

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Century Energy Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Century Energy Limited (the Company), which comprises the statement of financial position as at 32nd Ashad 2083, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion and to the best of our information and according to explanations provided to us, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at Ashad End 2083 and its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRS).

Basis for Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ICAN's Handbook of Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with NFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of audit in accordance with NSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risk of material misstatement of the financial statement whether due to fraud or error, design and perform audit procedure responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide an opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 internal control.
- Conclude an appropriateness of management use of going concern basis of accounting and, based in audit evidence obtained, whether a material uncertainty exists related to events or condition that may cast significant doubt on the company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure, and content of financial statement including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We remain solely responsible for our audit opinion.

We communicate with those charges with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related standards.

Report on Other Legal and Regulatory Requirement

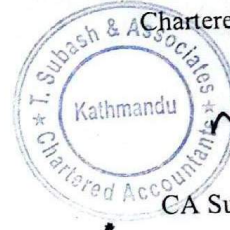
As per the Companies Act 2063, based on our audit carried out on a sampling basis, we report that, in our opinion:

- We have obtained information and explanations and asked for which, to the best knowledge and belief, were necessary for the purpose of our audit.
- In our opinion the company has kept proper books of accounts as required by law so far, as appears from our examination of those books.
- In our opinion, statements of financial position, profit or loss, other comprehensive income, changes in equity and cash flows, have been prepared in accordance with the requirements of the Companies Act, 2063 and are in agreement with the books of account maintained by the company.
- To the best of our information, and according to the explanation given to us and so far, appeared from our examination of the books of account of the company, we have not come across cases where Board of Directors or any employees of the company have acted contrary to the provisions of law relating to the accounts or committed any misappropriation or caused loss or damage to the company.



- We have not come across any fraudulence in the accounts so far as it appears from our examination of the books of accounts.

For and on Behalf of T. Subash & Associates
Chartered Accountants



CA Subash Timilsina

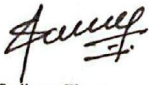
Proprietor
COP: 1190

Place: Kathmandu, Nepal
Date: 2083.04.25
UDIN No:

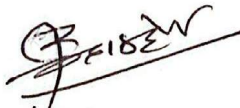
Century Energy Limited
Statement of Financial Position
As at 32nd Ashad 2083 (16 July 2026)

		Amount in NPR	
Particulars	Schedule	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Assets			
Non Current Assets			
Property, Plant & Equipment	4.1	205,818,347	214,495,850
Right-of-use Assets	4.2	-	-
Deferred Tax Assets	4.3	-	-
Financial Assets			
Investment	4.4	35,733,560	10,000,000
Total Non Current Assets (A)		241,551,907	224,495,850
Current Assets			
Inventories	4.5	1,380,741	-
Financial Assets			
Trade & Other Receivables	4.6	11,479,381	8,685,419
Advances & Deposits	4.7	702,678	3,131,473
Cash & Cash Equivalent	4.8	84,201,778	40,420,444
Total Current Assets (B)		97,764,578	52,237,336
Total Assets (A+B)		339,316,485	276,733,186
Equity & Liabilities			
Equity			
Equity Share Capital	4.9	204,000,000	120,000,000
Retained Earnings	4.10	59,323,076	59,520,920
Total Equity (C)		263,323,076	179,520,920
Non Current Liabilities			
Financial Liabilities			
Long Term Borrowings	4.11	74,400,738	95,740,738
Lease Liability	4.12	-	-
Total Non current liabilities (D)		74,400,738	95,740,738
Current Liabilities			
Financial Liabilities			
Trade & Other Payables	4.13	1,191,999	95,537
Short Term Borrowings	4.14	-	-
Other Liabilities & Provisions	4.15	400,672	1,375,991
Total Current Liabilities (E)		1,592,671	1,471,528
Total Equity & Liabilities (C+D+E)		339,316,485	276,733,185
Networth per Share		129.08	149.60

Schedules and explanatory notes forms integral part of financial statement


Sadhana Thapa
Accountant

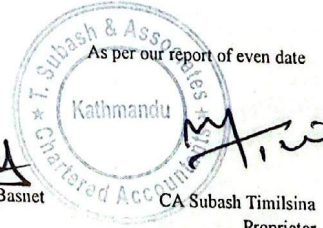
Date: 2083.04.17
Place: Kathmandu


Khadka Bdr. Shrestha
Director


Tisha Kumar Singh
Director


Anu Niraula Basnet
Director


Krislma Prasad Dulal
Chairman

As per our report of even date

CA Subash Timilsina
Proprietor
T. Subash & Associates
Chartered Accountants



Century Energy Limited
Statement of Comprehensive Income
For the year ended 32nd Ashad 2083 (16 July 2026)

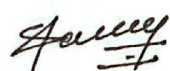
Particulars	Notes	For the period 2082-83	For the period 2081-82
Revenue from Operations	4.16	55,927,469	52,099,678
Direct Expenses	4.17	6,859,277	6,347,688
Gross Margin		49,068,192	45,751,990
Employee Benefit Expenses	4.18	4,806,786	4,294,732
Administrative Expenses	4.19	2,086,287	2,097,386
Selling and Distribution Expenses	4.20	59,298	29,916
Depreciation & Amortization	4.21	8,677,501	8,644,476
Profit/(Loss) From Operation		33,438,321	30,685,480
Other Income	4.22	238,381	2,669,712
Finance Cost	4.23	5,656,414	8,700,357
Net Profit/(Loss) Before Tax		28,020,289	24,654,835
Provision for Income Tax		-	-
Deferred Tax Expense / (Income)		-	-
Prior Period Tax Adjustment		-	-
Net Profit/(Loss) After Tax		28,020,289	24,654,835
Other Comprehensive Income			
1. Items that will not be reclassified to profit or loss			
a) Remeasurement of defined benefit plan		-	-
b) Income tax relating to items that will not be reclassified to profit or loss		-	-
2. Items that will be reclassified to profit or loss			
a) Unrealized Gain/(Loss)		(55,773)	-
b) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income		27,964,516	24,654,835

Earning Per Share

13.71

20.55

Schedules and explanatory notes forms integral part of financial statement

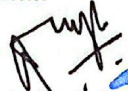

Sadhana Thapa
Accountant

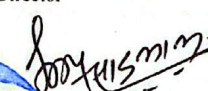

Khadka Bdr. Shrestha
Director

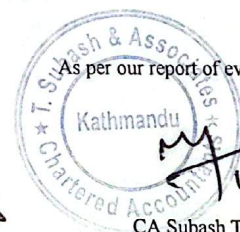

Anu Niraula Basnet
Director


CA Subash Timilsina
Proprietor
T. Subash & Associates
Chartered Accountants

Date: 2083.04.17
Place: Kathmandu


Tirtha Kumar Singh
Director


Krishna Prasad Dulal
Chairman



As per our report of even date



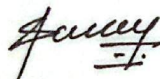
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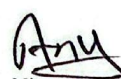
Century Energy Limited
Cash Flow Statement
For the year ended 32nd Ashad 2083 (16 July 2026)

