

KIRAT RAI ASSOCIATION HONG KONG LIMITED

FOR THE PERIOD ENDED 31ST MARCH, 2013

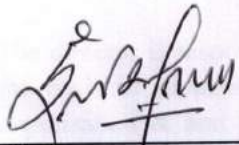
CONTENTS

	Pages
Supervisor's Certificate	1
Assurance report	2 - 3
Income & expenditure account	4
Balance Sheet	5
Notes to the accounts	6 - 7

KIRAT RAI ASSOCIATION HONG KONG LIMITED

SUPERVISOR'S CERTIFICATE

I, Rai Shashi Madan, hereby certify that the information and explanation given in Statements 1 to 7 in the Accounts of the Social Organization for the period from 1st April, 2012 to 31st March, 2013 are true and correct.



Chairman

Hong Kong, 8th August, 2013

Janice C.M. Li Certified Public Accountant (Practising)

利志敏執業會計師

CPA, FCCA, CTA of TIHK, HKUBA (Hons)

Suite 2611, Office Tower Langham Place, 8 Argyle St., Mongkok, Kowloon, Hong Kong

香港九龍亞皆老街8號朗豪坊辦公大樓26樓2611室

Tel: 97761728 email: lichiman0109@gmail.com

INDEPENDENT ASSURANCE REPORT FOR KIRAT RAI ASSOCIATION HONG KONG LIMITED

In accordance with my agreed terms of agreement, I have performed an engagement on the attached income and expenditure account of the social organization.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR & MYSELF

The director is responsible for preparing the attached income and expenditure account in accordance with the basis of preparation set out in note 3, setting out the gross subscription raised from the social organization & and the expenses incurred in connection with the income, in order to comply with the conditions stated in the Public Subscription Permit issued by the Social Welfare Department of the Government of the Hong Kong Special Administrative Region ("SWD"). This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the income and expenditure account so that it reflects the subscription raised and expense incurred in connection with the social organization and is free from material misstatement.

It is my responsibility to form an conclusion on the attached income and expenditure account, based on my engagement, and to report my conclusion to you, as a body, and for no other purpose except for use of report as set out below. I do not assume responsibility towards or accept liability to any other person for the contents of this report.

BASIS OF CONCLUSION

I concluded my engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". The work undertaken in connection with this engagement is less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

My engagement include carrying out limited procedures for obtaining sufficient appropriate evidence to be able to draw a conclusion, such as inquiries primarily of persons responsible for financial and accounting matters and other procedures I considered necessary.

CONCLUSION

Based on the foregoing, I report that nothing has come to my attention that causes me to believe that the attached income and expenditure account does not reflect, in all material respects, the gross subscriptions raised and the expenses incurred by the social organization that have been record in its books and records made available to us in accordance with the basis of preparation set out in Note 3.

Janice C.M. Li Certified Public Accountant (Practising)

利志敏執業會計師

CPA, FCCA, CTA of TIHK, HKUBA (Hons)

Suite 2611, Office Tower Langham Place, 8 Argyle St., Mongkok, Kowloon, Hong Kong

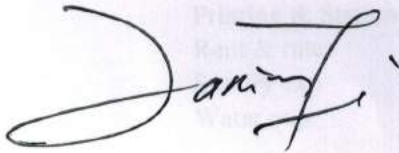
香港九龍亞皆老街8號朗豪坊辦公大樓26樓2611室

Tel: 97761728 email: lichiman0109@gmail.com

USE OF REPORT

This report is intended solely for the purpose of assisting the Charity to satisfy the conditions stated in the Public Subscription Permit issued by SWD in connection with the social organization and is not intended to be, and should not be, used for any other purpose.

I agree that a copy of this report may be provided to the Director of Social Welfare and may be published where the Social organization is required to do so under the conditions stated in the relevant Public Subscription Permit without further comment from me.



