

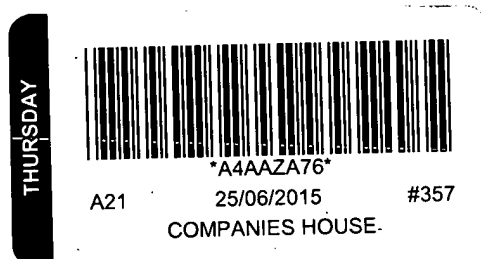
Charity number: 1004963

# **The Chartered Institute of Logistics and Transport in the UK**

Registered number: 02629347

## **Directors' report and financial statements**

**For the year ended 30 September 2014**



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

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**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 2014**

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

HRH The Princess Royal, Patron

J Spittle, President

J Steer, Immediate Past President

D Begg, Vice President

B Bell, Vice President

Lord Tony Berkeley, Vice Chairman

P Brooks, Vice President

R H Brown CBE, Vice President

S Gooding, Vice President

Sir Peter Hendy, Vice President

G Inglis, Vice Chairman

C Mason, Vice President

D Rocos, Vice Chairman

B Targett, Vice President

W Whitehorn, Vice President

**Directors and Trustees**

N Ashworth, Chairman

B R C Auton, Director (resigned 26 March 2015)

J R Boulter, Director

G H Catterick, Director

M O Evans, Director

M C Everson MBE, Director

D Grahamslaw, Director

J Green, Director

C I Hutchinson, Director

A B Jones, Director

D Pugh, Director

N Richardson, Director

R Waring, Director (resigned 11 December 2014)

R Whitfield, Director (resigned 1 February 2015)

R Wilding OBE, Director

**Company registered number**

02629347

**Charity registered number**

1004963

**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  
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FOR THE YEAR ENDED 30 SEPTEMBER 2014**

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**Administrative details (continued)**

**Registered office**

Earlstrees Court  
Earlstrees Road  
Corby  
Northamptonshire  
NN17 4AX

**Company secretary**

R J Ebbage (resigned 3 February 2014)

D C Snook (appointed 3 February 2014)

**Chief Executive**

S Agg

**Independent auditors**

Mazars LLP  
Chartered Accountants  
Statutory Auditor  
Clifton Down House  
Beaufort Buildings  
Clifton Down  
Bristol  
BS8 4AN

**Bankers**

Barclays plc  
497 Silbury Boulevard  
Milton Keynes  
MK9 2ZU

**Solicitors**

Stone King LLP  
16 St John's Lane  
London  
EC1M 4BS

**Investment managers**

Investec Wealth and Investment Management Ltd  
2 Gresham Street  
London  
EC2V 7QP

# **THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK**

## **(A Company Limited by Guarantee)**

### **CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2014**

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The chairman presents his statement for the period.

During the year ending 30 September 2014 there have been many encouraging signs for the Institute with the indication that we have recovered from the legacy of the deep recession, though it appears that business environments have probably changed forever. We have risen to the challenge financially with our group result before transfers moving from a significant loss to a modest surplus – this improvement is both symbolic and significant and certainly sets the Institute in a positive position as the economy continues its recovery.

We will, however, always face commercial risks within our business, particularly in respect of our professional development offer - but our drive to increase educational and training revenues is starting to bear fruit. Our trading subsidiary, PTRC has performed well in the year with a successful range of courses and conferences in the UK and with some ground breaking work in Abu Dhabi.

The reorganisation of our staff at headquarters in Corby, led by Chief Executive Steve Agg took place in the autumn of 2013 – from which the staff team emerged refreshed and ready to engage and explore the opportunities that arise within our diverse and increasingly vibrant industry. A more streamlined, agile and responsive organisation was an essential feature of the future plans and the Executive team managed the process professionally and efficiently.

Our gratitude is again extended to our Patron, HRH The Princess Royal, who continues her significant support by attending a range of UK events. We fully appreciate her personal commitment and her challenge to the Institute and our industry towards continuous improvement. Our Patron was a most welcome guest and speaker at the Fellows Lunch in December where she was able to congratulate the Institute for its work with Aspire, our careers foundation, in particular for its ability to fund qualifications both in the UK and across the globe in areas of most need.

We must also thank Jim Steer, whose year as President focused on the economic impact of the logistics and transport sector and its contribution to the overall health of the UK economy. His presence and leadership added significant profile to the image of both the sector and the Institute. He passed on the presidential baton to Jim Spittle at his inauguration in May. Jim, who is Chairman of GS1UK introduced his themes and challenges for the year and at the forefront is membership growth. Jim is also focusing his Presidential efforts on the relaunch of mentoring within the Institute. Our president continues to be supported by a committed team of vice presidents who meet with him, the Chief Executive and myself on a regular basis.

Membership retention is a perennial struggle for most professional institutes – however we have taken positive action from some of the lessons of previous years and the 12 months to September 2014 saw a year on year increase in membership of 3% - and at the same time we exceeded 17,000 members - achieving a key target for the year. We have enhanced our offer to corporate members too, as we approach the magic number of 100 organisations participating in corporate packages.

