

PRIVATE & CONFIDENTIAL

**AUDITORS' REPORT ON THE FINANCIAL STATEMENTS
OF
JOYPURHAT SUGAR MILLS LIMITED,
JOYPURHAT**

FOR THE YEAR ENDED 30 JUNE 2019

NURUL AZIM & CO.
CHARTERED ACCOUNTANTS
House#3/7/1, Ankon Swapnopuri,
Level#2 (Flat-B/1), South Kallyanpur,
Dhaka-1207,
Cell: 01817-044586,
E-mail: bmnazim@citechco.net,
bmnurulazim@gmail.com

MABS & J Partners
CHARTERED ACCOUNTANTS
SMC Tower (7th Floor), 33 Banani C/A,
Road #17, Dhaka 1213,
Tel: +880-2-9821057-8; +88 01948407276
Fax: +880-2-9332936

PRIVATE & CONFIDENTIAL

AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

OF

**JOYPURHAT SUGAR MILLS LIMITED,
JOYPURHAT**

FOR THE YEAR ENDED 30 JUNE 2019

NURUL AZIM & CO.
CHARTERED ACCOUNTANTS
House#3/7/1, Ankon Swapnopuri,
Level#2 (Flat-B/1), South Kallyanpur,
Dhaka-1207,
Cell: 01817-044586,
E-mail: bmnazim@citechco.net,
bmnurulazim@gmail.com

MABS & J Partners
CHARTERED ACCOUNTANTS
SMC Tower (7th Floor), 33 Banani C/A,
Road #17, Dhaka 1213,
Tel: +880-2-9821057-8; +88 01948407276
Fax: +880-2-9332936

Table of Content

SL. No.	Particulars	Page No.
1	Auditors' Report	01-03
2	Statement of Financial Position	04
3	Statement of Profit or Loss and other Comprehensive Income	05
4	Statement of Manufacturing and Trading Accounts	06
5	Statement of Changes in Equity	07
6	Statement of Cash Flows	08
7	Fund Flow Statement	09
8	Movement of Working Capital	10
9	Notes to the Financial Statements	11-36
10	Schedule of Property, Plant & Equipment	37

**Independent Auditors' Report
To the Shareholders
Of
Joypurhat Sugar Mills Limited**

Report on the Audit of the Financial Statements

We have audited the financial statements of Joypurhat Sugar Mills Limited (an enterprise of Bangladesh Sugar and Food Industries Corporation), which comprise the Statement of Financial Position as at 30 June 2019, the Statement of Profit or Loss and Other 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, the financial statements of the company, prepared in accordance with International Financial Reporting Standards (IFRSs), the companies Act 1994 give a true and fair view of the financial position as at 30 June 2019, their financial performance and cash flows for the year and comply with the Companies act 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, 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.

Auditors' 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, 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 the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a 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 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 a going concern. •
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

