

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT (GH)**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> DECEMBER 2016**

**DEKHAB ASSOCIATES**

Chartered Accountants & Management Consultants  
D 586/4 South Liberia Road, Adabraka  
P.O Box AH 1295  
Achimota, Accra

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**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT (GH)**

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**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT (GH)**

**NATIONAL GOVERNING COUNCIL**

Ebo Hammond	(FCILT)	President
Lackson A. Legah	(CMILT)	Executive Secretary
Mark Affum Amoamah	(FCILT)	Vice President-Education & Professional Development
Neil K. Vorleto	(CMILT)	Vice President-Finance
G. D. Mensah	(FCILT)	Immediate Past President
Samuel Etsibah	(CMILT)	Vice President-Logistics
Kumi Adjei-Sam	(CMILT)	Vice President-Maritime
David A. Gray	(CMILT)	Vice President-Air
Dr. Godfred Akyea-Darkwah	(CMILT)	Vice President-Road
Ephraim Asare	(CMILT)	Executive Member
Doreen Owusu-Fianko	(FCILT)	Chair Person, WILAT Ghana
Hamoui Ziad	(CMILT)	Tema Section Chairman
D.Y.K Frimpong Manso	(CMILT)	Accra Section Chairman
Gideon Ahiekpor	(CMILT)	Takoradi Section Chairman

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT (GH)**

**REPORT OF THE GOVERNING COUNCIL**

The Governing Council members are responsible for the preparation of the financial statements for each financial year, which gives a true and fair view of the state of affairs of the Institute and the results, and cash flows for that period. In preparing these financial statements, they have selected suitable accounting policies and then applied them consistently, made judgements and estimates that are reasonable and prudent and followed the International Financial Reporting Standards (IFRS) for SMEs.

They are responsible for ensuring that the Institute keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Institute. The Executives are also responsible for safe guarding the assets of the Institute and taking reasonable steps for the prevention and detection of fraud and other irregularities.

**RESULTS OF OPERATIONS**

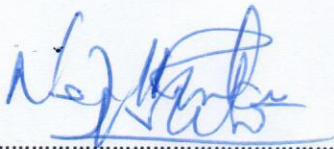
Details of Excess of Income over Expenditure of **GH¢ 39,967.91** are shown in the attached financial statements.

**NATURE OF BUSINESS**

The principal activity of the Institute is the provision of membership and quality professional training in logistics and transport.

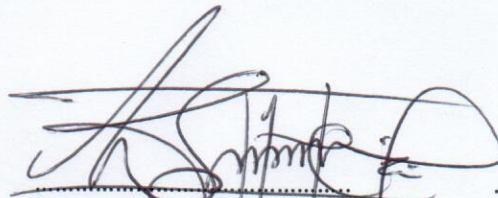
**AUDITORS**

The auditors, Dekhab Associates, have indicated their willingness to continue in office pursuant to section 134(5) of the Companies' Act, 1963 (Act 179).



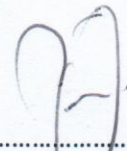
VICE PRESIDENT-FINANCE

Dated: 30/11/17



PRESIDENT

30/11/17



EXECUTIVE SECRETARY

30/11/2017

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT (GH)**

*We have audited the accompanying financial statements of Chartered Institute of Logistics and Transport (GH) which comprises the statement of financial position as at 31<sup>st</sup> December, 2016, the statement of comprehensive income and accumulated fund account and the cash flow statement for the year then ended and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes as set out on pages 10 to 16.*

### **DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

*The institute's directors are responsible for the preparation and the fair presentation of these financial statements in accordance with International Financial Reporting Standards for SMEs and in the manner required by the Companies Act, 1963 (Act 179) of Ghana. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and the fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.*

### **RESPONSIBILITY OF THE INDEPENDENT AUDITORS**

*Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion to you.*

### **BASIS OF OPINION**

*We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance on whether the financial statements are free from material misstatements.*

