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G. CHOUDHURY AND CO.
Chartered Accountants

CA GOURAV CHOUDHURY

Auditor's Report

To,

THE MEMBERS OF EVOS BUILDCON PRIVATE LIMITED.

We have audited the attached balance Sheet of EVOS BUILDCON PRIVATE LIMITED, as at 31st March, 2019 and Profit & loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of accounts required by law have been kept by the company so far as appears from our examination of those books;
The balance sheet dealt with by this report are in agreement with the books of account;
- (iii) In our opinion, the balance sheet dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 2013;
- (iv) On the basis of written representations received from the directors, as on 31st March, 2019, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2019 from being appointed as a director in terms of clause (g) of sub-section 274 of the Companies Act, 2013.

For G CHOUDHURY AND CO

Chartered Accountants

FRN : 329356E

Gourav Choudhury
GOURAV CHOUDHURY

Proprietor

Membership No-309583

Place: Bhubaneswar

Date: 30/09/2019



Thanks and Regards
CA GOURAV CHOUDHURY

M/S EVOS BUILDCON PVT.LTD.

Plot no. 284/2485, Near Union Bank
Patrapada, Bhubaneswar

BALANCE SHEET AS AT 31.03.2019

	Notes	AS AT 31.03.2019		AS AT 31.03.2018	
I. EQUITY & LIABILITIES					
Share Holders' Funds					
Share Capital	01	1,87,93,300.00		50,00,000.00	
Reserve & Surplus	02	1,00,88,587.25		68,08,042.95	
Money Received against Share Warrants		-	2,88,81,887.25	-	1,18,08,042.95
Share Application Money Pending Allot.			-		-
Non Current Liabilities					
Long Term Borrowings		-		-	
Deferred Tax Liabilities				-	
Other Long Term Liabilities		18,04,087.02		12,85,173.00	
Long Term Provisions		-	18,04,087.02	-	12,85,173.00
Current Liabilities					
Short Term Borrowings		-		-	
Trade Payables		2,96,72,569.86		2,11,73,349.59	
Other Current Liabilities	03	4,22,45,922.41		3,94,13,097.21	
Short Term Provisions	04	16,08,016.05	7,35,26,508.32	10,93,148.09	6,16,79,594.89
TOTAL			10,42,12,482.59		7,47,72,810.84
II. ASSETS					
Non Current Assets					
Fixed Asset					
Tangible Assets	05	25,27,617.12		26,58,393.30	
Intangible Assets		-		-	
Capital Work in Progress				-	
Intangible Assets under Development				-	
Non Current Investments					
Deferred Tax Assets		1,13,638.51		1,48,169.07	
Long Term Loans & Advances				-	
Other Non Current Assets	06	71,38,922.00	97,80,177.63	35,97,906.00	64,04,468.37
Current Assets					
Inventories	07	4,70,35,723.67		3,24,40,182.43	
Trade Receivable		3,03,29,423.21		2,57,45,949.71	
Cash & Cash Equivalents	08	5,87,096.46		11,16,407.12	
Short Term Loans & Advances	09	1,62,18,347.94		90,65,803.21	
Investment in Mutual funds	10	2,61,713.68	9,44,32,304.96	-	6,83,68,342.47
TOTAL			10,42,12,482.59		7,47,72,810.84

As per our report of even date.

Bhubaneswar
Date: 30-09-2019

Evos Buildcon Pvt. Ltd.

Kalendra Keshari Patra

Managing Director

Managing Director

Evos Buildcon Pvt. Ltd

Rajashree Patra

Directr

Director



For G. CHOUDHURY AND CO.

Chartered Accountants

FRN- 329356E

Gourav Choudhury

(CA. Gourav Choudhury)

Proprietor

Membership No.-309583

NOTES ON ACCOUNTS FORMING PART OF THE ACCOUNTS FOR THE YEAR
ENDED 31.03.2019

A.	Significant Accounting Policies
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1.	Basis of Preparation
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The financial statements have been prepared in the accordance with generally accepted accounting principles in India. Unless otherwise stated in the accosting policy, the financial statements have been prepared on the accrual basis including provision/adjustments for committed obligation of which amount determined as payable and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.	Inventories
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Principal goods (Traded) and raw materials are valued at cost or net realizable value whichever is less. Cost is arrived through First in First out method.

