

Charity number: 1004963

The Chartered Institute of Logistics and Transport in the UK

Registered number: 02629347

Annual Report and Financial Statements

For the year ended 30 September 2018

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE
UK
(A Company Limited by Guarantee)**

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1 - 2
Chairman's Statement	3 - 5
Group Strategic Report	6
Directors' Report	7 - 11
Independent Auditor's Report	12 - 14
Consolidated Statement of Financial Activities	15
Consolidated Balance Sheet	16
Company Balance Sheet	17
Consolidated Statement of Cash Flows	18
Notes to the Financial Statements	19 - 37

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE
UK
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

**Patron, President,
Immediate Past President
and Vice Presidents**

HRH The Princess Royal, Patron

P Sainthouse, FCILT, President (from 1 January 2019)

R Proctor, FCILT, Immediate Past President (to 31 December 2018)

W Whitehorn, Immediate Past President (to 12 May 2017)

D Alexander, FCILT, CBE, Vice President

B Bell, FCILT, CBE, Vice President

Lord Tony Berkeley, FCILT, Vice President

P Brooks, FCILT, Vice President

S Gooding, FCILT, Vice President

L Harding, FCILT, Vice President

Dr J Lamonte, FCILT, Vice President

D Rocos, FCILT, Vice President

J Spittle, FCILT, Vice President

J Steer, FCILT, Vice President

W Whitehorn, FCILT, Vice President

Directors and Trustees

R Wilding, FCILT, Chairman (re-elected Chairman 28 September 2017)

J R Boulter, FCILT (resigned 9 November 2017)

J D Carr, FCILT, Director

G H Catterick, FCILT, Director

M C Everson, FCILT, MBE, Director

H Gallimore, FCILT, Director

M L Gilbert, FCILT, Director

D Grahamslaw, FCILT, Director (resigned 8 June 2017)

E J Green, FCILT, Director

P Hunter, FCILT (appointed 20 March 2018)

C I Hutchinson, FCILT, Director (appointed 14 December 2017)

A B Jones, FCILT, Director (resigned 14 December 2017)

P Karran, FCILT, Director

C Marrow, FCILT, Director

D J Pugh, MILT, Director

N Richardson, FCILT, Director

E M Ross, CMILT, Director

**Company registered
number**

02629347

**Charity registered
number**

1004963

Registered office

3 - 4 Earlstrees Court
Earlstrees Road
Corby
Northamptonshire
NN17 4AX

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE
UK
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

Advisers (continued)

Company secretary	A J Weatherill
Chief Executive	K Richardson
Independent auditor	Mazars LLP Chartered Accountants Statutory Auditor 90 Victoria Street Bristol BS1 6DP
Bankers	Barclays plc 497 Silbury Boulevard Milton Keynes MK9 2LD
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Investment managers	Investec Wealth and Investment Management Ltd 30 Gresham Street London EC2V 7QN

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2018

The chairman presents his statement for the period.

In 2017 we developed a new strategy to ensure we are well positioned for the future and to reflect the changing environment for both our current and potential members and learners. The strategy was developed by the Executive team and the Board with the vision of developing an Institute that is essential to the members, inspires our audiences and delivers experiences that are loved, for life.

My Board remains fully supportive of the strategy and I am pleased that in line with prior years we have retained consistency across the membership of the Board. During the year John Boulter, a co-opted member of the Board stood down and his position was taken over by Paul Hunter. Alan Jones, an elected member of the Board resigned in December 2017 to enable him to take on the appointment as International Vice President and Trustee of the Chartered Institute of Logistics and Transport (CILT). We remain committed to strengthening our linkages with the CILT International Charity and to leverage the benefits of bringing the UK and wider international family more closely together and Alan's appointment is important in this respect. As a result of the resignation of Alan, Chris Hutchinson was appointed to the Board in December 2017. I would like to thank John and Alan for their significant contributions to The Chartered Institute of Logistics and Transport in the UK (CILT (UK)) during their tenure on the Board.

We thank Robin Proctor who was our President until December 2018. From January 2019 this role has been taken on by Paul Sainthouse. Robin undertook an extended tenure as President as we believed it was important to maintain consistency during a period of change. Robin had continued the theme set by our past President Will Whitehorn and recognised that the people side of the profession is hugely important and that we can use innovation to our advantage in attracting the right people, equipping them with the right skills and assisting in the development of their careers. Robin and our Vice Presidents have also been key contributors to the development of our strategy and in helping us considering Governance as a critical element. We welcome Paul who takes on the role during our Centenary Year.

In 2017 the Charities Commission published a new Charity Governance Code recognising that good governance in charities is fundamental to their success. The Board is progressing in applying elements of the code and ensure our Governance structure enables us to deliver our strategic goals. During 2019 we will be discussing this and implementing changes to best position us for the future and move to a diverse, skills based structure.

During the year we continued to stage successful events across all our activities, nationally and regionally and through our special interest groups and forums and I would like to take this opportunity to thank all the volunteers, contributors and sponsors that enables these. Our major events have continued to deliver value and impact and these have included our Annual Awards for Excellence, The LRN Conference (which was hosted very successfully in 2018 by the University of Plymouth), the Fellows Lunch and our annual conference in June 2018 which was entitled "Breakthrough! Leading Innovation for Success". The Transport Practitioners Conference in July 2018 was a notable event with increased attendees and increased submission of papers delivering value for those involved in transport planning and policy. Forum events have been of an increasingly high standard including Women in Logistics Annual Conference, Vision 2035, Accessibility and Inclusion and the Transport and Logistics Safety Conference.

