

# Annex 11: Financial Statement

Poverty Alleviation Fund II Project (IDA Grant No. H3370-NEP, IFAD Grant No: DSF-8014-NP)

Summary of Sources and Uses of Funds  
Fiscal Year: 2064/2065 (2007/2008)



Description	Notes to Account	As at 32nd Ashad, 2064	Amount in NPR	
			F.Y 2064/2065	As at 31st Ashad, 2065
<b>Budget Allocation:</b>				
Allocation for PAF II		0	1,065,184,945.40	1,065,184,945.40
<b>A Opening Cash/Bank Balance:</b>				
Cash Balance of Previous Trimester		0	0	0
<b>B Receipt:</b>				
Budget Release from Government of Nepal	Note 1	0	1,065,184,945.40	1,065,184,945.40
IDA Fund				
IFAD Fund				
<b>C Total (A+B):</b>			<b>1,065,184,945.40</b>	<b>1,065,184,945.40</b>
<b>D. Uses of Funds:</b>				
1. Block Grants and Consultants' Services provided by Pos Advance	Note 2A		405,987,942.01	
Net	Note 2B		659,197,003.39	
2. Goods, Consultants' services and Training for PAF				
3. Incremental Operating Costs				
<b>Total</b>			<b>1,065,184,945.40</b>	
<b>E. Frozen Account (Unspent Balance of FY 2066/2007)</b>				0
<b>F. Total (D+E)</b>			<b>1,065,184,945.40</b>	
<b>G. Closing Cash Balance (C-F)</b>		<b>0</b>	<b>0</b>	<b>1,065,184,945.40</b>

IDAs Designated Account Statement:				
Description	Notes to Account	As at 32nd Ashad, 2064	F.Y 2064/2065	As at 31st Ashad, 2065
1. Opening Cash Balance in Designated Account		0	0	0
2. Fund received from IDA		0	0	0
<b>3. Total Cash Available (1+2)</b>		<b>0</b>	<b>0</b>	<b>0</b>
4. Transfer to GON Treasury Account		0	0	0
5. Foreign Exchange Gain/Loss (+/-)		0	0	0
<b>6. Closing Designated Account Balance (3-4+5)</b>		<b>0</b>	<b>0</b>	<b>0</b>

IFADs Designated Account Statement:				
Description	Notes to Account	As at 32nd Ashad, 2064	F.Y 2064/2065	As at 31st Ashad, 2065
1. Opening Cash Balance in Designated Account		0	0	0
2. Fund received from IDA		0	0	0
<b>3. Total Cash Available (1+2)</b>		<b>0</b>	<b>0</b>	<b>0</b>
4. Transfer to GON Treasury Account		0	0	0
5. Foreign Exchange Gain/Loss (+/-)		0	0	0
<b>6. Closing Designated Account Balance (3-4+5)</b>		<b>0</b>	<b>0</b>	<b>0</b>





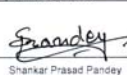
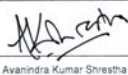


 Dip Joshi, Finance Officer, PAF  
 Manoj Chiplu, Asst. Finance Chief, PAF  
 Raj Babu Shrestha, Executive Director, PAF  
 Sunder Mar Shrestha, Internal Auditor, Sundar & Co.  
 Sharda Prasad Pandey, Secretary, Office of the Prime Minister & Council of Ministers  
 Avanindra Kumar Shrestha, Financial Comptroller General, FCGO  
 Badi Bahadur Ghosh, Deputy Auditor General, AGO  


**Annex11: Cont....**

Poverty Alleviation Fund Project  
Gyanshwar, Kathmandu  
Project Account  
IDA Grant No: H091NEP and H258NEP  
Fiscal Year - 2064/65 (2007/2008)



