

To,  
**Auditing Standards Board**  
Satdobato, Lalitpur

### **Independent Auditor's Report**

#### **Opinion**

We have audited the accompanying financial statements of **Auditing Standards Board** (the 'Board') which comprises Statement of Financial Position as at Ashadh 31, 2081 (corresponding to July 15, 2024), Statement of Income and Expenditure, Statement of Cash Flow, Statement of Changes in fund for the period ended on Ashadh 31, 2081 and a summary of significant accounting policies and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respect, the financial position of the **Board**, as at Ashadh 31, 2081 and its financial performance and its cash flows for the year then ended in accordance with, accounting policies and disclosures made in the significant accounting policies and notes to the financial statements.

#### **Basis for Opinion**

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the company in accordance with the ICAN's Handbook of Code of Ethics for Professional Accountants together with the ethical requirement 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 ICAN's Handbook of Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our opinion.

#### **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 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. There were no key audit matters to be reported in our audit report.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management of **Auditing Standards Board**, ('the Board'), is responsible for the preparation and fair presentation of the Financial Statements in accordance with the applicable Financial Reporting Framework and other accounting principles generally accepted, including the accounting policies as adopted and for such internal control as management determines, is necessary to enable preparation of the financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

#### **Auditors' Responsibilities for the Audit of Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not 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 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, 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 entity'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 Board'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 disclosure in the financial statement 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 Board to cease as a going concern.
- Evaluate the overall presentation of the Financial Statements including disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation,
- Obtain sufficient appropriate audit evidences regarding the financial information of the entities or business activities within the Board to express an opinion on the Financial Statements.

### Report on Other Legal and Regulatory Requirements

On the basis of our examination, we would like to report that:

- a. We have obtained all the information and explanations, which were necessary for the purpose for our audit.
- b. The Statement of Financial Position, Statement of Income and Expenditure, Statement of Cash Flows, Statement of Changes in Funds and attached dealt with by this report are in agreement with the books of account maintained by the Board.
- c. In our opinion, proper books of accounts as required by law have been kept by the Board.
- d. we have not come across the cases where the Board of Directors or any member thereof or any employees of the Board have acted contrary to the provisions of law relating to the accounts, or committed any misappropriation or caused loss or damage to the Board relating to the accounts in the Board.
- e. We have not come across any accounting fraud.


CA. Rabin Sapkota

Proprietor

R. Sapkota & Associates,

Chartered Accountants

Place: Kathmandu, Nepal

Date: 2081/06/20 (October 06, 2024)

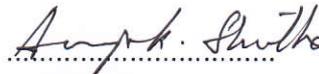
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AUDITING STANDARDS BOARD  
Sardobato, Lalitpur  
STATEMENT OF FINANCIAL POSITION AS AT 31st ASHADH 2081

Particulars	Notes	Amount in NRs.	
		31st Ashadh 2081	31st Ashadh 2080
<b>Assets</b>			
<b>Non Current Assets</b>			
Properties, Plant and Equipment	4.1	762,893	833,229
<b>Total Non Current Assets</b>		<b>762,893</b>	<b>833,229</b>
<b>Investment</b>			
Short Term Investment	4.2	4,500,000	6,500,000
<b>Current Assets</b>			
Inventories	4.3	249,361	336,934
Trade and Other Receivables	4.4	1,035,108	20,839
Cash and Cash Equivalents	4.5	605,754	2,085,521
<b>Total Current Assets</b>		<b>1,890,223</b>	<b>2,443,294</b>
<b>Total Assets</b>		<b>7,153,116</b>	<b>9,776,523</b>
<b>Funds and Liabilities</b>			
<b>Funds</b>			
General Funds	4.6	1,892,752	1,892,752
Reserves and Surplus	4.7	5,214,044	7,041,606
<b>Total Funds</b>		<b>7,106,796</b>	<b>8,934,358</b>
<b>Current Liabilities</b>			
Trade and Other Payables	4.8	46,320	842,165
<b>Total Current Liabilities</b>		<b>46,320</b>	<b>842,165</b>
<b>Total Funds and Liabilities</b>		<b>7,153,116</b>	<b>9,776,523</b>

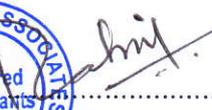
The notes form an integral part of the Financial Statements

As per our attached report of even date.

