

## AUDITOR'S REPORT TO THE PROPRIETOR OF UNISHA COMPUTER AND REPAIRING CENTER.


We have audited the accompanying Balance Sheet of the M/s Unisha Computer & Repairing Center, Bhimdatt Municipality-04, Kanchanpur, Nepal as on Ashad 31, 2073, (July 15, 2016) and the related statement of income, for the year ended. These financial statements are the responsibility of the Firm's management. 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 or relevant practices. Those Standards or relevant practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. We express our opinion that:

- a. We have obtained prompt replies to our queries and explanations asked for.
- b. The financial statements are in agreement with the books of accounts maintained by the Firm.
- c. The accounts and records of the Firm have been accurately maintained in accordance with the law.
- d. To the best of our information and according to the explanations given to us, neither the Proprietor nor any employee of the Firm have acted contrary to legal provisions relating to accounts, not committed any misappropriation causing loss or damage to the Firm.

In our opinion, the financial statements give a true and fair view of the financial position of the Firm as of Ashad 31, 2073, (July 16, 2016) and of the results of its operation for the year ended in accordance with Nepal Accounting Standards or relevant practices and comply with Relevant Act.

Date:  
Place: Mahendranagar, Kanchanpur

  
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Ashok Singh Bhandari  
For: Ashok & Associates  
Registered Auditor  
Reg. No. Ga 4361



**Unisha Computer & Repairing Center**  
Bhimdatt Municipality-04, Kanchanpur

**Balance-Sheet**

As at Ashadh 31, 2073 (July 15, 2016)

(Amount in Nepalese Rupees)

	Schedules	2072-073
<b><u>Equities and Liabilities</u></b>		
<b><u>Equity</u></b>	1	100,000.00
Capital		1,745,156.06
Reserve and Surplus		840,000.00
Net Profit for the year		-
Drawings		<u>2,685,156.06</u>
		<u>-</u>
<b><u>Non-Current Liabilities</u></b>		<u>2,685,156.06</u>
<b>Total Equities and Liabilities</b>		
<b><u>Assets</u></b>		
<b><u>Non Current Assets</u></b>	2	238,250.88
Property, Plant & Equipment(net of deprec.)		
<b><u>Current Assets</u></b>	3	425,843.00
Loans, advance and deposits		396,064.56
Cash in hand and Bank balance	4	1,920,661.00
Closing Stock		<u>2,742,568.56</u>
<b><u>Less: Current Liabilities &amp; Provisions</u></b>	5	177,140.00
Sundry Creditors		118,523.37
Provision for Taxation		<u>295,663.37</u>
<b>Net Current Assets</b>		<u>2,446,905.19</u>
<b>Total Assets</b>		<u>2,685,156.06</u>

Significant Accounting Policies and Notes to the Accounts

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As Per Our Report Of Even Date

Mahendra Prasad Sarma  
Proprietor

Date :  
Place : Mahendranagar

Ashok Singh Bhandari  
For: Ashok & Associates  
Registered Auditor



**Unisha Computer & Repairing Center**  
Bhimdatt Municipality-04, Kanchanpur

**Income Statement**

For the year ended Ashadh 31, 2073 (July 15, 2016)  
(Amount in Nepalese Rupees)

	Schedules	2072-073
Sales		5,472,534.00
Less: Cost of Goods Sold	6	(3,705,794.00)
<b>Gross Profit</b>		<b>1,766,740.00</b>
<b>Expenses</b>		
Administrative Expenses	7	743,205.00
Depreciation for General Assets	2	65,011.63
		<b>808,216.63</b>
<b>Net Profit Before Interest and Tax</b>		<b>958,523.38</b>
Less: - Interest		
<b>Net Profit Before Tax</b>		<b>958,523.38</b>
Exemption limit		<b>300,000.00</b>
<b>Taxable Income</b>		<b>658,523.38</b>
Provision for Tax		<b>118,523.37</b>
<b>Net Profit (Loss) Transfer to Balance Sheet</b>		<b>840,000.00</b>


Significant Accounting Policies and Notes to the Accounts

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As Per Our Report Of Even Date

