

**Independent Auditor's Report of  
Accounting Standards Board (ASB)  
For the financial year 2017-18 (2074-75)**

The Members,  
Accounting Standards Board  
Satdobato, Lalitpur, Nepal

We have audited the accompanying Statement of Financial Position of **Accounting Standards Board (ASB)** as of 16<sup>th</sup> July, 2018 (32 Ashad, 2075), Statement of Income, Statement of Cash Flows, Statement of Changes in Funds and Significant Accounting Policies and Notes to Financial Statements for the year then ended.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with applicable generally accepted accounting principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair 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.

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 whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, based on the information and explanation provided to us and our audit, the financial statements give true and fair view of the financial position as of 16<sup>th</sup> July, 2018 (32 Ashad, 2075), and of the results of its operations of **Accounting Standards Board (ASB)** for the year then ended in accordance with applicable generally accepted accounting principles.



CA. Anil Joshi  
Partner  
Date: 2075.05.03  
Kathmandu



**ACCOUNTING STANDARDS BOARD, NEPAL**

Satdobato, Lalitpur

**Statement of Financial Position**


As at 32 Ashadh 2075 (July 16, 2018)

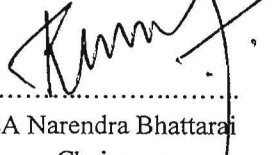
Particulars	Notes	Current Year 2074/075	Previous Year 2073/074
<b>Assets</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	3.1	1,229,021	1,736,183
<b>Total Non Current Assets</b>		<b>1,229,021</b>	<b>1,736,183</b>
<b>Current Assets</b>			
Inventories	3.2	980,898	742,616
Trade and Other Receivables	3.3	39,492	51,187
Cash and Cash Equivalents	3.4	7,454,986	6,689,418
<b>Total Current Assets</b>		<b>8,475,377</b>	<b>7,483,221</b>
<b>Total Assets</b>		<b>9,704,397</b>	<b>9,219,404</b>
<b>Funds &amp; Liabilities</b>			
General Reserve	3.5.1	1,757,701	1,757,701
Retained Earning	3.5.2	5,377,572	4,530,103
Capital Fund	3.5.3	1,096,757	1,500,419
Cash Reserve	3.5.4	-	127,987
Books Reserve	3.5.5	662,256	719,906
<b>Total Funds</b>		<b>8,894,286</b>	<b>8,636,116</b>
<b>Non Current Liabilities</b>			
<b>Total Non Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>Current Liabilities</b>			
Trade and Other Payables	3.6	810,111	583,288
<b>Total Current Liabilities</b>		<b>810,111</b>	<b>583,288</b>
<b>Total Liabilities</b>		<b>810,111</b>	<b>583,288</b>
<b>Total Funds and Liabilities</b>		<b>9,704,397</b>	<b>9,219,404</b>


*The notes on pages 1 to 8 are an integral part of these financial statements*

As per our report of even date

  
 .....  
 Sushil Kumar Ojha  
 Chief Executive Officer  
 Accounting Standards Board

  
 .....  
 Bishnu Prasad Rijal  
 Co-ordinator, Audit Committee  
 Accounting Standards Board

  
 .....  
 CA Narendra Bhattarai  
 Chairman  
 Accounting Standards Board

  
 .....  
 CA Anil Joshi  
 Kuber & CO.  
 Chartered Accountants



Date : 2075/05/03  
 Place: Satdobato, Lalitpur

# ACCOUNTING STANDARDS BOARD, NEPAL

Satdobato, Lalitpur

## Statement of Income

For the year ended 32 Ashadh 2075 (July 16, 2018)

Particulars	Notes	Current Year 2074/075	Previous Year 2073/074
Government Grants	3.7	3,000,000	3,000,000
Workshop Training Income	3.8	260,000	1,033,750
Other Income	3.9	794,661	586,185
<b>Total Income</b>		<b>4,054,661</b>	<b>4,619,935</b>
<b>General Expenses:</b>			
Staff Costs/Expenses	3.10	1,160,879	1,080,279
Depreciation	3.1	120,563	251,539
Office Operating Expenses	3.11	637,196	743,910
Other Operating Expenses	3.12	846,701	1,372,930
Workshop/ Training Expenses	3.13	188,928	986,738
Standard Development Expenses	3.14	252,926	-
<b>Total</b>		<b>3,207,192</b>	<b>4,435,396</b>
<b>Net Surplus /Deficit for the year</b>		<b>847,469</b>	<b>184,539</b>