Particulars	Amount in NPR	
	For the period 2082-83	For the period 2081-82
Cash Flow from Operating Activities		
Net profit/(Loss) after tax	27,964,516	24,654,835
Depreciation & Amortization	8,677,501	8,644,476
Interest Expenses	5,656,414	8,700,357
(Gain)/Loss on sale of Fixed Assets	-	-
Unrealized (Gain)/Loss	55,773	-
Interest Income	(199,266)	(325,039)
Prior Period Adjustments	-	-
Deferred Tax Expense / (Income)	-	-
Cash flow from Operating activities before working capital changes	42,154,937	41,674,629
Adjustments for Working Capital Changes:		
Change in operating assets	(1,745,908)	(1,213,313)
Change in operating liabilities	121,146	853,943
Net Cash Flow from Operating Activities	40,530,174	41,315,259
Cash Flow From Investing Activities		
Purchase of Property, Plant & Equipment	-	(1,738,606)
Decrease/ (Increase) in ROU Assets	-	-
Sale of Property, Plant & Equipment	-	-
Purchase/Sale of Investment	(25,789,333)	-
Interest received	199,266	325,039
Dividend Paid	(12,000,000)	(10,200,000)
Net Cash Flow From Investing Activities	(37,590,066)	(11,613,567)
Cash Flow From Financing Activities		
Increase/(Decrease) in Share Capital	54,000,000	-
Increase/(Decrease) in Share Premium	13,837,640	-
Increase/(Decrease) in Borrowings	(21,340,000)	(18,140,000)
Increase/(Decrease) in Share Application Money	-	-
Interest Expenses	(5,656,414)	(8,700,357)
Lease Payment under NFRS 16	-	-
Net Cash Flow From Financing Activities	40,841,226	(26,840,357)
Net increase in Cash and Cash equivalents	43,781,334	2,861,335
Cash and Cash Equivalents : Opening	40,420,444	37,559,108
Cash and Cash Equivalents : Closing	84,201,778	40,420,444

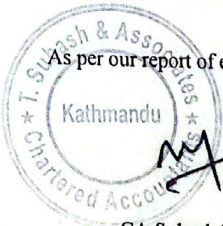
Schedules and explanatory notes forms integral part of financial statement


Sadhana Thapa
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Khadka Bdr. Shrestha
Director

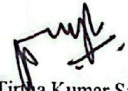

Anu Niraula Basnet
Director

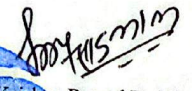
As per our report of even date




CA Subash Timilsina
Proprietor
T. Subash & Associates
Chartered Accountants

Date: 2083.04.17
Place: Kathmandu


Tirtha Kumar Singh
Director


Krishna Prasad Dulal
Chairman



Century Energy Limited
Statement of Changes in Equity
For the year ended 32nd Ashad 2083 (16 July 2026)

Particulars	Share Capital	Share Premium	General Reserve	Revaluation Reserve	Total
Balance as at Ashad 32, 2082	120,000,000	-	59,520,920	-	179,520,920
Profit / (Loss) for the Year	-	-	27,964,516	-	27,964,516
Earlier Years' Taxes	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-
Dividend to shareholders	-	-	(42,000,000)	-	(42,000,000)
Shares Issued	84,000,000	13,837,640	-	-	-
Balance as at Ashad 32, 2083	204,000,000	13,837,640	45,485,436	-	263,323,076

Schedules and explanatory notes forms integral part of financial statement


Sadhana Thapa
Accountant

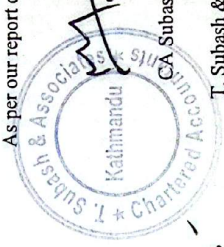

Khadka Bdr. Shrestha
Director


Tiraha Kumar Singh
Director


Anu Niraula Basnet
Director


Krishna Prasad Dulal
Chairman

As per our report of even date


T. Subash & Associates
Chartered Accountants
Kathmandu



Date: 2083.04.17
Place: Kathmandu

Century Energy Limited
Kathmandu Nepal

Significant Accounting Policies and Notes to Financial Statements
For the year ended on Ashad 32, 2083

1 Reporting Entity: General Information

M/s Century Energy Limited is a limited liability company registered in Nepal under the Company Act, 2063. Its registration number is 85626 dated 31st Shrawan 2068. The registered office of the company is located at Ratopool, KMC-9, Kathmandu. The company was converted into public limited company on 2080/03/21 with new registration number 314935. The company operates 997 kW hydropower plant at Sindupalchowk known as "Hadikhola Sunkoshi A Small Hydropower Project" as per the terms of license issued by Ministry of Energy. This project is constructed on Build, Own, Operate, (BOT) model. The PPA is valid for the period of 30 years. After the expiry of PPA, new PPA would be done on mutual agreements. The generated electricity is sold to the Nepal Electricity Authority (NEA) as per rate agreed upon in the power purchase Agreement (PPA). The annual energy generation as per the PPA with NEA is 78.78 GWh. Commercial Operation Date (COD) is 12th Bhadra, 2077. The power generated from the project is evacuated to distribution lines near to Powerhouse in Sindhupalchowk District. The company does not have any subsidiary, or an interest in associate or joint venture

2 Basis of Preparation

The financial statements of the company have been prepared on accrual basis of accounting except the cash flow, which is prepared on a cash basis, using the direct method. The financial statements comprise the Statement of Financial Position, Statement of Profit or Loss and Statement of Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and Notes to the Financial Statement of the company.

2.1 Statement of Compliance

The financial statements have been prepared on accrual basis and in accordance with Nepal Financial Reporting Standards (NFRS) as published by the Accounting Standards Board (ASB) Nepal and pronounced by The Institute of Chartered Accountants of Nepal (ICAN).

These policies have been consistently applied to all the years presented except otherwise stated.

2.2 Reporting period and approval of financial statements

2.2.1 Reporting Period

The Company has, for the preparation of financial statements, adopted the NFRS pronounced by ASB with effect from fiscal year 2080-81. To comply the NFRS provisions following dates have been considered, in terms of first-time adoption.