In 2017 we merged with the Railway Study Association and under the banner of the Railway Study Forum they have progressed from strength to strength. During 2018 we created a new Diversity and Inclusivity Forum, which incorporates Women in Logistics and we believe that bringing the two organisations together will enable us to support and champion the great work that the team leading Women in Logistics have done since the formation of the group in 2008.

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2018

Developing talent for the future is fundamental to the profession. During 2018 NOVUS, a CILT (UK) charitable restricted fund, has continued to grow and the start of the 2018/19 academic year saw NOVUS courses being run at 7 Universities. The development of NOVUS Lite has been very well received and will further accelerate growth in this important area. The NOVUS team hope to have 10 universities on board with the NOVUS programme by the start of the next Academic year, which will be a significant achievement, enabling further opportunities to professionalise the profession.

During 2018 Aspire, the CILT (UK) Careers Foundation – another charitable restricted fund, continued its valuable work in awarding career changing qualifications and training. We would like to thank Martin Palmer who has chaired the committee of members who manage this charitable initiative and who after a number of years at the helm is stepping down and to welcome Paul Durkin in taking on the role as Chair.

The "Industry Group" which was established with the direct support of CILT (UK), NOVUS, FTA and Abbey Logistics has been set up as Limited Company; ThInk Logistics Careers Limited. We continue to work together to achieve our mission to attract, retain and develop talent within the transport, logistics and supply chain profession. Progress has not been as swift as we would have liked, but we have been well supported by the Department for Transport, and we will seek to accelerate development of this important initiative moving forwards.

CILT (UK) engagement in the area of Public Policy, through our Public Policy Committee, regional Policy Committees and sector specific Committees has continue to grow and our impartial, evidence based, modally agnostic expertise has been increasingly welcomed particularly in respect of Brexit. We have continued to run roundtables with Government Departments and participate in key Industry Sector Committees and have given evidence to Parliamentary Select Committees. The practical expertise and operationally based knowledge of our members has been sought and well received. During the year, we have created an additional Committee focusing on the Bus and Coach Sector alongside those already established in Rail, Freight and Logistics, Aviation, Customs and Accessibility and we will continue to develop these important areas of engagement.

During late 2017, Kevin Richardson, with support of the Board, carried out a restructure amongst the teams based in Corby, merging Individual and Corporate Membership under the leadership of Helen Hardy and creating ETQ (Education, Training and Qualifications) under Emma Jennings. This new structure, alongside Marketing & Communications and Central Services, has begun to deliver benefits both externally and internally. ETQ is a key element in the delivery of our charitable objectives and we have developed a new plan for this important area to enable us to meet our objective of creating essential products and services. This plan has been agreed by the Board and implementation of the plan is underway with the objective of delivering revised qualifications during 2019 and beyond. Emma Jennings left the Institute at the end of 2018 and her role has been taken over by David Jordan.

Membership at the end of the financial year was 15,050, reflecting a continued reduction in non assessed grades, particularly amongst CILT (UK) learners. We have seen further strong performance in Corporate Membership and we continue to review the services we provide to members. In October 2018, following research with members, we launched ADVANTAGE, an individual benefits scheme for members.

The Fleet Operator Recognition Scheme (FORs), within which CILT has responsibility for Governance and Standards, has seen further growth this year reaching 5,058 accredited Operators at the end of September, an increase from 4,717 in September 2017. As one of our charitable objectives, we remain committed to raising standards through involvement with schemes such as FORs.

As a professional membership organisation focused on delivering "knowledge, networks and knowhow" to our individual and corporate members, we are reliant on the effort and support from across our membership and especially from those volunteers that are active on committees amongst the Nations, Regions and Forums and who support our national events. I remain as ever indebted to you for your support and commitment, for giving up your time and for bringing your expertise to the membership and the Institute

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE
UK
(A Company Limited by Guarantee)**

**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

During my tenure as Chairman I have been able to meet with many of you and I continue to look forward to working with you and the teams in Corby and in London to deliver our vision and position us and the wider profession to be able to meet the challenges of the future. 2019 is the centenary of the foundation of the Institute of Transport and I hope that together we can create an Institute that is fit for the next 100 years.

Name Richard Wilding OBE FCILT
Chairman



Date 24 January 2019

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018

Introduction

The Directors (who are also trustees of the charity for the purpose of the Charities Act) present their annual report together with the audited financial statements of The Chartered Institute of Logistics and Transport in the UK (the company and the group) for the year ended 30 September 2018. The Directors confirm that the Annual Report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and group's governing document and provisions of the Statement of Recommended Practice (SORP), applicable in the UK and Republic of Ireland (FRS 102) (Effective 1 January 2015).

Business review

The logistics and transport sector is increasingly being recognised as a critical source of competitive advantage globally. Professionals within the sector continue to face and respond to challenges, disruptive technologies and an uncertain political environment, but as ever succeed in meeting customer needs, reducing costs and developing innovative ways of supporting businesses and the economy. This has again provided the Institute with a platform for contributing to public benefit in the activity it carries out and facilitates. This is achieved through research and development, the sharing of best practice, establishing and maintaining professional standards and the provision of education and training.