The notes on pages 1 to 8 are an integral part of these financial statements

As per our report of even date

.....  
Sushil Kumar Ojha  
Chief Executive Officer  
Accounting Standards Board

.....  
Bishnu Prasad Rijal  
Co-ordinator, Audit Committee  
Accounting Standards Board

.....  
CA Narendra Bhattarai  
Chairman  
Accounting Standards Board

.....  
CA Anil Joshi  
Kuber & CO.  
Chartered Accountants



Date : 2075/05/03  
Place: Satdobato, Lalitpur




**ACCOUNTING STANDARDS BOARD, NEPAL**  
**Satdobato, Lalitpur**  
**Statement of Cash Flows**  
**For the year ended 32 Ashadh 2075 (July 16, 2018)**


Particulars	Notes	Current Year 2074/075	Previous Year 2073/074
<b>A Cash Flows from Operating Activities</b>			
Surplus for the Year		847,469	184,539
Previous Year Profit adjustment		-	(13,500)
<b>Adjustment for:</b>			
Depreciation	3.1	120,563	251,539
Receipt relating to prior period		-	60,000
Interest		(476,889)	(217,658)
Increase / Decrease in Trade and Other Receivables	3.3	11,695	512,380
Increase / Decrease in Inventories	3.2	(238,282)	439,820
Increase / Decrease in Other Liabilities	3.6	226,823	(311,068)
<b>Net Cash Flows from Operating Activities</b>		<b>491,379</b>	<b>906,052</b>
<b>B Cash Flow from Investing Activities</b>			
Acquisition of Property, Plant and Equipment	3.1	(145,050)	(98,033)
<b>Net Cash flows From Investing Activities</b>		<b>(145,050)</b>	<b>(98,033)</b>
<b>C Cash flow from financing activities</b>			
Increase in Capital Fund	3.5.3	127,987	98,033
Cash Reserve	3.5.4	(127,987)	(98,033)
Interest		476,889	217,658
Net Books Reserve	3.5.5	(57,650)	(429,307)
<b>Net Cash Flow from Financing Activities</b>		<b>419,239</b>	<b>(211,649)</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>765,568</b>	<b>596,370</b>
<b>Cash and Cash Equivalents at the beginning 31 Ashadh 2074</b>		<b>6,689,418</b>	<b>6,093,048</b>
<b>Cash and Cash Equivalents at the end 32 Ashadh 2075</b>		<b>7,454,986</b>	<b>6,689,418</b>

*The notes on pages 1 to 8 are an integral part of these financial statements*

As per our report of even date

  
 .....  
 Sushil Kumar Ojha  
 Chief Executive Officer  
 Accounting Standards Board

  
 .....  
 Bishnu Prasad Rijal  
 Co-ordinator, Audit Committee  
 Accounting Standards Board

  
 .....  
 CA Narendra Bhattacharai  
 Chairman  
 Accounting Standards Board

  
 .....  
 CA Anil Joshi  
 Kuber & CO.  
 Chartered Accountants



Date : 2075/05/03  
 Place: Satdobato, Lalitpur

**ACCOUNTING STANDARDS BOARD, NEPAL**  
**Satdobato, Lalitpur**  
**Statement of Changes in Funds**  
**For the year ended 32 Ashadh 2075 (July 16, 2018)**