  
Mr. Anup Kumar Shrestha, FCA  
Chairman

  
Mr. Dilaram Giri  
Member



  
Mr. Rabin Sapkota, FCA  
Sapkota & Associates  
Chartered Accountants

.....  
Mr. Tara Prasad Pandey  
Member

.....  
Mr. Tek Nath Acharya, FCA  
Member

  
Mr. Jitendra Kumar Mishra, FCA  
Member

  
Mr. Bhoj Raj Pandey, FCA  
Member

  
Mr. Bahadur Singh Bista, RA  
Member

  
Mr. Nabin Devkota, CA  
Chief Executive Officer

Date: 14th Ashoj 2081  
Place : Lalitpur, Nepal

  
Mr. Manoj Bhattarai  
Administrative Officer

**AUDITING STANDARDS BOARD**

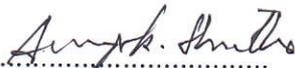
Safdobato, Lalitpur

**STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31st ASHADH 2081**

Particulars	Notes	Amount in NRs.	
		FY 2080-81	FY 2079-80
<b>INCOME</b>			
Government Grants	4.9	5,000,000	5,000,000
Training Incomes	4.10	774,100	990,700
Other Incomes	4.11	1,761,735	1,814,626
<b>Total Income</b>		<b>7,535,835</b>	<b>7,805,326</b>
<b>EXPENDITURE</b>			
Employees Benefit Expenses	4.12	3,144,378	3,077,930
Administrative Expenses	4.13	494,329	591,019
Training Expenses	4.14	1,811,760	1,483,829
Other Operating Expenses	4.15	3,699,844	1,333,355
Depreciation Expenses	4.16	213,086	133,637
<b>Total Expenditure</b>		<b>9,363,397</b>	<b>6,619,771</b>
<b>Net Surplus/(Deficit) for the year</b>		<b>(1,827,562)</b>	<b>1,185,555</b>

The notes form an integral part of the Financial Statements

As per our attached report of even date.

  
.....  
Mr. Anup Kumar Shrestha, FCA  
Chairman

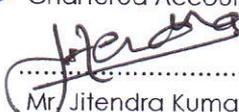
  
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Member



  
.....  
Mr. Rabin Sapkota, FCA  
R. Sapkota & Associates  
Chartered Accountants

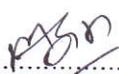
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Mr. Bahadur Singh Bista, RA  
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Chief Executive Officer

Date: 14th Ashoj 2081  
Place : Lalitpur, Nepal

  
.....  
Mr. Manoj Bhattarai  
Administrative Officer

AUDITING STANDARDS BOARD  
Sardobate, Lalitpur  
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st ASHADH 2081

Particulars	Amount in NRs.	
	FY 2080-81	FY 2079-80
<b>A. Cash Flow From Operating Activities</b>		
Net Surplus Before Tax & Extraordinary Items	(1,827,562)	1,185,555
Adjustments for:		
Depreciation	213,086	133,637
Interest Income	(370,231)	(567,126)
Capital Grant Reserve Written Back	-	-
<b>Operating Surplus Before Working Capital Changes</b>	<b>(1,984,707)</b>	<b>752,066</b>
Increase/(Decrease) in Current Liabilities	(795,845)	796,965
Decrease/(Increase) in Current Assets	(926,696)	19,681
<b>Cash Generation From Operation</b>	<b>(3,707,248)</b>	<b>1,568,712</b>
Tax Paid	-	-
<b>Cash Flow From Operating Activities (A)</b>	<b>(3,707,248)</b>	<b>1,568,712</b>
<b>B. Cash Flow From Investing Activities</b>		
Sale/(Purchase) of Properties, Plant & Equipment	(142,750)	(506,717)
Decrease/(Increase) in Investments	2,000,000	-
Interest Income	370,231	567,126
<b>Cash Flow From Investing Activities (B)</b>	<b>2,227,481</b>	<b>60,409</b>
<b>C. Cash Flow From Financing Activities</b>		
Capital Fund Received	-	-
Financial Charges Paid	-	-
<b>Cash Flow from Financing Activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(1,479,767)</b>	<b>1,629,121</b>
<b>Cash &amp; Cash Equivalents at Beginning of the Period</b>	<b>2,085,521</b>	<b>456,400</b>
<b>Cash &amp; Cash Equivalents at End of the Period</b>	<b>605,754</b>	<b>2,085,521</b>

The notes form an integral part of the Financial Statements

As per our attached report of even date.

