

Kathmandu University
Dhulikhel, Nepal

Financial Statements
For FY 2075/76



PP Pradhan & Co
Chartered Accountants
Sanepa Lalitpur
PO Box 3242
Kathmandu Nepal
www.pppradhan.com



University Senate
Kathmandu University
Dhulikhel, Nepal

Auditor's Report to the Senate of Kathmandu University

We have audited the attached financial statements of Kathmandu University, which comprise Balance Sheet as at 31 Ashad 2076 (16 July 2019), Income Statement, Cash Flow Statement and Statement of Change in Equity for the year ended on that date and a summary of significant accounting policies and other explanatory notes.

We conducted our audit in accordance with generally accepted auditing standards. 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 our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used by the University 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.

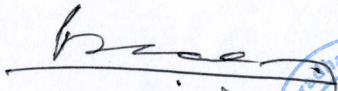
Opinion

Except for non adoption of the Nepal Financial Reporting Standards (NFRS) as required by the notification of the Institute of Chartered Accountants of Nepal from FY 2074/75, we report that:

1. We have obtained all the information and explanations, which were considered necessary for the purpose for our audit.
2. The books of accounts as required by the prevailing Law have been maintained by the University.
3. The Balance Sheet, Income Statement and Cash Flow Statement have been prepared in accordance with the Act and are in agreement with the books of accounts maintained by the University.
4. In our opinion based on the information provided to us and attached notes to the accounts, the attached Balance Sheet as at 31 Ashad 2076 (16 July 2019) and the Income Statement, Cash Flow Statement for the year then ended give a true and fair view of the financial position of the University.

In our opinion, according to information and explanation provided to us, we have not come across any cases where the staff of the University has acted against the Law or caused any loss or damage to the University or misappropriated any fund of the University.

Date: 8 July 2020
Place: Kathmandu, Nepal


Pratap P Pradhan
Principal
For PP Pradhan & Co.
Chartered Accountants



Kathmandu University
Balance Sheet
As at 31 Ashadh 2076 (16 July 2019)


Capital & Liabilities	Schedule	This Year Amount (NRs.)	Previous Year Amount (NRs.)
Fund			
Capital Fund	1	1,217,901,608	1,074,626,047
Land Re-evaluation Reserve		40,530,379	40,530,379
Reserve Fund	2	873,874,359	773,874,359
Reserve Fund (KUSMS)		27,154,961	27,154,961
Building Construction Fund	3	247,560,754	147,560,754
Building Construction Fund (KUSMS)	3	80,000,000	80,000,000
Corpus Fund		685,000,000	565,000,000
Corpus Fund (KUSMS)		325,093,324	261,144,471
Staff Vehicle / House Loan Fund		100,323,885	100,323,885
Human Resources Development Fund		5,500,000	5,500,000
Grant Assets Replacement Reserve		94,793,367	73,216,124
Endowment Funds	4	114,037,580	104,169,135
Scholarship Fund	5	153,438,914	91,618,083
Medal Fund	6	5,847,943	5,422,043
Balance Transferred from Appropriation Account		28,193,075	41,802,219
Total		3,999,250,149	3,391,942,461
Fixed Assets			
Fixed Assets	7	1,522,966,082	1,476,679,684
Fixed Assets (Projects)	8	211,195,534	202,306,384
Fixed Assets (KUSMS)		4,071,253	4,893,871
Fixed Assets (KUTTC)		655,065	723,407
Investment	9	1,592,683,244	1,494,883,244
Total Fixed Assets		3,331,571,178	3,179,486,589
Current Assets			
Cash & Bank Balance		1,022,256,886	756,905,486
Cash & Bank Balance (KUSMS)		428,177,032	363,405,562
Advance & Deposit	10	134,009,089	100,390,520
Inventory Stock		1,695,852	1,126,871
Prepaid Expenses		265,488	93,983
Receivable		163,514,840	115,097,192
Total Current Assets (A)		1,749,919,187	1,337,019,613
Less: Current Liabilities & Provision			
Payable & Deposit	11	841,192,022	717,894,551
Research & Development program	17	168,451,307	223,608,091
Advance Income		-	38,557,000
Inhouse Programs	17	72,596,887	144,504,099
Total Current Liabilities & Provision (B)		1,082,240,216	1,124,563,741
Net Current Assets C (A - B)		667,678,971	212,455,872
Total		3,999,250,149	3,391,942,461


Schedule 1 to 18 are integral parts of the financial statements.