Janice C.M. LI
Certified Public Accountant (Practising)

Hong Kong, 8th August, 2013

KIRAT RAI ASSOCIATION HONG KONG LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31ST MARCH, 2013

(Date of commencement: 1st April, 2012)

(Expressed in Hong Kong dollars)

	2013 HK\$
Income	174,352.00
Cost of Income	108,791.00
Gross Profit	<u>65,561.00</u>
Other Expenditures	
Audit fee	4,000.00
Cleaning exp	52.00
Depreciation Expenses	302.40
Office expenses	3,550.00
Printing & Stationary	12,023.00
Rent & rates	6,800.00
Sundry exp	679.00
Water exp	73.00
Total Cost	<u>27,479.40</u>
Net Surplus	<u><u>38,081.60</u></u>

The annexed notes form an integral part of these accounts.

KIRAT RAI ASSOCIATION HONG KONG LIMITED

BALANCE SHEET

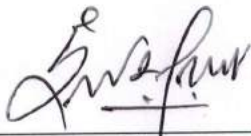
AS AT 31ST MARCH, 2013

(Expressed in Hong Kong dollars)

	Note	2013 HK\$
ASSETS		
NON CURRENT ASSETS		
Furniture & fixtures	6	1,033.60
Office equipment	6	<u>2,232.00</u>
		<u>3,265.60</u>
CURRENT ASSETS		
Rental Deposits		3,600.00
Cash at bank and in hand		<u>35,216.00</u>
		<u>38,816.00</u>
CURRENT LIABILITIES		
Accrual		<u>4,000.00</u>
NET CURRENT ASSETS		
		<u>34,816.00</u>
NET ASSETS		
		<u>38,081.60</u>
RESERVE		
Accumulated fund /Net Surplus for the period		<u>38,081.60</u>
TOTAL RESERVE		
		<u>38,081.60</u>

Approved by the board on 8th August, 2013
and signed on its behalf by

Director



Director

The accompanying Accounting Policies and Explanatory Notes form an integral part of and should be read in conjunction with these financial statements.

KIRAT RAI YAYOKKHA ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL

Kirat Rai Association Hong Kong Limited is a non-private company limited by guarantee which incorporated in Hong Kong.

The registered office is located at Rm 406B, 4/F, Mirror Tower 61, Mody Road, TST East Kowloon, Hong Kong.

2. PURPOSE OF THE SOCIAL ORGANIZATION

Kirat Rai Association Hong Kong Limited is a social organization of the Kirat Rai, an indigenous ethnic group in Nepal. The mission of Kirat Rai Yayokkha is to maintain social integrity, acquire equality and justice, by protecting, preserving and promoting distinct social and cultural identity and linguistic diversity of Kirat Rai. Kirat Rai Association Hong Kong Limited a non-profit, non-political and non-governmental organization.

3. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of preparation

The statement of income and expenditure has been prepared using the historical cost basis of accounting.

(b) Income recognition

Income is recognized on the basis of cash received and receivable from membership fee & cultural program subscription.

(c) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The depreciable amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as follows:

Furniture & fixtures	20%
Property plant and equipments	20%

4. EXPENDITURE

All the expenditure of the social organization raising was borne by Kirat Rai Association Hong Kong Limited.

5. TAXATION

As Kirat Rai Association Hong Kong Limited is registered as a organization under Section 88 of Inland Revenue Ordinance, the income is exempted from Hong Kong profits tax.

**KIRAT RAI YAYOKKHA ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE
FINANCIAL STATEMENTS**

6. PROPERTY, PLANT & EQUIPMENT

	Furniture & fixtures HK\$	Office equipment HK\$	Total HK\$
Cost			
Addition during the period	1,088.00	2,480.00	3,568.00
At 31/03/2013	<u>1,088.00</u>	<u>2,480.00</u>	<u>3,568.00</u>
Accumulated Depreciation			
Charge for the period	54.40	248.00	302.40
At 31/03/2013	<u>54.40</u>	<u>248.00</u>	<u>302.40</u>
Net Book Value			
At 31/03/2013	<u>1,033.60</u>	<u>2,232.00</u>	<u>3,265.60</u>