*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 caused by fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's 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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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, the financial statements give a true and fair view of the financial position of the Chartered Institutes of Logistics and Transport (GH) as at 31<sup>st</sup> December, 2016 and its financial performance, and cash flows for the year then ended in accordance with the requirements of International Financial Reporting Standards for SMEs in the manner required by the Companies Act, 1963 (Act 179) of Ghana.*

**Report on other legal and regulatory requirements**

*Compliance with the requirements of section 133 and fifth schedule of the Companies Act, 1963 (Act 179) of Ghana*

*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.*

*In our opinion, proper books of account have been kept and the statement of financial position, statement of comprehensive income and accumulated fund account and the cash flow statement are in agreement with the books of account.*

*Dekhab Associates*  
.....

C.S. Habadah (ICAG/P/1024)

FOR: Dekhab Associates (ICAG/F/2017/0166)

Chartered Accountants

Accra

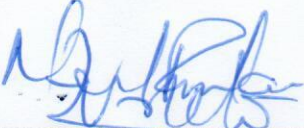
**DEKHAB ASSOCIATES**  
**P. O. BOX AH 1295**  
**ACHIMOTA - ACCRA**

Dated: *30/11/17*  
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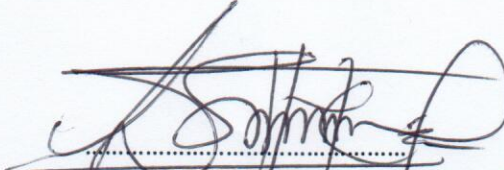
**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT (GH)**

**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2016**

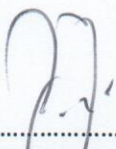
	<b>2016</b>	<b>2015</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>ASSETS:</b>		
<b>CURRENT ASSETS:</b>		
Property, Plant & Equipment	14,763.28	20,240.96
	<b>14,763.28</b>	<b>20,240.96</b>
<b>CURRENT ASSETS:</b>		
Accounts Receivable	9,414.00	86,146.00
Rent Prepaid	12,498.00	24,996.00
Cash and Bank Balance	94,196.86	40,434.77
	<b>116,108.86</b>	<b>151,576.77</b>
<b>TOTAL ASSETS</b>	<b>130,872.14</b>	<b>171,817.73</b>
<b>LIABILITIES &amp; ACCUMULATED FUND</b>		
<b>LIABILITIES:</b>		
Accounts Payable	23,220.00	18,887.50
	<b>23,220.00</b>	<b>18,887.50</b>
<b>ACCUMULATED FUND</b>	<b>107,652.14</b>	<b>152,930.23</b>
<b>TOTAL LIABILITIES &amp; ACCUMULATED FUND</b>	<b>130,872.14</b>	<b>171,817.73</b>

  
.....  
VICE PRESIDENT-FINANCE

Dated: 30/11/17 .....

  
.....  
PRESIDENT

30/11/17 .....

  
.....  
EXECUTIVE SECRETARY

30/11/2017 .....

The accounting policies and notes on pages 10 to 16 form an integral part of these financial statements.

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT (GH)**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED  
31<sup>ST</sup> DECEMBER, 2016**

	NOTES	2016 GH¢	2015 GH¢
Income	7	425,125.95	232,654.60
Less Expenditure	8	(385,158.04)	(178,225.08)
Surplus for the year		<u>39,967.91</u>	<u>54,429.52</u>

**ACCUMULATED FUND ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2016**

	NOTES	2016 GH¢	2015 GH¢
Balance as at 1st January		152,930.23	95,479.68
Prior Year Adjustment	9	(85,246.00)	3,021.03
Surplus for the year		39,967.91	54,429.52
Balance as at 31st December		<u>107,652.14</u>	<u>152,930.23</u>

The accounting policies and notes on pages 10 to 16 form an integral part of these financial statements.