Significant Accounting Policies and Notes to Accounts

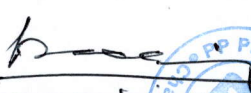
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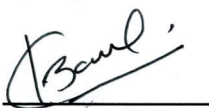
As per our report of even date


Prof. Dr. Subodh Sharma
Registrar


Members
Executive Council


Prof. Dr. Ram K.M. Shrestha
Vice-Chancellor


Pratap P. Pradhan
Principal
PP Pradhan & Company
Chartered Accountants


Kumar Baral
Chief, Finance Division


Chandeswor Shrestha
Manager, Finance Division



Date: 2077/03/23

Place: Kathmandu, Nepal

Kathmandu University

Income Statement

1 Shrawan 2075 to 31 Ashadh 2076 (17 July 2018 to 16 July 2019)

Income	Schedule	This Year Amount (NRs.)	Previous Year Amount (NRs.)
Students Fee	12	929,003,243	895,680,524
Students Fee (KUSMS)		627,257,298	562,613,406
Affiliation Fee	13	185,532,456	74,821,841
Research & Development Income	17	286,691,301	264,192,415
Miscellaneous Income	14	172,886,152	149,597,488
Exchange Gain		-	6,475,805
Total Income (A)		2,201,370,451	1,953,381,478
Expenditure			
Staff Expenses	15	424,288,293	381,772,766
Administrative Expenses	16	354,834,222	332,445,040
Research & Development Expenses	17	286,691,301	264,192,415
Medical Program Expenses	18	652,470,669	575,904,914
Exchange Loss		2,065,009	-
Depreciation Expenses	7,8	108,588,337	102,336,876
Write Off Expenses		1,652,754	728,421
Amortization of Leasehold Property	7	440,158	440,158
Total Expenses (B)		1,831,030,743	1,657,820,590
Surplus (A-B)		370,339,708	295,560,888
Total		2,201,370,451	1,953,381,478

Schedule 1 to 18 are integral parts of the financial statements.

Significant Accounting Policies and Notes to Accounts

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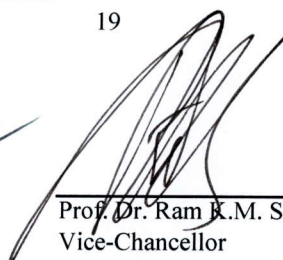
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Manager, Finance Division



Date: 2077/03/23
Place: Kathmandu, Nepal

Kathmandu University
Income Statement Appropriation Account
1 Shrawan 2075 to 31 Ashadh 2076 (17 July 2018 to 16 July 2019)

Income	Schedule	This Year Amount (NRs.)	Previous Year Amount (NRs.)
Opening Balance		41,802,219	36,878,427
Surplus during this year		370,339,708	295,560,888
Total Surplus		412,141,927	332,439,315
Transfer to Corpus Fund (KUSMS)		(63,948,852)	(20,637,096)
Transfer to Corpus Fund		(120,000,000)	(120,000,000)
Transfer to Reserved Fund		(100,000,000)	(100,000,000)
Transfer to Building Construction Fund		(100,000,000)	(50,000,000)
Total Transfer		(383,948,852)	(290,637,096)
Net Surplus transfer to Balance Sheet		28,193,075	41,802,219

Schedule 1 to 18 are integral parts of the financial statements.