*Amt. in NPR*

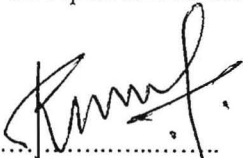
Particulars	General Reserve Fund	Capital Fund	Cash Reserve	Book Reserve	Retained Earnings	Total
Balance at 1 Shrawan 2073	1,757,701	1,922,443	226,020	1,149,213	4,359,064	9,188,420
less (Book reserve deducted )				(429,307)		(429,307)
Cash Reserve			(98,033)			(98,033)
Less : 6 pcs of NFRS Books returned from AUDAN					(13,500)	(13,500)
Addition Grant for PPE		98,033				98,033
Less : Depreciation of SPFM Project Asset		(78,038)				(78,038)
Less : Depreciation on Grant Asset		(442,019)				(442,019)
Surplus for the year	-	-	-	-	184,539	184,539
Balance at 31 Ashadh 2074	1,757,701	1,500,419	127,987	719,906	4,530,103	8,636,115
Add: Prior year adjustment (receipt)	-	-	-	-	-	-
Restated balance	1,757,701	1,500,419	127,987	719,906	4,530,103	8,636,115
less (Book reserve deducted )				(57,650)		(57,650)
Cash Reserve			(127,987)			(127,987)
Addition Grant for PPE		127,987				127,987
Less : Depreciation on SPFM Project Asset		(78,038)				(78,038)
Less : Depreciation on Grant Asset		(453,611)				(453,611)
Add: Prior year adjustment						-
Surplus (Deficit) for the year					847,469	847,469
Balance at 32 Ashadh 2075	1,757,701	1,096,757	-	662,256	5,377,572	8,894,286

The notes on pages 1 to 8 are an integral part of these financial statements

As per our report of even date

  
 Sushil Kumar Ojha  
 Chief Executive Officer  
 Accounting Standards Board

  
 Bishnu Prasad Rijal  
 Co-ordinator Audit Committee  
 Accounting Standards Board

  
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 Chairman  
 Accounting Standards Board

  
 CA Anil Joshi  
 Kuber & CO.  
 Chartered Accountants



Date : 2075/05/03  
 Place: Satdobato, Lalitpur

# ACCOUNTING STANDARDS BOARD, NEPAL

Satdobato, Lalitpur

Financial Year 2074-075

## Significant Accounting Policies and Notes to the Financial Statements

### 1 General Information

Accounting Standards Board, Nepal (ASB Nepal), constituted in 2003 under the Nepal Chartered Accountants Act (with amendments) 1997, is the statutory body for setting up Accounting Standards in Nepal in line with the International Financial Reporting Standards (IFRSs). The Board has following members:

(a) One FCA member nominated by Government of Nepal	Chairman
(b) Representative, Ministry of Finance (MoF)	Member
(c) Representative, Office of the Auditor General (OAG)	Member
(d) Representative, Financial Comptroller General Office (FCGO)	Member
(e) Company Registrar, Office of the Company Registrar (OCR)	Member
(f) Director General, Inland Revenue Department (IRD)	Member
(g) Chairman, Securities Board of Nepal (SEBON)	Member
(h) Five Chartered Accountants(CA) nominated by Government of Nepal on the recommendation of the Institute of Chartered Accountants of Nepal (ICAN)'s Council	Member
(i) One Registered Auditor(RA) nominated by Government of Nepal on the recommendation of the Institute of Chartered Accountants of Nepal (ICAN)'s Council	Member

The rights and duties of Accounting Standards Board Nepal as stipulated in the Nepal Chartered Accountants Act include followings:(a) To develop accounting standards, on the basis of relevant International Accounting Standards, in order to govern and regulate financial reporting and accounting profession, (b) To evolve appropriate process of development of accounting standards and publish material related to accounting standards, (c) To redraft, improvise and revise standards, (d) To interpret the standards, (e) To undertake other related tasks related to accounting standards. etc.

Financial statements for the year ended on Ashadh 32, 2075 (July 16, 2018) were approved by the Board in its meeting held on 2075 Bhadra 03, the meeting has also authorised Chairman to sign these financial statements on behalf of the Board as well.

### 2 Significant Accounting Policies

#### 2.1 Basis of preparation

The Statement of Financial Position, Statement of Income, Statement of Cash Flows and Statement of Changes in Funds (all together referred to as "Financial Statements") together with the accounting policies and notes to the 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 historical cost basis and under accrual basis of accounting except otherwise stated.

#### 2.3 Functional and Reporting Currency

The financial statements are prepared in Nepalese Rupees (NPR), which is also the functional currency. All 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 out below:

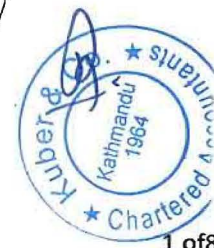
##### 2.4.1 Property, Plant and Equipment (PPE)

Items of property, plant and equipment are initially recognised 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.