**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT (GH)**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2016**

	<b>2016</b>	<b>2015</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Surplus for the year	39,967.91	54,429.52
Depreciation	5,477.68	6,495.53
Changes in movement in working capital:		
(Increase) / Decrease in Accounts Receivable	76,732.00	(37,470.00)
(Increase) / Decrease in Rent Prepaid	12,498.00	12,498.00
Increase / (Decrease) in Accounts Payables	4,332.50	4,888.90
<b>Net Cash Inflow / (Outflow) in Operating Activities</b>	<b>139,008.09</b>	<b>40,841.95</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of Property, Plant & Equipment	-	(4,956.00)
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>-</b>	<b>(4,956.00)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	-	-
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENT</b>	<b>139,008.09</b>	<b>35,885.95</b>
<b>ANALYSIS OF CHANGES IN CASH &amp; CASH EQUIVALENT DURING THE YEAR</b>		
Cash & Cash Equivalent at the beginning of the year	40,434.77	1,527.79
Prior Year Adjustment	(85,246.00)	3,021.03
Net Increase/(Decrease) in Cash and Cash Equivalent	139,008.09	35,885.95
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>94,196.86</b>	<b>40,434.77</b>

The accounting policies and notes on pages 10 to 16 form an integral part of these financial statements

# **THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT (GH)**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED** **31<sup>ST</sup> DECEMBER, 2016**

### **1. ACTIVITIES**

The Chartered Institute of Logistics and Transport is a company limited by guarantee, registered and incorporated in Ghana.

The principal activities of the Institute are the provision of quality professional training in logistics and transport.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### **Basis of Preparation:**

The financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) for SMEs.

#### **Accounting Convention**

The financial statements are prepared under the historical cost convention. The accounting policies have been consistently applied by the Institute.

The financial statements have been presented in Ghanaian cedi.

#### **Revenue Recognition**

There has been a change in accounting policy on the recognition of Membership Subscription. In the previous years, membership subscriptions were recognised as income when they are due for receipt. Membership subscriptions are now recognised as income in the period in which they are received. The change in accounting policy has resulted in a prior year adjustment on membership subscription receivable in the previous year as explained in note 9.

Interest revenue is recognized as the interest accrues.

#### **Depreciation**

Property, plant and equipment are stated at historical cost less depreciation.

Depreciation of fixed assets is calculated using the straight line method at rates considered to be adequate to write off the value of the assets over their estimated useful lives.

The principal depreciation rates are as follows:

- |                           |        |
|---------------------------|--------|
| • Computers & accessories | 33.33% |
| • Motor vehicles          | 20.00% |
| • Furniture & fittings    | 8.00%  |
| • Office equipment        | 10.00% |

### **Marketable Securities**

Marketable securities are considered as current assets and are carried at the lower of cost and market value on an aggregate basis.

### **Inventories**

Inventories, mainly stationeries, are valued at cost when they exist. Cost are those expenses incurred in bringing each item to its present location and condition.

### **Accounts Receivables**

Accounts receivable are stated at anticipated realizable value. Impairment provision is made for doubtful receivables on the basis of a review of all outstanding amounts at the end of the year. Bad debts are written off in the year in which they are identified.

### **Cash and Cash Equivalents**

Cash and cash equivalents are defined as cash and bank balances, bank overdraft and investment in marketable securities that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purpose of the statements of cash flow, cash and cash equivalents comprise cash in hand, deposits held at call with banks, and investments in money market instruments.

### **Accounts Payable and Accruals**

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

### **Provisions**

Provisions are recognized when the company has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and can be readily measured.

### **Foreign currencies**

Transactions in foreign currencies are recorded at the exchanged rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the statement of comprehensive income.

