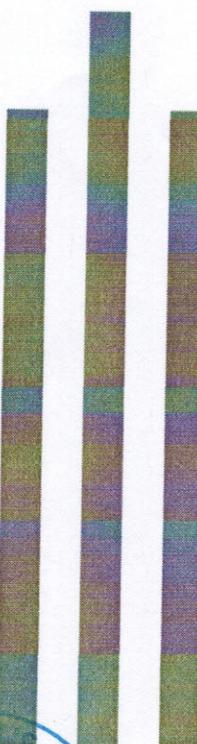


FINANCIAL STATEMENT (AUDIT REPORT)

OF

B.K. Impex

KMPC - 24, Guchhatole, Kathmandu, Nepal



Prepared by :

S.B. Bhattarai & Associates
Sanjib Babu Bhattarai
Registered Auditor
ICAN Reg. No.: 6450
C.O.P. No.: 2328 'B'

Tokha Municipality - 4, Dhapasi, Kathmandu, Nepal
As End of Asadh 2076 (FY 2075/76 or 2018/2019)



S.B. Bhattacharai & Associates

Regd. Auditors "B"

Member of ICAN
ICAN Regd. No.: 5621
ICAN Mem. No.: 6450
C.O.P.No: 2328'B'

Ref .No: 0759/076

To,
The Proprietor
M/S [REDACTED]
KMPC - 24, Guchhatole, Kathmandu,
Nepal

We are pleased to inform you that we have completed the audit of M/S [REDACTED] for the financial year 2075/76 (2018/2019). We have presented the Balance Sheet of 31 Ashad 2076 (16th of July 2019) and Profit & Loss Account for the period of Financial Year 2075/76 (2018/2019). These financial statements are prepared according to the information and data provided by the Proprietor of the organization. My responsibility is to prepare financial statements on the base of the information provide to me.

Our Opinions:

1. I have obtained prompt replies to my queries and explanations asked for.
2. In my opinion the Balance Sheet, Trading Account and Profit & Loss Account are in accordance with Standards on Auditing.
3. In my opinion, the Account and records of the company have been accurately maintained.
4. Subject to the notes attached to the accounts in my opinion and to the best of my information and according to the explanations given to me, the said accounts read together with the schedules appearing thereon give true and fair view:
 - Incase of the Balance Sheet, of the state of affairs of the Company as at Asadh, 2076.
 - In case of the Profit & Loss Account, the Profit for the year ended on that date.
5. In my opinion and to the best of my information and according to the explanation given to me, and the book of accounts of the company, I have not come across cases where the any employees of the company has acted contrary to the provisions of law or caused loss or damage to the company or misappropriated the funds of the company.

Date: 30th Sept., 2019

"Verification of True Copy of Original"

Signature:

Name: Basu Dev Regmi

Date: 17 DEC 2019

Certificate Number of the Notary Public: 241

Date of Expiry of Certificate: Nov.03, 2022 AD

Seal of the Notary Public



S. B. Bhattacharai & Associates
Sanjib Babu Bhattacharai
Regd. Auditor

Tel: +977-1-4379714, 4246861, Fax: 4253060
Mob: 9851152690, Email: cornetnp@gmail.com

Balance Sheet

As End of Asadh 2076 (FY 2075/76 or 2018/2019)

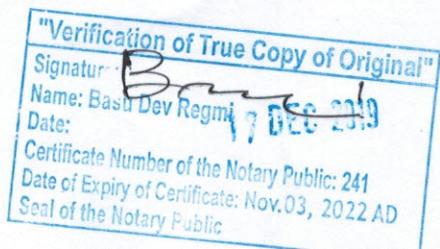
A Sources of Fund	Annex:	Current Year	Previous Year
		FY 2075/76	FY 2074/75
		Amount in Rs	Amount in Rs
1 Authorised Capital		2,500,000.00	2,500,000.00
i. Share Capital & Reserves			
a Issued & Paid Up Capital	1	2,500,000.00	2,500,000.00
b Reserve and Surplus	2	5,340,381.56	3,309,149.11
ii. Mid & Short Term Loans			
a Bank Loan	10	-	-
b Proprietor's Loan (Additional Investment)	10	-	-
TOTAL : (a+b)		7,840,381.56	5,809,149.11
B Application of Fund			
1 Fixed Assets			
a Gross Block	3	354,666.40	137,823.25
b Depreciation		88,666.60	34,455.81
Net Block (a-b)		265,999.80	103,367.44
2 Current Assets			
i Cash and Bank Balance (Current Assets)	4	124,218.56	210,417.64
ii. Non Liquid Assets (Current Assets)			
a Closing Stock	5	6,870,691.92	4,923,186.19
b Trade Receivables	6	833,762.36	741,874.87
c Advance/Deposit/Prepaid	7	555,986.23	462,351.81
Total Non Liquid Assets (CA)		8,260,440.51	6,127,412.87
Total Current Assets (CA)		8,384,659.07	6,337,830.51
Less : Current Liabilities & Provisions			
i. Payables	8	9,998.20	11,150.00
ii. Sundry/Trade Creditors	9	156,534.96	200,000.00
iii. Provision For Taxation	10	643,744.15	420,898.84
Total Current Liabilities (CL)		810,277.31	632,048.84
3 Net Working Capital (CA - CL)		7,574,381.76	5,705,781.67
Total: (1+3)		7,840,381.56	5,809,149.11