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Handwritten signature of the Chairman.





#### 2.4.2 Depreciation

Depreciation is provided on all items of property, plant and equipment so as to write-off their carrying value over the expected useful economic life's.

Depreciation has been computed on straight line method (SLM). The estimate useful life's for the assets along with depreciation rates are as follows:

Particulars of Assets	Useful Life (Years)	Rate
Furniture and Fixtures	4	25%
Computer Accessories	4	25%
Office Equipment	4	25%
Vehicles	4	25%
Office Partition	4	25%

#### 2.4.3 Trade and Other Receivables

Trade and other receivables are stated at their cost less possible allowance for impairment.

#### 2.4.4 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.

#### 2.4.5 Cash and Cash Equivalents

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

#### 2.4.6 Revenue Recognition

##### 2.4.6.1 Unconditional and restricted grants

###### a Unconditional Grants

General grants received including that of Government Grants without any specific condition for their specific purpose or utilization are accounted for as income in the year of receipt.

###### b Restricted Grants and Deferred Revenue

Project receipts for the specific project activities (under restricted condition for use) are accounted for as income to the extent of the project expenditures incurred during the reporting period. Balance of such receipt is considered as deferred revenue in the liabilities side considering the fact that these are refundable in the event of none expenditures or completion of the project or premature termination of the project activities.

###### c Capitalization policy for assets purchased under project fund and depreciation there of.

Properties, plant and equipment purchased under project specific fund is initially charged off as project expenditure with corresponding income. Subsequently, an equivalent amount for such assets are transferred to properties plant and equipment with corresponding credit to Capital Fund. Depreciation there on is charged to Capital Fund with corresponding credit the properties plant and equipment purchased under project specific fund.

###### d Grants in kind

All grants received in kind are valued at their fair value on the date of receipt and accounted for as income accordingly.

###### e Receipt from transfer proceed of books and guidance Notes published under SPFM project

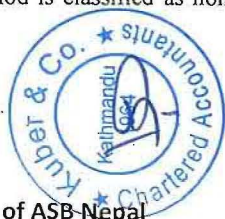
Cost of publication of Guidance Notes books has been shown as project income with corresponding expenditures in the Profit or Loss. Since these books are under the custody of ASB Nepal and has authority to transfer to designated parties, ASB Nepal is the owner of these book. Accordingly, the values of such has been initially recognised as project income and expenditures but subsequently recognised as Book Reserve with corresponding value to inventory of books etc. The contributory value (sale proceed) received subsequently is transferred to other income in the year of receipt with corresponding debit to books reserve.

##### 2.4.6.2 Other Income

Incomes from workshop and training imparted by the Board are recognised on accrual basis.

#### 2.4.7 Trade and Other Payables

Trade and other payables are stated at initial value at the time of recognition. 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 where required.



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## 2.4.8 Income Tax

### 2.4.8.1 Current Tax

Accounting Standards Board Nepal (ASB Nepal) has obtained tax exemption status from Inland Revenue Department. Accordingly, its income is not taxable. However ASB Nepal is required to comply with withholding tax provisions of Income-Tax Act.

Interest income is generally credited with gross amount with corresponding debit of withholding tax on such interest earned by banks and accounted for as interest income net off of such withholding tax in the books of account. In case of interest income, such withholding tax has been considered a final one with no further income tax liabilities on interest income.

### 2.4.8.2 Deferred Tax

In the view of its tax exempt status deferred income tax calculation is not required and hence not considered.