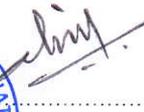


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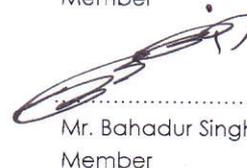
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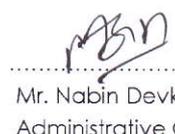
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Administrative Officer

Date: 14th Ashoj 2081  
Place : Lalitpur, Nepal



Mr. Manoj Bhattarai  
Administrative Officer



**AUDITING STANDARDS BOARD**

Satdobato, Lalitpur

**STATEMENT OF CHANGES IN FUND FOR THE YEAR ENDED 31st ASHADH 2081**

Particulars	Amount in NRS.			
	General Fund	Reserve & Surplus	Revaluation Reserve	Total
Opening Balance As On 1st Shrawan 2079	1,892,752	5,856,051	-	7,748,803
Net Surplus/(Deficit) for the year	-	1,185,555	-	1,185,555
Prior Year Adjustment	-	-	-	-
<b>Balance As On 31st Ashadh 2080</b>	<b>1,892,752</b>	<b>7,041,606</b>	-	<b>8,934,358</b>
Opening Balance As On 1st Shrawan 2080	1,892,752	7,041,606	-	8,934,358
Net Surplus/(Deficit) for the year	-	(1,827,562)	-	(1,827,562)
Prior Year Adjustment	-	-	-	-
<b>Balance As On 31st Ashadh 2081</b>	<b>1,892,752</b>	<b>5,214,044</b>	-	<b>7,106,796</b>

**The notes form an integral part of the Financial Statements**

As per our attached report of even date.

  
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Chairman

  
Mr. Dilaram Giri  
Member

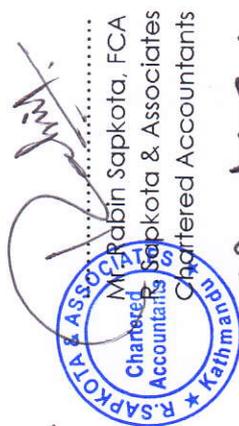
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Mr. Tara Prasad Pandey  
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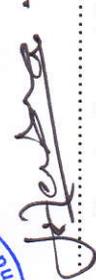
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Mr. Bahadur Singh Bista, RA  
Member

Date: 14th Ashoj 2081  
Place : Lalitpur, Nepal



  
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Mr. Jitendra Kumar Mishra, FCA  
Member

  
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Mr. Nabin Devkota  
Chief Executive Officer

  
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Mr. Manoj Bhattarai  
Administrative Officer

**AUDITING STANDARDS BOARD**  
**Satdobato, Lalitpur**  
**For the year ended 31st Ashadh 2081 (15th July 2024)**  
**Significant Accounting Policies and Notes to the Financial Statements**

**1. General Information**

**1. Legal and Domicile Form**

Auditing Standards Board (AuSB) has been constituted by the Government of Nepal on 26 Falgun 2059 corresponding to 10th March, 2003 under Nepal Chartered Accountants Act, 1997 (first amendment 2002). The AuSB consists of 7 members comprising a Chairman appointed by the Government of Nepal from Fellow Chartered Accountants and other members are representative of Ministry of Finance (MoF), representative of Office of the Auditor General (OAG), Three Chartered Accountants and One Registered Auditor nominated by the Government of Nepal on the recommendation of Institute of Chartered Accountants of Nepal (ICAN).

The rights and duties of Auditing Standards Board as stipulated in the Nepal Chartered Accountants Act include: (a) development of Auditing Standards, (b) evolve appropriate process of development of Auditing Standards (c) redrafting, improvement and revising Auditing Standards, (d) to interpreting the Auditing Standards, (e) undertaking other tasks related to Auditing Standards.

The Financial Statements for the year ended on Ashadh 31st 2081 (15th July 2024) were approved by the board in its 273rd board meeting held on 14th Ashoj 2081.

**2. Significant Accounting Polices**

**2.1 Basis of Preparation**

The Statement of Financial Position, Statement of Income and Expenditure, Cash Flow Statement, Statement of Changes in Fund together with the Significant Accounting Policies and Notes to the Financial Statements (all together referred to as "Financial Statements") have been prepared in accordance with Nepal Financial Reporting Standards (NFRSs), where applicable.

