Program expenses	8	736,696.28	-
Total expenditure		6,756,745.35	7,491,341.30
Surplus/(Deficit) of the Year		(434,883.92)	2,137,314.16
Surplus at the Beginning		26,052,155.43	24,171,628.27
Total		25,617,271.51	26,308,942.43
Less: Transfer to Foreign Employment Fund		-	256,787.00
Total Surplus Carried to Balance Sheet		25,617,271.51	26,052,155.43


Pramod K C
Accounts Officer
NRNA

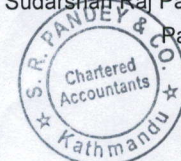

Rajesh Rana
Executive Director
NRNA


Badri KC
Treasurer
NRNA -ICC


Shesh Ghale
President
NRNA-ICC

As per our report of even date
For: S.R. Pandey & Co.
Chartered Accountants


CA Sudarshan Raj Pandey
Partner



Date: 2072.06.06
Place: Kathmandu

Non-Resident Nepali Association

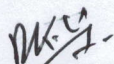
Kathmandu, Nepal

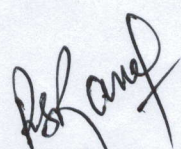
Cash Flow Statement

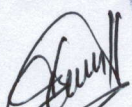
For the period 01/04/2071 to 31/03/2072 (17/07/2014 to 16/07/2015)


(Amount in NPR)

Particulars	31/03/2072	32/03/2071
Cash flow from operation activities:		
Surplus/(Deficit) of the year	(434,883.92)	2,137,314.16
Adjustment of non cash expenses:		
Add: Deprecation	107,455.40	74,442.00
Add: Loss on Disposal of Fixed Assets	15,001.79	6,650.00
Operating cash before Working Capital changes	(312,426.73)	2,218,406.16
Cash flow from change working capital		
(Increased)/Decreased in current assets	854,467.68	3,485,013.72
Increased/(Decreased) in current liabilities	8,553,954.50	(221,032.17)
A. Net cash Flow from operating activities	9,095,995.45	5,482,387.71
Cash flow from investing activities:		
Purchase of fixed assets	(128,793,873.02)	(26,300.00)
Decrease/(Increase) in investment	24,251,078.99	(21,230,763.32)
B. Net Cash flow from investing activities	(104,542,794.03)	(21,257,063.32)
Cash flows from financing activities:		
Funds Collected	305,442,720.30	32,381,351.81
C. Net Cash flows from financing activities	305,442,720.30	32,381,351.81
Net change in cash (A+B+C)	209,995,921.72	16,606,676.20
Opening Cash and Bank balance	46,034,668.99	29,427,992.79
Closing Balance	256,030,590.71	46,034,668.99

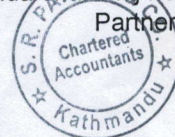

Pramod K C
Accounts Officer
NRNA


Rajesh Rana
Executive Director
NRNA


Badri KC
Treasurer
NRNA - ICC


Shesh Ghale
President
NRNA-ICC

CA Sudarshan R. Pandey



Date: 2072.06.06
Place: Kathmandu

As per our report of even date
For: S.R. Pandey & Co.
Chartered Accountants

Non-Resident Nepali Association
Kathmandu, Nepal
Schedules forming part of financial statement as at 31st Ashad, 2072