We remain committed to a number of objectives, many of which sit within our Vision of creating "Essential Membership". These include access to accredited qualifications that are relevant and current, encouraging and supporting employers and organisations in the training and development of employees and providing input to Governments and associated bodies on issues to support informed decision making.

In addition, we continue to support access to qualifications and training for those seeking to enter the profession, through Aspire Careers Foundation and this has made positive progress supporting individuals through directly funded and gifted courses awarded worldwide.

Principal risks and uncertainties

A review of the Institute's current and planned activities is undertaken each year as part of the strategy. This includes identifying, assessing and managing the significant risks to which it might be exposed. A periodic risk management review has recently commenced with the Audit and Finance Committee together with Board to review the appropriateness of the risk management, strategy and processes. The Directors recognise the importance of risk management and the need to regularly review risk management strategy and processes.

The principal areas of risk to the Institute have been identified as those relating to safeguarding its reputation; maintenance of its financial stability and ensuring that it continues to deliver its core aims and objectives.

Financial key performance indicators

In summary total funds increased by £73k (2017: £64k).

Income generated from charitable activities decreased by 2.7% to £3,856k. Expenditure on charitable activities increased by 1.8% to £4,270k.

This report was approved by the Directors and signed on its behalf.


.....
R Wilding
Director

Date: 24 January 2019

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2018

The Directors (who are also the Trustees of the charity for the purposes of the Charities Act) present their annual report together with the audited financial statements of the group and the company The Chartered Institute of Logistics and Transport in the UK (the company and the group) for the year 1 October 2017 to 30 September 2018. The Directors confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015). The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements. The Trustees have also had regard to the Charity Commission's guidance on Public Benefit, and believe this can be clearly demonstrated.

Structure, governance and management

Constitution

The Chartered Institute of Logistics and Transport in the UK (hereinafter referred to as 'the Institute') is a company limited by guarantee and a registered charity governed by its Memorandum, Articles of Association and Bye Laws. The Institute has two wholly owned subsidiaries PTRC Education and Research Services Ltd (PTRC) which was acquired on 18 December 2008 and CILT (UK) Services Ltd which has never traded and remains dormant. The main activity of PTRC is the provision, organisation and promotion of transport related training, seminars and conferences.

There have been no changes in the Institute's aims and charitable objectives since the last annual report. The Institute's constitution does not permit the distribution of surpluses.

Method of appointment or election of Directors

The management of the company and the group is the responsibility of the Directors who are elected or co-opted under the terms of the Memorandum, Articles of Association and Bye Laws.

Policies adopted for the induction and training of Directors

The Institute's Bye Laws set out the process for the appointment of directors as well as their terms of office. Board appointments of elected members are for four years and Directors can serve up to two terms. The terms are on a rotating basis. Every two years the Institute invites applications from its Membership for the available places. Specified information provided by applicants is presented to the Institute's voting Members to allow assessment and selection of preferred candidates to provide a broad representation of skills and experience required to direct the business of the Institute. In addition the Board may coopt up to a further 4 members for a renewable period of up to 12 months for their skill and knowledge.

Members seeking election to the Board are provided with information outlining the responsibilities and duties of directors. Newly appointed directors attend a formal induction outlining the duties and responsibilities of a director and trustee. This is supplemented by copies of appropriate Charities Commission and advisory publications and copies of the Institute's governing documents.

Organisational structure and decision making

The present governance structure has been in place since 2011 following a comprehensive and consultative review. The structure enhances the Institute's relevance, provides for speedier decision making and enables a better reflection of the views of members with a more democratic approach while providing for robust governance.

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

DIRECTORS' REPORT (continued) **FOR THE YEAR ENDED 30 SEPTEMBER 2018**

The Governance Structure is headed by a Board of Trustees & Directors directly supported by a Representative Advisory Group (RAG) as well as bespoke Board Committees which include the Audit & Finance Committee and the Remuneration & Awards Committee. The Board comprises ten members elected by the Institute's Members, the Audit and Finance Committee Chairman, the RAG Chairman, and up to four additional members co-opted by the Board to cover any skills gaps and to ensure the provision of a balanced and well resourced Board.

The RAG provides for broad representation of the Institute by catering for each Nation, Region, Professional Sector, Forum and bespoke committee to be represented. The Group democratically appoints a representative as its Chairman who in turn becomes a member of the Board.

The Board currently meets at least eight times a year and is charged with overseeing the Institute's business, reviewing, developing and ensuring implementation of its strategy. Members of the Board serve without remuneration and are trustees as well as directors: they hold no shares in the Institute and no financial liability in respect of these appointments should it cease trading.

Directors and Officers of the Institute are appointed for a period which is determined by the Bye Laws: this is generally for a term of up to four years after which they may seek re-election and each may usually serve no more than two consecutive terms in the same office.

Day to day management of the Institute is undertaken by the executive staff under the direction of the Chief Executive.

Institute Committees meet regularly as required and have a direct reporting line to the Board.

