



## SAJID & CO. Chartered Accountants

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### AUDITORS' REPORT TO THE MEMBERS

We have audited the accompanying financial statements of **The Chartered Institute of Logistics and Transport Pakistan**, which comprise the statement of financial position as at December 31, 2020, and the related income and expenditure account for the year ended, statement of changes in retained earnings, statement of cash flows and notes to the financial statements and a summary of significant accounting policies and other explanatory information.

#### Members' Responsibility for the Financial Statements

The Members are responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of Guideline for Accounting and Financial Reporting by Non-Government Organizations (NGO) / Non Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP), and for such internal controls as the Members of the Society determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the approved auditing standards as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Members, 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 basis for our audit opinion.

#### Other matter paragraph

The financial statements of the institute for the year ended December 31, 2019 were audited by another firm of Chartered Accountants who expressed an unmodified opinion in their audit report dated June 11, 2020.



Sajid & Co.  
Chartered Accountants

#### Opinion

In our opinion, the financial statements give a true and fair view of the state of the Institute's affairs as at December 31, 2020 and of the income and expenditure account for the year than ended are in accordance with the applicable framework.

The engagement partner on the audit resulting in this independent auditor's report is **Sajid Younus**.




Sajid & Company  
Chartered Accountants


Place: Karachi  
Dated: 26 MAR 2021

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT PAKISTAN**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2020**

	Note	2020 Rupees	2019 Rupees
<b><u>ASSET</u></b>			
<b>Non Current Assets</b>			
Property and equipment	4	399,287	453,364
Capital work in progress	5	11,075,270	11,075,270
Long term deposits	6	2,000	2,000
		<u>11,476,557</u>	<u>11,530,634</u>
<b>Current Assets</b>			
Loans and advances	7	32,500	183,052
Cash and bank balances	8	296,752	265,222
		<u>329,252</u>	<u>448,274</u>
<b>Total Assets</b>		<u><b>11,805,809</b></u>	<u><b>11,978,908</b></u>
<b><u>FUNDS AND LIABILITIES</u></b>			
<b>Funds</b>			
General fund	9	9,642,747	9,689,257
Specific fund	10	2,094,000	2,094,000
		<u>11,736,747</u>	<u>11,783,257</u>
<b>Current Liabilities</b>			
Accrued expenses	11	66,600	85,750
Withholding tax payable		2,462	22,801
Unearned revenue	12	-	87,100
		<u>69,062</u>	<u>195,651</u>
Contingencies and Commitments	13	-	-
<b>Total Funds and Liabilities</b>		<u><b>11,805,809</b></u>	<u><b>11,978,908</b></u>

The annexed notes form an integral part of these financial statements.

  
**Honorary Treasurer**  
 CILT Pakistan

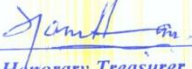
  
**Honorary Secretary**  
**Honorary Secretary**  
 CILT Pakistan


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**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT PAKISTAN**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Note	2020 Rupees	2019 Rupees
<b>INCOME</b>	14	<b>1,440,628</b>	<b>2,620,001</b>
<b>EXPENDITURES</b>			
Annual picnic		73,800	63,625
Seminar expense		74,203	-
Honorarium -Secretary		158,500	240,000
Salaries and benefits		731,866	660,248
Printing and stationary		76,241	114,873
Postage		52,163	141,818
Bank charges & withholding tax		24,608	38,922
Entertainment		4,952	44,642
Travelling & conveyance		84,731	345,380
Utility and generator fuel expense		43,890	219,757
AGM expense		-	116,205
Depreciation	4	54,077	62,638
Mobile cards and internet charges		29,100	48,350
Computer accessories		2,900	9,840
Repair and maintenance		-	48,510
Audit fee		21,600	20,000
Subscription fees- Per Capita Fee		290,587	708,812
		(1,723,218)	(2,883,620)
		(282,590)	(263,619)
Other income	15	236,080	44,383
<b>Net deficit transferred to general fund</b>		<b>(46,510)</b>	<b>(219,236)</b>

The annexed notes form an integral part of these financial statements.