As Per Audit Report of Even Date

Accountant



Proprietor



S.B. Bhattarai & Associates
Sanjib Babu Bhattarai
Registered Auditor
ICAN Reg. No.: 6450
C.O.P. No.: 2328 'B'



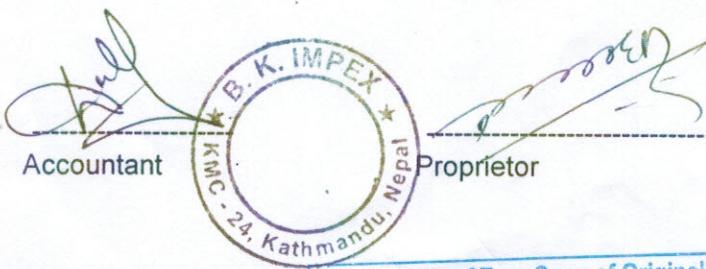
KMPC - 24, [REDACTED] Kathmandu, Nepal

Income Statement

As End of Asadh 2076 (FY 2075/76 or 2018/2019)

Particulars	Annex	Current Year	Previous Year
		FY 2075/76	FY 2074/75
		Amount in Rs	Amount in Rs
Revenue	11	11,450,896.04	12,181,625.00
Total Incomes		11,450,896.04	12,181,625.00
Less : Cost of Sales (above income)	12	(7,629,313.46)	(8,997,858.00)
Less : Direct Expenses	14	-	-
Gross Profit		3,821,582.58	3,183,767.00
Less : Administrative Expenses	13	(808,928.00)	(438,234.32)
Operating Profit		3,012,654.58	2,745,532.68
Less : Non Operating Expenses	3	(88,666.60)	(94,455.81)
i. Depreciation		(249,011.38)	(206,910.38)
ii Interest on Bank Loan (Secured Loan)			
Earning Before Tax (EBT)		2,674,976.60	2,444,166.49
Provision for Income Tax		(643,744.15)	(620,898.84)
Net Profit After Tax		2,031,232.45	1,823,267.65
 Profit & loss Appropriation Account			
Reserve & Surplus		3,309,149.11	1,485,881.46
Add : Net Profit/Loss (Current Year)		2,031,232.45	1,823,267.65
Less : Dividend Paid (Drawings)		-	-
Net Profit (Loss) Transferred to B/S		5,340,381.56	3,309,149.11

As Per Audit Report of Even Date



"Verification of True Copy of Original"

Signature: Basu Dev Regmi	17 DEC 2019
Name: Basu Dev Regmi	
Date:	
Certificate Number of the Notary Public: 241	
Date of Expiry of Certificate: Nov.03, 2022 AD	
Seal of the Notary Public	



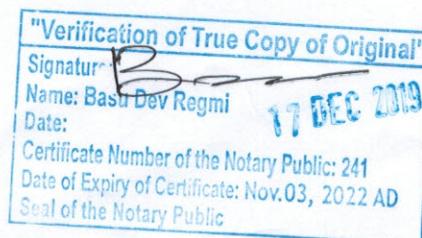
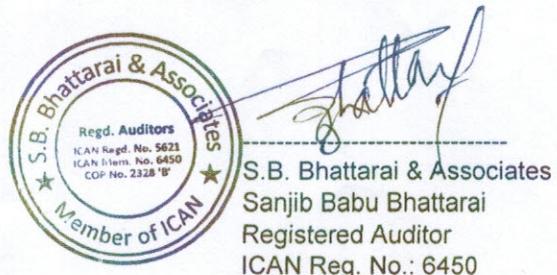
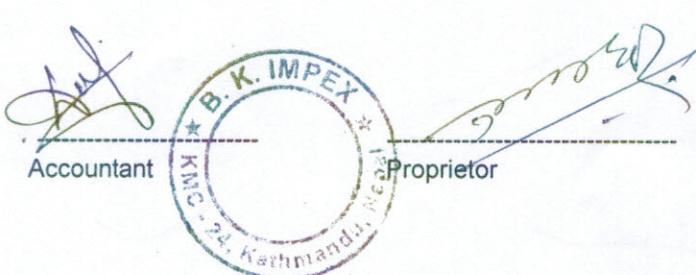
S.B. Bhattacharai & Associates
Sanjib Babu Bhattacharai
Registered Auditor
ICAN Reg. No.: 6450
C.O.P. No.: 2328 'B'

