

FINANCIAL STATEMENTS

OF

AIR CARGO AGENTS ASSOCIATION OF PAKISTAN

For the year ended June 30, 2025

SAJID & CO

(Chartered Accountants)

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INDEPENDENT AUDITOR'S REPORT

To the members of "AIR CARGO AGENTS ASSOCIATION OF PAKISTAN"

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of AIR CARGO AGENTS ASSOCIATION OF PAKISTAN (the Company), which comprise the statement of financial position as at **June 30, 2025**, the Statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017) in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at **June 30, 2025** and of the profit and comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. 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 Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan / Institute of Cost and management Accountants (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

[Reporting in accordance with the reporting requirements in ISA 720 (Revised)]

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon



Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines 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, management is responsible for assessing 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

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 as applicable in Pakistan 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.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).



SAJID & CO.
(CHARTERED ACCOUNTANTS)
KARACHI; DATED: 29-09-2025

M/S. AIR CARGO AGENTS ASSOCIATION OF PAKISTAN
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE, 2025

GENERAL FUND AND LIABILITIES

NOTE

Rupees

30-Jun-25

30-Jun-24

GENERAL FUND ACCOUNT

3

58,061,856

44,287,337

CURRENT LIABILITIES

Accrued expenses

4

200,000

80,000

Other payable

82,433

39,470

282,433

119,470

TOTAL RUPEES

58,344,289

44,406,807

PROPERTY AND ASSETS

Tangible fixed assets

5

15,356,566

13,160,603

Intangible fixed assets

6

116,126

10,158

15,472,693

13,170,761

CURRENT ASSETS

Advances and deposits

7

1,203,739

591,496

Cash and bank balances

8

41,667,857

30,644,550

42,871,596

31,236,046

TOTAL RUPEES

58,344,289

44,406,807



SECRETARY GENERAL



CHARIMAN

VICE CHAIRMAN

**M/S. AIR CARGO AGENTS ASSOCIATION OF PAKISTAN
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30TH JUNE, 2025**

	NOTE	Rupees	
		30-Jun-25	30-Jun-24
RECEIPTS	9	12,088,707	9,602,553
PAYMENTS			
Administrative expenses	10	15,882,261	10,979,520
Financial charges	11	9,116	11,009
		(15,891,377)	(10,990,529)
Deficitfor the year transferred to General Fund Account		(3,802,670)	(1,387,976)



SECRETARY GENERAL



CHAIRMAN

VICE CHAIRMAN

**M/S. AIR CARGO AGENTS ASSOCIATION OF PAKISTAN
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30TH JUNE, 2025**

	Rupees	
	30-Jun-25	30-Jun-24
Cash Flow from Operative Activities		
Deficit for the year	(3,802,670)	(1,387,976)
<i>Adjustment for Non Cash Items:</i>		
Add: Amortization	29,032	2,540
Add: Depreciation	619,200	189,480
Add: Prior year adjustment	-	-
	(3,154,438)	(1,195,956)
<i>Change in Working Capital:</i>		
(Increase) / Decrease in Current Assets		
Advances and deposits	(612,243)	12,490
Increase / (Decrease) in Current Liabilities		
Accrued expenses and other liabilities	162,963	(2,794,310)
<i>Cash Generated from Operations</i>	(3,603,718)	(3,977,776)
Cash Flow from Investing Activities		
Tangible Fixed Assets	(2,815,163)	2,420,521
Intangible Fixed Assets	(135,000)	-
Cash Flow from Financing Activities	17,577,188	11,117,729
Net Increase / (decrease) in Cash and Cash Equivalents	11,023,307	9,560,474
Cash and Cash Equivalents at the beginning of the year	30,644,550	21,084,076
Cash and Cash Equivalents at the end of the year	41,667,857	30,644,550



SECRETARY GENERAL



CHAIRMAN

VICE CHAIRMAN

M/S. AIR CARGO AGENTS ASSOCIATION OF PAKISTAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2025

1. STATUS AND NATURE OF BUSINESS

The Air Cargo Agents Association of Pakistan has been incorporated on 01st December, 1993 under the Companies Ordinance, 1984 (Now Companies Act, 2017) and also registered with the Ministry of Commerce Government of Pakistan. The prime objective of the association is to work for the interest of the cargo agents registered with the International Air Transport Association (IATA).

2. ACCOUNTING POLICIES

2.1 Basis of Preparation

These financial statements have been prepared in accordance with the requirements of the Companies Ordinance, 1984 (Now Companies Act, 2017) and International Accounting Standards issued by the International Accounting Standards Committee of (IASC) as applicable in Pakistan.

2.2 Accounting convention

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

2.3 Tangible fixed assets

These are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land and capital work in progress, which are stated at cost.

Depreciation is provided on a diminishing balance method at the rate mentioned in the relevant notes to the financial statements. Depreciation is charged full in the year of purchase whereas no depreciation is charged in the year of disposal.

Maintenance and normal repairs are charged to profit and loss account as and when incurred, while major renewals and improvements are capitalized. Gains or losses on disposals of fixed assets, if any, are included in income currently.

2.4 Revenue recognition

Annual contribution, admission fees are recorded on receipt basis. Expenses are recorded as and when paid except for audit fee, which is accrued.

