

**PRIVATE & CONFIDENTIAL**

**AUDIT REPORT  
&  
FINANCIAL STATEMENTS  
OF  
CHANDPUR JUTE MILLS LIMITED  
FOR THE YEAR ENDED ON 30<sup>TH</sup> JUNE, 2023**



এ.মতীন এন্ড কোং

**A. MATIN & CO.**

**CHARTERED ACCOUNTANTS**

**60/2, (1<sup>st</sup> Floor), Naya Paltan, Dhaka- 1000.**

**Phone- 048318191, Mobile- 01713453596, 01728039565**

**E-mail- [akmatinmatin@yahoo.com](mailto:akmatinmatin@yahoo.com)**

**[akmatinmatinbd29@gmail.com](mailto:akmatinmatinbd29@gmail.com)**

**Web: [amatin.co](http://amatin.co)**



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**A. MATIN & CO.**  
Chartered Accountants

**INDEPENDENT AUDITOR'S REPORT**

**Chandpur Jute Mills Limited**  
Nagoriyakandi, Narsingdi.

**FOR THE FINANCIAL YEAR ENDED 30<sup>TH</sup> JUNE 2023**  
**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Opinion**

We have audited the financial statements **Chandpur Jute Mills Limited, Nagoriyakandi, Narsingdi**, which comprises of The Statement of Financial Position as at 30<sup>th</sup> June, 2023 Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements present fairly in all material respects or give a true and fair view of the Financial Position of the Company as at 30<sup>th</sup> June, 2023 and of its Financial Performance and Cash Flows for the period then ended accordance with the International Financial Reporting Standards (IFRS).

**Basis for Opinion**

We conducted our Audit in accordance with the International Standards on Auditing (ISAs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). 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 Code of Ethics Issued by the International Accounting Education Standards Board (IAESB) Code of Ethics as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of the Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide our basis for the opinion.

**Emphasis of Matter**

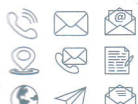
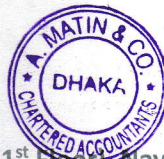
Without modification to our report, we would like to draw attention,

As per IAS: 16, where an asset has been revalued, the depreciation charge is based on the revalued amount, less residual value, from the date of revaluation & whole of the depreciation charge is recognized in profit or loss but the mill recognizes in P&L only the depreciation charged on original cost & excess depreciation has been charged in changes in equity. Although the overall effect is the same but it is suggested to charge depreciation as per the requirement of IAS: 16.

The operation of the mill is closed since June 2020. There is a threat on the going concern of the mill.

Management is also treating Tax deducted at source (TDS) of Tk- 7,38,100/- (Note: 42) as expenses in profit & loss a/c.

The Accounts department of the mill does not have adequate manpower to keep books of accounts properly.



60/2, Halim Palace (1<sup>st</sup> Floor), Naya Paltan, Dhaka-1000  
88 0248318191, Mobile-01713453596, 01728039565  
akmatinmatin@yahoo.com, akmatinmatinbd29@gmail.com

### **Responsibilities of the Management and those charged with Governance for the Financial Statement**

Management is responsible for the preparation of Financial Statement in accordance with the accounting policies of the Company 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 Statement, 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 if accounting, unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. Those charged with Governance are responsible for overseeing the Company's Financial Reporting Process.

### **Auditor's Responsibilities for The Audit of Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statement 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 Audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material, if individually or in the aggregate, they could be reasonable by expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an Audit in accordance with ISA, we exercise professional judgement and maintain professional scepticism throughout the Audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statement, 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 the 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 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 gives a true and fair view.

We communicate with those charged with Governance 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.

#### **Report on Other Legal and Regulatory Requirements**

In accordance with the Companies Act, 1994, we also report the following:

- a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) The Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of accounts.
- d) The Expenditure incurred was for the purpose of the Company's Business.

