

KIRAT RAI YAYOKKHA (KRY) UK

AUDIT REPORT

Financial Audit Period: 23 April 2026 to 15 September 2026

Audit Date: 15 September 2026

Present during the Audit	Name
Auditor Lead	Chiran Rai
Auditor	Devendra Rai
Auditor	Ramesh Rai
Auditor (Not present)	Dilip Rai
KRY UK Treasurer	Maha Rai

1. Purpose of the Audit

The purpose of this audit was to review the financial transactions and records of Kirat Rai Yayokkha (KRY) UK for the period from 23 April 2026 to 15 September 2026. The audit was undertaken to support transparency, accountability and good financial governance by reviewing income, expenditure, event accounts, bank balances, cash records, donations, sponsorship and community support payments.

2. Scope of the Audit

- KRY UK Main Account and Membership Account balances.
- Income and expenditure during the audit period.
- Event financial records and event-level results.
- Cash account summaries.
- Donations, sponsorship and community support payments/outgoings.
- Outgoing Treasurer's account handover and opening balance.
- Bank statements and available supporting financial records.
- Outstanding income and expenditure require follow-up.

3. Documents and Records Checked

- Metro Bank statements
- Event financial spreadsheets
- Cash account summary
- KRY UK donations, sponsorship and community support payment/payout records
- Treasurer Account Final Handover Update dated 23/24 April 2026
- Monthly income, expenditure and balance summary for 23 April to 15 September 2026

4. Opening Balance and Treasurer Handover

The Treasurer Account Final Handover Update confirms that the Treasurer bank account was transferred to the new Treasurer on 23 April 2026.

Description	Amount
Previous audited balance - 16 March 2026	£24,740.32

March expenditure	(£235.19)
March income	£75.00
Balance after March	£24,580.13
April expenditure	(£5,670.49)
April income	£70.00
Opening / transferred balance - 23 April 2026	£18,979.64

For this audit, £18,979.64 is therefore treated as the opening Main Account balance on 23 April 2026.

5. Main Account – Monthly Financial Movement

Month / Period	Money In	Money Out	Net Movement	Closing Balance
Opening - 23 Apr 2026	n/a	n/a	n/a	£18,979.64
April 2026	£0.00	£3,274.24	(£3,274.24)	£15,705.40
May 2026	£29,726.93	£26,058.37	£3,668.56	£19,373.96
June 2026	£21,277.25	£2,138.36	£19,138.89	£38,512.85
July 2026	£39.65	£9,745.84	(£9,706.19)	£28,806.66
August 2026	£5,317.45	£5,543.53	(£226.08)	£28,580.58
1-15 Sept 2026	£2,884.01	£4,128.21	(£1,244.20)	£27,336.38

5.1 Period Totals

Description	Amount
Total Money In - 24 April to 15 September 2026	£59,245.29
Total Money Out - 24 April to 15 September 2026	£50,888.55
Net Increase	£8,356.74
Opening Balance - 23 April 2026	£18,979.64
Closing Main Bank Balance - 15 September 2026	£27,336.38

The main-account arithmetic reconciles: £18,979.64 opening balance + £8,356.74 net increase = £27,336.38 closing balance.

6. Membership Account

The Membership Account balance reported for 15 September 2026 is £1,897.00.

Account	Balance - 15 September 2026
KRY UK Main Account	£27,336.38
KRY UK Membership Account	£1,897.00
Combined bank balances	£29,233.38

The Membership Account is shown separately from the Main Account. The combined figure is provided for information and should not be treated as the Main Account closing balance as treasurer Dr. Maha Rai informed us that he would like to keep the membership fees collected in separate bank account of the organisation.

7. Major Event Financial Results

Event	Result
Foundation Celebration Day	(£335.84) deficit
Sakela Ubhauri Festival	£15,303.07 profit
Yalambar Remembrance Day	(£3,207.06) deficit
Combined result of the three events	£11,760.17 surplus

The combined event result of £11,760.17 is the sum of the three event results above. It is not the overall KRY UK financial result for the audit period.

8. Donations, Sponsorship and Community Support (04th April- 15th Sept 2026)

The audit team reviewed the available KRY UK records relating to donations, sponsorship and community support payments/payouts.

Total recorded paid out: £2,133.44

Individual payments are supported by spreadsheets but can be better with recipient, purpose, amount, payment evidence and appropriate approval/authorisation to maintain a complete audit trail.

9. Audit Opinions and Key Findings

9.1 Organisational Sponsorship

The audit team noted that the records we reviewed show outgoing sponsorship/support payments, but no income from organisations sponsoring KRY UK events has been identified during the audit period.

The reason for the absence of incoming organisational sponsorship is not clear from the records made available to the audit team.

The audit team recommends that the central committee review the current sponsorship position and establish the reasons for the lack of incoming organisational sponsorship.

9.2 Financial Sustainability and Reserves

The audit team has concerns regarding the financial sustainability of KRY UK if the current pattern of income and expenditure is not appropriately managed at central level.

Although the Main Account balance increased from £18,979.64 on 23 April 2026 to £27,336.38 on 15 September 2026, the monthly figures show significant fluctuations and expenditure exceeded income in several months. Continued periods in which expenditure exceeds sustainable income could progressively reduce available reserves and may, over time, affect KRY UK's ability to meet its financial commitments. Which has been analysed from the financial balance since Nov 2024.

Opening balance on **Nov 2024** £39539.07

Balance on audit on **15th Sept 2025** £26045.10

Balance on audit on **16 March 2026** £24740.32

Balance on audit on **15 Sept 2026** £27336.38 + 1897.00 (members)

The audit team is not projecting a specific date on which KRY UK would run out of funds, as that would require a detailed forward cashflow forecast. The concern is that appropriate action should be taken now to maintain a sustainable balance between central-level income and outgoing.

9.3 Recommended Financial Actions

1. Introduce regular monitoring of income, expenditure and reserves.
2. Consider establishing a minimum reserve/balance policy if there is one already in place yet.

3. Set clear financial targets for major events.
4. Develop a structured organisational sponsorship and fundraising strategy.
5. Review outgoing donations and community support payments against available resources and agreed priorities.
6. Provide regular financial reports to the central committee and, where appropriate, the general members.

10. Outstanding Items Requiring Follow-Up

There is a small outstanding amount identified that should be confirmed against the final cash/bank records and updated.

11. Overall Audit Conclusion

Based on the financial records and supporting information made available to the audit team for the period 23 April 2026 to 15 September 2026, the Main Account opening balance, income, expenditure and closing balance reconcile mathematically. The Main Account closed at £27,336.38 and the separate Membership Account balance was £1,897.00.

The treasurer of the KRY UK Dr. Maha Rai seems to have organized a good order of financial records with supporting details of accountability and traceable details.

This opinion reflects the records reviewed and information made available to the audit team. It does not constitute an assurance that every transaction outside the documents reviewed is complete or free from error.

Please also be informed that this is not a professional audit but an internal audit to verify that the correct process is being completed to maintain the KRY UK's financial records.

12. Audit Team Declaration and Sign-Off

We confirm that the audit/review was conducted based on the financial records and supporting information made available to us for the stated audit period. The findings and recommendations in this report represent the audit team's observations from the records reviewed.

Audit Team Member	Signature	Date
Chiran Rai	C. Rai	15 September 2026
Devendra Rai	D. Rai	15 September 2026
Ramesh Rai	R. Rai	15 September 2026
Dilip Rai		15 September 2026

Committee Acknowledgement

Position	Name / Signature	Date
President Year 2		
Treasurer		