Cost of items of inventory consists of the purchase price including duties & taxes (Other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the acquisition of item of inventory.

The method of stock valuation is consistently followed.

3.	Revenue Recognition
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Revenue is recognized to the extent that it is probable that the economic benefits will flow and revenue can reliably measured.

3.1 Sales of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on the delivery of the goods. The value added tax & GST on sales are collected on the behalf of the government and, therefore, these are not economic benefits flowing to business. Hence, these are excluded from revenue. Sales are shown net of Tax.

4. Fixed assets

The fixed assets cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at purchase price.

Fixed assets are stated the financial statement in W.D.V

5. Depreciation/Amortization

Depreciation is provided under written down method at the rate prescribed in Income Tax Act.

6. Borrowing Cost

Borrowing cost directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use of sale are capitalized as a part of the cost of respective asset. All other borrowing costs are expensed in the period they occur.

7. Provisions

A provision is recognized, when a present obligation arises as a result of past event a probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

8.	Contingent Liabilities
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A contingent liability is a possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Such contingent liabilities are not recognized but disclosed its existence in the Notes to accounts of the financial statement.

B.	Additional Notes on Accounts
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B1. Balances of Trade Payable are subjected to conformation.

B2. Contingent Liability- Claims against the business not acknowledged as debt is NIL.

M/S EVOS BUILDCON PRIVATE LIMITED
Plot No. 284/2485, Near Union Bank
Patrapada, Bhubaneswar

PROFIT & LOSS FOR THE YEAR ENDED ON 31.03.2019

Sl.	Particulars	Notes	For year Ended 31.03.2019 Amount(Rs.)	For year Ended 31.03.2018 Amount(Rs.)
	INCOMES:			
I.	Revenue from Operation	10	11,44,11,161.87	10,11,23,232.72
II.	Other Income		1,69,284.00	63,161.60
III.	Total Revenue		<u>11,45,80,445.87</u>	<u>10,11,86,394.32</u>
IV.	EXPENSES:			
	Cost of Materials Consumed		-	-
	Purchase of Stock in Trade		-	-
	Changes in Inventories of Finished Goods, Work in Progress & Stock In Trade		(1,45,95,541.25)	91,07,944.83
	Employee Benefits Expenses		1,06,32,465.00	72,64,985.00
	Finance Costs		3,50,982.46	1,70,691.97
	Depreciation & Amortization Expenses		8,72,257.17	9,21,495.55
	Other Expenses	11	11,25,45,360.64	8,01,83,580.89
	Total Expenses		<u>10,98,05,524.03</u>	<u>9,76,48,698.25</u>
V.	Profit before Exceptional, Extraordinary Items & Tax		47,74,921.84	35,37,696.07
	Exceptional Items		-	-
	Profit before Extraordinary Items & Tax		47,74,921.84	35,37,696.07
	Extraordinary Items		-	-
	Profit before Tax		47,74,921.84	35,37,696.07
	Tax Expenses:			
	Current Tax		16,08,016.05	10,93,148.09
	Deferred Tax		(1,13,638.51)	(2,43,726.07)
	Total Tax Expenses		<u>14,94,377.54</u>	<u>8,49,422.02</u>
	Profit/(Loss) from Continuing Operation		32,80,544.30	26,88,274.05
	Profit/(Loss) from Discontinuing Operations		-	-
	Tax Expenses of Discontinuing Operations		-	-
	Profit/(Loss) from Discontinuing Operation (after tax)		-	-
	Profit/(Loss) for the Period		32,80,544.30	26,88,274.05
	Earning per Share			
	Basic		65.61	53.77
	Diluted		-	-

As per our report of even date.

Bhubaneswar

Date: 30-09-2019

Evos Buildcon Pvt. Ltd.

Kalanga Keshari Patra

Managing Director

Managing Director

Evos Buildcon Pvt. Ltd

Rajashree Patra

Director

Director

For G. CHOUDHURY AND CO.