## 3 Notes to Accounts and Disclosures

### 3.1 Property, Plant and Equipment

The property, plant and equipment are stated at cost less depreciation. The depreciation has been considered at straight-line method (SLM) at the depreciation rate determined considering useful life of assets or property plant equipment as stated in the policies above:

*Amt. in Rs.*

Particulars	Furniture	Computers & Peripheral	Office Equipment	Vehicles	Office Partition	Total
<b>General Assets</b>						
Balance at. 1 Shrawan 2074	207,411		165,612		867,636	1,240,659
Additions during the year		17,063				17,063
<b>Balance at 32 Ashadh 2075</b>	<b>207,411</b>	<b>17,063</b>	<b>165,612</b>	<b>-</b>	<b>867,636</b>	<b>1,257,722</b>
Acc. Dep at 1 Shrawan 2074	203,504		159,004		642,387	1,004,895
Depreciation charge for current year	3,907	89	3,285		113,283	120,563
<b>Accumulated depreciation</b>	<b>207,411</b>	<b>89</b>	<b>162,289</b>	<b>-</b>	<b>755,670</b>	<b>1,125,459</b>
Impairment Loss	-	-	-	-	-	-
<b>Carrying Amount as on 32 Ashadh 2075</b>	<b>-</b>	<b>16,974</b>	<b>3,323</b>	<b>-</b>	<b>111,966</b>	<b>132,263</b>
<b>SPFM Project Property, Plant &amp; Equipment</b>						
Balance at. 1 Shrawan 2074	169,929	713,969	-	-	-	883,899
Additions during the year	-	-	-	-	-	-
<b>Balance at 32 Ashadh 2075</b>	<b>169,929</b>	<b>713,969</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>883,899</b>
Acc. Dep at 1 Shrawan 2074	169,929	583,908	-	-	-	753,837
Depreciation charge for current year		78,038	-	-	-	78,038
<b>Accumulated depreciation</b>	<b>169,929</b>	<b>661,945</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>831,874</b>
<b>Carrying Amount as on 32 Ashadh 2075</b>	<b>-</b>	<b>52,024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,024</b>
<b>Grant Asset</b>						
Balance at. 1 Shrawan 2074	1,137,443	101,700	150,916	193,900	288,054	1,872,013
Additions during the year		127,987				127,987
<b>Balance at 32 Ashadh 2075</b>	<b>1,137,443</b>	<b>229,687</b>	<b>150,916</b>	<b>193,900</b>	<b>288,054</b>	<b>2,000,000</b>
Acc. Dep at 1 Shrawan 2074	317,406	6,709	35,009	52,515	90,017	501,656
Depreciation charge for current year	284,361	11,033	37,729	48,475	72,014	453,611
<b>Accumulated depreciation</b>	<b>601,767</b>	<b>17,742</b>	<b>72,738</b>	<b>100,990</b>	<b>162,030</b>	<b>955,267</b>
<b>Carrying Amount as on 32 Ashadh 2075</b>	<b>535,676</b>	<b>211,945</b>	<b>78,178</b>	<b>92,910</b>	<b>126,024</b>	<b>1,044,733</b>
<b>Carrying Amount of Properties, Plants and Equipments</b>					<b>Current Year</b>	<b>Previous Year</b>
					<b>1,229,021</b>	<b>1,736,183</b>

During the year Dell laptop and Dell Desktop computer was purchased with total sum of Rs. 145,050, where the cash reserve amount Rs 127,987 was used and remaining amount of Rs, 17,063 was used from the normal budget of Accounting Standards Board, Nepal (ASB Nepal).



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### 3.2 Inventories

Inventories are stated at cost and comprises followings:

*Amt. in Rs.*

Inventories	Current Year		Previous Year	
	Current	Non current	Current	Non current
Books & Stationeries	5,892	-	5,892	-
NFRS Book	64,378	-	49,580	-
Guidance Note Books	662,255	-	670,325	-
NFRS For SMES	235,399	-	-	-
Note Pad	896	-	1,385	-
Stationeries	12,077	-	15,433	-
<b>Total</b>	<b>980,898</b>	<b>-</b>	<b>742,616</b>	<b>-</b>

During the year 261 copies of NFRS books and 110 copies of NFRS for SMES books were sold . 1 copy of NFRS books and 33 copies of NFRS for SMES books were given as complementary accordingly the inventory of these have been adjusted.

### 3.3 Trade and Other Receivables

Trade and other receivables are stated at their cost less possible allowance for impairment & comprises followings:

*Amt. in Rs.*

Particulars	Current Year		Previous Year	
	Current	Non current	Current	Non current
Trade Receivables	39,492.00	-	51,187	-
<b>Total</b>	<b>39,492.00</b>	<b>-</b>	<b>51,187</b>	<b>-</b>
Less: Allowance for impairment	-	-	-	-
<b>Carrying Amount</b>	<b>39,492.00</b>	<b>-</b>	<b>51,187</b>	<b>-</b>

Management considers all these recoverable and hence treated as good and recoverable within one year.