Objectives and Activities

Policies and objectives

The Institute's aim is to promote, encourage and coordinate the study of the science and art of transport and logistics in all its branches; to initiate, foster and maintain investigation and research into the best means and methods of and appliances for transport and logistics and the problems that are involved and their most satisfactory solution; to extend, increase and disseminate knowledge and exchange information and ideas in regard to all questions connected therewith and to assist and further in all practicable ways the development and improvement of transport and logistics in the best interest of the community. These charitable aims will be achieved by pursuing the strategic objectives of the Institute.

Membership is the principal source of funding for the Institute through members subscriptions. Activity includes the provision of a members' journal, Focus, delivery of local events through the regional structure and a number of bespoke benefits. Learning and development includes provision of qualifications, training and development programmes, as well as access to the CILT Knowledge Centre, which provides one of the largest specialist and most comprehensive sources of logistics, supply chain and transport information in the world. A broad spread of national events, including an annual series of lectures, the presentation of Annual Awards, the Logistics Research Network Conference and professional interest seminars delivered through the Institute's network of professional forums, provide opportunity for the debate of current issues and policies.

Public Benefit

Logistics and Transport touches all areas of life. By pursuing its primary aims and objectives the Institute helps ensure that the existence of an environment which enables encouragement and support for:

- Individuals to study the theory of logistics and transport and related matters at all levels; and
- Practitioners, organisations, and Government to explore and develop best practice in the operation and delivery of services for the good of the community.

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

DIRECTORS' REPORT (continued) **FOR THE YEAR ENDED 30 SEPTEMBER 2018**

Achievements and performance

Investment policy and performance

The Institute's investment powers are not restricted by its Memorandum or Articles of Association. The Board chooses to engage a firm of investment managers. Investec Wealth and Investment have been engaged since September 2011. The Board has granted discretionary investment powers to its investment managers with the agreed investment strategy being to provide an appropriate level of income whilst maintaining the capital value of the portfolio. Changes in the value of the investment portfolio are set out in Note 15 to the accounts.

Financial review

Reserves policy

At 30 September 2018 the Charity held group free reserves (those not tied up in fixed assets) in unrestricted funds of £1,405k (2017: £1,370). Free reserves are necessary as they enable the charity to fulfil its objectives, described earlier. The current policy is that the minimum value of free reserves (these being reserves expendable at the discretion of the Board) shall be equivalent to four months' gross annual expenditure as disclosed in the latest annual accounts. It is the Charity's intention to restore the previous policy (six months gross expenditure) as soon as both operational activity and world financial market performance allow, accepting that achieving this objective is likely to take a number of years. The Charity has included invested funds in calculating free reserves as they are readily realisable.

The current levels of reserves equates to between 3.8 months (2017 - 3.9) gross annual expenditure and the Directors consider this to be an adequate level for the continuing operations of the Charity.

Plans for future periods

Future developments

The Institute is intent on continuing to raise awareness of the full potential and value of sustainable logistics and transport and to further the accessibility of accredited qualifications, quality training, the development and sharing of best practice and associated services to facilitate the broadest development of knowledge and expertise in its field by:

- Providing broad access to accredited qualifications which are relevant and current;
- Increasing the value of sponsorship to individuals in the pursuance of qualifications, training and research in logistics and transport;
- Continuing to increase accessibility to qualifications, training and other services;
- Increasing awareness and profile of the value of accredited qualifications, quality training, and sharing of best practise;
- Encouraging and supporting employers and organisations generally in the training and development of employees and individuals; and
- Providing input to Government and associated bodies on issues to support informed decisions.

The Directors are conscious of the need to ensure that the Institute continues to deliver tangible public benefit. The future plans are aimed at increasing the recognition of the value of accredited relevant qualifications, quality training and access to information and expertise in the development and delivery of logistics and transport issues in a sustainable manner, as well as providing and supporting accessibility to these both in terms of costs and geographic presence.

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE
UK
(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

Accounts

The company's constitution does not permit the distribution of profit. The annual accounts show an increase for the year in Total Funds of £73k (2017: £324k).

Directors' responsibilities statement

The Directors (who are also trustees of The Chartered Institute of Logistics and Transport in the UK for the purposes of charity law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the charitable group's auditor in connection with preparing its report and to establish that the charitable group's auditor is aware of that information.

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE
UK
(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

Auditor

The auditor, Mazars LLP, has indicated its willingness to continue in office. The Designated Directors will propose a motion re-appointing the auditor at a meeting of the Directors.

This report was approved by the Directors, on 24 January 2019 and signed on their behalf by:


.....
R Wilding, Director


.....
D J Pugh, Director

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

Opinion

We have audited the financial statements of The Chartered Institute of Logistics and Transport in the UK (the 'company') and its subsidiary (the 'group') for the year ended 30 September 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the company's affairs as at 30 September 2018 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Strategic Report and the Directors' Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE
UK
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHARTERED
INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE
UK
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHARTERED
INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK**

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 10, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors intend to liquidate the group and the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Jonathan Marchant (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
90 Victoria Street
Bristol
BS1 6DP

Date: 24/11/19.