As ever, our policy work informs so much of what we do, and the output of the Public Policies Committee (PPC), our various forums and national policy groups has been impressive. Responses to consultations have been as diverse as the Traffic Commissions inquiry on Local Bus Services, to the Transport Select Committee's inquiry into Motoring for the Future. In addition we published a position paper addressing issues around HS2 and we refreshed our Vision 2035 theme with a report exploring UK Freight Planning to 2035. The work of all in our Professional Sectors and Forums gives us a credible, influential voice not only in the UK but across the globe as we continue to share our knowledge and learning with our fellow Institutes as part of the international CILT family.

The first half of the year saw the new global identity and branding establish itself – and it has given weight to a review of marketing and promotional material and web content. We have initiated the concept of the “Big Five” events – of which the Fellows Lunch and the Presidents Inauguration are just two. We have also staged a successful Annual Logistics Conference examining Logistics for an Omni-Channel World and the ever popular Logistics Research Network Conference. The fifth of the Big Five, and definitely the highlight of the social

# **THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK**

**(A Company Limited by Guarantee)**

## **CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2014**

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calendar are the Annual Awards for Excellence held at the Lancaster London Hotel. This was again a sell out and a fantastic opportunity to celebrate our industry's achievements and talent. All of these events are a great showcase for the Institute, its members and the industry as a whole – and, alongside these, I am pleased that our agreement with ITN Productions has been renewed and we will continue to generate high quality content pertaining to our major events and activities.

Education and qualifications lie at the core of our charitable objectives and public benefit. The year saw the establishment of one awarding body encompassing all CILT and IOM qualifications and an increase in our number of approved centres. Quality, accessibility and compliance remains the bedrock of our portfolio of qualifications and, most encouragingly, learner numbers continue to increase.

On the governance front, we look forward to an election year for the Institute and the UK in 2015. Robbie Whitfield and Bernard Auton have both stepped down from their board positions, and Ruth Waring finished her term as a co-opted member. Our thanks must go to them for their service to the Institute and the knowledge and experience they have brought to the board table.

The Institute would simply not be able to function without the efforts and loyal support from its members and its army of active volunteers. To all those who give their time, commitment and expertise to CILT through their participation at either national or local level I extend my thanks on behalf of the entire organisation.

I have, over my term as Chairman, never failed to be astounded at the depth and breadth of expertise of our membership and the generosity with which the members give of their insights. As I approach the last few months of my own Chairmanship I am constantly reminded that it is the dedication of individuals across our whole range of professional sectors that maintain the Institute's credibility, influence, relevance and value to the world around us.

I am certain that the Institute is well placed to explore and exploit the opportunities on the horizon and to respond to the challenges and changes that the future will inevitably bring.



Neil H Ashworth, FCILT  
Chairman

# THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

## (A Company Limited by Guarantee)

### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2014

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#### 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 2014. 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) "Accounting and Reporting by Charities" issued in March 2005.

#### Business review

The profile of sustainable logistics and transport brought about by increased worldwide economic and environmental awareness, continues to grow, and provides 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.

The Institute's main objectives are as follows, and remain consistent with the previous years:

- **Providing broad access to accredited qualifications which are relevant and current:** We increased the number of new qualifications and the number of regulated centres through which they are offered and delivered a diverse range of qualifications.
- **Increasing value of sponsorship to individuals in the pursuance of qualifications, training and research in logistics and transport:** Through the Aspire Careers Foundation, a charitable foundation within the Institute, we supported more individuals to qualifications through directly funded and gifted courses awarded worldwide.
- **Continuing to increase accessibility to qualifications, training and other services:** We have increased participation in our Distance learning programmes and increased investment in e-learning capability to deliver courses globally. On a more local scale we have had increased numbers accessing and visiting our Knowledge Centre at our headquarters in Corby.
- **Increasing awareness and profile of the value of accredited qualifications, quality training, and sharing best practice.** We have been successful in our focused attempt to deliver bespoke training based on industry led demand from leading companies.
- **Encouraging and supporting employers and organisations generally in the training and development of employees and individuals.** We have improved access to knowledge and training and development opportunities through the individual and corporate membership offers. The Institute has increased its resource available to individuals and corporate members to ensure compliance with legislation and adhere to best practice.
- **Providing input to Government and associated bodies on issues to support informed decision making.** The Institute continued to participate in government initiated papers and consultation. The majority of our activity is directed through the Public Policies Committee and is supported by our Professional Forums. Every report and consultation is available in the public policy section of the CILT website.

#### Principal risks and uncertainties

A review of the Institute's current and planned activities is undertaken each year as part of the strategy for

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE  
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**GROUP STRATEGIC REPORT (continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

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identifying, assessing and managing the significant risks to which it might be exposed. This also provides for the re-evaluation of known risks and a reassessment of the existing strategy and actions for managing them. 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. The Directors continue to maintain a risk management strategy which comprises:

- A register of risks which the company may face;
- A programme of reporting and review which allows for the effective monitoring and management of risk;
- The establishment and maintenance of a governance structure which provides for the means to identify, manage and control risks;
- The establishment of systems and procedures to mitigate those risks identified; and
- The implementation of procedures designed to minimise any potential impact on the company should any of those risks materialise.