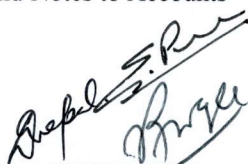
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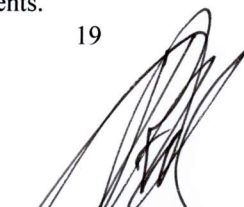
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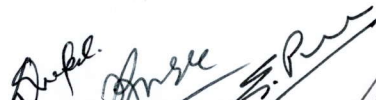
Kathmandu University
Cash Flow Statement
1 Shrawan 2075 to 31 Ashadh 2076 (17 July 2018 to 16 July 2019)

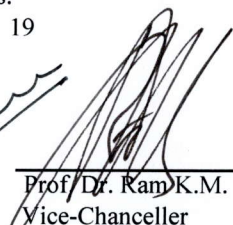
	Particulars	This Year Amount (NRs.)	Previous Year Amount (NRs.)
A	<u>Cash Flow from Operating Activities</u>		
	Net Surplus of this year	28,193,075	41,802,219
	Add :		
	Depreciation	108,588,337	102,336,876
	Amortization of Leasehold Property	440,158	440,158
	Cash Flow before Change in Working capital	137,221,570	144,579,254
1	Increase/Decrease in Current Assets	(82,776,704)	(41,947,856)
2	Increase/Decrease in Current Liabilities	(42,323,525)	336,555,590
	Net Cash Flow from Operating Activities	12,121,341	439,186,988
B	<u>Cash flow from Investing Activities</u>		
1	Purchase/Sale of Fixed Assets	(163,313,084)	(145,414,903)
2	Increase/Decrease in Investment	(97,800,000)	(494,112,537)
	Net Cash Flow from Investing Activities	(261,113,084)	(639,527,440)
C	<u>Cash flow from Financial Activities</u>		
1	Increase /Decrease in Capital Fund	579,114,613	434,389,435
	Net Cash Flow from Financial activities	579,114,613	434,389,435
	Net Cash Flow During the Year (A+B+C)	330,122,870	234,048,983
	Cash & Bank Balance at Beginning of the Year	1,120,311,048	886,262,065
	Cash & Bank Balance at the End of the Year	1,450,433,918	1,120,311,048


Schedule 1 to 18 are integral parts of the financial statements.
Significant Accounting Policies and Notes to Accounts 19

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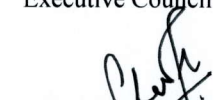

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Manager, Finance Division



Date: 2077/03/23
Place: Kathmandu, Nepal

Kathmandu University
Statement of change in Net Assets
1 Shrawan 2075 to 31 Ashadh 2076 (17 July, 2018 to 16 July, 2019)

Particulars	Capital Fund	Reserve Fund, Land Revaluation Reserve, Building Construction Fund, Corpus Fund, Staff Vehicle /House Loan Fund, Human Resource Development Fund, Grant Assets Replacement Reserve	Endowment Fund	Scholarship Fund	Medal Fund	Surplus	Total
Opening Balance	1,074,626,047	2,074,304,934	104,169,135	91,618,083	5,422,043	41,802,219	3,391,942,461
Adjustment:							
Capital Fund	143,275,560	-	-	-	-	-	143,275,560
Reserve Fund, Land Revaluation Reserve, Building Construction Fund, Corpus Fund, Staff Vehicle /House Loan Fund, Human Resource Development Fund, Grant Assets Replacement Reserve	-	405,526,095	-	-	-	-	405,526,095
Endowment Fund	-	-	9,868,445	-	-	-	9,868,445
Scholarship Fund	-	-	-	61,820,832	-	-	61,820,832
Medal Fund	-	-	-	-	425,900	-	425,900
Surplus	-	-	-	-	-	(13,609,145)	(13,609,145)
Closing Balance	1,217,901,608	2,479,831,029	114,037,580	153,438,914	5,847,943	28,193,075	3,999,250,149

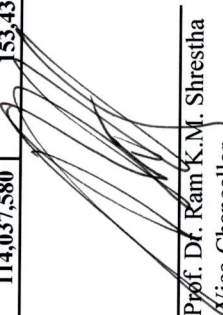
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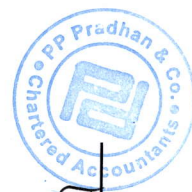
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