### 3.4 Cash and Cash Equivalents:

Cash and cash equivalents include following balances:

*Amt. in Rs.*

Particulars	Current Year		Previous Year	
	Current	Non current	Current	Non current
Cash at Bank				
Everest Bank (ASB)	7,454,986	-	6,689,418	-
<b>Total Bank Balance</b>	<b>7,454,986</b>	<b>-</b>	<b>6,689,418</b>	<b>-</b>

### 3.5 General Fund and Reserves

#### 3.5.1 General Fund comprises followings:

*Amt. in Rs.*

Particulars	Current Year	Previous Year
Balance from previous year	1,757,701	1,757,701
<b>General fund balance</b>	<b>1,757,701</b>	<b>1,757,701</b>

These are free fund and available for the use of all general purpose of ASB Nepal related activities and operations.

#### 3.5.2 Retained Earning

Balance of retained earning is as below:

*Amt. in Rs.*

Particulars	Current Year	Previous Year
Balance from previous year	4,530,103	4,299,064
Less : Books Returned	-	(13,500)
Add : Receipt relating to previous year expense (ICAN Payable)	-	60,000
Surplus during the year	847,469	184,539
<b>General fund balance</b>	<b>5,377,572</b>	<b>4,530,103</b>



*Signature*

*Signature*

### 3.5.3 Capital Fund

Property, Plant and Equipment purchased under the specific grant fund of restricted nature are initially charged off as project expenditures. Subsequently such assets are capitalized as properties plant and equipment with corresponding credit to capital fund. Depreciation charged on such assets is debited to capital fund with corresponding credit to respective property plant and equipments. The status of such capital fund is as below:

*Amt. in Rs.*

Particulars	Current Year	Previous Year
Opening balance	1,500,419	1,922,443
Add : Grant for PPE	127,987	98,033
Less: Depreciation on SPFM Asset	(78,038)	(78,038)
Less: Depreciation on Grant Asset	(453,611)	(442,019)
<b>Capital fund balance</b>	<b>1,096,757</b>	<b>1,500,419</b>

### 3.5.4 Cash Reserves

Remaining amount on Cash reserve amount Rs 1 lakhs 27 thousand and 9 Hundered 87 rupees been used this year to purchase the Computer & Peripherals .Hence cash reserve is nill at the year end.

### 3.5.5 Books Reserves

ASB has the ownership authority, value initially recognised as publication has been transferred to Books Reserve with corresponding value to Inventory. The cost of contributory transfer of book has been debited to this account with corresponding credit to inventory. Accordingly the balance of Books Reserve represents the initially recognised cost of remaining balance of NFRS books and Guideline Notes. The adjustment to this account would take place upon contributory sale or scrapping with corresponding credit to inventory.

### 3.6 Trade Payable and Liabilities

Trade payable and liabilities comprise following:

*Amt. in Rs.*

Particulars	Current Year		Previous Year	
	Current	Non current	Current	Non current
<b>Trade Payable</b>				
Social security and other taxes	375.00	-	5,683	-
Non-trade payables and accrued expenses	809,736	-	577,605	-
Staff related liabilities	-	-	-	-
<b>Carrying Amount</b>	<b>810,111</b>	<b>-</b>	<b>583,288</b>	<b>-</b>

All these liabilities are current in nature and obliged to be settled within a year.

### 3.7 Government Grants

Government grant of Rs. 3 million was received during the year. This is the grant for generally covering administration costs of ASB Nepal without any condition hence a free grant. Accordingly, since this is under the head 3.03 Social Service Unconditional Government Grant of heading 35.3.110 as per red book of Nepal Government budget, this has been accounted for as income in the year of receipt.