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Note	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Endowment funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Income and endowments from:						
Donations and legacies	2	-	139	-	139	117
Charitable activities	4	3,856	-	-	3,856	3,963
Other trading activities		264	-	-	264	259
Investments	3	46	-	21	67	64
Other income		14	-	-	14	39
Total income and endowments		4,180	139	21	4,340	4,442
Expenditure on:						
Raising funds		78	-	4	82	87
Charitable activities		4,133	133	4	4,270	4,196
Total expenditure	8	4,211	133	8	4,352	4,283
Net gains before investment gains		(31)	6	13	(12)	159
Net gains on investments	15	58	-	27	85	165
Net income before other recognised gains and losses		27	6	40	73	324
Net movement in funds		27	6	40	73	324
Reconciliation of funds:						
Total funds brought forward		1,547	114	814	2,475	2,151
Total funds carried forward		1,574	120	854	2,548	2,475

The notes on pages 19 to 37 form part of these financial statements.

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

Registered number: 02629347

(A Company Limited by Guarantee)

**CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2018**

	Note	£000	2018 £000	Restated 2017 £000	£000
Fixed assets					
Intangible assets	13		83		96
Tangible assets	14		47		32
Investments	15		2,288		2,089
			<u>2,418</u>		<u>2,217</u>
Current assets					
Debtors	16	551		471	
Cash at bank and in hand		573		806	
		<u>1,124</u>		<u>1,277</u>	
Creditors: amounts falling due within one year	17	(994)		(1,019)	
Net current assets			<u>130</u>		<u>258</u>
Net assets			<u>2,548</u>		<u>2,475</u>
Charity Funds					
Endowment funds	19		854		814
Restricted funds	19		120		114
Unrestricted funds	19		1,574		1,547
Total funds			<u>2,548</u>		<u>2,475</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Directors on 24/11/2019 and signed on their behalf, by:


.....
R Wilding, Director


.....
D J Pugh, Director

The notes on pages 19 to 37 form part of these financial statements.

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

Registered number: 02629347

(A Company Limited by Guarantee)

COMPANY BALANCE SHEET AS AT 30 SEPTEMBER 2018

	Note	£000	2018 £000	Restated 2017 £000	£000
Fixed assets					
Intangible assets	13		83		96
Tangible assets	14		46		30
Investments	15		2,493		2,294
			<u>2,622</u>		<u>2,420</u>
Current assets					
Debtors	16	470		425	
Cash at bank		484		708	
		<u>954</u>		<u>1,133</u>	
Creditors: amounts falling due within one year	17	(927)		(968)	
Net current assets			<u>27</u>		<u>165</u>
Net assets			<u>2,649</u>		<u>2,585</u>
Charity Funds					
Endowment funds	19		854		814
Restricted funds	19		120		114
Unrestricted funds	19		1,675		1,657
Total funds			<u>2,649</u>		<u>2,585</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Directors on 24/11/2019 and signed on their behalf, by:


R Wilding, Director


D J Pugh, Director

The notes on pages 19 to 37 form part of these financial statements.

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE
UK
(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Note	2018 £000	2017 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(106)	882
Cash flows from investing activities:			
Dividends, interest and rents from investments		67	64
Purchase of intangible and tangible fixed assets		(80)	(61)
Proceeds from sale of investments		348	249
Purchase of investments		(462)	(251)
Net cash (used in)/provided by investing activities		(127)	1
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		806	(77)
Cash and cash equivalents carried forward	22	573	806

The notes on pages 19 to 37 form part of these financial statements.

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

1. Accounting Policies

1.1 General information

The Institute is a charitable company limited by guarantee in England & Wales, registered number 02629347 and charity number 1004963. Its registered office, and that of its subsidiary, is 3 -4 Earlstrees Court, Earlstrees Road, Corby, Northamptonshire, NN17 4AX.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Chartered Institute of Logistics and Transport in the UK meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

1.3 Company status

The company is a company limited by guarantee. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE
UK
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

1. Accounting Policies (continued)

1.5 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Overheads have been allocated on the basis of headcount

Premises overheads have been allocated on the basis of headcount

Support costs are those costs incurred directly in support of expenditure on the objects of the company. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

1. Accounting Policies (continued)

1.7 Going concern

The financial statements have been prepared on a going concern basis since budgets and forecasts would indicate that this is appropriate.

1.8 Intangible fixed assets and amortisation

Intangible assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Software	-	Between 2 and 5 years
Goodwill	-	Over 4 years
Trademarks	-	Over 10 years

1.9 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term Leasehold Property	-	Straight line over the remainder of the lease
Fixtures & fittings	-	15% reducing balance
Office equipment	-	Straight line over two to ten years
Computer equipment	-	Straight line over two to ten years

1.10 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

Subsidiary undertakings

Investments in subsidiaries are valued at cost less provision for impairment.

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE
UK
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

1. Accounting Policies (continued)

1.11 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into Sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

1.14 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.15 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.16 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.17 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

1. Accounting Policies (continued)

1.18 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no critical accounting estimate and areas of judgement that are deemed to impact on the financial statements. Judgements included within the financial statements relate to bad debt provisions.

