



**AUDITOR'S REPORT**  
TO THE MEMBERS OF  
SERVAS INTERNATIONAL, ZURICH, SWITZERLAND.

**Report on the Financial Statements**

We have audited the accompanying financial statements of SERVAS INTERNATIONAL (SI), Zurich, Switzerland which comprise Balance Sheet as at 31<sup>st</sup> March 2016, the Statement of Income and Expenditure for the period then ended and a summary of Significant Accounting Policies and Other Explanatory information.

**Executive Committee's (EXCO) Responsibility for the Financial Statements**

The EXCO is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the SI in accordance with the generally accepted accounting principles. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation 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. 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 Organization, preparation and fair presentation of the financial statements 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 Organization's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the EXCO, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





### Opinion

In our opinion and to the best of our information and explanations given to us, **subject to our comments in Para (e) below and its consequential effect, if any, on Statement of Income & Expenditure and Balance Sheet for the period 2016 thereon which cannot be quantified**, the said accounts read together with the Notes to Accounts give a true and fair view in conformity with the generally accepted accounting principles:

i) in the case of the Balance Sheet, of the State of affairs of Servas International, Zurich, Switzerland as at 31st March 2016

And

ii) in the case of the Statement of Income and Expenditure, the excess of Expenditure over Income for the period ended on that date.

### Report on Other Legal and Regulatory Requirements

We report that:

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, traditional books of accounts viz., Cash/ Bank books, Journal Register and Ledger Accounts only, have been kept by Servas International, Zurich, Switzerland so far as it appears from our examination of these books;
- c) The Balance Sheet and Statement of Income and Expenditure dealt with by this report are in agreement with the books of accounts.
- d) Although Servas International is a non-profit organization, it generates revenue by issuing stamps which are used by Servas members on tour.
- e) **Attention invited to the following:**
  - i) **Recoverability of receivables from SI Countries towards stamps as referred in Note No. D.6(c) and SOL as referred in Note No. D.6 (d);**
  - ii) **Recoverability of advances from former/ present Officers / Executive members, Refer Note No. D. 7 (a);**

for VASUDEV PAI AND CO.  
Chartered Accountants  
Firm Registration No. 004560S

J. Vasudev Pai.

T VASUDEV PAI  
M.No.20906



Place : Bangalore, India.  
Dated: 22.02.2017