**Financial key performance indicators**

In summary total funds increased by £48,000 (2013: £52,000 decrease) with a surplus before transfers between funds of £48,000 (2013: £234,000 deficit).

The Institute has increased its investment in charitable activities by 2% to £4,250,000. Investment gains of £68,000 is in line with expectation and the investment portfolio has performed favourably compared with appropriate benchmarks.

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



Director

Date: 5 June 2015



# **THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK**

## **(A Company Limited by Guarantee)**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2014**

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#### **Structure, governance and management**

##### **a. 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 is not trading and therefore dormant. The main activity of PTRC is the provision, organisation and promotion of transport related training, seminars and conferences as well as the provision and facilitation of sector benchmarking groups.

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.

##### **b. Method of appointment or election of Directors**

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

##### **c. 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. To ensure continuity of governance Board appointments are structured so that every two years half the elected members four year terms of office come to an end. Therefore 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 co-opt 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.

##### **d. 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 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 as previously stated in turn becomes a member of the Board.

# **THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK**

## **(A Company Limited by Guarantee)**

### **DIRECTORS' REPORT (continued)** **FOR THE YEAR ENDED 30 SEPTEMBER 2014**

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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 co-ordinate 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 on the community. This will be achieved by pursuing the key objectives of the Institute:

- Providing the opportunity for recognised development for all individuals engaged in logistics, supply chain and all transport.
- Offering qualifications and training in the management of logistics, supply chain and transport.
- Providing a forum for the discussion of logistics, supply chain and transport matters of interest to all individuals associated with the profession.
- Stimulate debate in logistics, supply chain and transport related issues and policy.

The Institute's main objectives for the year included:

- Providing broad access to accredited qualifications which are relevant and current.
- Increasing 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 best practice.
- Encouraging and supporting employers and organisations generally in the training and development of employees and individuals.
- Providing input to Government and associated bodies on issues to support informed decision making.

# **THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK**

## **(A Company Limited by Guarantee)**

### **DIRECTORS' REPORT (continued)** **FOR THE YEAR ENDED 30 SEPTEMBER 2014**

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The strategies adopted by the Institute to deliver these objectives include:

- Ensuring that it is of relevance to individuals involved directly in core activities and also those engaged in their support such as health and safety, finance, and human resource functions.
- Providing access to relevant and accredited qualifications and training.
- Facilitating career development by providing active and challenging benchmarks, as well as a means of recording and monitoring formalised continuing professional development.
- Meeting the needs of employers by ensuring there is open dialogue to help them more fully appreciate the role and value of the Institute in developing and supporting their employees.
- Being relevant to industry, government and individuals by providing professional commentary on current and future issues through the provision of thought leadership and leading edge thinking.
- Enabling individuals and companies to engage in developing new ideas, the sharing of best practice and in extending professional knowledge through access to its framework of Regions and Professional Forums.
- Raising awareness of logistics, supply chain, freight and passenger transport as a vital element in society.
- Enabling web offerings to cost effectively expand access to resources.

The Institute's charitable activities are directly linked to the delivery of its key objectives. Membership is the principal source of funding for the Institute through members subscriptions. Activity includes the provision of two members' journals Focus and Operations Management, delivery of local events through the regional structure and a number of bespoke benefits, such as a comprehensive careers service delivered through its website. 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 ample 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.
- Practitioners, organisations, and Government to explore and develop best practice in the operation and delivery of services for the good of the community.

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#### **Group Strategic Report**

##### **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 and Investec Wealth and Investment have been engaged

# **THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK**

## **(A Company Limited by Guarantee)**

### **DIRECTORS' REPORT (continued)**

#### **FOR THE YEAR ENDED 30 SEPTEMBER 2014**

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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 21 to the accounts.

#### **Financial review**

#### **Reserves policy**

At 30 September 2014 the Charity held free reserves in unrestricted funds of £1,225,000 (2013: £1,004,000). 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 three and four months gross annual expenditure and the directors consider this to be an adequate level for the continuing operations of the Charity.

#### **Plans for the future**

#### **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.
- Providing input to Government and associated bodies on issues to support informed decisions.

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#### **Public Benefit**

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.

#### **Accounts**

The company's constitution does not permit the distribution of profit. The annual accounts show an increase for

# **THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK**

## **(A Company Limited by Guarantee)**

### **DIRECTORS' REPORT (continued)** **FOR THE YEAR ENDED 30 SEPTEMBER 2014**

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the year in Total Funds of £48,000 (2013: £234,000 decrease).

#### **Fixed Assets**

Details of additions to fixed assets during the year are shown in Note 20 to the accounts.

#### **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 (including the Group Strategic 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

#### **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 auditors are 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 auditors in connection with preparing their report and to establish that the charitable group's auditors are aware of that information.

#### **Auditor**

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

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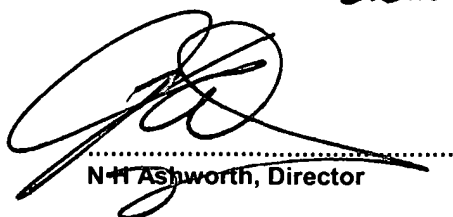
**DIRECTORS' REPORT (continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

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The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website

The directors have prepared this report in accordance with the provisions applicable to companies subject to the small companies regime.