2. Income from donations and legacies

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Endowment funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Donations	-	139	-	139	117
Total 2017	-	117	-	117	

3. Investment income

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Endowment funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Dividends receivable	45	-	21	66	64
Bank interest receivable	1	-	-	1	-
	46	-	21	67	64
Total 2017	47	-	17	64	

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

4. Income from charitable activities

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Endowment funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Membership	2,246	-	-	2,246	2,359
Learning and Development	1,257	-	-	1,257	1,200
Events, Forums and Communication	353	-	-	353	404
	<u>3,856</u>	<u>-</u>	<u>-</u>	<u>3,856</u>	<u>3,963</u>
Total 2017	<u>3,964</u>	<u>-</u>	<u>-</u>	<u>3,964</u>	

5. Direct costs

	Membership £000	Learning and Develop't £000	Events, Forums and Communica- tion £000	Total 2018 £000	Total 2017 £000
Direct costs	708	635	265	1,608	1,566
Wages and salaries	794	567	340	1,701	1,780
National insurance	75	53	32	160	163
Pension cost	53	38	23	114	111
	<u>1,630</u>	<u>1,293</u>	<u>660</u>	<u>3,583</u>	<u>3,620</u>
Total 2017	<u>1,721</u>	<u>1,175</u>	<u>724</u>	<u>3,620</u>	

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

6. Support costs

	Membership £000	Learning and Develop't £000	Events, Forums & Communica- tion £000	Total 2018 £000	Total 2017 £000
Management	51	37	22	110	145
Establishment	69	49	30	148	145
Finance	20	14	8	42	43
IT	83	59	35	177	98
	<u>223</u>	<u>159</u>	<u>95</u>	<u>477</u>	<u>431</u>
Total 2017	<u>201</u>	<u>143</u>	<u>87</u>	<u>431</u>	

7. Governance costs

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Endowment funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Auditors' remuneration	48	-	-	48	10
Board costs	10	-	-	10	21
Legal and professional fees	15	-	-	15	13
	<u>73</u>	<u>-</u>	<u>-</u>	<u>73</u>	<u>44</u>

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

8. Analysis of Expenditure by expenditure type

	Staff costs 2018 £000	Other costs 2018 £000	Total 2018 £000	Total 2017 £000
Fundraising expenses: Subsidiary costs	-	68	68	75
Expenditure on investment management	-	14	14	12
Costs of raising funds	-	82	82	87
Membership	922	935	1,857	1,928
Learning and Development	658	927	1,585	1,412
Events, Forums and Communication	395	360	755	811
Charitable activities	1,975	2,222	4,197	4,151
Expenditure on governance	-	73	73	44
	1,975	2,377	4,352	4,282
Total 2017	2,054	2,228	4,282	

9. Net income/(expenditure)

This is stated after charging:

	2018 £000	2017 £000
Depreciation of tangible fixed assets: - owned by the charitable group	11	9
Amortisation of development costs	64	68
Operating lease rentals	74	76

During the year, no Directors received any remuneration (2017 - £NIL).

During the year, 9 Directors received reimbursement of travel expenses amounting to £12k in the current year (2017 - 12 Directors - £12k). £Nil was paid for Directors' Liability insurance during the year (2017 - £Nil).

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

10. Auditors' remuneration

	2018 £000	2017 £000
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	24	23
Fees payable to the company's auditor and its associates in respect of:		
The auditing of accounts of associates of the company	6	5
Audit-related assurance services	18	18
All other non-audit services not included above	8	3
	<u> </u>	<u> </u>

11. Staff costs

Staff costs were as follows:

	2018 £000	2017 £000
Wages and salaries	1,701	1,780
Social security costs	160	163
Other pension costs	114	111
	<u> </u>	<u> </u>
	<u>1,975</u>	<u>2,054</u>

During the year redundancy costs amounting to £46k were paid to 2 employees.

The average number of persons employed by the company during the year was as follows:

	2018 No.	2017 No.
Charitable activities	59	59
Support	9	12
	<u> </u>	<u> </u>
	<u>68</u>	<u>71</u>

The number of higher paid employees was:

	2018 No.	2017 No.
In the band £70,001 - £80,000	2	1
In the band £100,001 - £110,000	1	1

The key management personnel of the group comprise that the board of directors, the Chief Executive, Director of Finance and Company Secretary, Director of Marketing and Communication, Director of Membership and the Director of Education and Training. The employee benefits, including employers' pension contributions, amounted to £438k (2017 - £263k).

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

12. Results of the parent charitable company

As permitted in accordance with section 408 of the Companies Act 2006, the individual profit and loss account of the parent company is not presented as part of these consolidated financial statements. The parent company's surplus for the financial year, before investments gains was £64k (2017: £259k).

13. Intangible fixed assets

Group	Software £000	Trademarks £000	Goodwill £000	Assets under course of construction £000	Total £000
Cost					
At 1 October 2017	351	12	261	52	676
Additions	53	-	-	-	53
Disposals	(2)	-	-	-	(2)
Transfers	52	-	-	(52)	-
At 30 September 2018	454	12	261	-	727
Amortisation					
At 1 October 2017	315	4	261	-	580
Charge for the year	63	1	-	-	64
At 30 September 2018	378	5	261	-	644
Carrying amount					
At 30 September 2018	76	7	-	-	83
At 30 September 2017	36	8	-	52	96

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

13. Intangible fixed assets (continued)

Company	Software £000	Trademarks £000	Assets under course of construction £000	Total £000
Cost				
At 1 October 2017	351	12	52	415
Additions	53	-	-	53
Disposals	(2)	-	-	(2)
Transfers	52	-	(52)	-
At 30 September 2018	<u>454</u>	<u>12</u>	<u>-</u>	<u>466</u>
Amortisation				
At 1 October 2017	315	4	-	319
Charge for the year	63	1	-	64
At 30 September 2018	<u>378</u>	<u>5</u>	<u>-</u>	<u>383</u>
Carrying amount				
At 30 September 2018	<u>76</u>	<u>7</u>	<u>-</u>	<u>83</u>
At 30 September 2017	<u>36</u>	<u>8</u>	<u>52</u>	<u>96</u>

