

## AUDITOR'S REPORT TO THE MANAGEMENT

We have audited the accompanying Financial statements pertaining to Sindh Basic Education Programme USAID Grant SC22051 (051)391 PERA as on 30<sup>th</sup> June 2015 and for the year then ended.

These financial statements are responsibility of the management of the Programme. Our responsibility is to express an opinion on the accompanying statements based on our audit.

We conducted our examination in accordance with International Standard on auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. Our audit includes examining on a test basis, evidence supporting the amounts and disclosure in the financial statements. Our audit also includes assessment of the accounting principal and significant estimates made by the management as well as evaluating the overall statement presentation. We believe that our audit provides basis for our opinion.

The Programme policy is to prepare the accompanying statement in the format agreed between the USAID and the Government of Sindh as noted in the minutes of Negotiation for the Grant, on accrual basis in which expenses are recognized when incurred and revenue is reported when income is due.

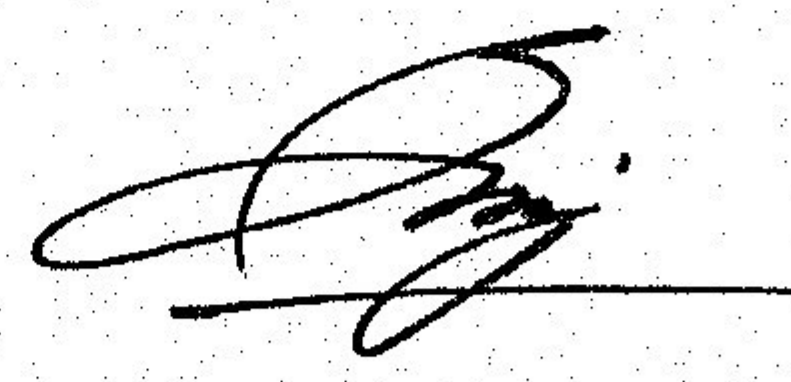
In our opinion (A) the aforementioned financial statements and appended notes that were also subject to audit, fairly present in all material respects, the financial position of the Sindh Basic Education Programme USAID Grant SC22051 (051) 391 PERA as at 30<sup>th</sup> June 2015, and the results of its operations for the period ended 30<sup>th</sup> June 2015 in conformity with Generally Accepted Accounting Standards, applied on a basis consistent in material respect with that of previous year, (B) the management of Programme has utilized all proceeds of the Grant withdrawn from the USAID only for the purpose of the Programme as agreed between the USAID and Government of Pakistan in accordance with the Grant Agreement, and no proceeds of the Grant has been utilized for any other purposes. (C) the management of the Programme was in compliance as at the date of balance sheet of the year of audit with all financial covenants of the Grant agreement.

### In addition:

With respect to the statements of the expenditures, pertaining to the direct payment Method made through USAID.

The Assignment Account reflects a true and fair view of the receipt and payments made during the year ending 30<sup>th</sup> June 2015 in respect of USAID and Government of Sindh share.

Dated: 26.11.2015

  
o/c  
( SIRAJ MUSTAFA JOKHIO )  
Director General