This report, incorporating the Group Strategic Report, was approved by the Directors, in their capacity as company directors, on **5.6.15** and signed on their behalf by:



.....  
N H Ashworth, Director



.....  
D J Pugh, Director

# **THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK**

## **(A Company Limited by Guarantee)**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK**

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We have audited the financial statements of The Chartered Institute of Logistics and Transport in the UK for the year ended 30 September 2014 which comprise the Consolidated Statement of Financial Activities, the Consolidated Summary Income and Expenditure Account, the Consolidated Statement of Total Recognised Gains and Losses, the Consolidated and Charity Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### **Respective responsibilities of Directors and auditors**

As explained more fully in the Directors' Responsibilities Statement, the Directors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's trustees as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' 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 charity and the charity's trustees as a body for our audit work, for this report, or for the opinion we have formed.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 September 2014 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 and the Charities Act 2011.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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



Jonathan Marchant (Senior Statutory Auditor)

for and on behalf of

Mazars LLP

Chartered Accountants  
Statutory Auditors

Clifton Down House  
Beaufort Buildings  
Clifton Down  
Bristol  
BS8 4AN

Date:

16 June 2015



**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 2014**

	Note	Endowment funds 2014 £000	Restricted funds 2014 £000	Unrestricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
<b>Incoming resources</b>						
Incoming resources from generated funds:						
Voluntary income	2	-	18	-	18	8
Fundraising trading:						
Subsidiary income	3	-	-	274	274	1,716
Investment income	4	17	-	49	66	61
Incoming resources from charitable activities	5	-	-	4,147	4,147	3,748
Other incoming resources	6	-	-	14	14	-
<b>Total incoming resources</b>		<b>17</b>	<b>18</b>	<b>4,484</b>	<b>4,519</b>	<b>5,533</b>
<b>Resources expended</b>						
Costs of generating funds:						
Fundraising trading: Subsidiary costs	3	-	-	153	153	1,519
Investment management expenses	7	3	-	9	12	12
Charitable activities	14	-	13	4,328	4,341	4,157
Governance costs	10	-	-	45	45	79
<b>Total resources expended</b>	<b>13</b>	<b>3</b>	<b>13</b>	<b>4,535</b>	<b>4,551</b>	<b>5,766</b>
<b>Net incoming / (outgoing) resources before transfers</b>		<b>14</b>	<b>5</b>	<b>(51)</b>	<b>(32)</b>	<b>(233)</b>

**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) (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2014**

		Endowment funds 2014 £000	Restricted funds 2014 £000	Unrestricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
	Note					
Transfers between Funds	26	(12)	-	12	-	-
<b>Net resources expended before revaluations</b>		2	5	(39)	(32)	(233)
Gains and losses on revaluations of investment assets	21	22	-	63	85	182
<b>Net movement in funds for the year</b>		24	5	24	53	(51)
Total funds at 1 October 2013		700	3	1,102	1,805	1,856
<b>Total funds at 30 September 2014</b>		724	8	1,126	1,858	1,805

All activities relate to continuing operations.

The notes on pages 21 to 39 form part of these financial statements.

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

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

		Endowment funds 2014 £000	Restricted funds 2014 £000	Unrestricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
	Note					
<b>Net expenditure for the year</b>	<b>26</b>	2	5	(39)	(32)	(234)
Gains and losses on revaluations of investment assets		22	-	63	85	182
<b>Total gains and losses recognised since 1 October 2013</b>	<b>26</b>	<u>24</u>	<u>5</u>	<u>24</u>	<u>53</u>	<u>(52)</u>

There is no difference between the income/(expenditure) on ordinary activities for the year stated above and its historical cost equivalent.

The notes on pages 21 to 39 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

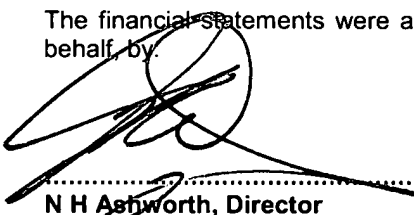
AS AT 30 SEPTEMBER 2014


	Note	£000	2014 £000	£000	2013 £000
<b>Fixed assets</b>					
Intangible assets	19		11		-
Tangible assets	20		204		263
Investments	21		1,871		1,872
			<u>2,086</u>		<u>2,135</u>
<b>Current assets</b>					
Debtors	22	808		539	
Cash at bank and in hand		26		82	
		<u>834</u>		<u>621</u>	
<b>Creditors: amounts falling due within one year</b>	23	(1,041)		(950)	
<b>Net current liabilities</b>			(207)		(329)
<b>Total assets less current liabilities</b>			<u>1,879</u>		<u>1,806</u>
<b>Provisions for liabilities</b>					
Deferred tax	24	(1)		(1)	
Other provisions	25	(20)		-	
			<u>(21)</u>		<u>(1)</u>
<b>Net assets</b>			<u>1,858</u>		<u>1,805</u>
<b>Charity funds</b>					
Endowment funds	26		724		700
Restricted funds	26		8		3
Unrestricted funds	26		1,126		1,102
<b>Total funds</b>			<u>1,858</u>		<u>1,805</u>

The financial statements were approved by the Directors on behalf, by:

5 JUNE 2015

and signed on their

  
N H Ashworth, Director

  
D J Pugh, Director

The notes on pages 21 to 39 form part of these financial statements.

# THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

Registered number: 02629347

(A Company Limited by Guarantee)

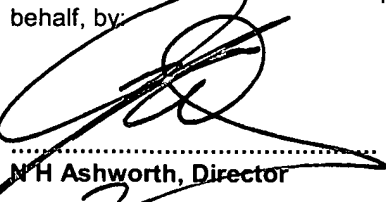
## COMPANY BALANCE SHEET AS AT 30 SEPTEMBER 2014

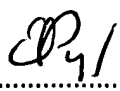
	Note	£000	2014 £000	£000	As restated 2013 £000
<b>Fixed assets</b>					
Intangible assets	19		11		-
Tangible assets	20		198		248
Investments	21		2,076		2,077
			<u>2,285</u>		<u>2,325</u>
<b>Current assets</b>					
Debtors	22	719		528	
Cash at bank		8		28	
		<u>727</u>		<u>556</u>	
<b>Creditors: amounts falling due within one year</b>	23	(1,060)		(1,175)	
<b>Net current liabilities</b>			(333)		(619)
<b>Net assets</b>			<u>1,952</u>		<u>1,706</u>
<b>Charity funds</b>					
Endowment funds	26		725		700
Restricted funds	26		8		2
Unrestricted funds	26		1,219		1,004
<b>Total funds</b>			<u>1,952</u>		<u>1,706</u>

The financial statements were approved by the Directors on behalf, by:

5 JUNE 2015

and signed on their

  
N H Ashworth, Director

  
D J Pugh, Director

The notes on pages 21 to 39 form part of these financial statements.

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

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	<b>Note</b>	<b>2014 £000</b>	<b>2013 £000</b>
Net cash flow from operating activities	<b>28</b>	(160)	(333)
Capital expenditure and financial investment	<b>29</b>	57	215
<b>Decrease in cash in the year</b>		<b>(103)</b>	<b>(118)</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT  
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	<b>2014 £000</b>	<b>2013 £000</b>
Decrease in cash in the year	(103)	(118)
<b>Movement in net debt in the year</b>	<b>(103)</b>	<b>(118)</b>
Net (debt)/funds at 1 October 2013	(26)	92
<b>Net debt at 30 September 2014</b>	<b>(129)</b>	<b>(26)</b>

The notes on pages 21 to 39 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 2014**

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#### **1. Accounting Policies**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

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 and paragraph 397 of the SORP.

##### **1.2 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.

##### **1.3 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.

Investment income, gains and losses are allocated to the appropriate fund.

##### **1.4 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

# 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 2014

---

### 1. Accounting Policies (continued)

#### 1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

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.

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.

#### 1.6 Basis of consolidation

The financial statements consolidate the accounts of The Chartered Institute of Logistics and Transport in the UK and its subsidiary undertaking PTRC Education and Research Service Ltd ('subsidiary').

The Institute has taken advantage of the exemption contained within Section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

#### 1.7 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

#### 1.8 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Statement of Financial Activities over its estimated economic life.

Amortisation is provided at the following rates:

Goodwill	-	Over 4 years
Trademarks	-	Over 10 years



# 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 2014

---

### 1. Accounting Policies (continued)

#### 1.9 Tangible fixed assets and depreciation

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

Tangible fixed assets are stated at cost less depreciation. 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
Assets under construction	-	Asset will be depreciated once commissioned for operational use

#### 1.10 Investments

Investments are stated at market value at the balance sheet date, and revalue investments throughout the year. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

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

#### 1.11 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

#### 1.12 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.

# 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 2014

---

### 1. Accounting Policies (continued)

#### 1.13 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.

#### 1.14 Accounting estimates

Accounting estimates and provisions are calculated using the latest available information to management and are considered regularly by management.

#### 1.15 Prior year adjustment

Following the ICAEW Technical Release 16/14BL on 31 October 2014, the charity has changed its accounting policy for donations received from its subsidiary undertaking. Previously such donations receivable were recognised as income in the year in which they were generated by the subsidiary undertaking. Such receipts are now recognised at the earlier of when the distribution is received or when the distribution is approved by the subsidiary company's Board of Directors.

As a result of this change in accounting policy the prior year balances for amounts owed by group undertakings and the balance of unrestricted reserves in the entity results have been restated and show a reduction of £112,589, from the amounts previously presented.

There is no impact on the consolidated balances sheet, cash flow statement or income and expenditure account as a result of this change.