Mahendra Prasad Sarma  
Proprietor

Date :  
Place : Mahendranagar

  
Ashok Singh Bhandari  
For: Ashok & Associates  
Registered Auditor




**Unisha Computer & Repairing Center**  
Bhimdatt Municipality-04, Kanchanpur

**Cash Flow Statement**  
For the year ended Ashad 31, 2073 (July 15, 2016)  
(Amount in Nepalese Rupees)

	<u>2072-073</u>
<b><u>Cash flows from operating activities</u></b>	
Net Profit Before Taxation	840,000.00
Adjustment for:	
Depreciation	65,011.63
Foreign Exchange Gain/Loss	-
<b>Cash flow from operating activities before changes in working capital</b>	<u><u>905,011.63</u></u>
<b><u>Cash flows from changes in working capital</u></b>	
(Increase)/ Decrease in current assets	(457,004.00)
Increase/(Decrease) in current liabilities	(211,041.26)
<b>Cash flows from operating activities</b>	<u><u>(668,045.26)</u></u>
 <b><u>Cash flow on investing activities</u></b>	
Increase in Investment	-
Purchase/Capitalisation of fixed assets (Net of Disposal)	(3,200.00)
<b>Cash flows on investing activities</b>	<u><u>(3,200.00)</u></u>
 <b><u>Cash flows on financing activities</u></b>	
Further Issue of share capital	-
Increase/(Decrease) of loan from Banks	-
Decrease in Usance L/c	-
<b>Cash flows from financial activities</b>	<u><u>-</u></u>
 <b>Total cash generated in the year</b>	<u>233,766.37</u>
Opening cash and bank balances	<u>162,298.19</u>
<b>Cash and bank balance at the end of the year</b>	<u><u>396,064.56</u></u>

Mahendra Prasad Sarma  
Proprietor

Date :  
Place : Mahendranagar Kanchanpur

  
Ashok Singh Bhandari  
For: Ashok & Associates  
Registered Auditor



**Unisha Computer & Repairing Center**  
**Bhimdatt Municipality-04, Kanchanpur**

SCHEDULES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS As at  
Ashadh 31, 2073

(Amount in Nepalese Rupees)

**Schedule 1: Capital**

Proprietor's Capital

2072-073

100,000.00

**100,000.00**

**Schedule 3 : Loan, Advance and Deposits**

Advance Tax

25,683.00

Debtors

400,160.00

**425,843.00**

**Schedule 4 : Closing Stock**

Computers,Laptop,Printers and Assories

1,920,661.00

**1,920,661.00**

**Schedule 5 : Sundry Creditor**

Creditors

158,460.00

Audit Fee Payable

8,500.00

TDS on Audit

1,500.00

TDS on Salary

5,080.00

TDS on House Rent

3,600.00

**177,140.00**

**Schedule 6 : Cost of Goods Sold**

Opening Stock

1,797,890.00

Purchase

3,796,041.00

Direct Expenses ( Freight)

32,524.00

Less: Closing Stock

(1,920,661.00)

**3,705,794.00**

**Purchase**

Computers,Laptop,Printers and Assories

3,796,041.00

**3,796,041.00**

**Opening Stock**

Computers,Laptop,Printers and Assories

1,797,890.00

**1,797,890.00**

**Schedule 7 : Administrative Expenses**

Employee Salary

508,000.00

Audit Fee

10,000.00

Printing & stationary exp.

15,080.00

Office refreshment

25,890.00

Conveyance & travelling expenses

60,580.00

Water & electricity expenses

8,473.00

Newspaper & periodical

4,400.00

Postage and Courier charges

6,050.00

Renew and othre charges

4,020.00

Communication

39,962.00

House Rent

36,000.00

Misc

24,750.00

**743,205.00**





**Unisha Computer & Repairing Center**  
Bhimdatt Municipality-04, Kanchanpur

SCHEDULES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT ASHADH 31, 2073

Schedule 2 : Plants, Properties and Equipments

Group	Particulars	Dep. Rate	Opening As at 01.04.2072	Addition During The Year	Disposal/Reversal During The Year	Total Gross Value As at 31.03.2073	Accumulated	Depreciation For The Year	Total As at 31.03.2073	WDV As at 31.03.2073
B	<b>Depreciable Assets</b>									
	<b>Pool B</b>									
	Furnitures and Fixtures	25%	35,437.50			38,637.50	-	9,395.38	9,395.38	29,242.13
D	Computer	25%	140,625.00			140,625.00		35,156.25	35,156.25	105,468.75
	Other Equipment	25%	18,600.00			18,600.00		4,650.00	4,650.00	13,950.00
	<b>Pool D</b>									
	Motorcycle	15%	105,400.00			105,400.00		15,810.00	15,810.00	89,590.00
	<b>Total</b>		<b>300,062.50</b>	<b>3,200.00</b>	<b>-</b>	<b>303,262.50</b>	<b>-</b>	<b>65,011.63</b>	<b>65,011.63</b>	<b>238,250.88</b>

[Signature]



**UNISHA COMPUTER AND REPARING CENTER.**  
Bhimdatt Municipality-04, Kanchanpur, Nepal

**Schedule -8**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**

**1. Accounting Policies:**

**Accounting Convention:**

The financial statements are prepared under the historical cost convention in accordance certain relevant Nepal Accounting Standards and requirements of Nepal relevant act.

**Accounting notes:**

**Sales:**

Income is recognized on invoiced to the customers and accepted by them.

**Fixed Assets:**

Fixed Assets are stated at cost and are inclusive of all expenses to the date of commissioning/putting the assets to use.

**Closing Stock:**

Closing Stock is valued at cost price method, FIFO method

**Depreciation:**

Depreciation is provided on the written down value method at the rate mentioned in Schedule 2 of the Balance Sheet as prescribed by Income Tax Laws.

**NOTES TO THE ACCOUNT**

Expenses are recorded on accrual basis.

**Debtors & Creditors:**

Balance in debtors, advances and Creditors are subject to confirmation from the respective parties.