Cash Flow Statement

As End of Asadh 2076 (FY 2075/76 or 2018/2019)

Particulars	Current Year	
	Amount	Amount in Rs
A Cash Flow From Operating Activities :		
Net Profit After Tax	2,031,232.45	
Adjustment :		
Depreciation	88,666.60	
1. Cash Flow Before Changes in Working Capital	---->	2,119,899.05
Decrease (Increase) in Current Assets	(2,133,027.64)	
Increase (Decrease) in Current Liabilities	178,228.47	
2. Net Cash Flow From Operating Activities	---->	(1,954,799.17)
B Cash Flow From Investing Activities		
Increase in Bank Loan	0.00	
Purchase/Sale of Fixed Assets	(251,298.96)	
3. Net Cash Flow From Investing Activities	---->	-251,298.96
C Cash Flow From Financing Activities		
Increase in Share Capital	-	
Borrowing from Proprietor	-	
Withdraw from Proprietor/Dividend Paid	-	
4. Net Cash Flow From Financing Activities	---->	
Net Increase/Decrease in Bank & Cash Balance		(86,199.08)
Cash & Bank Equivalents at the Beginning of Period		210,417.64
Cash & Bank Balance at the end of Period		124,218.56

As Per Audit Report of Even Date

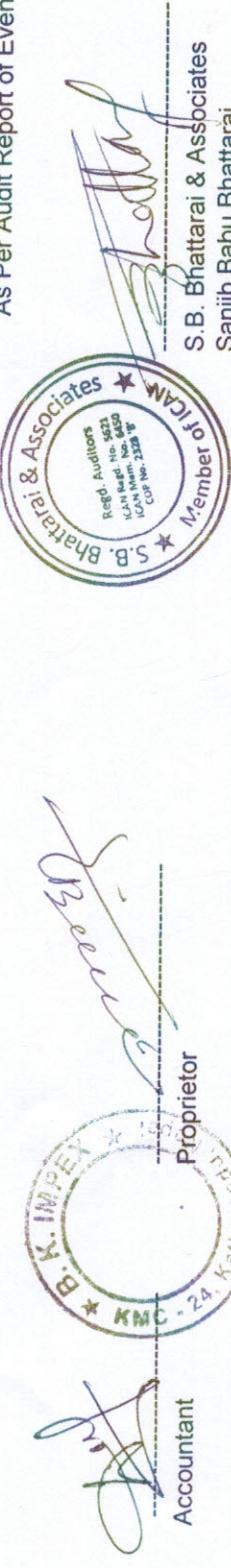


As End of Asadh 2076 (FY 2075/76 or 2018/2019)

Annex - 3 : Fixed Assets

S. N.	Particulars	Previous Year Balance	Adding During the Year	Remaining Balance	Depreciation Rate	Depreciation Amount	Net Block
1	Land & Building	-	-	-	25.00%	-	-
2	Furniture & Fixtures	71,325.00	-	71,325.00	25.00%	17,831.25	53,493.75
3	Office Equipments	15,693.75	-	15,693.75	25.00%	3,923.44	11,770.31
4	Vehicle	-	-	-	25.00%	-	-
5	Other Fixed Assets	16,348.69	251,298.96	267,647.65	25.00%	66,911.91	200,735.74
	Total	103,367.44	251,298.96	354,666.40	1.25	88,666.60	265,999.80

As Per Audit Report of Even Date



S.B. Bhattachari & Associates
Sanjib Babu Bhattachari
Registered Auditor
ICAN Reg. No.: 6450
C.O.P. No.: 2328 B



"Verification of True Copy of Original"
Signature: B Name: Babu Dev Regmi
Date:
Certificate Number of the Notary Public: 241
Date of Expiry of Certificate: Nov.03, 2022 AD
Stamp of the Notary Public

Annex - 1 : CAPITAL AND INVESTMENT

Share Capital & Investment		Amounts In Rs
i.	Proprietor's Capital	2,500,000.00
		-
	Total Capital & Investment	Rs. 2,500,000.00

Annex - 2 : RESERVE & SURPLUS

Particulars		Amounts In Rs
i.	Reserve till last year	3,309,149.11
ii.	Profit for the year	2,031,232.45
	Less: Dividend Paid/Drawings	-
	Total Reserve & Surplus	Rs. 5,340,381.56