  
**Honorary Treasurer**  
**CILT Pakistan**

  
**Honorary Secretary**  
**Honorary Secretary**  
**CILT Pakistan**







**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT PAKISTAN**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	2020 Rupees	2019 Rupees
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Deficit for the year	(46,510)	(219,236)
<b>Adjustments</b>		
Depreciation	54,077	62,638
<b>Operating cash flows before working capital changes</b>	7,567	(156,598)
<b>Decrease / (Increase) in Current Assets</b>		
Loans and advances	150,552	(50,147)
<b>(Decrease)/ Increase in Current Liabilities</b>		
Accrued expenses	(19,150)	-
Unearned revenue	(87,100)	15,000
	(106,250)	15,000
	44,302	(191,745)
Taxes paid	(20,339)	-
<b>Net cash generated from / (used in) operating activities</b>	31,530	(191,745)
<b>Net increase / (decrease) in cash and cash equivalent</b>	31,530	(191,745)
<b>Cash and cash equivalents at the beginning of the year</b>	265,222	456,967
<b>Cash and cash equivalents at the end of the year</b>	296,752	265,222

The annexed notes form an integral part of these financial statements

  
**Honorary Treasurer**  
**Honorary Treasurer**  
**CILT Pakistan**

  
**Honorary Secretary**  
**Honorary Secretary**  
**CILT Pakistan**



**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT PAKISTAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**1 STATUS AND NATURE OF BUSINESS**

The institute is a professional corporate society registered in 1976 under the Societies Registration Act, XXI of 1860. The Institute is recognized by The Institute of Logistics and Transport, United Kingdom. The principal office of the institute is situated at CILT House:-2/B, Block No -6 Scheme No.36, Gulistan-e-Jauhar, Near Mausmiat Office Karachi. The institute is principally engaged in promoting, encouraging and coordinating the study, research and advancement of the science and the art of transport.

**2 BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS**

These financial statements have been prepared in accordance with the Societies Registration Act XXI 1860 and the Approved Accounting Standards as applicable in Pakistan. Wherever, the requirements of the Societies Registration Act 1860 differ with the requirements of these standards, the requirements of the Societies Registration Act 1860 take precedence.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of these financial statements are set out below:

**3.1 Accounting Convention**

These financial statements have been prepared under the historical cost convention.

**3.2 Property, plant and equipment**

Items of property, plant and equipment are stated at cost less accumulated depreciation except leasehold land which is stated at cost

Depreciation is calculated so as to write off the cost of each assets to their residual value over their useful life under the reducing balance method, using the rates specified in note 4. Full year's depreciation is charged for the assets acquired during the year and put to intended use while no depreciation is charged in the year of disposal for assets disposed off during the year. Gains and losses are determined by comparing proceeds with carrying amount and are included in the profit and loss account. Expenditure incurred subsequent to initial acquisition of asset is capitalized only when it increases the future economic lives embodied in the items of fixed assets. All other expenditure are recognized in the profit and loss account as an expense when incurred.

**3.3 Capital work in progress**

The expenditure connected with specific assets, incurred during the project implementation period is carried under this head. The cost is transferred to specific asset as and when assets become available for intended use.

**3.4 Revenue recognition**

Income from subscriptions, seminars and advertisement is recognized on receipt basis and income from courses is recognized on delivery of services.

4 PROPERTY AND EQUIPMENT

Description	COST			DEPRECIATION			Written down value as at June 30, 2020		
	As at Jan 01, 2020	Additions / Deletions	As at Dec 31, 2020	Rate %	As at Jan 01, 2020	As at Dec 31, for the year			
	-----Rupees-----								
	-----Rupees-----								
Computers	239,900	-	239,900	30	224,916	4,495	229,411	10,489	
Office equipment	116,050	-	116,050	15	46,978	10,361	57,339	58,711	
Furniture and fixtures	140,765	-	140,765	15	94,970	6,869	101,840	38,925	
Generator	657,325	-	657,325	10	333,812	32,351	366,163	291,162	
	2020	1,154,040	-	1,154,040		700,676	54,077	754,753	399,287
	2019	1,154,040	-	1,154,040		638,038	62,638	700,676	453,364