2.5 Other income

Other income is recognized on receipt basis.

M/S. AIR CARGO AGENTS ASSOCIATION OF PAKISTAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2025

	Rupees	
	30-Jun-25	30-Jun-24
3. GENERAL FUND ACCOUNT		
Opening balance	44,287,337	34,557,584
Deficit for the year	(3,802,670)	(1,387,976)
Contribution	-	1,969,855
Donation of members ACAAP	17,577,188	6,809,615
Gain on disposal of vehicles 3.1	-	971,109
Office rent	-	1,347,650
Sale of equipment	-	19,500
	<u>58,061,856</u>	<u>44,287,337</u>
3.1 Receipts in general fund account represents specific fund for the purpose of purchase of office.		
4. OTHER PAYABLE		
Payable against petty cash	-	39,470
Income tax withholding payable	62,930	-
EOBI Payable	19,503	-
	<u>82,433</u>	<u>39,470</u>
6. INTANGIBLE FIXED ASSETS - SOFTWARE		
Opening balance	10,158	12,698
Addition	135,000	-
Amortization 20%	(29,032)	(2,540)
	<u>116,126</u>	<u>10,158</u>
7. ADVANCES AND DEPOSITS		
ADVANCES		
Advance to staff	307,400	245,630
Receivable against Petty cash	-	83,962
Advance income tax	111,339	1,904
DEPOSITS		
Security deposit office premises	785,000	260,000
	<u>1,203,739</u>	<u>591,496</u>
8. CASH AND BANK BALANCES		
Cash at bank	41,576,501	30,627,095
Cash in hand	91,356	17,455
	<u>41,667,857</u>	<u>30,644,550</u>

9. RECEIPTS

Annual subscription	9.1	7,798,000	7,453,000
DGR course	9.2	(194,554)	129,753
Cargo handling course	9.3	(15,000)	375,000
Recovery charges		488,701	287,800
DIP enrollment fees		210,000	180,000
New registrations		2,607,000	1,177,000
FDSC processing fees		195,000	-
Bank profit		729,560	-
IATA resignation fees		100,000	-
LHR Business Communication		170,000	-
		<u>12,088,707</u>	<u>9,602,553</u>

9.1 Annual subscription represents annual subscription for the year 2024-25.

9.2 DGR COURSE

Receipts	1,902,000	2,530,000
Payments	(2,096,554)	(2,400,247)
	<u>(194,554)</u>	<u>129,753</u>

9.3 CARGO HANDLING COURSE

Receipts	300,000	375,000
Payments	(315,000)	-
	<u>(15,000)</u>	<u>375,000</u>

10. ADMINISTRATIVE EXPENSES

Salaries and other benefits	8,982,873	6,801,901
Legal & professional	440,000	358,500
Rent, rates and taxes	2,550,908	1,087,766
Travelling & conveyance	150,381	105,679
Fees and subscription	150,815	40,000
Office expense	194,456	154,216
Entertainment expenses	144,444	150,048
Postage & telegram	212,637	129,998
Communication	312,134	198,160
Electricity, water and gas charges	519,904	668,372
Depreciation	619,200	189,480
Printing and stationery	193,939	188,569
Audit fees	100,000	80,000
Repair and maintenance	362,881	729,191
Computer accessories & supplies	-	28,600
Misc. expenses	243,960	57,000
Groceries expenses	240,396	-
Advertisement	11,900	4,500
Ammortization	29,032	2,540
Website expenses	45,000	5,000
Janitorial expenses	130,350	-
Advances write off	247,051	-
	<u>15,882,261</u>	<u>10,979,520</u>

11. FINANCIAL CHARGES

Bank charges	<u>9,116</u>	<u>11,009</u>
	<u>9,116</u>	<u>11,009</u>

12. GENERAL

12.1 These financial statements were authorised for issue on 23rd September, 2025 by the Executive Committee of the Association.

12.2 Figures have been rounded off to the nearest rupee.

12.3 Comparative figures have been rearranged where ever essential.

**SECRETARY GENERAL****CHAIRMAN****VICE CHAIRMAN**

M/S. AIR CARGO AGENTS ASSOCIATION OF PAKISTAN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2025

5. TANGIBLE FIXED ASSETS

Particulars	WDV			Rate %	Depreciation	WDV as on 30-06-25
	As on 01-07-24	Add / (Rev)	As on 30-06-25		For the year	
Rupees						
Office	6,600,000	-	6,600,000	-	-	6,600,000
Land	5,550,600	-	5,550,600	-	-	5,550,600
Computers	44,604	258,231	302,835	30	90,850	211,984
Furniture & fixtures	222,747	1,030,250	1,252,997	15	187,950	1,065,048
Motor vehicle	165,524	-	165,524	15	24,829	140,695
CCTC & Sound Systems	-	866,140	866,140	15	129,921	736,219
Office equipments	475,919	529,939	1,005,858	15	150,879	854,980
Air conditioner	101,210	130,603	231,813	15	34,772	197,041
June 30, 2025	13,160,603	2,815,163	15,975,766		619,200	15,356,566
June 30, 2024	15,770,605	(2,420,521)	13,350,084		189,480	13,160,603