  
**Monika Nashat Matin, ACA**  
Enrolment No-1968  
**A. Matin & Co.**  
Chartered Accountants  
DVC: 2402151968AS261851

Dhaka, Bangladesh  
Dated: 15/02/2024





**Chandpur Jute Mills Limited**  
**Statement of Financial Position**  
As on 30th June, 2023.

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**A. MATIN & CO.**  
Chartered Accountants

No.	Particulars	Notes/ Sch.	Amount in Taka	
			As on 30.06.2023	As on 30.06.2022
<b>Property &amp; Assets :</b>				
<b>Non-Current Assets :</b>				
	At Cost/Revaluation less accumulated depreciation	1.00	2,16,04,09,376	2,17,47,38,554
	Investment	2.00	-	-
	<b>Total Non-Current Assets :</b>		<b>2,16,04,09,376</b>	<b>2,17,47,38,554</b>
<b>Current Assets :</b>				
	Stock, Stores & Spares	3.00	-	-
	Debtors (Less: Provisions)	4.00	2,58,29,815	3,35,94,315
	Due from BJMC Mills	5.00	-	-
	Advance, Deposit & Pre-payments	6.00	-	-
	Interim Revenue support receivable	7.00	67,99,017	67,99,017
	BJMC Current Accounts	8.00	-	-
	Cash & Bank Balance	9.00	-	-
	<b>Total Current Assets :</b>		<b>3,26,28,832</b>	<b>4,03,93,332</b>
	<b>Total Property &amp; Assets : (A+B)</b>		<b>2,19,30,38,208</b>	<b>2,21,51,31,886</b>
<b>Capital &amp; Liabilities :</b>				
<b>Authorised Capital :</b>				
		10.00	<b>5,00,00,000</b>	<b>5,00,00,000</b>
<b>Shareholders Equity &amp; Loans :</b>				
	Issued,Subscribed & Paid-up Capital	10.01	1,00,00,000	1,00,00,000
	Govt. Equity Contribution	11.00	5,76,46,749	5,76,46,749
	Accumulated Profit & Loss Account (Retained Earnings)	12.00	(2,72,80,90,419)	(2,69,22,19,447)
	<b>Total Equity &amp; Retained Earnings :</b>		<b>(2,66,04,43,670)</b>	<b>(2,62,45,72,698)</b>
<b>Long Term Liabilities</b>				
	Reserves	13.00	2,11,08,79,249	2,12,25,51,325
	Current Accounts with United Jute Mills	14.00	2,73,33,83,958	2,71,04,03,028
	Long Term Loan	15.00	-	-
	Gratuity Liabilities (Provision)	16.00	62,14,273	35,42,255
	<b>Total Shareholders Equity &amp; Loans :</b>		<b>4,85,04,77,480</b>	<b>4,83,64,96,608</b>
<b>Current Liabilities :</b>				
	Bank Over Draft	17.00	-	-
	Liabilities for Goods	18.00	-	-
	Liabilities for expenses	19.00	29,01,825	23,08,629
	Liabilities for other Finance	20.00	1,02,573	8,99,347
	Due to BJMC Mills	21.00	-	-
	Gratuity Payable Account(Current)	22.00	-	-
	<b>Total Current Liabilities :</b>		<b>30,04,397</b>	<b>32,07,976</b>
	<b>Total Capital &amp; Liabilities : (D+E+F)</b>		<b>2,19,30,38,208</b>	<b>2,21,51,31,886</b>

Manager (Accounts & Finance)

igned in terms of our separate report of even date annexed.

General Manager (Project Head)

Monika Nashat Matin, ACA

Enrolment No. 1968

A. Matin & Co.

Chartered Accountants

DVC: 2402151968AS261851

Dated: 15 February 2024

Place: Dhaka, Bangladesh






Chandpur Jute Mills Limited  
Manufacturing, Trading and Profit & Loss Account  
For the year ended 30th June, 2023