Sources	Note	As at 32nd Ashad 2064	2064/2065	As at 31st Ashad 2065	Applications	Note	As at 32nd Ashad 2064	2064/2065	As at 31st Ashad 2065
GON Fund	2	105,571,887.81	8,046,630.36	113,618,518.17	<b>Net Expenditures:</b>				
GON Reimbursable Fund	2	962,807,477.50	(424,632,405.44)	538,175,072.06	Block Grants	1a	1,395,593,999.48	936,283,586.60	2,331,877,586.08
IDA Grant-No H 091	3	848,921,138.86	163,926,507.74	1,012,847,646.60	Consultants' Services	1a	20,731,274.97	23,689,682.82	44,420,957.79
IDA Grant-No H 258	3	-	1,099,935,578.38	1,099,935,578.38	Equipment and Vehicles for PAF	1a	23,861,975.61	4,898,642.72	28,760,618.33
IDA replenishable H 091	5	-	-	-	Training and Knowledge Sharing	1a	20,084,697.23	6,301,832.83	26,386,530.06
IDA replenishable H 258	5	37,652,836.50	(37,652,836.50)	-	Incremental Operating Costs	1a	58,833,265.24	38,766,258.84	95,599,524.08
					PPF Expenditures	1a	5,816,692.68	-	5,816,692.68
					<b>Sub-total (A)</b>		<b>1,522,921,905.21</b>	<b>1,009,940,003.81</b>	<b>2,532,861,909.02</b>
					<b>Advances:</b>				
					Block Grants	1a	423,883,473.46	(203,023,838.66)	220,859,634.80
					Consultants' Services	1a	2,805,355.93	(48,793.82)	2,756,562.11
					Equipment and Vehicles for PAF	1a	-	221,745.00	221,745.00
					Training and Knowledge Sharing	1a	3,973,252.07	1,062,330.21	5,035,582.28
					Incremental Operating Costs	1a	1,369,354.00	1,472,028.00	2,841,382.00
					<b>Sub-total (B)</b>		<b>432,031,435.46</b>	<b>(200,316,529.27)</b>	<b>231,714,906.19</b>
<b>Sub-total</b>		<b>1,954,953,340.67</b>	<b>809,623,474.54</b>	<b>2,764,576,815.21</b>	<b>Total (A+B)</b>		<b>1,954,953,340.67</b>	<b>809,623,474.54</b>	<b>2,764,576,815.21</b>
Designated Account Initial Deposit					Designated Account Balance#091	4	97,274,999.35	(92,543,950.95)	4,731,048.40
Grant No. H 091	4a	106,290,000.00	(101,386,284.89)	4,903,715.11	Designated Account Balance#091	4	-	-	-
Grant No. H 258	4	129,999,350.00	635.00	129,999,985.00	<b>Sub-total (C)</b>		<b>97,274,999.35</b>	<b>(92,543,950.95)</b>	<b>4,731,048.40</b>
Exchange Gain/Loss	4a	(9,170,403.31)	15,997,751.60	6,827,348.29	Designated Account Balance#258	4	92,191,110.84	44,808,889.16	137,000,000.00
					Designated Account Balance#258	4	37,652,836.50	(37,652,836.50)	-
					<b>Sub-total (D)</b>		<b>129,843,947.34</b>	<b>7,156,052.66</b>	<b>137,000,000.00</b>
<b>Sub-total</b>		<b>227,118,946.69</b>	<b>(85,387,898.29)</b>	<b>141,731,048.40</b>	<b>Total Special Account (I+C+D)</b>		<b>227,118,946.69</b>	<b>(85,387,898.29)</b>	<b>141,731,048.40</b>
<b>Total</b>		<b>2,182,072,287.36</b>	<b>724,235,576.25</b>	<b>2,906,307,863.61</b>	<b>Grand Total (I+II)</b>		<b>2,182,072,287.36</b>	<b>724,235,576.25</b>	<b>2,906,307,863.61</b>



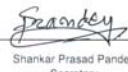
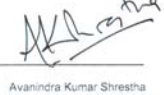


 Dilip Raj Joshi  
Finance Officer  
PAF
  Manoj Prasad  
Finance & Adm. Chief  
PAF
  Raj Babu Shrestha  
Executive Director  
PAF
  Sundar Man Shrestha  
Internal Auditor  
Sundar & Co.
  Shankar Prasad Pandey  
Secretary  
Office of the Prime Minister  
and Council of Ministers
  Avandira Kumar Shrestha  
Financial Comptroller General  
Financial Comptroller General  
Office
  Basu Babu Rana  
Deputy Auditor General  
Office of Auditor General
 

Note: Year end's foreign currency bank balance has been translated into local currency at the exchange rate prevailing on that date, and the exchange difference thereof is separately shown under the "Exchange Gain/Loss" without adjusting it to the respective grant account.

## Annex11: Cont....

**Poverty Alleviation Fund  
Income Statement  
For the FY-64/65 (FY-2007/08)  
IDA Grant No. H091, H258 & H337-Nep**

Sources	Notes	F.Y 2064/2065	F.Y 2063/2064
<b>Income</b>			
Fund Received from GON during the Fiscal Year	6	1,970,723,000.00	1,254,070,000.00
Transfer to Ka 7-17	5	(1,226,208,614.70)	(658,549,358.39)
Amount Deposit in the Treasury Account (Ka 1-6)	2	(43,773,615.01)	(14,419,072.71)
Amount Deposit in the Treasury Account (Ka 1-6),Refunded			
Amount From Previous Year Advance Expenses	2	(676,929.20)	(1,300,053.33)
IDA Grant	5	1,263,862,086.20	623,149,308.90
IDA replenishable	5	(37,652,836.50)	35,400,049.49
Other Income		0	-
<b>Total Income</b>		<b>1,926,273,090.79</b>	<b>1,238,350,873.96</b>
<b>Expenditure</b>			
Block Grants	1D	1,798,444,693.34	1,143,069,699.53
Consultant Services	1D	23,640,889.00	13,694,118.74
Equipment and Vehicles	1D	5,120,387.72	10,530,961.14
Training and Knowledge Sharing	1D	7,364,163.04	16,420,609.89
Incremental Operating Costs	1D	40,238,286.84	25,280,942.36
PPF Advance			-
<b>Total Expenditure</b>		<b>1,874,808,419.94</b>	<b>1,208,996,331.66</b>
<b>Advance</b>			
Block Grants	1D	202,964,103.35	130,788,821.29
Consultant Services	1D	(48,793.82)	(1,122,598.57)
Equipment and Vehicles	1D	221,745.00	-
Training and Knowledge Sharing	1D	1,062,330.21	2,546,409.07
Incremental Operating Costs	1D	1,472,028.00	287,702.00
<b>Total Advance</b>		<b>205,671,412.74</b>	<b>132,500,333.79</b>
<b>Net Expenditure</b>	1D	<b>1,669,137,007.20</b>	<b>1,076,495,997.87</b>
<b>Excess of Income over Expenditure</b>		<b>257,136,083.59</b>	<b>161,854,876.09</b>