Relevant Financial Statement	Nepalese Calendar	English Calendar
Comparative SFP* Date	Ashad 32, 2082	July 16, 2025
Comparative reporting period	1 Shrawan 2081 - 32 Ashad 2082	July 16, 2024 - July 16, 2025
SFP* Date	Ashad 32, 2083	July 16, 2026
Reporting period	1 Shrawan 2082 - 32 Ashad 2083	July 17, 2025 - July 16, 2026

*SFP- Statement of Financial Position

2.2.2 Responsibility of Preparation of Financial Statements

The Board of Directors acknowledges the responsibility for the preparation and fair presentation of the financial statements of "Century Energy Limited" in accordance with NFRS and in conformity with the applicable laws.

2.2.3 Presentation of Financial Statements

The assets and liabilities of entity presented in the statement of Financial Position are grouped in an order of liquidity.

The statement of profit or loss has been prepared using classification 'by nature' method. The cash flows from operation within the statement of cash flows have been derived using the indirect method.

The accounting financial policies have been consistently applied by entity with those of the year in accordance with NAS 01 Presentation of Financial statements, except those which had to be changed as a result of application of the new NFRS. Further, comparative information is reclassified wherever necessary to comply with the current presentation.

2.3 Functional and Presentation Currency

The financial statements are presented in Nepalese Rupees (NPR) which is the Company's functional currency. All financial information presented in NPR have been rounded to the nearest rupee except where indicated otherwise.

2.4 Materiality and Aggregation

In compliance with Nepal Accounting Standard, NAS 01 Presentation of Financial Statements, each material class of similar items is presented separately in the Financial statements. Items of dissimilar nature or functions too are presented separately unless they are immaterial.



Century Energy Limited
Kathmandu Nepal

Significant Accounting Policies and Notes to Financial Statements
For the year ended on Ashad 32, 2083

Financial Assets and Financial Liabilities are offset and the net amount reported in the Statement of Financial position only when there is a legally enforceable recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expenses are not offset in the statement of Profit or Loss unless required or permitted by an accounting Standard.

2.5 Use of Estimates, Assumptions and Judgements

The Company, under NFRS, has applied accounting policies that are most appropriate and suit its circumstances and operating environment. Further, the Company has made judgments in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the financial statements. This may later be determined that a different choice could have been more appropriate.

The accounting policies have been included in the relevant notes for each item of the financial statements and the effect and nature of the changes, if any, have been disclosed.

The Company has made estimates and assumptions that will affect the assets, liabilities, disclosure of contingent assets and liabilities, and profit or loss as reported in the financial statements. The Company applies estimates in preparing and presenting the financial statements and such estimates and underlying assumptions are reviewed periodically. The revision to accounting estimates are recognized in the period in which the estimates are revised and are applied prospectively.

Disclosures of the accounting estimates have been included in the relevant sections of the notes wherever the estimates have been applied along with the nature and effect of changes of accounting estimates, if any.

2.6 Going Concern

The financial statements are prepared on a going concern basis, as the Board of the Company is satisfied that the Company has the resources to continue in business for the foreseeable future. In making this assessment, the Board of Directors have considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

2.7 Useful life of Property, Plant and Equipment

Depreciation and amortization is calculated over the estimated useful lives of the assets. An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.8 Changes in Accounting Policies

The company has applied several amendments to standards for the first time during the year ended 31 Ashad 2081. The company has prepared the opening statement of financial position as per Nepal Financial Reporting Standard (NFRS) as at Shrawan 1, 2080 (16 July 2023) (the transition date) by recognizing all assets and liabilities whose recognition is required by NFRS, not recognizing the items of assets or liabilities which are not permitted by NFRS, by reclassifying items from previous GAAP to NFRS as required by NFRS and applying NFRS in measurement of recognized assets and liabilities.

2.9 Reporting Pronouncements

The company has, for the preparation of financial statements, adopted the NFRS 2018 pronounced for implementation by ICAN effective on July 16, 2020. The NFRS confirm, in all material respect, to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) on 01 January 2018.

2.10 New Reporting Standards in issue but not yet effective

For the reporting of financial instruments, NAS 32 Financial Instruments-Presentation, NAS 39 Financial Instruments-Recognition and Measurements and NFRS 7 Financial Instruments-Disclosures have been applied. NFRS 9 has been complied for the classification of Financial Instruments.

A number of new standards and amendments to the existing standards and interpretations have been issued by IASB after the pronouncements of NFRS with varying effective dates. Those become applicable when ASB Nepal incorporates them within NFRS.

A significant impact on classification and measurement including impairment of financial instruments, will arise as a result of application of NFRS 9.

2.11 Discounting

Discounting has been applied where assets and liabilities are non-current and the impact of the discounting is material. The Discounting rate is generally taken based on market interest rate, risk free rate plus risk premium or specific standards guidance. However the Company doesnot have any sort of Borrowing from Bank or other parties. Hence for simplicity purpose the discounting rate is taken as 10%.

2.15 Limitation of NFRS Implementation

Wherever the information is not adequately available, and/or it is impracticable to develop, such exception to NFRS implementation has been noted and disclosed in respective sections.

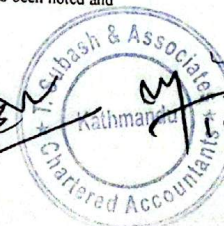
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Century Energy Limited
Kathmandu Nepal

Significant Accounting Policies and Notes to the Financial Statements
For the year ended on Ashad 32, 2083

3.1 Property, Plant and Equipment

Property Plant and Equipment has been changed as the company has complied with IFRIC 12 and recognized the Expenditure incurred for Hadikhola Sunkoshi A Small Hydropower Project as Intangible Assets.

Intangible Assets has been recognized for the hydropower construction cost as the company has Implemented the IFRIC 12.

Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

If significant parts of an item of property or equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property or equipment (calculated as difference between the net proceeds from disposal and the carrying amount of the item) is recognized within other income in profit or loss.

Subsequent Costs

Subsequent expenditure is capitalized only when it is probable that the future economic benefits of the expenditure will flow to the Entity. Repairs and maintenance are expensed as and when incurred.

Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the written down value method over their estimated useful lives, and is generally recognized in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Entity will obtain ownership by the end of the lease term.

Class of Assets	Estimated Useful Life (in Years)	Depreciation Method
Building	5%	WDV
Office Equipment, Furniture & Fixture and Computer & Accessories	25%	WDV
Plant & Machinery and Other Assets	30 years life	SLM
Vehicle	10%	WDV

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognized.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.2 Intangible Assets

Software acquired by the Company is measured at cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as and when incurred.