	<u>31/03/2072</u>	<u>32/3/2071</u>
<u>SCHEDULE - 1</u>		
<u>FUNDS & SURPLUS</u>		
NRNA Endowment Fund	3,493,519.47	3,306,089.96
NRNA Open University Fund	46,201.07	1,200,868.00
NRNA Emergency Fund	59,175,086.42	3,733,663.51
NRNA Building Fund	101,864,143.31	20,217,593.07
NRNA Charity Fund	186,672,287.06	7,704,369.98
NRNA Foreign Employment Relief Fund	261,240.43	10,034,471.19
NRNA Foreign Employment Fund	783,376.97	783,376.97
Women Welfare Fund	347,658.61	220,360.36
TOTAL NPR	352,643,513.34	47,200,793.04
<u>SCHEDULE-2</u>		
<u>CASH & BANKS</u>		
Sanima Bank Ltd.,(NRNA Regular)	179,790,858.24	3,160,298.00
Sanima Bank Ltd.,(NRNA Secretariat)	73,068.37	2,744,479.97
Sanima Bank Ltd., (NRNA Emergency Fund)	55,393,576.36	3,840.48
Sanima Bank Ltd.,(NRNA Endowment Fund)	3,493,519.47	55,010.97
Sanima Bank Ltd.,(NRNA Open University Fund)	46,201.07	1,100,868.00
Bank of Kathmandu (NRNA Charity Fund)	12,094,906.76	8,487,746.95
Bank of Kathmandu(NRNA Building Fund)	10,900.01	20,217,593.07
Machhapuchchhre Bank (Foreign Employment Relief Fund)	261,240.43	10,034,471.19
Machhapuchchhre Bank (Building Fund)	2,248,339.03	-
Sanima Bank Ltd.(Women Welfare Fund)	347,658.61	220,360.36
NRNA Foreign Currency Account	2,270,322.36	-
Petty Cash	-	10,000.00
TOTAL NPR	256,030,590.71	46,034,668.99
<u>SCHEDULE -4</u>		
<u>INVESTMENTS</u>		
Fixed Deposit-Sanima Bank Ltd.,(NRNA Regular)	-	21,000,000.00
Fixed Deposit-Sanima Bank Ltd.,(NRNA Endowment Fund)	-	3,251,078.99
TOTAL NPR	-	24,251,078.99
<u>SCHEDULE -5</u>		
<u>ADVANCE, RECEIVABLES & DEPOSITS</u>		
Nepal Telecom(Telephone Line Deposit)	5,000.00	5,000.00
Civil Homes(5th Global Conference Sponsorship)	-	1,284,268.00
Pacific College (5th Global Conference Sponsorship)	-	175,000.00
NCC Bharain(5th Global Conference Sponsorship)	35,000.00	35,000.00
Narendra Ranabhat(6th GCsponsorship Receivable)	100,000.00	100,000.00
NCC Baharain(6th Global Conference Sponsorship Receivable)	50,000.00	50,000.00
4th Middle East Regional Meet Baharain receivable	-	431,729.00
7th European Regional Meeting Barcelona receivable	-	110,155.00
Pramod Dhakal (Open University TF Advance)	-	100,000.00
FNCCI	-	112,177.68
Receivable-Media TF	50,000.00	50,000.00
Receivable-CNC\DC TF	794,214.60	333,759.00
Receivable-NRNA Secretariat	357,621.00	-
Receivable-Sanima NRNA	505,785.40	-
Receivable-Dipesh Malla	35,000.00	-
Receivable-PONA TF	133,450.00	133,450.00
TOTAL NPR	2,066,071.00	2,920,538.68

Pramod K C
Accounts Officer
NRNA

Rajesh Rana
Executive Director
NRNA

Badri KC
Treasurer
NRNA -ICC

Shesh Ghale
President
NRNA

CA Sudarshan Raj Pandey
Partner



As per our report of even date
For S.R. Pandey & Co.
Chartered Accountants



Non-Resident Nepali Association
Kathmandu, Nepal
Schedules forming part of financial statement as at 31st Ashad, 2072

SCHEDULE - 6

ACCOUNTS PAYABLE & PROVISIONS

	<u>31/03/2072</u>	<u>32/3/2071</u>
Audit Fee Payable	27,500.00	27,875.00
Other Service Fee Payable	11,504.42	11,504.42
CIT Payable	6,867.00	-
Rastria Pragya Pratisthan(6th Global Conference Payable)	-	500,000.00
TOTAL NPR	45,871.42	539,379.42