**2.2 Basis of Measurement**

The Financial Statements have been prepared on going concern basis, as the Board is satisfied that at the time of authorization of financial statement, adequate resources to continue its operation for foreseeable future and there are no material uncertainties about its ability to continue as going concern. The Financial Statements have been prepared on historical cost basis and under accrual basis of accounting except otherwise stated.

**2.3 Functional and Presentation Reporting Currency**

The Financial Statements are prepared in Nepalese Rupees (NRs.), which is also the functional currency. All the financial information presented in Nepalese Rupees has been rounded to the nearest Rupees and hence there may not add up and may have rounding difference.

**2.4 Significant Accounting Policies**

The principal accounting policies adopted in the preparation of the Financial Statements are set below.

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#### 2.4.1 Properties, Plant and Equipment

Properties, plant and equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the Board and cost of the assets can be measured reliably. Items of properties, plant and equipment are initially recognized at cost. Cost includes the purchase price and other directly attributable costs as well as the estimated present value of any future unavoidable costs of dismantling and removing items.

##### 2.4.1.1 Depreciation

Depreciation is provided on all items of properties, plant and equipment so as to write-off carrying value over the estimated useful lives.

Depreciation has been computed on Straight Line Method for intangible assets and Written Down Value Method for other fixed assets. The value of depreciation base is calculated on the basis of provisions of the Income Tax Act, 2058 i.e. 100% value is taken as depreciation base if the asset is purchased within Poush-2080, 2/3rd of the value is taken as depreciation base if the asset is purchased between Magh-2080 to Chaitra-2080 and 1/3rd of the value is taken as depreciation base of the asset if the asset is purchased from Baisakh-2081 to Ashad-2081. The estimated useful life for the assets and effective rates for depreciation are as follows

S.N.	Particulars of Assets	Useful life (Years)	Rate
1	Furniture and Fixtures	4	25%
2	Computer and Accessories	4	25%
3	Office Equipment	4	25%
4	Vehicles	5	20%
5	Intangible Assets	5	20%
6	Other Assets	6.67	15%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted as appropriate.

#### 2.4.2 Trade and Other Receivables

Trade and other receivables are initially stated at their carrying value which is approximate to their fair value less possible allowance for impairment.

#### 2.4.3 Inventories

Inventories are initially recognized at cost, and subsequently at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the variable selling expenses.

The cost is determined on First-In-First-Out (FIFO) method and includes expenditure incurred in acquiring the inventories and bringing them to their present location and condition.

#### 2.4.4 Cash and Cash equivalents

Cash and cash equivalents comprise cash balances, current deposit, saving account balance, call deposits and other short term highly liquid investments having maturity less than or equal to the 90 days from the date of deposit.

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*[Circular stamp: R. SHARDA & ASSOCIATES Chartered Accountants Kathmandu]*



## 2.4.5 Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Board and the revenue and associated costs incurred or to be incurred can be reliably measured. Basis for recognition of revenue for individual items of revenue are as below.

### 2.4.5.1 Unconditional and Restricted Grants

#### a) Unconditional Grants

General grants received from Government without any specific condition are accounted as income in the year of received.

#### b) Grants in kind

All grants in kind is valued at their fair value on the date of received and accounted for as deferred revenue accordingly.

## 2.4.6 Trade and Other Payables

Trade and other payables are stated at their amortized cost. All trade payable that are required to be settled after one year from the date of reporting period is classified as non-current liabilities including all employees related liabilities reasonably estimated at reporting date, if any.

## 2.4.7 Income Tax

### 2.4.7.1 Current Tax

AuSB has obtained tax exempt certificate from Inland Revenue Department as per the provisions of Income Tax Act, 2058. Accordingly, its income is not taxable. AuSB, however, is required to comply with submission of Income Tax Returns and also the withholding tax provisions of Income Tax Act.

All its interest income is recorded after withholding tax and accounted for as income net off with withholding tax.

## 3 Related Party Transactions

A related party transaction is a transfer of resources, services, or obligations between related parties regardless of whether a price is charged.

AuSB has paid meeting allowances to the board chairman, board members and Chief Executive Officer for the meeting of board and other committees & subcommittees meeting during fiscal year 2080-81.

## 4. Notes to Financial Statements and Disclosures

### 4.1 Properties, Plant and Equipment

Properties, Plant and Equipment schedule exhibited in separate page.