### 2. Voluntary income

	Endowment funds 2014 £000	Restricted funds 2014 £000	Unrestricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Donations	-	18	-	18	8

# 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 2014

### 3. Trading activities

	Endowment funds 2014 £000	Restricted funds 2014 £000	Unrestricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
<b>Charity trading income</b>					
Fundraising trading: subsidiary income	-	-	274	274	1,716
<b>Fundraising trading expenses</b>					
Fundraising trading expenses - subsidiary costs	-	-	148	148	118
Fundraising trading expenses - subcontracted labour	-	-	5	5	1,401
	-	-	153	153	1,519
<b>Net income from trading activities</b>	-	-	121	121	197

### 4. Investment income

	Endowment funds 2014 £000	Restricted funds 2014 £000	Unrestricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Dividends receivable	17	-	47	64	61
Bank interest receivable	-	-	2	2	-
	17	-	49	66	61

### 5. Incoming resources from charitable activities

	Endowment funds 2014 £000	Restricted funds 2014 £000	Unrestricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Membership	-	-	2,325	2,325	2,351
Learning and Development	-	-	1,371	1,371	1,029
Events, Forums and Communication	-	-	451	451	368
	-	-	4,147	4,147	3,748

# 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 2014

### 6. Other incoming resources

	Endowment funds 2014 £000	Restricted funds 2014 £000	Unrestricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Other incoming resources	-	-	14	14	-

### 7. Investment management costs

	Endowment funds 2014 £000	Restricted funds 2014 £000	Unrestricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Investment management fees	3	-	9	12	12

### 8. Grants

	Endowment funds 2014 £000	Restricted funds 2014 £000	Unrestricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Learning and Development	-	13	-	13	54

### 9. Expenditure by charitable activity

#### Summary by fund type

	Endowment funds 2014 £000	Restricted funds 2014 £000	Unrestricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Membership	-	-	1,907	1,907	1,340
Learning and Development	-	13	1,537	1,550	1,748
Events, Forums and Communication	-	-	884	884	1,069
	-	13	4,328	4,341	4,157

# 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 2014

### 9. Expenditure by charitable activity (continued)

#### Summary by expenditure type

	Staff costs 2014 £000	Other costs 2014 £000	Total 2014 £000	Total 2013 £000
Membership	841	1,066	1,907	1,340
Learning and Development	600	950	1,550	1,748
Events, Forums and Communication	360	524	884	1,069
	<u>1,801</u>	<u>2,540</u>	<u>4,341</u>	<u>4,157</u>

### 10. Governance costs

	Endowment funds 2014 £000	Restricted funds 2014 £000	Unrestricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Auditors' remuneration	-	-	22	22	20
Board costs	-	-	18	18	42
Legal and professional fees	-	-	5	5	17
	<u>-</u>	<u>-</u>	<u>45</u>	<u>45</u>	<u>79</u>

### 11. Direct costs

	Basis of Allocation	Membership £000	Learning and Develop't £000	Events, Forums and Communic- ation £000	Total 2014 £000	Total 2013 £000
Direct costs	Headcount	830	768	423	2,021	1,750
Wages and salaries	Headcount	734	524	315	1,573	1,621
National insurance	Headcount	68	49	29	146	159
Pension cost	Headcount	39	27	16	82	86
		<u>1,671</u>	<u>1,368</u>	<u>783</u>	<u>3,822</u>	<u>3,616</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 2014

### 12. Support costs

	Basis of Allocation	Membership £000	Learning and Develop't £000	Events, Forums & Communication £000	Total 2014 £000	Total 2013 £000
Management	Headcount	93	67	40	200	179
Establishment	Headcount	75	54	32	161	171
Finance	Headcount	24	17	10	51	43
IT		44	31	19	94	94
		<u>236</u>	<u>169</u>	<u>101</u>	<u>506</u>	<u>487</u>

### 13. Analysis of resources expended by expenditure type

	Staff costs 2014 £000	Other costs 2014 £000	Total 2014 £000	Total 2013 £000
Fundraising expenses: Subsidiary costs	-	153	153	1,519
Investment management costs	-	12	12	12
<b>Costs of generating funds</b>	<u>-</u>	<u>165</u>	<u>165</u>	<u>1,531</u>
Membership	841	1,066	1,907	1,340
Learning and Development	600	950	1,550	1,748
Events, Forums and Communication	360	524	884	1,069
<b>Charitable activities</b>	<u>1,801</u>	<u>2,540</u>	<u>4,341</u>	<u>4,157</u>
<b>Governance</b>	<u>-</u>	<u>45</u>	<u>45</u>	<u>79</u>
	<u>1,801</u>	<u>2,750</u>	<u>4,551</u>	<u>5,767</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 2014

### 14. Analysis of resources expended by activities

	Activities undertaken directly 2014 £000	Grant funding of activities 2014 £000	Support costs 2014 £000	Total 2014 £000	Total 2013 £000
Membership	1,671	-	236	1,907	1,340
Learning and Development Events, Forums and Communication	1,368	13	169	1,550	1,748
	783	-	101	884	1,069
Total	3,822	13	506	4,341	4,157

### 15. Turnover

During the year, all of the Charity's income came from the UK (2013: 88%). The remaining income was generated in Europe.

### 16. Net incoming / (outgoing) resources

This is stated after charging:

	2014 £000	2013 £000
Amortisation - intangible fixed assets	1	-
Depreciation of tangible fixed assets:		
- owned by the charitable group	77	56
Auditors' remuneration	22	21
Governance Internal audit costs	-	-

During the year, no Directors received any remuneration (2013 - £NIL).