### 3.8 Training & Awareness Program Income

*Amt. in Rs.*

Particulars	Current Year	Previous Year
NFRS for Public Entities Awareness Program, Kathmandu	260,000	-
NFRS & NSA Awareness Program Birgunj	-	445,250
NFRS & NSA Awareness Program Biratnagar	-	331,500
NFRS & NSA Awareness Program Pokhara	-	257,000
<b>Total</b>	<b>260,000</b>	<b>1,033,750</b>

During the year 1 number of awareness program on Nepal Financial Reporting Standards (NFRS) for Public Entities was held in Kathmandu.



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### 3.9 Other Income

Other income comprises following incomes:

<i>Amt. in Rs.</i>		
Particulars	Current Year	Previous Year
Interest Income	476,889	217,658
<b>Standard Publication Related Income</b>		
NFRS Books (contributory sale proceed)	268,721	337,021
Guidance Notes Books (contributory sale proceed)	16,200	1,725
NFRS For SMES Books	32,851	-
Other Income	-	29,781
<b>Total</b>	<b>794,661</b>	<b>586,185</b>

The interest income is net of withholding tax deducted at source by commercial banks.

During the year, the total contributory sale proceed of NFRS Books and Guidance note has been recognised as income on accrual basis i.e. when the constructive transfer of such books has incurred.

### 3.10 Staff Cost and Expenses

Accounting Standards Board, Nepal (ASB Nepal) presently engages on contract basis two employees and two other employees under joint cost sharing with Auditing Standard Board Nepal. The total staff cost of Board and expenses are as below:

<i>Amt. in Rs.</i>		
Particulars	Current Year	Previous Year
Salary Expenses	914,753	838,560
Festival Expenses	68,850	67,380
Medical Expenses	77,615	79,885
Leave Encashment Expenses	99,661	90,886
Human Resource Expenses	-	4,068
<b>Total</b>	<b>1,160,879</b>	<b>1,080,779</b>

ASB Nepal does not have any long term liability in respect of employees gratuity. Liability for leave encashment facility is generally settled on fiscal yearly basis.

### 3.11 Office Operating Expenses

Administration expenses included following expenditures accounted for on accrual basis:

<i>Amt. in Rs.</i>		
Particulars	Current Year	Previous Year
Printing, Stationery	29,649	80,931
Communication Expenses	30,269	23,742
Advertisement/Promotional Expenses	16,018	53,689
Newspaper, Magazine & Journal Expenses	70,066	87,269
Fuel Expenses	48,460	43,481
Water & Electricity	22,953	34,619
Repair & Maintenance	10,670	16,933
Professional Service Expenses	25,990	21,180
Overhead Service Expenses	240,000	240,000
Postal & Courier Service Expenses	175	3,437
Non-Durable Items	15,370	26,143
Hospitality Expenses	32,340	32,841
Renewal Expenses	5,193	4,675
Audit Fees and Expenses	28,250	28,250
Miscellaneous Expenses	61,793	46,720
<b>Total</b>	<b>637,196</b>	<b>743,910</b>

Miscellaneous expenses consist expenses such as cleaning, gardening, banking, etc.

### 3.12 Other Operating Expenses

Other operating expenses include following expenditures accounted for on accrual basis:

<i>Amt. in Rs.</i>		
Particulars	Current Year	Previous Year
Meeting fees and Expenses	144,701	150,174
Travel and Transportation costs	697,259	1,222,756
Publication related expenses	4,741	-
<b>Total</b>	<b>846,701</b>	<b>1,372,930</b>



### 3.13 Workshop/ Training Expenses

Workshop training expenses are general expenditures incurred in connection with workshop and training and comprises of expenses on stationary printing and general supplies. These are as below :

*Amt. in Rs.*

Workshop Training Expenses	Current Year	Previous Year
NFRS for Public Entities Awareness Program, Kathmandu	188,928	-
NFRS & NFRS for SMES Awareness Program, Birgunj	-	360,436
NFRS & NFRS for SMES Awareness Program, Biratnagar	-	309,254
NFRS & NFRS for SMES Awareness Program, Pokhara	-	253,554
Farewell & Wellcome Program Expenses	-	63,494
<b>Total</b>	<b>188,928</b>	<b>986,738</b>

### 3.14 Standard Development Expenses

During the year Nepal Financial Reporting Standard has been given to the consultant for the revision purpose. 43 Standards has been given for the revision purpose each standards revision fee is Rs. 5000 excluding tax. Including tax per standard amount Rs. 5582 with total 43 standards the total expenditure for standards revision amount Rs. 252,926.00.