Sl. No.	Particulars	Sch. No.	Amount in (Tk.)			2021-22
			2022-23			
			Hessian	Sacking	Total	
<b>Income:</b>						
1	Foreign sales	25	-	-	-	-
2	Local sales	26	-	-	-	-
3	<b>Total sales (1+2):</b>		-	-	-	-
4	Subsidy		-	-	-	-
5	<b>Total Income (3+4):</b>		-	-	-	-
<b>Material cost:</b>						
6	Opening work-in-process		-	-	-	-
7	Raw jute consumption	27	-	-	-	-
8	Charges on Raw jute	28	-	-	-	-
9	Other direct materials consumed	29	-	-	-	-
10	<b>Sub-Total (6 to 9):</b>		-	-	-	-
11	Closing work-in-process		-	-	-	-
12	<b>Total Material cost (10-11):</b>		-	-	-	-
<b>Conversion cost:</b>						
13	Opening work-in-process		-	-	-	-
14	Wages	30	-	-	-	-
15	Salaries	31	-	-	2,23,15,043	2,22,78,785
16	Power/Electricity	32	-	-	3,39,385	5,95,714
17	Fuel	33	-	-	-	-
18	Repairs & maintenance	34	-	-	1,01,716	6,64,084
19	Depreciation	35	-	-	26,57,102	26,57,102
20	Insurance	36	-	-	4,309	4,512
21	Other Factory overhead	37	-	-	8,25,499	3,30,148
22	<b>Sub-Total (13 to 21):</b>		-	-	2,62,43,054	2,65,30,345
23	Closing work-in-process		-	-	-	-
24	<b>Total Conversion cost (22-23):</b>		-	-	2,62,43,054	2,65,30,345
25	<b>Cost of production (12+24):</b>		-	-	2,62,43,054	2,65,30,345
26	Opening stock of Finished goods		-	-	-	-
27	<b>Cost of goods available for sale(25+26)</b>		-	-	2,62,43,054	2,65,30,345
28	Closing stock of Finished goods		-	-	-	-
29	<b>Total cost of sales (27-28):</b>		-	-	2,62,43,054	2,65,30,345
30	Administrative expenses	38	-	-	49,86,764	35,72,944
31	Selling expenses	39	-	-	1,78,807	1,84,615
32	<b>Total operating expenses (29 to 31):</b>		-	-	3,14,08,625	3,02,87,904
33	<b>Operating Profit/(Loss) (5 - 32)</b>		-	-	(3,14,08,625)	(3,02,87,904)
<b>Financial expenses:</b>						
35	Interest (Cash Credit)		-	-	-	-
36	Interest (Long term Loan)	40	-	-	37,24,247	1,61,57,323
37	<b>Total Interest (34+35):</b>		-	-	37,24,247	1,61,57,323
38	Non-Operating Income	41	-	-	-	-
39	<b>Total Profit/(Loss) (33+36):</b>		-	-	(3,51,32,872)	(4,64,45,227)
40	Tax Paid At Source (TDS)	42	-	-	7,38,100	9,89,550
41	<b>Net Profit/(Loss) After Tax during the Year(39-40)</b>		-	-	(3,58,70,972)	(4,74,34,777)

Manager (Accounts & Finance)  
Signed in terms of our separate report of even date annexed.

General Manager (Project Head)

  
Monika Nashat Matin, ACA  
Enrolment No. 1968  
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Chandpur Jute Mills Limited  
Income/Cost Statement  
For the year ended 30th June, 2023