### 4.2 Short Term Investment

SN	Particulars	31st Ashadh 2081	31st Ashadh 2080
1	Fixed Deposit	4,500,000	6,500,000
	<b>Total (NRs.)</b>	<b>4,500,000</b>	<b>6,500,000</b>

AuSB has Fixed Deposit amount of NRs 4,500,000 in Prime Commercial Bank Limited as on 31st Ashadh, 2081. All the Fixed Deposits will be matured within 365 days.

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*[Circular stamp: R. SAHOTA & ASSOCIATES Chartered Accountants Kathmandu]*



#### 4.3 Inventories

SN	Particulars	31st Ashadh 2081	31st Ashadh 2080
1	Inventories	249,361	336,934
	<b>Total (NRs.)</b>	<b>249,361</b>	<b>336,934</b>

Management considers all inventories to be good in condition.

#### 4.4 Trade and Other Receivables

SN	Particulars	31st Ashadh 2081	31st Ashadh 2080
1	Prepaid Expenses	23,462	5,932
2	Receivable from ICAN	1,000,000	-
3	FD Interest Receivable	9,676	-
4	Advance with NTC	1,671	5,172
5	Advance with Staffs	300	9,735
	<b>Total (NRs.)</b>	<b>1,035,108</b>	<b>20,839</b>

#### 4.5 Cash and Cash Equivalents

SN	Particulars	31st Ashadh 2081	31st Ashadh 2080
1	Cash at bank (Everest Bank Limited)	605,754	2,083,781
2	Cash in Hand	-	1,740
	<b>Total (NRs.)</b>	<b>605,754</b>	<b>2,085,521</b>

#### 4.6 General Funds

SN	Particulars	31st Ashadh 2081	31st Ashadh 2080
1	Balance from previous year	1,892,752	1,892,752
	<b>Total (NRs.)</b>	<b>1,892,752</b>	<b>1,892,752</b>

#### 4.7 Reserves and Surplus

SN	Particulars	31st Ashadh 2081	31st Ashadh 2080
1	Balance from Previous year	7,041,606	5,856,051
2	Surplus During the year	(1,827,562)	1,185,555
	<b>Total (NRs.)</b>	<b>5,214,044</b>	<b>7,041,606</b>

#### 4.8 Trade and Other Payables

SN	Particulars	31st Ashadh 2081	31st Ashadh 2080
1	Trade Payable	-	-
2	Social Security and Other Taxes	20	235,971
3	Non Trade Payables and Accrued Expenses	46,300	606,194
	<b>Total (NRs.)</b>	<b>46,320</b>	<b>842,165</b>

#### 4.9 Government Grants

SN	Particulars	FY 2080-81	FY 2079-80
1	Government Grants	5,000,000.00	5,000,000.00
	<b>Total (NRs.)</b>	<b>5,000,000.00</b>	<b>5,000,000.00</b>

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J.K. [Signature]  
Dipendra [Signature]  
A.M. [Signature]  
R.S. [Signature]  
Sarf. [Signature]





Regular grant of NRs 5 Million was received during the year. This is the grant for generally covering administrative expenses of AuSB, Nepal without any condition hence treated as unconditional grant. Accordingly since it is under the sub heading number 305000113 Government Body Committee and Board Unconditional Government Grant for Government body, Committee and Board of Office code 305003501 Ministry of Finance, Government of Nepal on Expenses heading 26411 under budget, this grant has been accounted for as income in the year of received.

#### 4.10 Training Incomes

SN	Particulars	FY 2080-81	FY 2079-80
1	Kathmandu Training Income	49,900	82,800
2	Bhaktapur Training Income	-	61,200
3	Pokhara Training Income	-	446,700
4	Itahari Training Income	58,900	-
5	Mahendranagar Training Income	37,500	-
6	Nepalgunj Training Income	27,800	-
7	Income Form IRD	600,000	400,000
	<b>Total (NRs.)</b>	<b>774,100</b>	<b>990,700</b>

During the year AuSB has received NRs. 600,000 from Inland Revenue Department as a grant to conduct Training Programs. Other income represents amount collected as participation fees (including CPE) during different training programs.