Chartered Accountants

FRN- 329356E

Gourav Choudhury

(CA. Gourav Choudhury)

Proprietor

Membership No.-309583



EVOS BUILDCON PRIVATE LIMITED
Plot No-780, Maharshee College Road, Sahid Nagar, Bhubaneswar-751 007

NOTES OF FINANCIAL YEAR 2018-19

Notes-1
(Attached to and forming part of the Balance Sheet)

CAPITAL FUND:	As on 31.03.2019 Amount(Rs.)	As on 31.03.2018 Amount(Rs.)
Authorised Capital (1,00,000 Equity Shares of Rs. 10/- each)	3,00,00,000.00	10,00,000.00
Issued & Paid-up Capital (18,79,330 Equity Shares of Rs. 10/- each fully Paid)	1,87,93,300.00	50,00,000.00
	<u>1,87,93,300.00</u>	<u>50,00,000.00</u>

Additional Information: Shareholders holding more than 5 percent shares in the company:

Name of Shareholders.	As on 31.03.2019		As on 31.03.2018	
	No. of Share	%age	No. of Share	%age
Kalinga Keshari Rath	11,27,598	60.00%	3,00,000	60.00%
Rajashree Rath	7,51,732	40.00%	2,00,000	40.00%

Notes-2
(Attached to and forming part of the Balance Sheet)

RESERVE & SURPLUS:	As on 31.03.2019 Amount(Rs.)	As on 31.03.2018 Amount(Rs.)
General Reserve	1,00,88,587.25	68,08,042.95
	<u>1,00,88,587.25</u>	<u>68,08,042.95</u>

Evos Buildcon Pvt. Ltd.
Kalinga Keshari Rath
Managing Director

Evos Buildcon Pvt. Ltd.
Rajashree Rath
Direct



Notes-3
(Attached to and forming part of the Balance Sheet)

OTHER CURRENT LIABILITIES:	As on 31.03.2019 Amount(Rs.)	As on 31.03.2018 Amount(Rs.)
Advance from Customers	3,63,73,934.98	3,27,76,913.78
Directors' Remuneration Payable	11,86,001.00	11,80,861.00
Electricity Charges Payable		-
EPF Payable	25,960.00	41,024.00
ESIC Payable	4,009.00	4,009.00
GST Payable		68,584.00
House Rent Payable	76,750.00	68,250.00
Legal & Professional Charges Payable	65,000.00	54,495.00
News Paper Bill Payable	-	83.00
Repairs & Maintenance Payable		-
Salary Payable	5,49,304.20	4,94,501.20
Service Tax Payable	29,54,228.03	33,94,374.03
TDS Payable	9,62,605.20	12,68,672.20
Telephone Charges Payable	47,530.00	47,530.00
Vehicle Hiring Charges Payable	-	13,200.00
PHD Water Charges Payable	600.00	600.00
	4,22,45,922.41	3,94,13,097.21

Notes-4
(Attached to and forming part of the Balance Sheet)

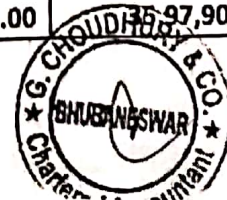
SHORT TERM PROVISIONS:	As on 31.03.2019 Amount(Rs.)	As on 31.03.2018 Amount(Rs.)
Provision for Income Tax		
FY- 2016-17	-	8,11,431.00
FY- 2017-18		10,93,148.09
FY- 2018-19	16,08,016.05	-
	16,08,016.05	19,04,579.09

Notes-6
(Attached to and forming part of the Balance Sheet)

OTHER NON CURRENT ASSET:	As on 31.03.2019 Amount(Rs.)	As on 31.03.2018 Amount(Rs.)
Security Deposit	71,38,922.00	35,97,906.00
	71,38,922.00	35,97,906.00

Evos Buildcon Pvt. Ltd.
Kalanga Keshari Patil
Managing Director

Evos Buildcon Pvt. Ltd.
Rajashree Patil
Direct



Notes-7
(Attached to and forming part of the Balance Sheet)

INVENTORIES:	As on 31.03.2019 Amount(Rs.)	As on 31.03.2018 Amount(Rs.)
Raw Materials	-	8,80,500.00
Stock in Trade	89,13,964.00	80,33,464.00
Work in Progress	3,81,21,759.67	2,35,26,218.43
	4,70,35,723.67	3,24,40,182.43

Note: Inventory includes Land & Land development shown as Stock-in-Trade at a value as certified by the Management.