### 3.15 Related Parties Transactions

#### 3.15.1 ASB members

During the year 5 number of Accounting Standards Board, Nepal (ASB Nepal), Board meeting were held where board allowance was Rs. 63,000.00.

The cost has been shown under other operating expenses of ASB Nepal.

#### 3.15.2 Fees paid for committee and sub committee meeting

During the reporting period, numbers of Board meeting, committee, sub committee and task force meetings were held and fee and expenses incurred for are shown in Meeting fees and expenses. Such meeting fee and expenses included meeting fees paid to members of the board, committees and sub committee based on attendance as below:

- A. Except for following total fees to members of Board for board meeting, committee, sub committee and task force meetings, no other benefits were paid:

*Amt. in Rs.*

S.N.	Name	Designation	Amount	TDS	Net Paid
1	CA. Narendra Bhattarai	Chairman	7,500	1,125	6,375
2	Mr. Bhuwan Prasad Kafle	Member	4,500	675	3,825
3	Mr. Ramu Prasad Dotel	Member	3,000	450	2,550
4	Mr. Hem Raj Paudel	Member	3,000	450	2,550
5	Mr. Bishnu Rijal	Member	3,000	450	2,550
6	Mr. Bhuwan Hari Aryal	Member	3,000	450	2,550
7	Mr. Bishnu Prasad Nepal	Member	3,000	450	2,550
8	Mrs. Gita Kumari Humegain	Member	4,500	675	3,825
9	Mr. Kishor Jung Karki	Member	4,500	675	3,825
10	CA. Shashi Satyal	Member	4,500	675	3,825
11	CA. Prabin Dhoj Joshi	Member	1,500	225	1,275
12	CA. Binay Prakash Shrestha	Member	4,500	675	3,825
13	CA. Jitendra Kumar Mishra	Member	6,000	900	5,100
14	RA. Mohan Kumar Subedi	Member	3,000	450	2,550
15	Mr. Sushil Kumar Ojha	Chief Executive Officer	7,500	1,125	6,375
	<b>Total</b>		<b>63,000</b>	<b>9,450</b>	<b>53,550</b>

- B Total numbers of Committees, Sub-Committees, and Task Forces Meetings as below and total allowances were paid as below

*Amt. in Rs.*

S.N	Particulars	Numbers of meetings	Fee rate	Total meeting fee paid
<b>A</b>	<b>Committees</b>			
1	NAS Development and Revision Technical Committee Meeting Allowance	5	750	27,000
2	Capacity Development Committee Meeting Allowance	4	750	18,750
3	Audit Committee Meeting Allowance	3	750	6,750
<b>B</b>	<b>Sub-committee &amp; Task Force</b>			
4	Employee Remuneration Increment Task Force Allowance	1	750	1,500
	<b>Total Amount</b>	<b>13</b>	<b>750</b>	<b>54,000</b>

### 3.15.3 Accounting Standards Board, Nepal (ASB Nepal) Board Members' Travelling for Meetings & Seminars Abroad

Travelling cost of Chairman & Board Members have been borne by ASB Nepal on actual costs reimbursement basis. No fee has been paid for such travelling. During the reporting period, total 3 nos travelling for Asian Oceanan Standards Setters Group (AOSSG) Annual Meeting in China, AOSSG Interim Meeting, World Standards Setters (WSS) Meeting, International Forum of Accounting Standards Setters (IFASS) Meeting in London and AOSSG Interim Meeting, WSS meeting and IFASS Meeting in Mumbai has taken place with total cost of Rs. 6 lakhs 97 thousands.

### 3.16 Event after reporting period

There were no adjusting event that incurred subsequent to the reporting period that would require consideration and adjustment in the financial statement.

### 3.17 Contingent Liabilities

There were no claim againsts ASB Nepal nor has ASB Nepal made any capital commitment or guarantee or has legal case pending against/for it.

### 3.18 Re-arrangement or regrouping:

Figures have been rearranged to reflect appropriate presentation of operational result including that of previous year.



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