SCHEDULE - 7

ADMINISTRATIVE AND OPERATIONAL EXPENSES

Remuneration Expenses	3,048,254.00	1,898,635.00
Media Committee Expenses	13,373.00	289,884.75
Office Operation Expenses	181,689.00	116,205.00
Audit Fee	28,250.00	28,250.00
Communication, Media and Publication	471,922.00	30,896.00
Fuel and Conveneyance	185,752.00	118,584.00
Repair and Maintenance	5,390.00	17,390.00
Delivery and Courier Charges	-	13,678.00
Service Fees	16,000.00	64,831.42
Clearing Charge	20.20	-
Travelling & Daily Allowance	10,000.00	42,830.00
Printing & Stationaries	113,147.00	55,345.00
Promotion Expenses	-	24,540.00
Grant/Support	26,000.00	10,000.00
Miscellaneous Expenses	52,572.00	70,413.00
Consumables	57,100.00	-
Website Development Expenses	5,085.00	197,750.00
Meeting and Program Expenses	111,592.00	38,282.00
TOTAL NPR	4,326,146.20	3,017,514.17

SCHEDULE - 8

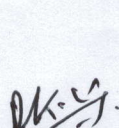
Program Expenses

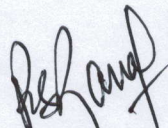
Nepal Promotion Task Force	372.25	-
Disciplinary Task Force	215,653.03	-
Uterine Prolapse Task Force Expenses	520,671.00	47,850.00
	736,696.28	47,850.00

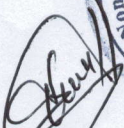
SCHEDULE - 9


Program Income

4th Baharain Reg Meet	91,951.50	-
7th Barcelona Reg Meet	24,966.00	-
8th Regional Conference, Japan	-	-
NRN Day 2014	354,822.50	-
	471,740.00	-


Pramod K C
Accounts Officer
NRNA


Rajesh Raha
Executive Director
NRNA


Badri KC
Treasurer
NRNA-ICC


Shesh Ghale
President
NRNA


CA Sudarshan Raj Pandey

Partner
Chartered Accountants
Kathmandu

Date: 2072.06.06
Place: Kathmandu

As per our report of even date
For S.R. Pandey & Co.
Chartered Accountants



Schedule-3
STATEMENT OF FIXED ASSETS AS AT 31.3.2072

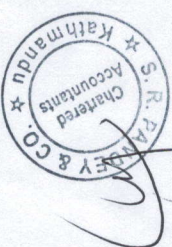
Non-Resident Nepali Association
Kathmandu, Nepal