#### 4.11 Other Incomes

SN	Particulars	FY 2080-81	FY 2079-80
1	Bank Interest	370,231	567,126
2	Capacity Development Support From ICAN	1,000,000	1,000,000
3	Publication Related Income	391,504	247,500
	<b>Total (NRs.)</b>	<b>1,761,735</b>	<b>1,814,626</b>

Capacity Development Support from ICAN is provided for the development, revision and other standards related expenses. The AuSB has submitted claim to ICAN along with detail of expenses before the end of financial year. Since, there was reasonable assurance regarding realization of fund, income has been booked on accrual basis. Bank interest is shown net of TDS deducted by bank and publication related income is presented as gross sales value.

#### 4.12 Employees Benefit Expenses

SN	Particulars	FY 2080-81	FY 2079-80
1	Salary Expenses	2,301,960	2,445,573
2	Medical Allowance	191,828	203,317
3	Leave Encashment	268,560	278,150
4	Cloth Allowance	25,000	33,740
5	Festival Allowance	186,040	99,674
6	Meeting Conveyance	66,800	-
7	Incentive	104,190	17,476
	<b>Total (NRs.)</b>	<b>3,144,378</b>	<b>3,077,930</b>

*[Handwritten signatures and initials]*

*[Stamp: R. SARKOTA & ASSOCIATES Chartered Accountants Kathmandu]*



Currently, AuSB secretariat has total strength of 3 number of staffs. They are CEO, Administrative Officer, and Office Helper. Office Helper is under joint cost sharing basis with Accounting Standard Board which is located on the same premises. All the staffs are engaged with AuSB on contractual basis.

Based on the contractual agreement between AuSB and employees, they are facilitated with the leaves and allowances which is in line with the Labor Act, 2074. However, in absence of clarity of AuSB's authority to prepare It's own Employee Bylaws (based on The Nepal Chartered Accountants Act 2053), the additional facilities like Provident Fund, Gratuity, Insurance could not be provided to the employees.

#### 4.13 Administrative Expenses

SN	Particulars	FY 2080-81	FY 2079-80
1	Communication Expenses	19,947	21,798
2	Printing and Stationery	47,955	59,578
3	Office Expenses	-	7,945
4	Transportation Allowance	4,000	-
5	Hospitality Expenses	95,414	75,318
6	Professional Service Expenses	5,650	32,770
7	Newspaper, Magazine and journal Expenses	6,000	6,000
8	Fuel Expenses	81,492	109,609
9	Gardening Expenses	38,055	44,065
10	Water and Electricity	6,510	10,420
11	Repairs and Maintenance	79,370	84,945
12	Cleaning Expenses	-	28,934
13	Ceremonial Expenses	9,100	14,249
14	Low value capital item	7,947	20,960
15	Kitchen Expenses	12,914	5,825
16	Website Maintenance Expenses	3,531	5,000
17	Audit Fee & Expenses	46,160	47,730
18	Renewal Expenses	5,526	9,120
19	Health and Sanitation	24,025	6,753
20	Finance Charges	733	-
	<b>Total (NRs.)</b>	<b>494,329</b>	<b>591,019</b>

#### 4.14 Training Expenses

SN	Particulars	FY 2080-81	FY 2079-80
1	Training Expenses Bhaktapur	-	424,253
2	Training Expenses Itahari	478,497	-
3	Training Expenses Nepalgunj	429,979	-
4	Training Expenses Mahendranagar	460,198	-
5	Training Expenses Kathmandu	443,086	442,549
6	Training Expenses Pokhara	-	617,028
	<b>Total (NRs.)</b>	<b>1,811,760</b>	<b>1,483,829</b>

During the year 4 numbers of trainings were conducted physically. Nepalgunj program was conducted independently by AuSB whereas the Itahari, Mahendranagar & Kathmandu programs were conducted in coordination with Inland Revenue Department (IRD).

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#### 4.15 Other Operating Expenses

SN	Particulars	FY 2080-81	FY 2079-80
1	Publication Expenses	152,269	129,584
2	Board Meeting Allowance	382,800	339,200
3	Committee and Sub Committee Meeting Allowance	435,600	403,800
4	Board Meeting Expenses	75,597	217,872
5	Committee and Sub Committee Meeting Expenses	120,507	134,599
6	Board Meeting Conveyance	-	2,800
7	Standard Development Expenses	705,156	-
8	International Seminar and Meeting Expenses	1,827,914	105,500
<b>Total (NRs.)</b>		<b>3,699,844</b>	<b>1,333,355</b>

Publication related expenses includes cost of books sold and books given as complementary.

