



Ref. No.- 2073/74, 511

Date: June 7, 2017

AUDIT REPORT

The Chairman
National Trust for Nature Conservation (NTNC)
Khumaltar, Lalitpur.

Report on the Financial Statements

We have audited the accompanying Project Financial Statements of the *National Trust for Nature Conservation (NTNC)* which comprise the consolidated Statement of financial position as at 15 July, 2016 (31 Ashadh, 2073) and consolidated statement of comprehensive income, and consolidated statement of cash flows for the year then ended and a summary of accounting policies and other explanatory notes.

Management's Responsibility for Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with generally accepted accounting principles. This responsibility includes: designing, implementing and maintaining internal control relevant to preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud and error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Fundamental Principles of public sector auditing issued by INTOSAI, Government auditing standards and directives and guidelines issued by the OANG. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 provided a basis for our audit opinion.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the "**National Trust for Nature Conservation**" as at 15 July, 2016 (31 Ashadh, 2073), and of the results of its financial performance and its cash flows for the year then ended in accordance with generally accepted accounting principles used by the Trust.

(Mohadatta Timilsina)
Deputy Auditor General