14. Tangible fixed assets

Group	Fixtures & fittings £000	Office equipment £000	Computer equipment £000	Total £000
Cost				
At 1 October 2017	37	25	30	92
Additions	-	-	26	26
At 30 September 2018	<u>37</u>	<u>25</u>	<u>56</u>	<u>118</u>
Depreciation				
At 1 October 2017	25	8	27	60
Charge for the year	4	2	5	11
At 30 September 2018	<u>29</u>	<u>10</u>	<u>32</u>	<u>71</u>
Net book value				
At 30 September 2018	<u>8</u>	<u>15</u>	<u>24</u>	<u>47</u>
At 30 September 2017	<u>12</u>	<u>17</u>	<u>3</u>	<u>32</u>

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

14. Tangible fixed assets (continued)

Company	Fixtures & fittings £000	Office equipment £000	Computer equipment £000	Total £000
Cost				
At 1 October 2017	32	25	30	87
Additions	-	-	26	26
At 30 September 2018	<u>32</u>	<u>25</u>	<u>56</u>	<u>113</u>
Depreciation				
At 1 October 2017	22	8	27	57
Charge for the year	3	2	5	10
At 30 September 2018	<u>25</u>	<u>10</u>	<u>32</u>	<u>67</u>
Net book value				
At 30 September 2018	<u>7</u>	<u>15</u>	<u>24</u>	<u>46</u>
At 30 September 2017	<u>10</u>	<u>17</u>	<u>3</u>	<u>30</u>

15. Fixed asset investments

Group	Listed securities £000
Market value/Cost	
At 1 October 2017	2,089
Additions	462
Disposals	(348)
Revaluations	85
At 30 September 2018	<u>2,288</u>
Historical cost	<u>1,743</u>

All fixed asset investments are listed investments managed in the UK.

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

15. Fixed asset investments (continued)

Company	Listed securities £000	Shares in subsidiary undertakings £000	Total £000
Market value/Cost			
At 1 October 2017	2,089	205	2,294
Additions	462	-	462
Disposals	(348)	-	(348)
Revaluations	85	-	85
	<u>2,288</u>	<u>205</u>	<u>2,493</u>
Historical cost	<u>1,743</u>	<u>205</u>	<u>1,948</u>

Company material investments

There following investments accounted for more than 5% of the portfolio of the company in 2018:

	2018 £000	2017 £000
Vanguard Funds S & P 500 Ucits Etf Inc GBP	189	134
	<u>189</u>	<u>134</u>

16. Debtors

	Group		Company	
	2018 £000	2017 £000	2018 £000	2017 £000
Trade debtors	335	252	275	194
Other debtors	55	14	55	14
Prepayments and accrued income	161	205	140	217
	<u>551</u>	<u>471</u>	<u>470</u>	<u>425</u>

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

17. Creditors: Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2018	2017	2018	2017
	£000	£000	£000	£000
Trade creditors	224	231	223	229
Other taxation and social security (see below)	56	66	44	55
Other creditors	67	64	67	59
Accruals and deferred income	647	658	593	625
	<u>994</u>	<u>1,019</u>	<u>927</u>	<u>968</u>

Other taxation and social security

	<u>Group</u>		<u>Company</u>	
	2018	2017	2018	2017
	£000	£000	£000	£000
PAYE/NI control	44	48	44	48
VAT control	12	18	-	7
	<u>56</u>	<u>66</u>	<u>44</u>	<u>55</u>

Deferred income 2018 £421k (2017: £395k) relates to fees received in advance for corporate packages.

18. Financial instruments

	2018	2017
	£000	£000
Financial assets measured at amortised cost	<u>872</u>	<u>1,072</u>
Financial liabilities measured at amortised cost	<u>518</u>	<u>554</u>

Financial assets measured at amortised cost comprise cash at bank, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

19. Statement of funds

Statement of funds - current year

	Restated balance at 1 October 2017 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Restated balance at 30 September 2018 £000
Designated funds					
Designated Funds	49	-	(10)	-	39
General funds					
General Funds	345	3,917	(3,987)	58	333
Non-charitable trading funds	1,153	263	(214)	-	1,202
	1,498	4,180	(4,201)	58	1,535
Total Unrestricted funds	1,547	4,180	(4,211)	58	1,574
Endowment funds					
Library Fund	359	9	(2)	12	378
Endowment Fund	455	12	(6)	15	476
	814	21	(8)	27	854
Restricted funds					
Aspire Fund	46	29	(35)	-	40
Novus Fund	68	110	(98)	-	80
	114	139	(133)	-	120
Total of funds	2,475	4,340	(4,352)	85	2,548

Designated funds brought forward relate to two funds for the development and delivery of Education and IT projects which will assist in the development of CILT programmes into the future.

Restricted funds

Aspire Fund: Maintained to provide grants to assist individuals in their development in the logistics industry.

Novus Fund: An initiative to develop and deliver a program to allow logistics professionals to earn a relevant BSc degree.