 Dilip Raj Joshi Finance Officer PAF	 Manoj Chhapu Finance & Admin Chief PAF	 Raj Babu Shrestha Executive Director PAF	 Sundar Man Shrestha Internal Auditor Sundar & Co	 Shankar Prasad Pandey Secretary Office of the Prime Minister and Council of Ministers	 Avinandra Kumar Shrestha Financial Comptroller General FCGO	 Badri Bahadur Karki Deputy Auditor General AGO	 Auditor General Nepal 2016
--	---	---	---	--	--	---	---

**Annex 11: Cont....**

**Poverty Alleviation Fund  
Gyaneshwor, Kathmandu  
Balance Sheet  
As at 31 Ashad 2065 (15 July 2008)  
IDA Grant Agreement No. H091, H258 & H337-NEP**





Sources	Notes	As at 31 Ashad 2065	As at 32 Ashad 2064
<b>Accumulated Fund</b>			
As of Last Year		475,811,050.47	313,956,174.38
Transferred from Income Statement		257,136,083.59	161,854,876.09
		<b>732,947,134.06</b>	<b>475,811,050.47</b>
<b>Capital Fund Reserve</b>			
<b>IDA Fund</b>			
Designated Account Initial Deposit- H091-NEP	4	106,290,000.00	106,290,000.00
Designated Account Initial Deposit- H258-NEP	4	129,999,985.00	129,999,350.00
Recovery Applied (H091-Nep)		(93,827,403.26)	
Recovery Applied (H258-Nep)			
Exchange Gain (Loss)	4	(731,533.34)	(9,170,403.31)
<b>Sub - total</b>		<b>141,731,048.40</b>	<b>227,118,946.69</b>
<b>PPF Fund</b>			
Designated Account Initial Deposit (PPF)			
Recovery Applied			
Amount Transfer to New York, IDA			
Exchange Gain (Loss)			
<b>Sub - total</b>			
<b>Leave Reserve Fund</b>		<b>2,037,162.34</b>	<b>454,972.68</b>
<b>Grand Total</b>		<b>905,711,925.47</b>	<b>727,261,162.79</b>


  


Applications	Notes	As at 31 Ashad 2065	As at 32 Ashad 2064
<b>Advances</b>			
Block Grants	8a	626,847,576.81	423,883,473.46
Consultant services	8a	2,756,562.11	2,805,355.93
Equipment and Vehicle	8a	221,745.00	-
Training and Knowledge Sharing	8a	5,035,582.28	3,973,252.07
Incremental Operating Cost	8a	2,841,382.00	1,369,354.00
Advance Payment to Inland Revenue Office	8a	-	1,042.98
		<b>637,702,848.20</b>	<b>432,032,478.44</b>
<b>Fixed Asset</b>			
<b>IDA Replenishable</b>			
<b>Bank Balance</b>			
Unspent Project Account Bank Balance	6	95,244,285.86	43,778,572.03
Designated Account Balance (H091-NEP)	4	4,731,048.40	97,274,999.35
Designated Account Balance (H258-NEP)	4	137,000,000.00	92,191,110.84
Leave Reserve Bank Balance		2,037,162.34	454,972.68
<b>Sub-total</b>		<b>239,012,496.60</b>	<b>233,699,654.90</b>
<b>Grand Total</b>		<b>905,711,925.47</b>	<b>727,261,162.79</b>

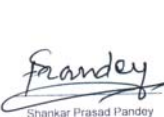
- NOTE: 1. Capital assets are fully expensed.  
 2. For the balance sheet purpose, the value of capital asset, based on the inventory record, is capitalized, and the capital fund reserved has been created with the equivalent amount.  
 3. No depreciation is considered on such capital assets  
 4. There is discrepancy of Rs 14,217.34 in the capital asset balance between the balance sheet and the financial statement figures.

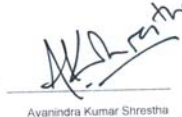
 Dilip Raj Joshi  
 Finance Officer  
 PAF


 Manoj Chiplu  
 Finance & Admin Chief  
 PAF

 Raj Harku Shrestha  
 Executive Director  
 PAF

 Sundar Man Shrestha  
 Internal Auditor  
 Sundar & Co.

 Shankar Prasad Pandey  
 Secretary  
 Office of the Prime Minister and  
 Council of Ministers

 Avanindra Kumar Shrestha  
 Financial Comptroller General  
 FCGO

 Badi Bahadur Karki  
 Deputy Auditor General  
 AGO

