

**J.MATHEW & Co.**  
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## INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of of **P.A.L.M 2 (PARTICIPATORY ACTION & LEARNING METHODOLOGIES), THOTTAMOOLA, GUDALUR, THE NILGIRIS**, which comprise the Balance Sheet as at 31st March, 2016, the Statement of Income and Expenditure Account and Receipts and Payments account for the year then ended and a summary of significant accounting policies and other explanatory information thereon.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance in accordance with the accounting principles generally accepted in India to the extent applicable to the Institution. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India to the extent applicable to the Institution. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Institution's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

