



B.R.B.S. & Associates

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ASHA FOR CHILDREN FOUNDATION

OPINION

We have audited the accompanying financial statements of **M/ Asha for Children Foundation**, which comprises the Balance Sheet as at 31st Ashadh 2078 and the related Statement of Income, Statement of Cash Flow, and Summary of Significant Accounting Policies and Notes for the year then ended.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31st Ashadh 2078 and of its financial performance and its cash flows for the year then ended in accordance with Nepal Accounting Standard (NAS).

BASIS FOR OPINION

We conducted our audit in accordance with Nepal Standard 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. We are independent of the Company in accordance with the International Ethics Standard Board for Accountant's Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those audit matters that, in our professional judgment, were of most significance in our audit of the financial statement of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters that need to be reported for the year under audit.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS



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Management is responsible for the preparation and fair presentation of these 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes the opinion. Reasonable assurance is a 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. Misstatement 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

There were no any issues that need to be reported under the Legal and regulatory requirements.

For BRBS & Associates
Chartered Accountants

CA Bijaya Sukupayo
(Partner)

Address: Kathmandu, Nepal

UDIN: 210725CA00767rQ4ke

Date: 2078.04.10



ASHA for Children Foundation

Thamel, Kathmandu, Nepal

Balance Sheet

As on Ashad 31, 2078 (July 15, 2021)

Particulars	Sch.	Current Year NPR	Previous Year NPR
<u>SOURCES OF FUNDS:</u>			
<u>Share Fund</u>			
Share Capital		-	-
<u>Reserve & Fund</u>			
Capital Reserve		-	-
Donor's Fund		-	-
		-	-
		-	-
<u>APPLICATION OF FUNDS :</u>			
Fixed Assets		-	-
		-	-
Current Assets, Loans & Advances			
Cash & Bank Balance	1	30,585.00	-
Loan and advance	2	3,000.00	-
		33,585.00	-
Less: Current Liabilities & Payables	3	199,450.00	-
Less: Provision for Income Tax		-	-
Net Current Assets		(165,865.00)	-
Accumulated Deficit	4	165,865.00	-
Total		-	-

Significant Accounting Policies & Notes to Accounts

7

As per our attached report of even date

For and on Behalf of Board

Vice-President

President



For B.R.B.S. & Associates
Chartered Accountants

CA. Bijaya Sukupayo
Partner

Date: 2078/04/10
Place: Kathmandu

ASHA for Children Foundation
Thamel, Kathmandu, Nepal
Income and Expenditure Statement
For the year ended Ashad 31, 2078 (July 15, 2021)

Particulars	Sch.	Current Year NPR	Previous Year NPR
Income:			
Member Fee Income	5	5,000.00	-
Total Incomes (A)		<u>5,000.00</u>	<u>-</u>
Expenditure:			
General, Administrative and Operational Expenses	6	170,865.00	-
Total Expenditures (B)		<u>170,865.00</u>	<u>-</u>
Surplus / (Deficit) for the year (C) = (A)-(B)		(165,865.00)	-
Provision for Income Tax (D)		-	-
Net Surplus / (Deficit) after Tax (C) + (D)		<u>(165,865.00)</u>	<u>-</u>

Significant Accounting Policies & Notes to Accounts

7

As per our attached report of even date

For and on Behalf of Board

For B.R.B.S. & Associates
Chartered Accountants


Vice-President


President






CA. Bijaya Sukupayo
Partner

Date: 2078/04/10
Place: Kathmandu

ASHA for Children Foundation

Thamel, Kathmandu, Nepal

Cash Flow Statement

For the year ended Ashad 31, 2078 (July 15, 2021)

Particulars	Current Year NPR	Previous Year NPR
Surplus/(Dificit) during the year	(165,865.00)	-
Add: Depreciation	-	-
Less:- Income tax paid	-	-
Operating Profit before changes in Working Capital	(165,865.00)	-
Changes in Working Capital:		
(Increase)/Decrease in Current Assets	(3,000.00)	-
Increase/(Decrease) in Current Liabilities and Payable	199,450.00	-
Net Cash Flow From Operating Activities [A]	30,585.00	-
Cash Flow from Investing Activities		
(Purchase) / Sale of Fixed Assets	-	-
Net Cash Flow From Investing Activities [B]	-	-
Cash Flow from Financing Activities		
Repayment of Loan	-	-
Net Cash Flow From Financing Activities [C]	-	-
Total Cash Flow From All Activities [D]=[A] + [B] + [C]	30,585.00	-
Opening Cash & Bank Balances [E]	-	-
Closing Cash & Bank Balances [D] + [E]	30,585.00	-