Notes-8
(Attached to and forming part of the Balance Sheet)

CASH & CASH EQUIVALENT:	As on 31.03.2019 Amount(Rs.)	As on 31.03.2018 Amount(Rs.)
Cash at Bank	3,49,423.46	9,77,063.12
Cash in Hand	2,37,673.00	1,39,344.00
	5,87,096.46	11,16,407.12

Notes-9
(Attached to and forming part of the Balance Sheet)

SHORT TERM LOANS & ADVANCES:	As on 31.03.2019 Amount(Rs.)	As on 31.03.2018 Amount(Rs.)
Advance for Land	98,36,116.00	74,44,116.00
Advance to Others & Deposits	51,46,559.16	14,15,648.21
TDS RECEIVABLE	36,141.00	6,039.00
Advance tax	2,00,000.00	2,00,000.00
GST ITC (c/f)	9,99,531.78	-
Income Tax Refundable	-	-
	1,62,18,347.94	90,65,803.21

Notes-10
(Attached to and forming part of the Profit & Loss Account)

REVENUE FROM OPERATION:	As on 31.03.2019 Amount(Rs.)	As on 31.03.2018 Amount(Rs.)
Revenue from Project		
: Evos Palace	(445.41)	1,01,01,654.68
: Paras Enclave	4,92,710.00	2,25,80,089.00
: Paras Palace	7,68,776.86	98,65,753.63
: Paras Avenue	9,47,711.46	60,02,102.91
: Paras Villa	27,69,801.67	1,18,31,973.58
: Paras Residency	1,88,26,238.03	1,18,67,156.48
: Mahaveer Enclave	2,86,35,159.94	2,62,49,539.39
: Olive Enclave	2,15,26,733.53	26,24,963.05
: Evos Paradise	3,67,29,775.26	-
: City Homes	27,04,700.53	-
: Individual construction	10,10,000.00	-
	11,44,11,161.87	10,11,23,232.72

Evos Buildcon Pvt. Ltd.
Kalinga Kishore Patra
Managing Director

Evos Buildcon Pvt. Ltd.
Rajeshree Patra
Directr



Notes-11
(Attached to and forming part of the Profit & Loss Account)

OTHER EXPENSES:	As on 31.03.2019 Amount(Rs.)	As on 31.03.2018 Amount(Rs.)
Direct Project Expenses	10,68,91,918.50	7,60,29,686.24
Advertisement Expenses	7,35,168.00	6,30,716.41
Audit Fees	65,000.00	53,100.00
Business Promotion Expenses	14,28,000.00	2,59,500.00
Brokerage & Commission	50,000.00	
Staff Welfare Expenses	6,11,970.00	4,61,400.00
Consultancy Charges		63,000.00
Electricity Charges	56,461.00	15,442.00
Statutory Filling charges	16,310.00	1,400.00
Interenet Expenses	4,953.00	-
Fees & Interest on IT & TDS	5,55,731.91	2,45,958.00
Sweeper salary Expenses		73,390.00
stamp paper and other Expenses		1,15,878.00
Professional Charges	3,66,667.00	2,09,790.00
Processing Fees	18,600.00	
Miscellaneous Expenses	27,780.71	54,952.91
Licenceing Fees	20,000.00	
Office Expenses	6,52,089.31	4,13,896.02
Office Rent	5,10,000.00	6,81,200.00
PHD Water Charges	-	1,300.00
Printing & Stationaries	24,980.00	1,34,341.20
Repair & Maintenance	1,19,048.63	3,01,334.56
Rounding Up	1.95	6.32
Security Service Expenses	2,00,000.00	2,25,192.00
Software & Development Expenses	10,000.00	98,761.00
Telephone & Internet Expense	63,740.63	37,705.00
Travelling & Conveyance	1,16,940.00	75,631.23
	11,25,45,360.64	8,01,83,580.89

Payment to Auditors	As on 31.03.2019 Amount(Rs.)	As on 31.03.2018 Amount(Rs.)
Statutory Audit Fees	40,000.00	30,000.00
Tax Audit Fees	25,000.00	15,000.00
Other Matters	-	-
	65,000.00	45,000.00

Evos Buildcon Pvt. Ltd.
Kalinga Keshari Patra
Managing Director

Evos Buildcon Pvt. Ltd.
Rajashree Patra
Directr



Prior year figures have been rearranged and reclassified to confirm with the current years presentation, wherever applicable.

