



Nepal Airlines Corporation

Kantipath, Kathmandu

Financial Statements for Fiscal Year 2079/80 (2022/23)

(As per Nepal Financial Reporting Standards)

Financial Statements

F/Y 2079/80 (2022/23)

Nepal Airlines Company
Statement of Financial Position

As on Ashadh 31, 2080
(As on July 16, 2023)



Fig in NPR

Particulars	Current Year	Previous Year	Restated Year
	As on Ashadh 31, 2080	As on Ashadh 31, 2079	As on Ashadh 31, 2078
Non-current assets			
Property, Plant and Equipment	36,614,662,910	38,308,356,039	40,210,623,308
Intangible Assets	33,351,755	42,115,895	-
Investment in Associates	264,246,202	220,379,590	183,161,402
Financial Investments	262,509,380	255,189,380	238,249,380
Deferred Tax Assets	3,563,306,644	3,119,591,133	3,600,473,134
Non-Current Assets Held for Sale	-	-	-
Total Non-current assets	40,738,076,890	41,945,632,037	44,232,507,224
Current assets			
Cash and Cash Equivalents	1,678,776,021	887,452,254	553,395,587
Trade Receivables	1,227,762,999	1,602,578,274	649,682,191
Inventories	3,990,159,184	3,752,436,318	3,582,397,066
Advances and Deposits	2,682,979,079	1,584,873,104	1,324,878,735
Current Tax Assets	319,481,723	264,919,101	290,025,932
Other Current Assets	128,588,805	103,407,595	94,869,156
Total Current Assets	10,027,747,811	8,195,666,645	6,495,248,667
Total Asset	50,765,824,701	50,141,298,682	50,727,755,891
Shareholders' equity			
Share Capital	162,283,911	162,283,911	162,283,911
Other Equity	2,941,553,188	2,941,553,188	2,941,553,188
Retained Earning	(15,623,721,334)	(15,181,482,407)	(13,108,058,860)
Other Reserves	8,040,235,636	8,293,176,118	8,147,647,250
Total Equity	(4,479,648,598)	(3,784,469,190)	(1,856,574,511)
Non-current liabilities			
Borrowings	35,706,891,957	36,061,237,324	36,931,755,376
Deferred Tax Liabilities	-	-	-
Provisions	2,702,402,785	2,448,951,561	2,744,468,154
Derivative Financial Instruments	-	-	-
Other Non-Current Liabilities	-	205,370	2,553,755
Total Non-Current Liabilities	38,409,294,742	38,510,394,255	39,678,777,285
Current Liabilities			
Short Term Borrowings	12,983,688,068	11,737,483,580	10,452,258,057
Trade and Other Payables	2,283,395,782	1,864,755,006	1,548,667,046
Deferred Revenue	1,075,599,997	1,435,124,578	587,407,040
Current Tax Liabilities	-	-	-
Provisions	493,494,711	378,010,452	317,220,975
Total Current Liabilities	16,836,178,558	15,415,373,617	12,905,553,117
Total Equity and Liabilities	50,765,824,701	50,141,298,682	50,727,755,891

Nepal Airlines Company
Statement of Profit or Loss
As on Ashadh 31, 2080
(As on July 16, 2023)



Fig in NPR

Particulars	Current Year	Previous Year
Revenue from Operation	23,369,647,853	16,463,260,333
Cost of Sales	19,040,876,287	13,250,868,789
Total Revenue From Operations	4,328,771,566	3,212,391,544
Administration and General Expenses	720,943,777	602,271,775
Employee costs	1,234,898,511	1,070,392,788
Depreciation and Amortisation	34,654,162	40,878,807
Other Operating Expenses	1,540	134,535
Total expenditure on operations before exceptional items	1,990,497,990	1,713,677,906
Operating Profit/(Loss)	2,338,273,576	1,498,713,639
Share of Income From JV/Associates	64,324,998	37,238,112
Net Gain/(Loss) on Fair Value Changes	-	-
Non-Operating Income/Expenses	236,339,070	392,807,037
Finance Income	126,124,351	33,645,676
Finance Expense	(3,595,937,735)	(3,349,225,757)
Foreign Currency Gains/(Losses)	14,783,332	31,269,929
Profit/(Loss) before Impairment	(816,092,408)	(1,355,551,364)
Impairment (Losses)/Reversal	44,316,831	(68,822,813)
Profit/(Loss) before Tax	(771,775,577)	(1,424,374,178)
Income Tax Expenses		
Current Tax Income/(Expense)	-	-
Deferred Tax Income/(Expense)	359,402,016	(432,372,378)
Others (Tax Expense)	-	-
Profit/(Loss) after Tax	(412,373,562)	(1,856,746,556)