During the year, Directors received reimbursement of expenses of £3,000 (2013 - £18,000).

### 17. Staff costs

Staff costs were as follows:

	2014 £000	2013 £000
Wages and salaries	1,573	1,621
Social security costs	146	159
Other pension costs	82	86
	1,801	1,866

# 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 2014

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### 17. Staff costs (continued)

The average monthly number of employees during the year was as follows:

	2014 No.	2013 No.
Charitable activities	52	45
Support	11	12
	<hr/>	<hr/>
	63	57
	<hr/>	<hr/>

The number of higher paid employees was:

	2014 No.	2013 No.
In the band £70,001 - £80,000	0	2
In the band £90,001 - £100,000	1	1
	<hr/>	<hr/>
	1	3
	<hr/>	<hr/>

### 18. 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 deficit for the financial year, before investments gains was £63,000 (As restated 2013: £431,000 loss).



# 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 2014

### 19. Intangible fixed assets

<b>Group</b>	<b>Trademarks £000</b>	<b>Goodwill £000</b>	<b>Total £000</b>
<b>Cost</b>			
At 1 October 2013	-	261	261
Additions	12	-	12
At 30 September 2014	12	261	273
<b>Amortisation</b>			
At 1 October 2013	-	261	261
Charge for the year	1	-	1
At 30 September 2014	1	261	262
<b>Net book value</b>			
At 30 September 2014	11	-	11
At 30 September 2013	-	-	-
<b>Company</b>			<b>Trademarks £000</b>
<b>Cost</b>			
At 1 October 2013			-
Additions			12
At 30 September 2014			12
<b>Amortisation</b>			
At 1 October 2013			-
Charge for the year			1
At 30 September 2014			1
<b>Net book value</b>			
At 30 September 2014			11
At 30 September 2013			-

# 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 2014

### 20. Tangible fixed assets

Group	Fixtures & fittings £000	Office equipment £000	Computer equipment £000	Total £000
<b>Cost</b>				
At 1 October 2013	231	55	505	791
Additions	-	2	15	17
At 30 September 2014	231	57	520	808
<b>Depreciation</b>				
At 1 October 2013	214	54	260	528
Charge for the year	9	-	67	76
At 30 September 2014	223	54	327	604
<b>Net book value</b>				
At 30 September 2014	8	3	193	204
At 30 September 2013	17	1	245	263

# 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 2014

### 20. Tangible fixed assets (continued)

Company	Fixtures & fittings £000	Office equipment £000	Computer equipment £000	Total £000
<b>Cost</b>				
At 1 October 2013	204	55	505	764
Additions	-	2	15	17
At 30 September 2014	204	57	520	781
<b>Depreciation</b>				
At 1 October 2013	202	54	260	516
Charge for the year	-	-	67	67
At 30 September 2014	202	54	327	583
<b>Net book value</b>				
At 30 September 2014	2	3	193	198
At 30 September 2013	2	1	245	248

### 21. Fixed asset investments

Group	Listed securities £000
<b>Market value/Cost</b>	
At 1 October 2013	1,872
Additions	274
Disposals	(360)
Revaluations	85
At 30 September 2014	1,871

All the 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 2014

### 21. Fixed asset investments (continued)

Company	Listed securities £000	Shares in subsidiary undertakings £000	Total £000
<b>Market value/Cost</b>			
At 1 October 2013	1,872	205	2,077
Additions	274	-	274
Disposals	(360)	-	(360)
Revaluations	85	-	85
	<u>1,871</u>	<u>205</u>	<u>2,076</u>
At 30 September 2014	<u>1,871</u>	<u>205</u>	<u>2,076</u>

#### Company investments at market value/cost comprise:

	UK £000	Overseas £000	2014 £000	2013 £000
Listed investments	1,231	641	1,872	1,872
Group	205	-	205	205
	<u>1,436</u>	<u>641</u>	<u>2,077</u>	<u>2,077</u>
Total	<u>1,436</u>	<u>641</u>	<u>2,077</u>	<u>2,077</u>

All the fixed asset investments are managed in the UK

#### Company material investments

There were no material investments in 2014.

### 22. Debtors

	Group		Company	
	2014 £000	2013 £000	2014 £000	2013 £000
Trade debtors	500	321	418	318
Other debtors	14	6	14	6
Prepayments and accrued income	294	212	287	204
	<u>808</u>	<u>539</u>	<u>719</u>	<u>528</u>

# THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 23. Creditors: Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	As restated 2013
	£000	£000	£000	£000
Bank loans and overdrafts	155	108	155	108
Trade creditors	226	208	203	205
Amounts owed to group and connected undertakings	18	17	102	303
Other taxation and social security (see below)	49	56	37	44
Other creditors	6	30	5	22
Accruals and deferred income	587	531	558	493
	<u>1,041</u>	<u>950</u>	<u>1,060</u>	<u>1,175</u>

### Other taxation and social security

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£000	£000	£000	£000
PAYE/NI control	37	44	37	44
VAT control	12	12	-	-
	<u>49</u>	<u>56</u>	<u>37</u>	<u>44</u>

### 24. Deferred taxation

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£000	£000	£000	£000
At beginning of year	2	2	-	-
(Released during)/charge for the year (P&L)	(1)	-	-	-
At end of year	<u>1</u>	<u>2</u>	<u>-</u>	<u>-</u>

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### 24. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	Group		Company	
	2014 £000	2013 £000	2014 £000	2013 £000
Accelerated capital allowances	1	2	-	-

### 25. Provisions

Group	Dilapidations £000
Additions	20
At 30 September 2014	20

#### Dilapidations

Included within provisions is an amount in respect of provisions relating to a lease for the subsidiary.