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT (GH)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

**31<sup>ST</sup> DECEMBER, 2016**

**3a. PROPERTY, PLANT & EQUIPMENT - 2016**

	<b>Computers</b>	<b>Furniture &amp; Fittings</b>	<b>Office Equipment</b>	<b>Total</b>
	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
<b>Cost</b>				
Balance at 01/01/16	14,287.00	21,980.00	4,876.00	41,143.00
Addition for the year	-	-	-	-
<b>Balance at 31/12/16</b>	<b>14,287.00</b>	<b>21,980.00</b>	<b>4,876.00</b>	<b>41,143.00</b>
<b>Depreciation</b>				
Balance at 01/01/16	11,055.32	7,278.72	2,568.00	20,902.04
Charge for the year	3,231.68	1,758.40	487.60	5,477.68
<b>Balance at 31/12/16</b>	<b>14,287.00</b>	<b>9,037.12</b>	<b>3,055.60</b>	<b>26,379.72</b>
<b>Net Book Value at 31/12/16</b>	<b>0.00</b>	<b>12,942.88</b>	<b>1,820.40</b>	<b>14,763.28</b>
Net Book Value at 31/12/15	3,231.68	14,701.28	2,308.00	20,240.96

**3b. PROPERTY, PLANT & EQUIPMENT - 2015**

	<b>Computers</b>	<b>Furniture &amp; Fittings</b>	<b>Office Equipment</b>	<b>Total</b>
	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
<b>Cost</b>				
Balance at 01/01/15	11,807.00	19,504.00	4,876.00	36,187.00
Addition for the year	2,480.00	2,476.00	-	4,956.00
<b>Balance at 31/12/15</b>	<b>14,287.00</b>	<b>21,980.00</b>	<b>4,876.00</b>	<b>41,143.00</b>
<b>Depreciation</b>				
Balance at 01/01/15	6,706.75	5,619.36	2,080.40	14,406.51
Charge for the year	4,348.57	1,659.36	487.60	6,495.53
<b>Balance at 31/12/15</b>	<b>11,055.32</b>	<b>7,278.72</b>	<b>2,568.00</b>	<b>20,902.04</b>
Net Book Value at 31/12/15	3,231.68	14,701.28	2,308.00	20,240.96
Net Book Value at 31/12/14	5,100.25	13,884.64	2,795.60	21,780.49

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT (GH)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

**31<sup>ST</sup> DECEMBER, 2016**

**4. ACCOUNTS RECEIVABLES**

	<b>2016</b>	<b>2015</b>
	<b>GH¢</b>	<b>GH¢</b>
Income Receivable from Fleet Workshop	9,014.00	-
Membership Subscription	-	86,146.00
Staff Loan	400.00	-
	<b>9,414.00</b>	<b>86,146.00</b>

**5. CASH & BANK BALANCE**

	<b>2016</b>	<b>2015</b>
	<b>GH¢</b>	<b>GH¢</b>
Cash Balance	4,314.09	581.45
Cedi Bank Account	68,522.97	27,043.38
Pound Sterling Bank Account	21,359.80	12,809.94
	<b>94,196.86</b>	<b>40,434.77</b>

**6. ACCOUNTS PAYABLES**

	<b>2016</b>	<b>2015</b>
	<b>GH¢</b>	<b>GH¢</b>
Accrued Audit Fees	7,600.00	9,400.00
Due to CILT International	15,620.00	9,487.50
	<b>23,220.00</b>	<b>18,887.50</b>

Accrued Audit fee for 2016 above is made up of GH¢ 3,800.00 for 2015 audit work which was paid later in 2017 and GH¢ 3,800.00 for 2016 audit work which is unpaid.

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT (GH)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**

**31<sup>ST</sup> DECEMBER, 2016**

**7a. INCOME**

	<b>2016</b>	<b>2015</b>
	<b>GH¢</b>	<b>GH¢</b>
Subscription, Membership Fees	33,112.00	46,950.00
Takoradi Polytechnic	32,400.00	16,800.00
GIMPA	85,745.00	74,600.00
Accra Polytechnic	-	13,800.00
Data Link University	41,070.00	41,942.50
KNUST	-	18,900.00
Pentecost University	11,100.00	5,608.00
British Council	-	400.00
Regional Maritime University	24,600.00	6,700.00
Refund from ICM 2015	-	3,457.20
Income Received from Fleet Managers' Workshop	167,028.95	-
Income Receivable from Fleet Managers Workshop	9,014.00	-
Commission Charge on CILT International Transfers	16,995.00	3,496.90
Administrative Charges on Refund to Delegates	4,061.00	-
	<b>425,125.95</b>	<b>232,654.60</b>