Software is amortized on a straight line basis in the statement of profit or loss over its estimated useful life, from the date on which it is available for use. Management has estimated the useful life of intangible for the current and comparative periods which are as follows:

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.3 Financial Instruments - Initial Recognition, Classification and Subsequent Measurement

Initial Recognition

All financial assets and liabilities are initially recognized on Entity becomes a party to the contractual provisions of the instrument. This includes regular way trades which means purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Recognition and Initial Measurement of Financial Instruments

The classification of financial instruments at the initial recognition depends on their purpose and characteristics and the management's intention in acquiring them. All financial instruments are measured initially at their fair value plus transaction costs that are directly attributable to acquisition or issue of such financial instruments except in the case of such financial assets and liabilities at fair value through profit or loss, as per the Nepal Accounting Standard (Financial Instruments: Recognition and Measurement). Transaction cost in relation to financial assets and financial liabilities at fair value through profit or loss are dealt with the Statement of Profit or Loss.

Classification and Subsequent Measurement of Financial Assets

At the inception, a financial asset is classified into one of the following:

- Financial assets at fair value through profit or loss
 - Financial Assets Held for Trading
 - Financial Assets designated at fair value through profit or loss
- Held to Maturity Financial Assets
- Loans and Receivables
- Financial Assets Available for Sale

The subsequent measurement of financial assets depends on their classification.

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Century Energy Limited
Kathmandu Nepal

Significant Accounting Policies and Notes to the Financial Statements
For the year ended on Ashad 32, 2083

a Financial Assets at Fair Value through Profit or Loss

A financial asset is classified as fair value through profit or loss if it is held for trading or is designated at fair value through profit or loss.

i. Financial Assets Held for Trading

Financial assets are classified as held for trading if they are acquired principally for the purpose of selling or repurchasing in the near term or holds as a part of a portfolio that is managed together for short-term profit or position taking. This category also includes derivative financial instruments entered into by Entity that are not designated as hedging instruments in hedge relationships as defined by Nepal Accounting Standard NAS 39 (Financial Instruments: Recognition and Measurement).

Financial assets held for trading are recorded in the Statement of Financial Position at fair value. Changes in fair value are recognized in 'Net trading income'. Dividend income is recorded in 'Net trading income' when the right to receive the payment has been established. Interest income earned from financial assets classified as held for trading is recorded under 'Interest income: Financial assets held for trading' using the effective interest rate. Entity evaluates its held for trading asset portfolio, other than derivatives, to determine whether the intention to sell them in the near future is still appropriate. When Entity is unable to trade these financial assets due to inactive markets and management's intention to sell them in the foreseeable future significantly changes, entity may elect to reclassify these financial assets. Financial assets held for trading include instruments such as government securities and equity instruments that have been acquired principally for the purpose of selling or repurchasing in the near term.

ii. Financial Assets designated at fair value through profit or loss

Entity designates financial assets at fair value through profit or loss in the following circumstances:

>>such designation eliminates or significantly reduces measurement or recognition inconsistency that would otherwise arise from measuring the assets

>>The assets are part of a group of Financial are managed and their with a documented the assets or recognition assets, financial liabilities or both, which are managed and their performance evaluated on a fair value basis, in accordance with documented risk management or investment strategy.

>>The assets contains one or more embedded derivatives that significantly modify the cash flows that would otherwise have been required under the contract.

Financials assets designated at fair value through profit or loss are recorded in the statement of Financial position at fair value. Changes in fair value are recorded in 'Net gain or loss on financial instruments designated at fair value through profit or losses' in the statement of profit or loss. Interest earned is accrued under 'Interest income', using the effective interest rate method, while dividend income is recorded under 'other operating income' when the right to receive the payment has been established.

The Entity has not designated any financial assets upon initial recognition as designated at fair value through profit or loss.

b. Held to Maturity Financial Assets

Held to Maturity Financial Assets are non-derivative determinable payments and fixed maturities which the Entity has the intention and ability to hold to maturity. After the initial measurement, held to maturity financial investments are subsequently measured at amortized cost using the effective interest rate, less impairment. The amortization is included in 'Interest income' in the statement of profit or loss. The loss arising from the impairment of such investments are recognized in the statement of profit or loss.

c. Loans and Receivables

Loans and Receivables include non-derivate financial assets with fixed or determinable payments that are not quoted in an active market.

>>Those that the Entity intends to sell immediately or in the near term and those that the Entity, upon initial recognition, designates as fair value through profit or loss.

>>Those that the Entity, upon recognition, designates as available for sale.

>>Those for which the Entity may not recover substantially all of its initial investment through contractual cash flows, other than because of credit deterioration.

After initial measurement, loans and receivables financial assets are subsequently measured at amortized cost using the effective interest rate, less allowance for impairment. The amortization is included in 'Interest Income' in the statement of Profit or Loss.

d Financial Assets Available for Sale

Available for sale financial assets include equity and debt securities. Equity Investments classified as 'Available for Sale' are those which are neither classified as 'Held for Trading' nor 'Designated at fair value through profit or loss.

After initial measurement, available for sale financial investments are subsequently measured at fair value. Unrealized gains and losses are recognized directly in equity through other comprehensive income/expense in the 'Available for sale reserve'. When the investment is disposed of the cumulative gain or loss previously recognized in equity is recognized in the Statement of Profit or Loss under 'Other operating income'. Where Entity holds more than one investment in the same security, they are deemed to be disposed of on a first-in-first-out basis. Interest earned whilst holding 'Available for sale financial investments' is reported as 'Interest income' using the effective interest rate.

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Significant Accounting Policies and Notes to the Financial Statements
For the year ended on Ashad 32, 2083

Classification and Subsequent Measurement of Financial Liabilities

At the inception, a financial liabilities is classified into one of the following:

- a. Financial liabilities at fair value through profit or loss
 - i. Financial Liabilities Held for Trading
 - ii. Financial Liabilities designated at fair value through profit or loss
- b. Financial Liabilities at amortized cost

a. Financial Liabilities at Fair Value through Profit or Loss

Financial Liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value and changes therein are recognized in profit or loss.

i. Financial Liabilities Held for Trading

Financial liabilities are classified as held for trading if they are acquired principally for the purpose of selling or repurchasing in the near term or holds as a part of a portfolio that is managed together for short-term profit or position taking. This category also includes derivative financial instruments entered into by Entity that are not designated as hedging instruments in hedge relationships as defined by Nepal Accounting Standard NAS 39 (Financial Instruments: Recognition and Measurement).

ii. Financial Liabilities designated at fair value through profit or loss

Entity designates financial liabilities at fair value through profit or loss in the following circumstances:

- >> such designation eliminates or significantly reduces measurement or recognition inconsistency that would otherwise arise from measuring the liabilities.
- >> The liabilities are part of a group of Financial are managed and their with a documented the assets or recognition assets, financial liabilities or both, which are managed and their performance evaluated on a fair value basis, in accordance with documented risk management or investment strategy.
- >> The liabilities contains one or more embedded derivatives that significantly modify the cash flows that would otherwise have been required under the contract.

b. Financial Liabilities at Amortized Cost

Financial instruments issued by entity that are not classified as fair value through profit or loss are classified as financial liabilities at amortized cost, where the substance of the contractual arrangement results in Entity having an obligation either to deliver cash or another financial asset to another Entity, or to exchange financial assets or financial liabilities with another Entity under conditions that are potentially unfavourable to the Entity or settling the obligation by delivering variable number of Entity's own equity instruments.