Endowment funds

The endowment fund, named The Institute of Logistics and Transport Education and Endowment Fund, is

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

19. Statement of funds (continued)

to "advance education in the field of logistics and transport by the provision of scholarships and prizes, lectures, libraries and such other educational facilities as shall be considered appropriate by the directors". The fund, which includes a separate Branch for the Library, was established to give the Institute more flexibility in the use of the resources available from endowments, both past and present, while continuing to respect the wishes of past donors. The fund is managed by the Institute's Remuneration and Awards Committee, which in turn is advised on awards and prizes by a specialist sub-committee. The Institute is the Trustee of the fund.

Statement of funds - prior year

	Balance at 1 October 2016 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Restated balance at 30 September 2017 £000
Designated Funds - all funds	60	-	(30)	19	-	49
General funds						
General Funds	253	4,051	(4,066)	(19)	126	345
Non-charitable trading funds	982	258	(83)	-	-	1,157
Endowment funds						
Library Fund	336	7	(1)	-	17	359
Endowment Fund	431	10	(8)	-	22	455
	767	17	(9)	-	39	814
Restricted funds						
Aspire Fund	45	37	(36)	-	-	46
Novus Fund	46	80	(58)	-	-	68
	91	117	(94)	-	-	114
Total of funds	2,153	4,443	(4,282)	-	165	2,479

In the prior year the Jacob fund, which is funds set aside by the Trustees to improve the financial control environment, was incorrectly disclosed as a restricted fund rather than a designated fund. The balance (which has not been used in the year), has been reclassified as designated in the opening balance sheet and the comparative numbers adjusted accordingly.

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE
UK
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Endowment funds 2018 £000	Total funds 2018 £000
Intangible fixed assets	83	-	-	83
Tangible fixed assets	47	-	-	47
Fixed asset investments	1,434	-	854	2,288
Current assets	1,004	120	-	1,124
Creditors due within one year	(994)	-	-	(994)
	<u>1,574</u>	<u>120</u>	<u>854</u>	<u>2,548</u>

Analysis of net assets between funds - prior year - restated

	Unrestricted funds 2017 £000	Restricted funds 2017 £000	Endowment funds 2017 £000	Total funds 2017 £000
Intangible fixed assets	96	-	-	96
Tangible fixed assets	32	-	-	32
Fixed asset investments	1,275	-	814	2,089
Current assets	1,163	114	-	1,277
Creditors due within one year	(1,019)	-	-	(1,019)
	<u>1,547</u>	<u>114</u>	<u>814</u>	<u>2,475</u>

21. Reconciliation of net movement in funds to net cash flow from operating activities

	Group	
	2018	2017
	£000	£000
Net income for the year (as per Statement of Financial Activities)	73	324
Adjustment for:		
Depreciation charges	75	77
Gains on investments	(85)	(165)
Dividends, interest and rents from investments	(67)	(64)
Loss on the sale of fixed assets	2	2
(Increase)/decrease in debtors	(80)	692
(Decrease)/increase in creditors	(24)	16
Net cash (used in)/provided by operating activities	<u>(106)</u>	<u>882</u>

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

22. Analysis of cash and cash equivalents

	Group	
	2018	2017
	£000	£000
Cash in hand	573	806
Total	<u>573</u>	<u>806</u>

23. Capital commitments

At 30 September 2018 the group and company had capital commitments as follows:

	Group		Company	
	2018	2017	2018	2017
	£000	£000	£000	£000
Contracted for but not provided in these financial statements	-	98	-	98

24. Pension commitments

The Institute operates a defined contribution pension scheme for its employees. During the year pension contributions of £114k (2017: £111k) were made. At the year end there were pension contributions of £14k (2017: £15k) outstanding.

25. Operating lease commitments

At 30 September 2018 the total of the group's future minimum lease payments under non-cancellable operating leases was:

Group	2018	2017
	£000	£000
Amounts payable - land and buildings:		
Within 1 year	45	45
Between 1 and 5 years	136	168
Total	<u>181</u>	<u>213</u>
Amounts payable - other:		
Within 1 year	31	29
Between 1 and 5 years	124	85
Total	<u>155</u>	<u>114</u>

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

26. Related party transactions

The Institute has taken advantage of the exemption available in accordance with FRS 102 section 33 'Related Party Disclosures' not to disclose the transactions entered into between members of the group.

The Institute is the UK "National Council" of the Chartered Institute of Logistics and Transport (CILT). CILT is the body which holds the Royal Charter and has worldwide membership of approximately 30,000 professionals connected with logistics and transport industries.

In common with other Councils of CILT the Institute paid an annual fee based on a combination of membership numbers and income of £62k (2017: £61k).

During the year the Institute provided CILT with administrative services for which they were paid £8k (2017: £8k).

27. Principal subsidiary

PTRC Education & Research Services Limited

Subsidiary name	PTRC Education & Research Services Limited
Company registration number	01243187
Basis of control	Shareholding
Equity shareholding %	100%
Total assets as at 30 September 2018	£ 170,981
Total liabilities as at 30 September 2018	£ (66,384)
Total equity as at 30 September 2018	£ 104,597
Turnover for the year ended 30 September 2018	£ 263,903
Expenditure for the year ended 30 September 2018	£ (233,850)
Profit for the year ended 30 September 2018	£ 30,053