Particulars	Booked Date	Opening As at 1/4/2071	Addition Upto Poush	After Poush	Write off	Closing As at 31/03/2072	Rate	As at 1/4/2071	Depreciation	Write Off-WDV	Up to 31/03/2072	As at 31/03/2072	Written Down Value As at 1/4/2071
Office Equipment (Grant)		102,265.00	-		102,265.00	-	10.00%	86,925.48	10,226.50	5,113.02	102,265.00	-	15,339.52
Lap Top Computer - 1		43,975.00	-		43,975.00	-	10.00%	37,378.85	4,397.50	2,198.65	43,975.00	-	6,596.15
Printer (Written Off)		57,805.00	-		57,805.00	-	10.00%	37,573.73	5,780.50	14,450.77	57,805.00	-	20,231.27
Desktop Computer-1		10,200.00	-		10,200.00	-	10.00%	6,630.50	1,020.00	2,549.50	10,200.00	-	3,569.50
Fax Machine-1		214,245.00	-		214,245.00	-	10.00%	168,508.56	21,424.50	24,311.94	214,245.00	-	45,736.44
Office Equipment		8,500.00	-			8,500.00	10.00%	2,974.92	850.00		3,824.92	4,675.08	5,525.08
Samsung LCD Monitor		33,000.00	-			33,000.00	10.00%	11,550.50	3,300.00		14,850.50	18,149.50	21,449.50
Desktop Computer		7,800.00	-			7,800.00	10.00%	1,294.92	370.00		1,664.92	2,035.08	2,405.08
Heater		7,800.00	-		7,800.00	-	10.00%	2,730.50	780.00	4,289.50	7,800.00	-	5,069.50
External Harddrive (Written Off)		7,800.00	-			7,800.00	10.00%	2,340.50	780.00		3,120.50	4,679.50	4,725.25
Gas Heater with Cylinder		67,500.00	-			67,500.00	10.00%	20,249.75	6,750.00		26,999.75	40,500.25	25,312.53
Inverter (with UPS + Battery)		36,160.00	-			36,160.00	10.00%	10,847.67	3,616.00		14,463.67	21,696.33	37,800.00
Desktop Computer (Assembled)		54,000.00	-			54,000.00	10.00%	16,200.00	5,400.00		21,600.00	32,400.00	31,150.08
Lap Top Computer - 1		44,500.00	-			44,500.00	10.00%	13,349.92	4,450.00		17,799.92	26,700.08	12,149.50
Telephone Set-2		16,200.00	-			16,200.00	10.00%	4,050.50	1,620.00		5,670.50	10,529.50	12,349.83
Sony Digital Camera-1 (Damaged)		19,000.00	-		19,000.00	-	10.00%	6,650.17	1,900.00	10,449.83	19,000.00	-	16,249.83
Desktop Computer (CPU)-1		25,000.00	-			25,000.00	10.00%	8,750.17	2,500.00		11,250.17	13,749.83	14,520.17
LCD Monitor-2		24,200.00	-			24,200.00	10.00%	9,679.83	2,420.00		12,100.17	15,850.42	19,020.42
Other Equipments		31,700.00	-			31,700.00	10.00%	12,679.58	3,170.00		15,849.58	19,020.42	16,250.17
Desktop Computer -1		65,000.00	-			65,000.00	10.00%	48,749.83	6,500.00		55,249.83	9,750.17	437.46
Heating Heater-1 (written off because immaterial amount)		1,750.00	-		1,750.00	-	10.00%	1,312.54	175.00	262.46	1,750.00	-	2,275.42
ADSL		31,200.00	-			31,200.00	10.00%	4,224.58	650.00		4,874.58	1,625.42	26,520.00
Canon Printer		3,000.00	-			3,000.00	10.00%	4,680.00	3,120.00		7,800.00	2,340.00	2,637.00
Fan		13,500.00	-			13,500.00	10.00%	363.00	300.00		663.00	5,150.00	6,500.00
Cycle		38,500.00	-			38,500.00	10.00%	7,000.00	1,350.00		8,350.00	32,130.00	35,981.00
Mobile Set		6,000.00	-			6,000.00	10.00%	2,519.00	3,850.00		6,369.00	5,100.00	5,700.00
Harddisk		3,800.00	-			3,800.00	10.00%	180.00	380.00		570.00	3,230.00	3,610.00
Router		8,600.00	-			8,600.00	10.00%	-	430.00		430.00	8,170.00	-
Gas Heater with Cylinder		-	8,600.00			-	10.00%	-	-		-	-	-
Office Furnitures		3,500.00	-			3,500.00	10.00%	1,050.08	350.00		1,400.08	2,099.92	2,449.92
Office Table		518,444.00	-			518,444.00	10.00%	290,099.82	51,844.40		341,944.22	176,499.78	228,344.18
Office Furnitures & Furnishing		1,070,254.00	-		28,550.00	1,050,304.00	10.00%	483,837.78	107,455.40	15,001.79	606,294.97	472,559.03	586,416.23
Total Nrs		1,284,499.00	8,600.00	-	242,795.00	1,050,304.00		652,346.34	128,679.90	39,313.73	850,539.97	472,559.03	632,152.66

Ms. S.

[Signature]

[Signature]



NON-RESIDENT NEPALI ASSOCIATION
Accounting Policies & Notes to Annual Accounts
For the period ended 31st Ashad, 2072 (16th July, 2015)

A. Accounting Policies

1. Institutional Information

Non Resident Nepali Association (NRNA) has been registered with Government of Nepal, Ministry of Foreign Affairs on 21st October 2013, as per the decision of Government of Nepal (Ministerial Level) dated 20th October, 2013 pursuant to the Non-Resident Nepali Act, 2007 and the Non-Resident Nepali Rules, 2009. It is registered with Inland Revenue Department with effect from 4th December, 2013 and has obtained tax exemption certificate.