Significant Accounting Policies & Notes to Accounts

7
As per our attached report of even date

For and on Behalf of Board

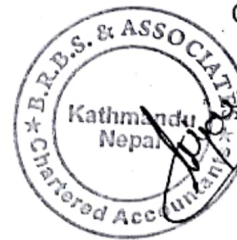

Vice-President




President



For B.R.B.S. & Associates
Chartered Accountants



CA. Bijaya Sukupayo
Partner

Date: 2078/04/10
Place: Kathmandu

ASHA for Children Foundation
Thamel, Kathmandu, Nepal
Schedules Forming Part of the Financial Statements
For 2077.078

Cash & Bank Balance

Schedule 1

Particulars	Current Year NPR	Previous Year NPR
Nepal investment bank	30,000.00	
Cash in Hand	585.00	
Total	30,585.00	-

Loan and Advance

Schedule 2

Particulars	Current Year NPR	Previous Year NPR
Advance house rent	3,000.00	
Total	3,000.00	-

Current Liabilities & Other Payables

Schedule 3

Particulars	Current Year NPR	Previous Year NPR
Audit fee Payable	16,725.00	
TDS on Audit fee	225.00	
TDS on Legal Consultancy Fee	7,500.00	
Loan from Member	175,000.00	
Total	199,450.00	-

Accumulated Reserves

Schedule 4

Particulars	Current Year NPR	Previous Year NPR
Opening Balance	-	
Add: Dificit during the Year	(165,865.00)	
Closing Reserve Balance	(165,865.00)	-

Donation Income

Schedule 5

Particulars	Current Year NPR	Previous Year NPR
Member Fee Income	5,000.00	
Total	5,000.00	-



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ASHA for Children Foundation

Thamel, Kathmandu, Nepal

Schedules Forming Part of the Financial Statements

For 2077.078

General, Administrative and Operational Expenses

Schedule 6

Particulars	Current Year NPR	Previous Year NPR
Administrative Expenses		
Audit Fee	16,950.00	-
House Rent Expenses	45,000.00	
Office Expenses	20,000.00	
Expenses at the time of Registration		
Printing and Stationery Expenses	13,100.00	
Registration Fee Expenses	25,815.00	
Legal Expenses	50,000.00	
Total	170,865.00	-

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Schedules forming part of the Financial Statements

Schedule -7 : Significant Accounting Policies & Notes to the Accounts

A. About the Company:

Asha for Children Foundation is a nonprofit organization registered with the office of Company Registrar with registration number 250863/077/078 on 2077.09.08 and has been registered with IRO Thamel having PAN 609885677 on 2077.09.08. The organization has also been registered with Social Welfare Council with registration number 52178 on 2077.10.09. The organization has received tax exemption for the year 2076.077 on 2078.01.10.

The organization is controlled by ASHA (HOPE) NGO which is nonprofit organization registered with SWC with registration number 863 dated 2071.02.21 and Kathmandu Chief Administrative office.

The main objective of the organization is to provide education to the deprived children and orphans and to do social welfare for the benefit of the society with non profit motive.

B. Significant Accounting Policies:**1. Accounting Conventions:**

The financial statements are prepared under the historical cost conventions on accrual basis unless otherwise stated and are in accordance with Nepal Accounting Standards.

2. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the periods in which the results are known/materialized.

3. Going Concern:

The financial statements are prepared on Going concern Basis.

4. Revenue Recognition:

Revenue of organization is recognized on cash basis as and when received by the.

5. Depreciation:

Depreciation on Fixed Assets shall be charged only on the basis of Rates prescribed by Income tax Act 2058 of Nepal.

6. Advances, Prepayments, Receivables and Deposits:

Advances, prepayments, receivables and deposits are stated at book value.



C. Notes to the Accounts:

1. **Share Capital.** As per Section 167 of companies' act 2063, there shall not be required share capital to incorporate a company not distributing profits, hence the company has been registered without share capital.

2. **Income Tax**

The Organization has received Tax Exemption Certificate for 2077.078 from Income Tax Office. Thus, no tax liability is calculated.

3. **Related Party Disclosures:**

The organization has received Rs 1,75,000.00 loan from members to meet registration expenses and initiation operating expenses .

4. Schedules are the integral part of the financial statements.

5. All amounts are stated in the Nepalese Rupees.

6. This is first year or the company hence there was no previous year balance in the financial statements.

For & On Behalf of the Board


Vice-President




President



For B.R.B.S. & Associates
Chartered Accountants

CA. Bijaya Sukupayo
Partner
Date: 2078.04.10
Place: Kathmandu

ASHA for Children Foundation
TDS Calculation Sheet for 2077.078

Expenses	Rate	Expenses	Tax Amount	Interest	Total
TDS Payable on Audit fee	1.50%	16,950.00	225.00	-	225.00
TDS on Legal consultancy fee	15.00%	50,000.00	7,500.00	-	7,500.00
Total					7,725.00