After initial recognition, such financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Amortization is included in 'Interest Expenses' in the Statement of Profit or Loss. Gains and losses are recognized in the Statement of Profit or Loss when the liabilities are derecognized.

De-recognition of Financial Assets and Liabilities

a. De-recognition of Financial Assets

Entity derecognizes a financial asset (or where applicable a part of financial asset or part of a group of similar financial assets) when :

- >> The rights to receive cash flows from the asset have expired, or
- >> Entity has transferred its rights to receive cash flows from the asset or
- >> Entity has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through arrangement and either Entity has transferred substantially all the risks and rewards of the asset or nor retained the control of the asset.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognized in other comprehensive income recognized in profit or loss.

When Entity has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Entity's continuing involvement in the asset. In that case, Entity also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that Entity has retained.

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Significant Accounting Policies and Notes to the Financial Statements
For the year ended on Ashad 32, 2083

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognized in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

Fair Value Measurement

When available, the Entity measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information ongoing basis.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. If the Entity determines that the fair value at initial recognition differs from the transaction price and fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

At each reporting date, the Entity assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset(s) and that the loss event has an impact on the future cash flows of the asset(s) that can be estimated reliably.

>>significant financial difficulty of the borrower or issuer;
>>default or delinquency of the borrower or issuer,
>>the restructuring of a loan or advance by the entity on terms that entity would not consider otherwise;
>>indications that a borrower or issuer will enter bankruptcy;
>>the disappearance of an active market for a security, or
>>observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

Impairment losses on assets measured at amortized costs are calculated as the difference between the carrying amount and the present value of estimated future cash flows discounted at the assets original effective interest rate.

>>If the expected restructuring will not result in derecognition of the existing asset, then the estimated cash flows arising from the modified financial asset are included in the measurement of the existing asset based on their expected timing and amounts discounted at the original effective interest rate of the existing financial asset.

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Significant Accounting Policies and Notes to the Financial Statements
For the year ended on Ashad 32, 2083

>>If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Impairment losses are recognized in profit or loss and reflected in an allowance account against loans and receivables or held-to-maturity investment securities. If an event occurring after the impairment was recognized causes the amount of impairment loss to decrease, then the decrease in impairment loss is reversed through profit or loss.

Impairment losses on available-for-sale investment securities are recognized by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss recognized previously in profit or loss. Changes in impairment attributable to application of the effective interest method are reflected as a component of interest income.

If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognized, then the impairment loss is reversed through profit or loss; otherwise, any increase in fair value is recognized through OCI. Any subsequent recovery in the fair value of an impaired available-for-sale equity security is always recognized in OCI.

3.4 Investment in Associates

An associate is an entity over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. If an entity holds directly or indirectly 20 percent or more of the voting power of the investee, it is presumed to be having significant influence.

The company does not have any Investment in Associates as on the reporting date.

3.5 Leases

The new standard NFRS 16 has been adopted by the company. Presentation and disclosure has been done as per the provision of operating lease.

3.6 Receivables and Payables

Receivables and payables are accounted on accrual basis. Balance amounts on year end are shown in Statement of Financial Position under 'Other Financial Assets' and 'Other Financial Liabilities' heading.

3.7 Inventory

Cost of inventories comprise of cost of purchase, costs of conversion and other costs in bringing the asset to the location and condition intended to be used by management. Inventories are stated at lower of cost or Net realizable value as per NAS 02. Net Realizable value represents the estimated selling price of the inventory less any estimated costs to sell.

3.8 Cash and Cash Equivalent

Cash and short-term deposits in the statement of financial position comprise cash in hand, cash at bank and short-term deposits with a maturity of three months or less.

3.9 Revenue Recognition

3.9.1 Revenue Recognition for Sales of Electricity

Revenue from the sales of electricity in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of return, trade discount and volume rebates. Revenue is recognized when persuasive evidence exists, that the significant risks and rewards of the ownership has been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of the goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably.

3.9.2 Dividend Income, Interest Income and Other Income

Dividend Income

Dividend income is recognized in the statement of profit or loss when right to receive is established. Management determines the right to receive is established when shareholders approve the resolution of dividend distribution by the entity at general meeting of shareholders.

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Century Energy Limited
Kathmandu Nepal

Significant Accounting Policies and Notes to the Financial Statements
For the year ended on Ashad 32, 2083

Interest Income and Expenses

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the entity and the amount can be measured reliably.

Other Income

Other incomes are recognized when it is probable that consideration associated with the transaction will flow to the company and the amount of revenue can be measured reliably.

3.9.3 Income Tax

As per Nepal Accounting Standard- NAS 12 (Income Taxes) tax expense is the aggregate amount included in determination of profit or loss for the period in respect of current and deferred taxation. Income Tax expense is recognized in the statement of Profit or Loss, except to the extent it relates to items recognized directly in equity or other comprehensive income in which case it is recognized in equity or in other comprehensive income. Income Tax expenses comprises of current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in Equity or Other Comprehensive Income (OCI).

3.9.3.1 Current Tax

Current tax is the expected tax payable on the taxable income for the year. Taxable profit differs from profit before tax as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of reporting period.

3.9.3.2 Deferred Tax

Deferred Tax is computed for temporary differences between the carrying amounts of assets and liabilities, which is the amount attributed to those assets and liabilities for tax purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted on the reporting date.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates applicable at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected realization or settlement of the carrying amount of assets and liabilities using tax rates at the balance sheet date.

The principal temporary difference arise from depreciation of fixed assets, provision for retirement benefit, provision for leave encashment, allowance for inventory obsolescence and other provisions.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.10 Employee Benefits

Employee Benefits, except regular salary and benefits are accounted on accrual basis. Employee benefit liabilities like accumulated leave, gratuity are accounted as per the provisions in the Labour Act.

3.10.1 Defined Contribution Plan

A defined contribution plan is a post-employment plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligations to pay a further amount. Obligations for contributions to defined contribution plans are recognized as expense in the profit or loss as and when due.