The Group has no other provisions.

### 26. Statement of funds

	Brought Forward £000	Incoming resources £000	Resources Expended £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
<b>Designated funds</b>						
Designated Funds	43	-	-	-	-	43
<b>General funds</b>						
General Funds - all funds	707	4,210	(4,382)	12	63	610
Non-charitable trading funds	352	274	(153)	-	-	473
	1,059	4,484	(4,535)	12	63	1,083
<b>Total Unrestricted funds</b>	1,102	4,484	(4,535)	12	63	1,126

# THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 26. Statement of funds (continued)

#### Endowment funds

Library Fund	304	-	-	(12)	10	302
Endowment Fund	396	17	(3)	-	12	422
	<u>700</u>	<u>17</u>	<u>(3)</u>	<u>(12)</u>	<u>22</u>	<u>724</u>

#### Restricted funds

Aspire Fund	3	18	(13)	-	-	8
Total of funds	<u>1,805</u>	<u>4,519</u>	<u>(4,551)</u>	<u>-</u>	<u>85</u>	<u>1,858</u>

#### Summary of funds

	Brought Forward £000	Incoming resources £000	Resources Expended £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
Designated funds	43	-	-	-	-	43
General funds	1,059	4,484	(4,535)	12	63	1,083
	<u>1,102</u>	<u>4,484</u>	<u>(4,535)</u>	<u>12</u>	<u>63</u>	<u>1,126</u>
Endowment funds	700	17	(3)	(12)	22	724
Restricted funds	3	18	(13)	-	-	8
	<u>1,805</u>	<u>4,519</u>	<u>(4,551)</u>	<u>-</u>	<u>85</u>	<u>1,858</u>

### 27. Analysis of net assets between funds

	Endowment funds 2014 £000	Restricted funds 2014 £000	Unrestricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Tangible fixed assets	-	-	203	203	257
Intangible fixed assets	-	-	11	11	-
Fixed asset investments	724	-	1,148	1,872	1,872
Current assets	-	8	826	834	627
Creditors due within one year	-	-	(1,041)	(1,041)	(950)
Provisions for liabilities and charges	-	-	(21)	(21)	(2)
	<u>724</u>	<u>8</u>	<u>1,126</u>	<u>1,858</u>	<u>1,805</u>

# THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 28. Net cash flow from operations

	2014 £000	2013 £000
Net incoming resources before revaluations	(32)	(233)
Amortisation of intangible fixed assets	1	-
Depreciation of tangible fixed assets	76	-
(Increase)/decrease in debtors	(269)	660
Decrease in amounts owed by group undertakings	-	24
Increase/(decrease) in creditors	63	(801)
Increase in amounts owed to group undertakings	1	17
<b>Net cash outflow from operations</b>	<b>(160)</b>	<b>(333)</b>

### 29. Analysis of cash flows for headings netted in cash flow statement

	2014 £000	2013 £000
<b>Capital expenditure and financial investment</b>		
Purchase of intangible fixed assets	(12)	-
Purchase of tangible fixed assets	(17)	(68)
Purchase of listed investments	(274)	(351)
Sale of listed investments	360	634
<b>Net cash inflow capital expenditure</b>	<b>57</b>	<b>215</b>

### 30. Analysis of changes in net debt

	1 October 2013 £000	Cash flow £000	Other non-cash changes £000	30 September 2014 £000
Cash at bank and in hand:	82	(56)	-	26
Bank overdraft	(108)	(47)	-	(155)
<b>Net debt</b>	<b>(26)</b>	<b>(103)</b>	<b>-</b>	<b>(129)</b>

### 31. Pension commitments

The Institute operates a defined contribution pension scheme for its employees. During the year pension contributions of £86,000 (2013: £78,000) were made. At the year end there were pension contributions of £11,000 (2013: £10,000) outstanding.



# THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT IN THE UK

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

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### 32. Related party transactions

The Institute has taken advantage of the exemption available in accordance with FRS 8 '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 £49,405 (2013: £51,751).

During the year the Institute provided CILT with administrative services for which they were paid £8,500 (2013: £8,500).

### 33. Principal subsidiary

Company name	Country	Percentage Shareholding	Description
PTRC Education & Research Services	England and Wales	100	The provision, organisation and promotion of education and training courses.

The subsidiary undertaking results show a profit for the year before tax of £30,631 (2013: £111,853) after management charges of £90,000 (2013: £85,107).

The net assets of the entity are £110,917 (2013: £192,067).