2. Accounting Convention

The Financial Statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) based on accrual of accounting unless specifically mentioned elsewhere.

To the extent of cash basis accounting as prescribed on bylaws, Nepal Public Sector Accounting Standard issued for public sector entities, has been considered.

3. Reporting Currency

The financial statements have been presented using Nepalese Currency Rupees (NPR).

4. Investments

Investments are recognized at their cost value. Any income arising out of the investments are treated as revenue income. In special circumstances where specified income arising out of investments directed are transferred to the respective funds of the association.

5. Foreign Exchange Transactions

Foreign currency transactions are recognized in functional currency, by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of transaction accounting exchange gain/loss.

6. Revenue and Expenses Recognition

Income and expenses are accounted on accrual basis. But the incomes from contribution of National council committee (NCC) & International Conference committee (ICC) Members are accounted on cash basis.

7. Fixed Assets

- i. Fixed Assets have been shown in accordance with historical cost concept.
- ii. Fixed Assets are depreciated at the rates of 10% applying straight line methods on the following manner.
 - Purchase before Poush end – Six-month depreciation will be charged.
 - Purchase after Poush end – No depreciation will be charged.
- iii. An amount equal to the cost of Fixed Assets acquired during the year has been transferred to Capital Reserve Account and depreciation on Fixed Assets is charged to Capital Reserve Account in case of grant assets



8. Funds

The association can operate the following funds in order to achieve its various objectives:

i. General Fund

ICC can establish a General Fund for accounting all the incomes relating to contribution from members, publications, and activities of ICC or NCC as well as all the expenses of the association.

ii. Social Welfare Fund

ICC can establish a Social Welfare Fund for humanitarian welfare activities. All the grant amounts contributed by any association, organization, company or individual are accounted in this fund.

iii. Other Funds

ICC can establish various other funds as required, for the achievement of objectives of the association.

9. Taxation

The association is a tax exempt entity for the purpose of Income tax under Income Tax Act 2058. So the rate of income tax is nil. Deferred tax are not accounted since there are no any temporary difference arising out of normal activities of the association.

10. Employee Benefits

Employee benefits are all forms of consideration given by the association in exchange for service rendered by employees. Currently, the association has been contributing 10% of basic salary of employee to approved retirement fund.

11. Accounting Period

Financial Statements are prepared based on fiscal accounting period of the Nepal Government. Fiscal period means fiscal year adopted by government of Nepal which lies between mid of July each year.

B. Notes to Accounts

1. Loan amounting NRs. **21,000,010** is provided as short term loan by NRNA's ICC/NCC members to NRNA for Building purchase and construction at 0% interest rate for short term period. NRNA's bylaws is silent regarding arrangement of such loan however same has been approved through IES meeting of NRNA dated 10th March 2015. After the repayment of loan amounting NRs. **12,000,010**, based on terms and conditions specified in acknowledgement letter, there is a loan amounting NRs. **9,000,000** unpaid at cutoff date.
2. In order to provide relief and rehabilitation to victims of disastrous earthquake occurred on 25th April and 12th May 2015, NRNA has established Earthquake Relief Fund. Out of Total receipts amounting NRs. **208,073,020.43**, NRs. **37,013,779.77** has been already used for relief program. Remaining amount along with additional contribution shall be utilized for rehabilitation program i.e. building 1000 houses in earthquake affected areas. Such Earthquake fund has already been audited by Baker Tilly for the period 25th April to 12th June 2015.
3. Debit Balance amounting NRs. **739,999.75** is seen in Everest Tragedy Fund 2014 which is against the prudent accounting practice. Nrs. amounting **940,000** is used for Everest Avalanche Victims before receipt of funds for such use. It clearly depicts that the fund given for one purpose is utilized for another purpose. However, in totality, charity fund balance shows credit balance as required for fair presentation. Similarly, Nrs. **18,076** under charity fund is expensed before receipt of such amount.

from Subash Adhikari(NRNA UK) therefore is seen as receivable from long time which is against the recognition criteria of Fund accounting i.e. Cash Basis.