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Century Energy Limited
Kathmandu Nepal

Significant Accounting Policies and Notes to the Financial Statements
For the year ended on Ashad 32, 2083

3.11 Provisions and Contingencies

In accordance with Nepal Accounting Standards (NAS) 37- Provisions, Contingent Liabilities and Contingent Assets, a provision is required to be recognized where there is a present legal or constructive obligation as a result of a past event that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation, the timing or amount of which are uncertain.

The company has made provisions for all those obligations meeting the definition of NAS 37.

A contingent liability is a possible obligation that arises from past events whose existence will be combined by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the entity.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at end of each reporting period.

3.12 Government Grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity.

Government grants can be Grants related to assets or Grants related to income. Under Grants related to assets, there is a condition that the entity shall purchase, construct or otherwise acquire long-term assets. Grants related to income are grants other than grants related to assets.

Government grants are recognized when there is reasonable assurance they will be received and the corporation will comply with the conditions associated with the grant. Government grants that compensate the corporation for expenses incurred are recognized in profit or loss in the same period in which the expenses are recognized. Grants that compensate the corporation for the cost of an asset are recorded as deferred revenue and recognized in other revenue over the service life of the related asset.

Government grants shall be recognized as income over the Periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Once a government grant is recognized, any related contingent liability or contingent asset is treated in accordance with NAS 37: Provisions, Contingent Liabilities and Contingent Assets.

The company has not received any government grants till date.

3.13 Borrowing cost

As per NAS 23, Borrowing costs are the costs incurred by the company in borrowing loans for construction of assets or any capital goods. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowings can be general or specific. Borrowing costs are capitalized till the construction of asset is complete and is ready for use.

The costs have been charged to Intangible Assets under Development since the asset is yet to come into operation.

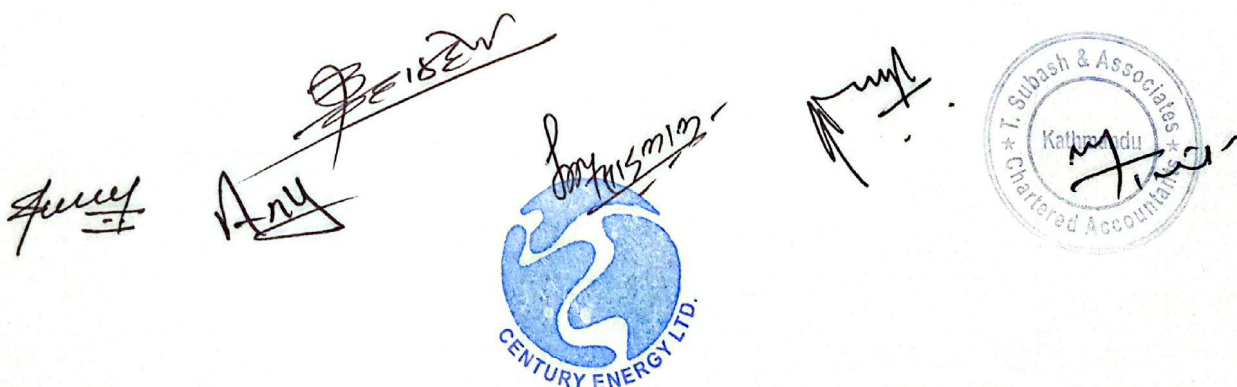
3.14 Corporate Social Responsibility (CSR)

As per Industrial Enterprises Act 2076, 1% of net profit shall be allocated to Corporate Social Responsibility Fund and such amount shall be utilized as prescribed.

3.15 Earnings per share

Earnings per share is the portion of company's profit allocated to each outstanding share of common stock. Basic earnings per share is computed by dividing the net profit/ (loss) for the year by the weighted average number of equity shares outstanding during the year.

Basic earnings per share is calculated by dividing the net profit for the year' attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the year as per the NAS.



Century Energy Limited
Kathmandu Nepal

Significant Accounting Policies and Notes to the Financial Statements
For the year ended on Ashad 32, 2083

3.16 Statement of Cash Flows

The Statement of Cash Flow has been prepared using the "Indirect Method" of preparing Cash Flows in accordance with the Nepal Accounting Standard-(NAS 7) "statement of Cash Flows".

Cash and cash equivalents comprise short term, highly liquid investments that are readily convertible for known amounts of cash and are subject to an insignificant risk of changes in value.

3.17 Subsequent Events

Events after the reporting period are those events, favourable and unfavourable, that occur between the reporting date and the date the Financial Statements are authorized for issue.

All material and important events that occurred after the reporting date have been considered and appropriate disclosures if any are made in Note to the Financial Statements.

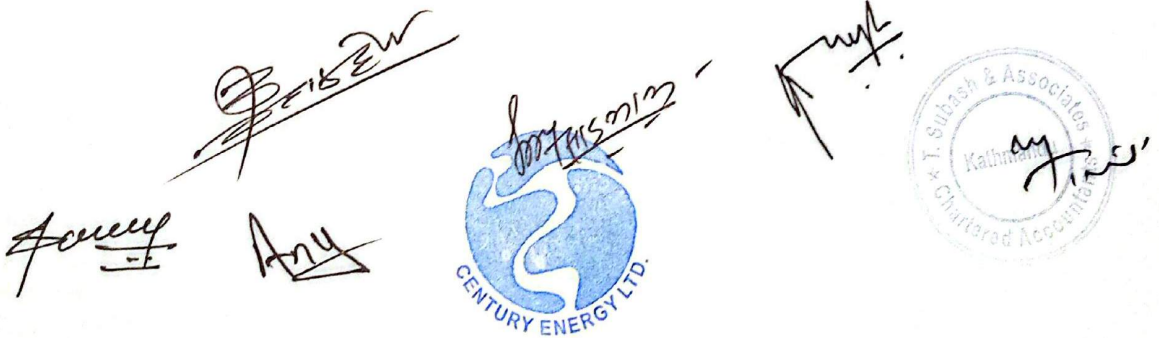
3.18 Segment Reporting

NFRS 08 Segment Reporting is applicable to:

- the separate or individual financial statement of an entity;
- whose debt or equity instruments are traded in public market or
- that files, or is in the process of filing its financial statement with security commission or other regulatory organization for the purpose of issuing any class of instruments in public market.

3.19 Comparative Information

The comparative information are re-classified wherever necessary to conform with the current year's classification in order to provide a better presentation. The details of such re-classifications have been provided in Notes to the financial statements wherever required.