Sl. No.	Particulars	Amount (Taka in Lac)			Per Ton	
		Hessian	Sacking	Total	Hessian	Sacking
	<b>INCOME:</b>					
1	Local Sales	-	-	-		
2	Foreign Sales	-	-	-		
3	Total Sales	-	-	-		
4	Subsidy	-	-	-		
5	<b>Total Operating Income (1+2)</b>	-	-	-		
	<b>MATERIAL COST:</b>					
6	Opening Work-in-Process	-	-	-		
7	Raw Jute	-	-	-		
8	Other Direct Materials	-	-	-		
9	<b>Sub-Total (6+8)</b>	-	-	-		
10	Closing Work-in-Process	-	-	-		
11	<b>Total Materials Cost (9+10)</b>	-	-	-		
	<b>CONVERSION COST:</b>					
13	Opening Work-in-Process	-	-	-		
14	Wages	-	-	-		
15	Salaries	-	-	223.15		
16	Power / Electricity	-	-	3.39		
17	Fuel	-	-	-		
18	Repairs & Maint.	-	-	1.02		
19	Depreciation	-	-	26.57		
20	Insurance	-	-	0.04		
21	Other Factory Overhead	-	-	8.25		
22	<b>Sub-Total (12+20)</b>	-	-	262.43		
23	Closing Work-in-Process	-	-	-		
24	<b>Total Conversion Cost</b>	-	-	262.43		
25	<b>Cost of Production</b>	-	-	262.43		
26	Opening Stock of Finished Goods	-	-	-		
27	Cost of Goods Available for Sales	-	-	262.43		
28	Closing Stock of Finished Goods	-	-	-		
29	<b>Total Cost of Sales</b>	-	-	262.43		
30	Admn. Expenses	-	-	49.87		
31	Selling Expenses	-	-	1.79		
32	<b>Total Operating Expenses</b>	-	-	314.09		
33	<b>Operating Profit (Loss)</b>	-	-	(314.09)		
	<b>FINANCIAL EXPENSES:</b>					
34	Interest Cash Credit	-	-	-		
35	Interest on Long Term Loan	-	-	37.24		
36	<b>Total Interest (33+34)</b>	-	-	37.24		
37	Non-Operating Income	-	-	-		
38	<b>Net Profit (Loss) 32-35+36</b>	-	-	(351.33)		
	Tax Paid At Source	-	-	7.38		
	<b>Total Profit / (Loss)</b>	-	-	(358.71)		
	<b>QUANTITY IN (MTON):</b>					
39	Baled Production	-	-	-		
40	Opening Stock of Finished Goods	-	-	-		
41	Goods available for Sales	-	-	-		
42	Closing Stock of Finished Goods	-	-	-		
43	Local Sales	-	-	-		
44	Foreign Sales	-	-	-		
45	Total Sales	-	-	-		
46	Equivalent Production	-	-	-		





## Chandpur Jute Mills Ltd.

### Statement of Change in Equity

For year ended 30th June, 2023.

Particulars	Share Capital	Equity Contribution	Reserves	P&L A/C	Total
Balance as on 01.07.2021	1,00,00,000	5,76,46,749	2,12,25,51,325	(2,69,22,19,447)	(50,20,21,373)
Depreciaion on Re-Valuation Assets	-	-	(1,16,72,076)	-	(1,16,72,076)
Prior year Adjustment	-	-	-	-	-
During the Year	-	-	-	(3,58,70,972)	(3,58,70,972)
<b>Closing Balance as on 30.06.22</b>	<b>1,00,00,000</b>	<b>5,76,46,749</b>	<b>2,11,08,79,249</b>	<b>(2,72,80,90,419)</b>	<b>(54,95,64,421)</b>







**Chandpur Jute Mills Limited**  
**Statement of Cash Flow**  
**For the Year Ended June 30, 2023.**

Particulars	30.06.2022 (Amount in Taka)
<b>A. Cash Flows from Operating Activities</b>	
Net Profit Before Tax	(3,51,32,872)
Add: Finance Cost	37,24,247
Add: Depreciation on Fixed Assets	26,57,102
Prior Year Adjustment	-
(Increase)/Decrease in Stock, Stores & Spares	-
(Increase)/Decrease in Debtors (Less: Provisions)	77,64,500
(Increase)/Decrease in Current A/C with United Jute Mills	2,29,80,930
Increase/(Decrease) in Liabilities for Expenses	5,93,196
Increase/(Decrease) in Liabilities for Other Finance	(7,96,774)
Increase/(Decrease) in Gratuity Liabilities (Provision)	-
<b>Cash Generated from Operations</b>	<b>17,90,329</b>
Tax Paid	(7,38,100)
Less: Bank Commission & Charges Paid	(37,24,247)
<b>Net Cash Generated from Operating Activities</b>	<b>(26,72,018.000)</b>
<b>B. Cash flows from Investing Activities</b>	
Cash Payment to acquire Fixed Assets	-
<b>Net cash used in investing activities</b>	<b>-</b>
<b>C. Cash flows from Financing Activities</b>	
Cash Receipt from Long-Term Liabilities	-
Cash Paid for Gratuity Liabilities (Provision)	26,72,018
<b>Net cash Flow from Financing Activities</b>	<b>26,72,018</b>
<b>D. Net Cash Inflows/(outflows) {A+B+C}</b>	<b>-</b>
<b>E. Cash and Cash Equivalent at The Beginning of The Year</b>	<b>-</b>
<b>F. Cash and Cash Equivalent at The End of The Year</b>	<b>-</b>