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	2020 Rupees	2019 Rupees
<b>5 CAPITAL WORK IN PROGRESS</b>		
Leasehold land	<u>11,075,270</u>	<u>11,075,270</u>
<b>6 LONG TERM DEPOSITS</b>		
Karachi Development Authority	<u>2,000</u>	<u>2,000</u>
<b>7 LOANS AND ADVANCES</b>		
Advance tax	10,000	90,552
Other loan	-	25,000
Staff loan	<u>22,500</u>	<u>67,500</u>
	<u>32,500</u>	<u>183,052</u>
<b>8 CASH AND BANK BALANCES</b>		
Cash in hand	1,175	1,877
Cash at bank in PLS accounts	<u>295,577</u>	<u>263,345</u>
	<u>296,752</u>	<u>265,222</u>
<b>9 GENERAL FUND</b>		
Balance at start	9,689,257	9,908,493
Deficit for the year	(46,510)	(219,236)
Balance at end	<u>9,642,747</u>	<u>9,689,257</u>
<b>10 SPECIFIC FUND</b>		
Balance at start	2,094,000	2,094,000
Balance at end	<u>2,094,000</u>	<u>2,094,000</u>
<b>11 ACCOUNTS PAYABLE AND ACCRUED EXPENSES</b>		
ISPS course fee payable	40,000	60,750
Audit fee	21,600	20,000
Other payable	<u>5,000</u>	<u>5,000</u>
	<u>66,600</u>	<u>85,750</u>
<b>12 UNEARNED REVENUE</b>		
Supply chain management course	-	22,100
Diploma in logistics and transport	-	65,000
	<u>-</u>	<u>87,100</u>



### 13 CONTINGENCIES AND COMMITMENTS

Capital commitments to the extent of Rs. 18.1 million (2019: 18.1 million) in respect of construction of CILT House and CILT Institute buildings.

There were no contingencies as at the date of balance sheet.

	Note	2020 Rupees	2019 Rupees
<b>14 INCOME</b>			
Receipts from members	14.1	668,328	1,245,044
Education and training	14.2	272,000	362,957
Other receipts	14.3	500,300	1,012,000
		<u>1,440,628</u>	<u>2,620,001</u>
<b>14.1 Receipts from members</b>			
Annual subscription		668,328	1,003,344
Annual picnic		-	241,700
		<u>668,328</u>	<u>1,245,044</u>
<b>14.2 Education and training</b>			
Supply chain management course	14.2.1	78,452	-
International ship and port security course	14.2.2	98,084	362,957
Diploma in logistics and transport	14.2.3	95,464	-
		<u>272,000</u>	<u>362,957</u>
<b>14.2.1 Supply chain management course</b>			
Course fee		78,452	-
Share of profit on course to coordinate 0% (2019 : 0%)		-	-
Share of profit on course to CILT 0% (2019 : 0%)		<u>78,452</u>	<u>-</u>
<b>14.2.2 International ship and port security course</b>			
Course fee		98,084	518,289
Share of profit on course to coordinate 30% (2019 : 0%)		-	(155,332)
Share of profit on course to CILT 70% (2019 : 0%)		<u>98,084</u>	<u>362,957</u>
<b>14.2.3 Diploma in logistics and transport</b>			
Course fee		95,464	-
Share of profit on course to coordinate 0% (2019 : 0%)		-	-
Share of profit on course to CILT 0% (2019 : 0%)		<u>95,464</u>	<u>-</u>
<b>14.3 Other receipts</b>			
Seminar income		254,300	-
Donation		100,000	1,012,000
Financial Support Fund		146,000	-
		<u>500,300</u>	<u>1,012,000</u>

15 **OTHER INCOME**

Profit on PLS account  
Scrap sale

2020  
Rupees

2019  
Rupees


26,080	44,383
<u>210,000</u>	<u>-</u>
<u>236,080</u>	<u>44,383</u>


16 **DATE OF AUTHORIZATION FOR ISSUE**

These financial statements have been authorised for issue on 26 MAR 2021 by the Executive Committee Members.

17 **GENERAL**

Figures have been rounded off to nearest rupee.

  
Honorary Treasurer  
Honorary Treasurer  
CILT Pakistan

  
Honorary Secretary  
Honorary Secretary  
CILT Pakistan