Annex - 4 : CASH & BANK BALANCE

Particulars		Amounts In Rs
i.	Cash Balance	8,520.00
ii.	Bank Balance	115,698.56
	Total Cash & Bank Balance	Rs. 124,218.56

Annex - 5 : CLOSING STOCKS OF GOODS & RAW MATERIALS

Particulars		Amounts In Rs
i.	Stock of Raw Materials	526,532.00
ii.	Stock of Semi Finished Goods	458,952.00
iii.	Stock of Finished Goods	5,161,778.11
	Total Closing Stock (Verified by the Management)	Rs. 6,870,691.92

Annex - 6 : TRADE RECEIVABLES (SUNDY DEBTORS)

Particulars		Amounts In Rs
i.	Bills Receivables	420,535.17
ii.	Sundry Debtors	413,227.19
	Total Trade Receivables	Rs. 833,762.36

Annex - 7 : ADVANCE, DEPOSIT & PREPAID

Particulars		Amounts In Rs
i.	Staff Advance	180,544.00
ii.	Other Advance	250,750.42
iii.	Prepaid Expenses	124,691.81
	Total Advance, Deposit & Prepaid	Rs. 555,986.23

Annex - 8 : PAYABLE

Particulars		Amounts In Rs
i.	TDS on Audit Fee	1,304.56
ii.	Audit Fee	8,693.64
	Total Trade Receivables	Rs. 9,998.20

Annex - 9 : SUNDY/TRADE CREDITORS

Particulars		Amounts In Rs
i.	Sundry/Trade Creditors "Verification of True Copy of Original"	156,534.96
	Total Trade Receivables	156,534.96



Annex - 10 : MID & LONG TERM LOAN

Particulars		Amounts In Rs
i.	Bank Loan	-
ii.	Loan from Proprietor	-
	Total Long Term Loan	-

Annex - 11 : REVENUE INCOME

Particulars		Amounts In Rs
i.	Sales Revenue	11,450,896.04
ii.	-	-
iii.	-	-
iv.	-	-
v.	-	-
vi.	-	-
Total Revenue	Rs.	11,450,896.04

Annex - 12 : COST OF GOODS

Particulars		Amounts In Rs
ii.	Opening Stock	4,923,186.19
iii.	Purchases	9,576,819.19
v.	Cost of Goods	14,500,005.38
vi.	Less : Closing Stock	6,870,691.92
	Cost of Goods	Rs.
		7,629,313.46

Annex - 13 : ADMINISTRATIVE EXPENSES

Particulars		Amounts In Rs
i.	Staff Salary	342,156.00
ii.	Electricity & Water	25,689.00
iii.	Telephone, Fax, Internet Communication	23,658.00
iv.	Printing & Stationary	21,652.00
v.	Audit Fee	10,000.00
vi.	House Rent	294,720.00
vii.	Office Expenses	25,365.00
viii.	Renew & Legal Expenses	9,853.00
ix.	Miscellaneous Expenses	2,965.00
x.	Local Conveyance	4,587.00
xi.	Business Promotion Expenses	7,586.00
xii.	Meeting Expenses	6,895.00
xiii.	Donation	5,600.00
xiv.	Postage & Courier	1,689.00
xv.	Refreshment Expenses	12,563.00
xvi.	Fuel Expenses	11,250.00
xvii.	Membership Fee	2,700.00
	Cost of Goods Sold	Rs.
		808,928.00

Annex - 14 : DIRECT EXPENSES

Particulars		Amounts In Rs
i.	Factory Wage & Salary (Direct Exp)	-
ii.	Factory Rent (Direct Exp)	-
	Total Long Term Loan	Rs.
		-



[REDACTED]
KMPC - 24, GURU NARAYANA, KATHMANDU, NEPAL
As End of Asadh 2076 (FY 2075/76 or 2018/2019)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTANT

1 Accounting Policies

A Accounting Convention:

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

B Sales/Income

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

C Fixed Assets

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

D Depreciation

Depreciation is provided at the rates mentioned in schedule 1 as prescribed by Income Tax Act 2058.

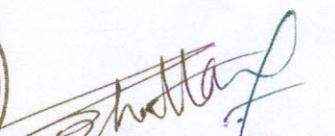
E Closing Stock

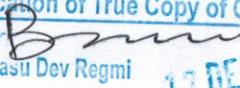
Closing stock has been valued at cost under FIFO method of stock valuation. The amount of stock shown in balance sheet is as certified by the proprietor.

2 Notes to Accountants

Closing Stocks are valued at weighted average method.




S.B. Bhattacharai & Associates
Sanjib Babu Bhattacharai
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