Nepal Airlines Company
Statement of Other Comprehensive Income
 As on 31 Asar 2080
 (As on 16 July 2023)



Fig in NPR

Particulars	Current Year	Previous Year
Net Profit/ (Loss) For The Year	(412,373,562)	(1,856,746,556)
Other Comprehensive Income		
a) Items that are or may be Reclassified to Profit or Loss	-	-
Changes in Fair Value of FVOCI Debt Instruments		
Cash Flow Hedge - Effective Portion of Changes in Fair Value		
Exchange differences on translation of Foreign Operation		
Income Tax Relating to Above Items		
Reclassified to Profit or Loss		
b) Items that will not be Reclassified to Profit or Loss	(252,940,482)	145,528,868
Changes in fair value of FVOCI Equity Instruments		
Revaluation of Property, Plant and Equipment/ Intangible Assets	-	-
Remeasurement of Post-Employment Benefit Obligations	(337,462,987)	194,058,415
Share of other comprehensive income of associates accounted for using the equity method	209,011	(19,924)
Income Tax Relating to Above Items	84,313,494	(48,509,623)
c) Share of other comprehensive income of associates accounted for using the equity method		-
Total Other Comprehensive Income For the Year, Net of Tax	(252,940,482)	145,528,868
Total Comprehensive Income For the Year, Net of Tax	(665,314,043)	(1,711,217,688)



Nepal Airlines Company
Statement of Changes in Equity
As on 31 Asar 2078
(As on July 16, 2023)
Previous Year

Fig in NPR

Particulars	Share Capital	Other Equity	Revaluation Reserve	Fair value Reserve	Actuarial Reserve	Retained Earning	Total	Non-Controlling Interest	Total Equity
Balance at Shrawan 01, 2078	162,283,911	2,941,553,188	8,146,857,030	120,018	670,202	(13,108,038,860)	(1,856,574,511)	-	(1,856,574,511)
Prior Period Adjustment Carried from GAAP SOCE						(216,676,991)	(216,676,991)		(216,676,991)
Share Allotment Suspense									
Adjustment/Restated Balance as at Shrawan 01, 2078	162,283,911	2,941,553,188	8,146,857,030	120,018	670,202	(13,324,735,851)	(2,073,251,502)	-	(2,073,251,502)
Comprehensive Income for the year									
Profit for the year									
Other Comprehensive Income, Net of Tax									
Gains/(losses) from investment in equity instruments measured at fair value									
Gains/(losses) on revaluation						(1,856,746,556)	(1,856,746,556)		(1,856,746,556)
Gains/(losses) due to equity method									
Actuarial gains/(losses) on defined benefit plans					145,543,811		145,543,811		145,543,811
Share of profit of investment in associates				(14,943)			(14,943)		(14,943)
Gains/(losses) on cash flow hedge									
Exchange gains/(losses) (arising from translating financial assets of foreign operation)									
Total Comprehensive Income for the year				(14,943)	145,543,811	(1,856,746,556)	(1,711,217,688)		(1,711,217,688)
Transfer to Reserves during the year									
Transfer from Reserves during the year									
Transactions with Owners, directly recognized in Equity									
Addition in share capital									
Share Allotment Suspense									
Prior Period Items									
Bonus Share									
Cash Dividend									
Total Contributions by and Distributions				105,075	146,214,013	(15,181,482,407)	(3,784,469,190)		(3,784,469,190)
Balance at Asar 32, 2079	162,283,911	2,941,553,188	8,146,857,030	105,075	146,214,013	(15,181,482,407)	(3,784,469,190)		(3,784,469,190)