**7b. Subscription, Membership, & Application Fees**

	<b>2016</b>	<b>2015</b>
	<b>GH¢</b>	<b>GH¢</b>
Members (MILT)	3,100.00	5,850.00
Chartered Members (CMILT)	9,300.00	7,950.00
Affiliates	350.00	29,050.00
Chartered Fellows (FCILT)	1,800.00	2,600.00
Application Fees	15,062.00	-
Corporate Members	3,500.00	1,500.00
	<b>33,112.00</b>	<b>46,950.00</b>

## 8. EXPENDITURE

	2016 GH¢	2015 GH¢
Accreditation Fees	-	3,810.00
AGM Expenses	40,256.56	-
Governing Council Meeting & AGM	5,489.95	5,061.00
Lecturers Top up	15,823.50	11,179.94
Newspaper & Periodicals	977.50	1,152.50
Postage & Telephone	175.00	710.00
Sponsorship of CIMG	1,500.00	1,500.00
Website (Hosting & Development)	6,000.00	3,600.00
Adverts/Publication & Media Relations	8,113.04	-
Travelling & Transport	2,401.00	2,653.20
Corporate Membership Certification	6,130.72	9,874.57
Annual Membership Dues	9,889.00	-
Office Expenses	3,015.40	1,016.25
Rent Expenses	12,498.00	12,498.00
AMA Permit	-	660.00
Bank Charges	4,938.33	2,028.26
CILT Africa Forum	14,427.25	15,007.00
Printing and Stationery, Posters & Flyers	5,147.90	882.10
Honorarium to Lectures & Coordinators	12,500.00	3,824.40
Repairs & Maintenance	1,340.00	3,139.50
Audit Fees Accrued	3,800.00	4,700.00
Educational Sponsorship	2,350.00	8,190.00
Electricity & Water	6,376.50	2,908.00
Admin, Educational Salaries & Allowances	40,215.00	37,320.50
Internet Expenses	4,440.00	1,083.00
Section Sponsorship	2,500.00	-
Sponsorship for Best Student	-	3,028.00
Education and Training	1,300.00	1,244.00
CILT Souvenirs	-	1,100.00
CILT Convention	29,218.64	59,150.83
Training MMT	9,671.50	-
EGM Expenses	8,616.88	-
TFMW Expenses	116,342.33	-
CILT Mauritius	796.00	-
Donations	2,100.00	-
Cleaning and Sanitation	1,330.36	-
Depreciation	5,477.68	6,495.53
	<b>385,158.04</b>	<b>203,816.58</b>

**Members Subscription / Dues:**

	<b>2016</b>	<b>2015</b>
	<b>GH¢</b>	<b>GH¢</b>
Chartered Fellows (FCILT)	1,800.00	2,600.00
Chartered Members (CMILT)	9,300.00	7,950.00
Members (MILT)	3,100.00	5,850.00
Affiliates	350.00	29,050.00
Corporate Members	3,500.00	1,500.00
	<b>18,050.00</b>	<b>46,950.00</b>

**Membership Application Fees:**

	<b>2016</b>
	<b>GH¢</b>
Chartered Members	7,872.00
Members	5,248.00
Affiliates	442.00
Corporate Members	1,500.00
	<b>15,062.00</b>

**9. PRIOR YEAR ADJUSTMENT**

This represents adjustments to reverse the following:

**a. Accrued Audit Fee**

The audit fee for the previous year (2015) was overstated by GH¢ 900.00

**b. Membership Subscription**

Membership subscription receivable for previous years which was included as part of income have been overstated by GH¢ 86,146.00

**10. CONTINGENCIES & COMMITMENTS**

The Institute has no contingent liabilities at the statement of financial position date.

There were no capital expenditures contracted for at the statement of financial position date.

**11. RELATED PARTIES**

There were no related party transactions during the year.