#### 4.16 Depreciation

SN	Particulars	FY 2080-81	FY 2079-80
1	Depreciation on PPE	213,086	133,637
<b>Total (NRs.)</b>		<b>213,086</b>	<b>133,637</b>

#### 4.17 Related Party Transactions

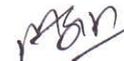
AUSB pays Rs. 4,000 per meeting per members for Board Meeting and Rs. 2,000 per meeting per members for committees & subcommittees as meeting allowance. During the period, AUSB has paid following amount of meeting allowances to the board chairman, board members and Chief Executive Officer for the meeting of board and other committees & subcommittees meeting.

Board/Committee	Amount (NRs.)
Board Meeting	382,800
Program Policy and Budget Preparation Committee	37,200
Advisory Committee	24,800
Audit Committee	36,800
International Relation, Strategic Planning, Training & Capacity Development Committee	52,000
Employees Management and Recruitment Committee	24,000
Nepal Auditing Standards, Assurance Standards Review, Amendment and Development Technical Committee	214,000
Other Meetings	46,800
<b>Total</b>	<b>818,400</b>















Details of facilities provided by AuSB to its Key Management Personnel is as follows:

Name	Nature of Transaction	Amount (NRs.)
Mr. Nabin Devkota, CA (Chief Executive Officer)	Salary	2,012,000
	Meeting Allowance	126,000
	Program Allowance	50,000
<b>Total</b>		<b>2,188,000</b>

**4.18 Events After Reporting Period**

There are no events occurred after the reporting period that requires consideration and adjustment in the financial statements.

**4.19 Contingent Liabilities**

There are no reportable contingent liabilities or commitments as at the year end.

**4.20 Rearrangement or Regrouping**

Previous year's figures are rearranged and regrouped to reflect appropriate presentation of operational result, wherever necessary.

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**4. Notes to Accounts and Disclosures**  
**4.1 Properties, Plant and Equipment**

PARTICULARS	FURNITURES	COMPUTERS & PERIPHERALS	OFFICE EQUIPMENTS	OFFICE PARTITIONS	VEHICLES	INTANGIBLE ASSETS	OTHER ASSETS	TOTAL
Balance at 1st Shrawan 2080 (At Cost)	462,321	274,342	420,813	1,016,298	333,110	339,000	145,076	2,990,960
Balance at 1st Shrawan 2080 (At WDV)	68,691	97,260	6,875	99,942	177,951	316,400	66,110	833,229
Additions (+)	-	122,250	-	-	-	-	20,500	142,750
Shrawan - Poush End	-	122,250	-	-	-	-	-	122,250
Magh - Chaitra End	-	-	-	-	-	-	-	-
Balshak - Ashadh End	-	-	-	-	-	-	20,500	20,500
Disposals (-)	-	-	-	-	-	-	-	-
Balance at 31st Ashadh 2081 (At Cost)	462,321	396,592	420,813	1,016,298	333,110	339,000	165,576	3,133,710
Depreciation Base	68,691	219,510	6,875	99,942	177,951	316,400	72,943	962,312
Rate of Depreciation	25.0%	25.0%	25.0%	25.0%	20.0%	20.0%	15.0%	-
Accumulated Depreciation upto 2079/80	393,630	177,082	413,938	916,356	155,159	22,600	78,966	2,157,731
Depreciation for the year (Dep. Base*Dep. Rate)	17,173	54,877	1,719	24,986	35,590	67,800	10,942	213,086
Total Depreciation upto 2080/81	410,803	231,959	415,657	941,342	190,749	90,400	89,908	2,370,817
Balance at 31st Ashadh 2081 (At WDV)	51,518	164,633	5,156	74,956	142,361	248,600	75,669	762,893
Balance at 31st Ashadh 2080 (At WDV)	68,691	97,260	6,875	99,942	177,951	316,400	66,110	833,229

The properties, plant and equipment's are stated at cost less depreciation. The depreciation has been considered at Straight Line Method (SLM) for Intangible Assets further, Written Down Value (WDV) Method for other assets at the depreciation rate determined considering useful life of assets or properties, plant and equipment. The addition of fixed assets during the year constitute Smart TV for NRs 122,250 (Cost Jointly Shared with Accounting Standard Board) & Fridge for NRs. 20,500. The cost less depreciation value (carrying amount) of property, plant and equipment as on 31st Ashadh 2081 is NRs. 762,893.