Fig in NPR

Current Year	Particulars	Share Capital	Revaluation Reserve	Fair value Reserve	Actuarial Reserve	Retained Earning	Total	Non-Controlling Interest	Total Equity
	Balance at Shrawan 01, 2079	162,283,911	8,146,857,030	105,075	146,214,013	(45,181,482,407)	(3,784,459,190)	-	(3,784,459,190)
	Prior Period Adjustment Carried from GAAP SOCE					(29,865,365)	(29,865,365)		(29,865,365)
	Share Allotment Suspense								
	Adjustment/Restated Balance as at Shrawan 01, 2079	162,283,911	8,146,857,030	105,075	146,214,013	(15,211,347,772)	(3,814,334,553)	-	(3,814,334,553)
	Comprehensive Income for the year								
	Profit for the year					(412,373,562)	(412,373,562)		(412,373,562)
	Other Comprehensive Income, Net of Tax								
	Gains/(losses) from investment in equity instruments measured at fair value								
	Gains/(losses) on revaluation								
	Actuarial gains/(losses) on defined benefit plans				(253,097,240)		(253,097,240)		(253,097,240)
	Share of profit of investment in associates								
	Gains/(losses) on cash flow hedge			156,758			156,758		156,758
	Exchange gains/(losses) arising from translating financial assets of foreign operation								
	Total Comprehensive Income for the year			156,758	(253,097,240)	(412,373,562)	(655,314,043)		(655,314,043)
	Transfer to Reserves during the year								
	Transfer from Reserves during the year								
	Transactions with Owners, directly recognized in Equity								
	Addition in share capital								
	Share Allotment Suspense								
	Prior Period Items								
	Bonus Share								
	Cash Dividend								
	Total Contributions by and Distributions			261,833	(106,889,227)		(4,479,648,598)		(4,479,648,598)
	Balance at Asar 32, 2080	162,283,911	8,146,857,030	261,833	(106,889,227)	(15,623,721,334)	(4,479,648,598)		(4,479,648,598)

Nepal Airlines Company
Statement of Cash Flows
For the year ended 31 Asar 2080
(For the year ended 16 July 2023)



Fig in NPR

Particulars	Current Year	Previous Year
OPERATING ACTIVITIES		
Net Profit/(Loss) After Tax	(412,373,562)	(1,856,746,556)
Prior Period Adjustment	(29,865,365)	(216,676,991)
Add: Deferred Tax Expense	(359,402,016)	432,372,378
Net Profit/(Loss) Before Tax	(801,640,942)	(1,641,051,169)
<i>Adjustments for</i>		
Depreciation	2,218,915,703	2,173,796,818
Share of Income From JV/Associates	(64,534,009)	(37,238,112)
Change in Foreign Currency Time Deposit	(7,320,000)	(16,940,000)
Finance Income	(126,124,351)	(33,645,676)
Finance Expense	3,595,937,735	3,349,225,757
Foreign Currency Gains/(Losses)	-	-
Operating Profit/(Loss) Before Working Capital Changes	4,815,234,136	3,794,147,617
<i>Adjustment for Working Capital Changes</i>		
Changes in Trade Receivable	371,785,976	(53,365,358)
Changes in Inventories	(237,722,867)	(170,039,252)
Changes in Advances and Deposits	(1,098,105,976)	(259,994,369)
Changes in Other Assets	(25,181,210)	(8,538,439)
Changes in Trade and Other Payable	418,640,776	316,087,960
Changes in Deferred Revenue Liabilities	(359,524,581)	847,717,538
Changes in Provision	115,995,001	(89,198,247)
Change in Advance Tax Asset	(54,562,622)	25,106,831
CashFlow From Operating Activities Before Tax	3,946,558,633	4,401,924,281
Less: Income Tax Paid		-
Cashflow From Operating Activities	3,946,558,633	4,401,924,281
INVESTING ACTIVITIES		
Finance Income	126,124,351	33,645,676
Share of Income From JV/Associates	20,667,398	-
Addition to Property Plant and Equipment	(516,458,434)	(313,645,443)
Disposal of Property Plant and Equipment	-	-
Purchase of Intangible Asset	-	-
Cashflow From Investing Activities	(369,666,686)	(279,999,767)
FINANCING ACTIVITIES		
Finance Cost Paid	(2,542,491,963)	(2,434,518,286)
Repayment of Principal Portion of Borrowings	(354,345,368)	(870,518,052)
Repayment of Principal Portion of short term Borrowings	111,474,520	(480,483,125)
Payment of Principal Portion of Lease Liability	(205,370)	(2,348,385)
Cashflow From Financing Activities	(2,785,568,180)	(3,787,867,848)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	791,323,767	334,056,667
Cash and Cash Equivalents at the beginning of the year	887,452,254	553,395,587
CASH AND CASH EQUIVALENT AT YEAR END	1,678,776,021	887,452,254