

**AUDITORS' REPORT  
AND  
THE FINANCIAL STATEMENTS  
OF  
AGNI SYSTEMS LIMITED**

*For the year ended 30<sup>th</sup> June, 2021*

**Independent Auditors' Report  
To the Shareholders of  
Agni Systems Limited  
Report on the Audit of the Financial Statements**

**Opinion**

We have audited the Financial Statements of **Agni Systems Limited** which comprise the Statement of Financial Position as at June 30, 2021, and Statement of Profit or Loss & 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 and other explanatory information.

In our opinion, the accompanying Financial Statements give true and fair view, in all material respects, of the Financial Position of the company as at June 30, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), The Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditors' 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 the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and informing our opinion thereon, and we do not provide separate opinion on these matters.

Risk	Revenue Recognition
<b>Our response to the risk</b>	
<p>We identified revenue recognition as key audit matter and a significant risk of material misstatement because of the risk related to the timing and accuracy of the recognized amounts of revenue. The total revenue generated for the year ended was Taka 488,466,089/-</p> <p>Recognition of revenue is complex due to several types of customer contracts utilized, including internet service, sale of software, ICX, IPTSP.</p>	<p>➤ Our audit procedures comprised the testing of internal controls in connection with the revenue recognition including the application controls in the most important IT applications impacting the financial reporting. We performed analytical procedures that focused on analyzing the development of turnover. In addition, we performed audit procedures such as compared revenue transactions near year end to the supporting documentation, analyzed general ledger journal entries in order to identify abnormal entries as well as compared trade receivables to the payments received.</p>