4. Fixed Deposit of **NRs.3,251,078.99** and **NRs.2,10,00,000** opened in Sanima Bank Ltd. in 16th May, 2014 and 5th March, 2014 from Endowment Fund and Sanima Bank account- NRNA respectively for a period of 365 days has been released upon maturity and same has been transferred to concerned bank accounts.
5. The association has received interest from various banks and transferred to the specific funds as shown below:

Details	Interest Income (Nrs.)	Transferred to concerned funds (Nrs.)	Net Interest Recognized (NRs.)
Interest for NRNA Charity Fund			
Bank of Kathmandu	252,367.02	252,367.02	-
Interest from Bank NRNA			
Sanima NRNA	2,272,088.80	-	2,272,088.80
Interest for NRNA Endowment Fund (Sanima Bank)	187,429.51	187,429.51	
Interest for OUN Fund (Sanima Bank)	6,402.07	64,02.07	
Interest for Women Welfare Fund (Sanima Bank)	10,230.28	10,230.28	
Interest for NRNA Scretariat-Sanima Bank	29,001.62	-	29,001.62
Interest for FERF(MBL)	226,769.24	226,769.24	
Interest for NRNA Building Fund (BOK) and machhapuchhre	959,407.08	959,407.08	
Interest for Emergency Fund (Sanima Bank)	480,587.06	480,587.06	
Interest For Foreign Currency Account	3,496.02	-	3,496.02
Total	4,427,779.30	2,123,192.26	2,304,587.04

6. The association has written off some of the receivables and assets during the period and balance amounting to Rs. 1,571,445.68 and Rs. 15,001.79 (exclusive of grant assets written off amounting Rs. 24,311.94) has been shown in the Income and Statement Account respectively as shown below:

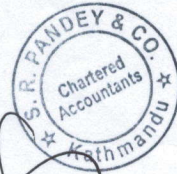
Details	Amount (Nrs.)
Receivables written off:	
FNCCI	112,177.68.00
Civil Homes (5 th global Conference Sponsorship)	1,284,268.00
Pacific College (5 th global Conference Sponsorship)	175,000.00
Total Receivable Written off (A)	1,571,445.68
Assets Written Off-WDV	
Lap Top Computer – 1 (Grant Assets)	5,113.02
Ledger Printer-stock (Grant Assets)	2,198.65
Desktop Computer-1(Grant Assets)	14,459.77
Fax Machine-1(Grant Assets)	2,549.50
External Harddrive	4,289.50
Sony Digital Camera 1	10,110.00



Total

39,313.73

7. The association has provided advance amounting Rs. 185,000 for various interaction and promotional programs, which is yet to be settled.



Shafana

[Signature]



Non Resident Nepali Association (NRNA) has been registered with Government of Nepal, Ministry of Foreign Affairs on 21st October 2013, as per the decision of Government of Nepal (Ministerial Level) dated 20th October, 2013 pursuant to the Non-Resident Nepali Act, 2007 and the Non-Resident Nepali Rules, 2009. It is registered with Inland Revenue Department with effect from 4th December, 2013 and has obtained tax exemption certificate.

Observations:

1. Non-compliance of Income Tax Act:

As per rule 20, sec 20(ga), contribution to retirement fund related to Ashad end shall be deposited within 1 month of booking of expense. However NRNA has failed in complying this provision as contributions of Pramod K.C. amounting Nrs. 6,867 has not been deposited yet. However, reduction for same has already been claimed.

2. Long pending Advance

The association has provided advance amounting Rs. 185,000 for various interaction and promotional programs, which is yet to be settled. NRNA is suggested to settle advances timely.

Details	Amount (Nrs.)
NCC Bahrain(5 th Global Conference Sponsorship)	35,000.00
Narendra Ranabhat (6th Global Conference Sponsorship)	100,000.00
NCC Baharain (6th Global Conference Sponsorship)	50,000.00
Total	185,000