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Century Energy Limited
Schedule Forming parts of Statement of Financial Position as at 32nd Ashad 2083

Note 4.1: Property, Plant & Equipment

Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Gross Block		
Less: Accumulated Depreciation	247,554,127	247,554,127
Net Block	41,735,778	33,058,277
	205,818,347	214,495,850

Note 4.2: Right-of-use Assets

Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Right-of-use Assets		
Less: Accumulated Amortization	-	-
Total	-	-

Note 4.3: Deferred Tax Assets

Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Opening Deferred Tax Assets		
Less: Charge for the year	-	-
Total	-	-

Note 4.4: Investment

Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Share Investment		
Investment WIP	25,733,560	10,000,000
Net Block	10,000,000	-
	35,733,560	10,000,000

Note 4.5: Inventories

Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Inventories		
Net Block	1,380,741	-
	1,380,741	-

Note 4.6: Trade & Other Receivables

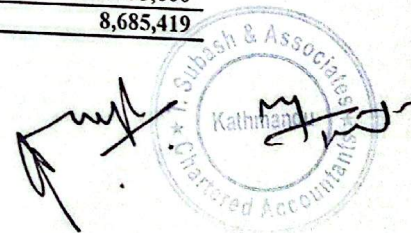
Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Trade Receivables		
Loans & Advances	8,449,849	7,612,419
Interest Receivable	2,985,150	1,040,000
Margin Deposit	33,382	-
Total	11,000	33,000
	11,479,381	8,685,419

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Century Energy Limited
Schedule Forming parts of Statement of Financial Position as at 32nd Ashad 2083
Note 4.7: Advances & Deposits

Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Staff Advance	56,227	181,227
Office Advance	-	558,684
Advance to Suppliers	-	-
<i>BP Construction</i>	-	1,592,873
Prepaid Insurance	581,735	760,707
Advance Tax	64,716	37,982
Total	702,678	3,131,473

Note 4.8: Cash & Cash Equivalent

Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Cash Balance	-	-
Bank Balance	84,201,778	40,420,444
Total	84,201,778	40,420,444

Note 4.9: Equity Share Capital

Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Authorised:		
25,50,000 Ordinary shares @ Rs. 100	255,000,000	150,000,000
Issued:		
25,50,000 Ordinary shares @ Rs. 100	255,000,000	150,000,000
Paid up :		
2,040,000 Ordinary shares @ Rs. 100	204,000,000	120,000,000
Total	204,000,000	120,000,000

Note 4.10: Retained Earnings

Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Opening Balance	59,520,920	45,066,085
Prior Period Adjustments	-	-
Profit/ Loss transferred from Income Statement	27,964,516	24,654,835
Security Premium	13,837,640	-
Less: Dividend	(12,000,000)	(10,200,000)
Less: Bonus Share	(30,000,000)	-
Total	59,323,076	59,520,920

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Century Energy Limited
Schedule Forming parts of Statement of Financial Position as at 32nd Ashad 2083

Note 4.11: Long Term Borrowings

Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Long Term Loan	74,400,738	95,740,738
Total	74,400,738	95,740,738

Note 4.12: Lease Liability

Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Present Value of Lease Liability under NFRS-16	-	-
Add: Interest Expenses for the Period	-	-
Less: Payment During the Year	-	-
Total	-	-

Note 4.13: Trade & Other Payables

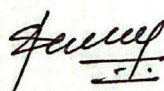
Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Sundhara Nirman Sewa Pvt. Ltd	-	633
Retention Money Payable	-	94,903
Interest Payables	1,191,999	-
Total	1,191,999	95,536

Note 4.14: Short Term Borrowings

Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
	-	-
Total	-	-

Note 4.15: Other Liabilities & Provisions

Particulars	As at 32nd Ashad 2083	As at 32nd Ashad 2082
Duties & Tax Payable		
SST Payable	9,815	14,290
TDS Payable	204,063	35,134
TDS on Rent Payable	-	6,000
Provision for Income Tax	-	-
Other Payable		
Audit Fee Payable	83,625	83,625
Dividend Payable	36,957	167,294
CIT Payable	-	3,500
Salary Payable	-	1,000,000
Rent Payable	54,000	54,000
Other Payables	12,213	12,148
Total	400,672	1,375,991








Century Energy Limited
Schedule Forming Part of Statement of Financial Position

FY 2082-83													Amount in NPR
Note 4.1.1: Property, Plant & Equipment and Depreciation													
Particulars	Block A		Block B	Block C		Block D		Block E		Total			
	Land	Building	Furniture, Equipment & Computer	Vehicles	Other Assets	Project Assets	Software & Intangible Assets						
Opening Gross Value 01/04/2082	690,100	4,959,433	858,259	141,796	27,360	240,824,973	52,206			247,554,127			
Opening Balance (WDV) 01/04/2082	690,100	4,040,797	368,847	93,032	11,392	209,241,350	50,332			214,495,850			
Addition at full value-													
Up to Poush	-	-	-	-	-	-	-			-			
Up to Chaitra	-	-	-	-	-	-	-			-			
Up to Ashad	-	-	-	-	-	-	-			-			
Total	-	-	-	-	-	-	-			-			
Absorbed Addition													
Up to Poush -Full	-	-	-	-	-	-	-			-			
Up to Chaitra - 2/3rd	-	-	-	-	-	-	-			-			
Up to Ashad-1/3rd	-	-	-	-	-	-	-			-			
Total absorbed addition	-	-	-	-	-	-	-			-			
Total Depreciable Value	690,100	4,040,797	368,847	93,032	11,392	209,241,350	50,332			214,495,850			
Less- Sold/disposal during the year	-	-	-	-	-	-	-			-			
Gross Value of Asset Sold	-	-	-	-	-	-	-			-			
Accumulated Depreciation of Asset Sold	-	-	-	-	-	-	-			-			
WDV of Asset Sold	690,100	4,040,797	368,847	93,032	11,392	209,241,350	50,332			214,495,850			
Depreciable Basis	0%	5%	25%	10%	15%								
Depreciation Rate	-	202,040	92,212	9,303	2,278	8,369,654	2,013			8,677,501			
Depreciation for the period	-	-	-	-	-	-	-			-			
Additional 1/3 depreciation	-	202,040	92,212	9,303	2,278	8,369,654	2,013			8,677,501			
Total depreciation for the period	690,100	3,838,757	276,635	83,729	9,114	200,871,696	48,319			205,818,350			
Depreciation base for next year	690,100	4,959,433	858,259	141,796	27,360	240,824,973	52,206			247,554,127			
Closing Gross Value as on 32/03/2083	-	918,636	489,412	48,764	15,968	31,583,623	1,874			33,058,277			
Accumulated Depreciation 32/03/2082	-	1,120,676	581,624	58,067	18,246	39,953,277	3,887			41,735,778			
Accumulated depreciation 32/03/2083	-	-	-	-	-	-	-			-			

Schedules and explanatory notes forms integral part of financial statement

Sadhana Thapa
Sadhana Thapa
Accountant

Khadka Bdr. Shreshtha
Khadka Bdr. Shreshtha
Director

Date: 2083.04.17
Place: Kathmandu

Anu Niraula Basnet
Anu Niraula Basnet
Director

Krishna Prasad Dulal
Krishna Prasad Dulal
Chairman

CENTURY ENERGY LTD.

