



## KPMG Ford, Rhodes, Thornton & Co.

(CHARTERED ACCOUNTANTS)

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### TO THE MEMBERS OF CARSON CUMBERBATCH & CO. LTD.

We have audited the Balance Sheet of Carson Cumberbatch & Co. Ltd., as at 31st March 2002, the Consolidated Balance Sheet of the Company and its Subsidiaries as at that date, and the related Statements of Income, Changes in Equity and Cash Flow for the year then ended, together with the Accounting Policies and Notes as set out on pages 48 to 84 of the Annual Report.

#### Respective Responsibilities of Directors and Auditors

The Directors are responsible for preparing and presenting these financial statements in accordance with the Sri Lanka Accounting Standards. Our responsibility is to express an opinion on these financial statements, based on our audit.

#### Basis of Opinion

We conducted our audit in accordance with the Sri Lanka Auditing Standards, which require that we plan and perform the audit to obtain reasonable assurance about whether the said financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the said financial statements, assessing the accounting principles used and significant estimates made by the Directors, evaluating the overall presentation of the financial statements, and determining whether the said financial statements are prepared and presented in accordance with the Sri Lanka Accounting Standards. 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. We therefore believe that our audit provides a reasonable basis for our opinion.

#### Opinion

In our opinion, so far as appears from our examination the Company maintained proper books of account for the year ended 31st March 2002, and to the best of our information and according to the explanations given to us, the said Balance Sheet and related Statements of Income, Changes in Equity and Cash Flow and the Accounting Policies and Notes thereto, which are in agreement with the said books and have been prepared and presented in accordance with the Sri Lanka Accounting Standards, provide the information required by the Companies Act, No. 17 of 1982 of Sri Lanka, and give a true and fair view of the Company's state of affairs as at

31st March 2002 and of its Profit, Changes in Equity and Cash Flows for the year then ended.

We have considered the financial statements and the audit reports of the foreign Subsidiary Company, PT Agro Indomas. The audit reports on the financial statements of PT Agro Indomas were subject to qualifications on capitalisation and reversal of foreign exchange losses to/from property, plant & equipment as disclosed in Note 12(c) to the consolidated financial statements.

In our opinion, except for the matter referred to in preceding paragraph the Consolidated Balance Sheet and related Statements of Income, Changes in Equity and Cash Flow and the Accounting Policies and Notes thereto have been properly prepared and presented in accordance with the Companies Act, No. 17 of 1982 and the Sri Lanka Accounting Standards, and give a true and fair view of the state of affairs as at 31st March 2002 and the Profits, Changes in Equity and Cash Flows for the year then ended of the Company and its Subsidiaries dealt with thereby, so far as concerns the members of the Company.

Without further qualifying our opinion, we wish to draw attention to the following matter:

As stated in Note 30(b) to the financial statements, two of the subsidiary companies and two associate companies have been consolidated during the year based on unaudited financial statements.

#### Directors' Interests in Contracts with the Company

According to the information made available to us, the Directors of the Company were not directly or indirectly interested in contracts with the Company during the year ended 31st March 2002 except as stated in Note 37 to these financial statements.

*Ford Rhodes Thornton & Co.*

**KPMG Ford, Rhodes, Thornton & Co.**

*Chartered Accountants*

10th May 2002