Employees Benefit Expenses debited to Profit & Loss Account include Manegerial Remuneration as Follows:-

1.Remuneration to Managing Director	66,00,000.00
2.Remuneration to Other Director	6,00,000.00
	72,00,000.00

As per our report of even date.

Bhubaneswar

Date: 30-09-2019

Evos Buildcon Pvt. Ltd.

Kalanga Keshari Pat

Managing Director

Managing Director

Evos Buildcon Pvt. Ltd.

Rajashree Pat

Director

Director

For G.CHOUDHURY AND CO.

Chartered Accountants

FRN- 329356E

Gourav Choudhury

(CA. Gourav Choudhury)

Proprietor

Membership No.-309583



Notes-5
(Attached to and forming part of Balance Sheet)

Depreciation on Fixed Assets as per Companies Act, 2013

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK		Rate of Depreciation
	As on 01.04.2018	Addition during the Year	Deletion during the year	As on 31.03.2019	As on 01.04.2018	For the Year	As on 31.03.2019	As on 31.03.2018	As on 31.03.2019	
Computer & Printer	8,91,505.22	2,15,154.14	-	11,06,659.36	7,50,261.94	1,60,084.29	9,10,346.23	1,41,243.28	1,96,313.13	63.16%
Electrical Equipment	5,97,594.92	24,900.00	-	6,22,494.92	2,23,456.61	99,972.91	3,23,429.52	3,74,138.31	2,99,065.40	25.89%
Furniture & Fixture	11,60,409.96	1,97,610.00	-	13,58,019.96	4,33,640.89	2,04,747.77	6,38,388.66	7,26,769.07	7,19,631.30	25.89%
Office Equipment	74,498.00	72,591.86	-	1,47,089.86	39,094.38	25,187.26	64,281.64	35,403.62	82,808.22	25.89%
Motor Vehicle	18,73,959.00	-	-	18,73,959.00	4,93,119.99	3,57,499.22	8,50,619.21	13,80,839.01	10,23,339.79	25.89%
Machinery Items	45,97,967.10	2,31,225.00	-	2,31,225.00	24,765.72	24,765.72	24,765.72	-	2,06,459.28	25.89%
		7,41,481.00	-	53,39,448.10	19,39,573.81	8,72,257.17	28,11,830.98	26,58,393.29	25,27,617.12	

Depreciation on Fixed Assets as per Income Tax Act, 1961-

Particulars	Rate	W.D.V. as on 01.04.2019	Addition during the Year	Deletion during the year	Addition in First Half	Addition in Second Half	Total	Depreciation during the Year	W.D.V. as on 31.03.2019
Computer & Printer	40%	88,457.22	2,15,154.14	-	74,059.91	1,41,094.23	3,03,611.36	93,226.00	2,10,385.36
Electrical Equipment	15.00%	3,66,677.92	24,900.00	-	-	24,900.00	3,91,577.92	56,869.00	3,34,708.92
Furniture & Fixture	10.00%	8,85,476.71	1,97,610.00	-	-	1,97,610.00	10,83,086.71	98,428.00	9,84,658.71
Office Equipment	15.00%	44,875.00	72,591.86	-	72,591.86	-	1,17,466.86	17,620.00	99,846.86
Motor Vehicle	15.00%	14,73,400.00	-	-	-	-	14,73,400.00	2,31,010.00	12,52,390.00
Machinery	15.00%	-	2,31,225.00	-	-	2,31,225.00	2,31,225.00	17,342.00	2,13,883.00
TOTAL		29,58,886.85	7,41,481.00	-	1,46,651.77	5,94,829.23	36,00,367.85	5,04,495.00	30,95,872.85



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT-31st March 2019
(Referred to in our report on even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 .

We have audited the internal financial controls over financial reporting EVOS BUILDCON PRIVATE LIMITED as of 31-Mar-2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence I/we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.