T. Subash & Associates
T. Subash & Associates
Chartered Accountants

As per our report of even date

Century Energy Limited
Schedule Forming the part of Statement of Profit or Loss

Note 4.16: Revenue from Operations

Particulars	For the period 2082-83	For the period 2081-82
Sales of Electricity	55,927,469	52,099,678
Total	55,927,469	52,099,678

Note 4.17: Direct Expenses

Particulars	For the period 2082-83	For the period 2081-82
Fuel Expenses	93,108	112,620
Plant Operation Expenses	3,040	114,612
Medical Expenses	-	1,000
Electricity Expenses	42,495	46,887
Salary-Site	13,900	33,529
Site Expenses	184,579	399,738
Insurance Expenses	789,442	700,093
CSR Expenses	493,801	300,000
Vehicle Expenses	181,255	93,906
Site Visit Expenses	-	50,000
Repair & Maintenance	5,057,657	4,495,303
Total	6,859,277	6,347,688

Note 4.18: Employee Benefit Expenses

Particulars	For the period 2082-83	For the period 2081-82
Salary Expenses	4,760,696	4,291,532
Uniform Expenses	46,090	3,200
Total	4,806,786	4,294,732

Sanjay

Amu



Amu



Century Energy Limited
Schedule Forming the part of Statement of Profit or Loss

Note 4.19: Administrative Expenses

Particulars	For the period 2082-83	For the period 2081-82
Meeting Allowance	396,000	480,000
Audit Fee	84,750	84,750
Consultancy Charge	56,500	163,000
Office Expenses	416,438	299,782
Operating Lease Expenses	60,000	60,000
Communication Expenses	7,190	810
Fine & Penalty	500	24,059
Legal Charges	67,800	55,935
Puza Expenses	58,622	54,000
Registration & Renew Charges	44,514	20,000
IPO Expenses	356,500	421,000
Printing & stationery	21,245	14,175
Newspaper, Books, Journals	33,671	32,124
Miscellaneous Expenses	297,469	38,127
Mess Expenses	185,088	166,275
Site Monitoring Expenses	-	183,350
Total	2,086,287	2,097,386

Note 4.20: Selling and Distribution Expenses

Particulars	For the period 2082-83	For the period 2081-82
Advertisement Expenses	57,205	29,916
Commission Expenses	2,093	-
Total	59,298	29,916

Note 4.21: Depreciation & Amortization

Particulars	For the period 2082-83	For the period 2081-82
Depreciation of PPE	305,833	313,276
Amortization of Intangible Assets	8,371,667	8,331,200
Total	8,677,501	8,644,476

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Century Energy Limited
Schedule Forming the part of Statement of Profit or Loss

Note 4.22: Other Income

Particulars	For the period 2082-83	For the period 2081-82
Interest Income	199,266	325,039
Gain /(loss) in sale of Share Investment	20,615	
Other Income	18,500	2,344,673
Total	238,381	2,669,712

Note 4.23: Finance Cost

Particulars	For the period 2082-83	For the period 2081-82
Bank Charges & Commission	152,934	185,091
Interest Expenses	5,503,479	8,515,265
Total	5,656,414	8,700,357

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 - The word "Amly" written below.



Handwritten signature and initials:
 - A signature that appears to be "S. Subash" with a checkmark.



Century Energy Limited
Schedule Forming Part of Statement of Financial Position

Particulars	Block A		Block B		Block C		Block D		Block E		Total
	Land	Building	Furniture, Equipment & Computer	Vehicles	Other Assets	Project Assets	Software & Intangible Assets				
Opening Gross Value 01/04/2082	690,100	4,959,433	858,259	141,796	27,360	240,824,973	52,206				247,554,127
Opening Balance (WDV) 01/04/2082	690,100	4,040,797	368,847	93,032	11,392	209,241,350	50,332				214,495,850
Addition at full value-											
Up to Poush	-	-	-	-	-	-	-				-
Up to Chaitra	-	-	-	-	-	-	-				-
Up to Ashad	-	-	-	-	-	-	-				-
Total	-	-	-	-	-	-	-				-
Absorbed Addition											
Up to Poush - Full	-	-	-	-	-	-	-				-
Up to Chaitra - 2/3rd	-	-	-	-	-	-	-				-
Up to Ashad-1/3rd	-	-	-	-	-	-	-				-
Total absorbed addition	-	-	-	-	-	-	-				-
Total Depreciable Value	690,100	4,040,797	368,847	93,032	11,392	209,241,350	50,332				214,495,850
Less- Sold/disposal during the year											
Gross Value of Asset Sold	-	-	-	-	-	-	-				-
Accumulated Depreciation of Asset Sold	-	-	-	-	-	-	-				-
WDV of Asset Sold	-	-	-	-	-	-	-				-
Depreciable Basis	690,100	4,040,797	368,847	93,032	11,392	209,241,350	50,332				214,495,850
Depreciation Rate	0%	5%	25%	20%	15%						
Depreciation for the period	-	202,040	92,212	18,606	1,709	8,369,654	2,013				8,686,234
Additional 1/3 depreciation	-	67,340	30,734	6,202	570	2,789,606	671				2,895,122
Total depreciation for the period	-	269,380	122,946	24,808	2,278	11,159,260	2,684				11,581,356
Depreciation base for next year	690,100	3,771,417	245,901	68,224	9,114	198,082,090	47,648				202,914,494
Closing Gross Value as on 32/03/2083	690,100	4,959,433	858,259	141,796	27,360	240,824,973	52,206				247,554,127
Accumulated Depreciation 32/03/2082	-	918,636	489,412	48,764	15,968	31,583,623	1,874				33,058,277
Accumulated depreciation 32/03/2083	-	1,188,016	612,358	73,572	18,246	42,742,883	4,558				44,639,633

Schedules and explanatory notes forms integral part of financial statement

Sadhana Thapa
Sadhana Thapa
Accountant

Khadka Bdr. Shrestha
Khadka Bdr. Shrestha
Director

Tirth Kumar Singh
Tirth Kumar Singh
Director

Anu Niraula Basnet
Anu Niraula Basnet
Director

Krishna Prasad Dulal
Krishna Prasad Dulal
Chairman

CA Subash Timilsina
CA Subash Timilsina
Proprietor
T. Subash & Associates
Chartered Accountants

Date: 2083.04.17
Place: Kathmandu