

Independent Auditor's Report and
Audited Financial Statements of
SKYWAYS SLS FRUGAL(BD) PVT LTD.
As at and for the Year Ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT
To the shareholders of
SKYWAYS SLS FRUGAL (BD) PVT LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **SKYWAYS SLS FRUGAL (BD) PVT LTD.** (the company) which comprise the Statement of Financial Position as at 30 June 2024 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended 30 June 2024, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements of the Company present fairly of the financial position of the Company as at 30 June 2024, and of its financial performance and its cash flows for the year then ended 30 June 2024 in accordance with International Financial Reporting Standards (IFRSs), the company Act 1994 and other applicable laws and regulations.

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) By Laws.

Emphasis of Matter

- The company has submitted its monthly vat return to the vat authority in time, but doesn't mention the sales amount during the period in the monthly vat return. Though, the sales of this company are vat exempted, we are highlighting the issue to the readers of the report as the vat return was not filled in accordance with vat and supplementary duty act 2012.
- As disclosed in note no 08 Cash and Cash Equivalent: The company maintains a foreign currency account but no exchange gain or loss has reported during the period.
- As disclosed in note no 13 Accounts Payable: During the period the company has reported as accounts payable amount in BDT 55,96,541/-, we have sent balance confirmation letter to major parties of payable but no such confirmation received from client side.

Information Other than the Financial Statement and Auditors Report Thereon

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

Revised



In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with International Financial Reporting Standards (IFRSs) and the company Act 1994 and other applicable laws and regulations 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.

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 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, 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.
- 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

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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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We also provide those charged with governance 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 communicates with those charged with governess, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor 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


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

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) 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;
- (iii) the statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns;

Place: Dhaka

Dated: January 15, 2025

DVC: 2501151975AS439995


Md. Rubel Hosain ACA
Enrolment No. 1975
M R HOSAIN & CO.
Chartered Accountants



SKYWAYS SLS FRUGAL (BD) PVT LTD.

Statement of Financial Position

As at 30 June 2024

Particulars	Notes	Amount In BDT	
		June 30, 2024	June 30, 2023
ASSETS :			
Non Current Assets		332,111	382,497
Property Plant & Equipment	3.00	81,261	95,804
Preliminary Expenses	4.00	-	7,971
Un-allocated Revenue Expenses	5.00	250,850	278,722
Current Assets		19,916,336	97,759,314
Accounts Receivable	6.00	875,900	675,046
Advances, Deposits & Prepayments	7.00	235,000	235,000
Cash & cash equivalents	8.00	18,805,436	96,849,268
TOTAL ASSETS		20,248,447	98,141,812
SHAREHOLDERS EQUITY & LIABILITIES:			
Shareholders' Equity		13,600,730	10,842,604
Paid up Capital	9.00	5,000,000	5,000,000
Retained Earnings	10.00	8,600,730	5,842,604
Current Liabilities		6,647,717	87,299,208
Provision, Accrued & Other Expenses	11.00	659,187	441,277
Provision for Income Tax	12.00	391,990	239,782
Accounts Payable	13.00	5,596,541	86,618,149
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		20,248,447	98,141,812

The accompanying notes are an integral part of this financial statement and are to be read in conjunction therewith.


Managing Director

As per our annexed report of same date.


Director

Place: Dhaka.
Dated: 15 January, 2025
DVC: 2501151975AS439995


Md. Rubel Hosain, ACA
Proprietor & CEO
Enrollment No- 1975
MR HOSAIN & CO.
Chartered Accountants





SKYWAYS SLS FRUGAL (BD) PVT LTD.
Statement of Profit or Loss & Other Comprehensive Income
For the year ended on 30 June 2024

Particulars	Notes	Amount In BDT	
		June 30, 2024	June 30, 2023
A. Net freight commission	14.00	10,784,002	10,357,266
B. Operating Expenses		8,532,977	8,321,033
Administrative Expenses	15.00	8,450,958	8,217,024
Financial Expenses	16.00	82,019	104,009
Profit from operation (A-B)		2,251,025	2,036,233
Financial assets	17.00	1,938,279	1,410,183
Profit Before Tax (A+B-C)		4,189,305	3,446,416
Tax adjusted A.Y: 2022-2023		152,208	-
Income Tax Expense		1,278,971	947,764
Net Profit for the year		2,758,125	2,498,652


The accompanying notes are an integral part of this financial statement and are to be read in conjunction therewith.


Managing Director


Director

As per our annexed report of same date.

Place: Dhaka.
Dated: 15 January, 2025
DVC: 2501151975AS439995


Md. Rubel Hosain, ACA
Proprietor & CEO
Enrollment No- 1975
M R HOSAIN & CO.
Chartered Accountants





SKYWAYS SLS FRUGAL (BD) PVT LTD.
Statement of Changes in Equity
For the year ended on 30 June 2024

Particulars	Share Capital	Retained Earnings	Amount In BDT
			Total
Balance as on 01 July, 2023	5,000,000	5,842,604	10,842,604
Profit / Loss During the Year	-	2,758,125	2,758,125
Balance as at 30th June, 2024	5,000,000	8,600,730	13,600,730

For the year ended on 30 June 2023

Particulars	Share Capital	Retained Earnings	Amount In BDT
			Total
Balance as on 01 July, 2022	5,000,000	3,357,895	8,357,895
Payment of Tax - for 2019-20	-	(13,943)	(13,943)
Profit / Loss During the Year	-	2,498,652	2,498,652
Balance as at 30th June, 2023	5,000,000	5,842,604	10,842,604


Managing Director


Director



SKYWAYS SLS FRUGAL (BD) PVT LTD.

Statement of Cash Flows

For the year ended 30th June 2024

Particulars	Amount In BDT	
	June 30, 2024	June 30, 2023
1. Cash flows from operating activities		
A. Net profit before tax	4,189,305	3,446,416
B. Add: Items not involved in movement of cash:	50,385	49,391
Depreciation on property, plant and equipment	14,542	17,536
Preliminary Expenses Written off	27,872	30,969
Amortization of intangible assets	7,971	886
C. Changes in working capital		
(Increase)/Decrease in Accounts receivable	(200,854)	16,642
(Increase)/Decrease in Advances, deposits & pre-payments	0	(10,000)
Increase/(Decrease) in Provision, Accrued & for Expense	217,911	18,787
Increase/(Decrease) in Account payable	(81,021,608)	26,753,650
	(81,004,551)	26,779,079
D. Net Cash after Adjustment (B+C)	(76,764,862)	30,274,886
Less: Tax Paid During the year	(1,278,971)	(1,086,362)
Net cash generated from operating activities (A+D)	(78,043,833)	29,188,524
2. Cash flows from investing activities		
Purchases/Sales of Fixed Assets	-	(42,050)
Other Investment (Deffered Revenue Expenses)	-	-
Other Investment	-	-
Net cash used in investing activities	-	(42,050)
3. Cash flows from financing activities		
Issuance of paid up capital	-	-
Profit Share payable	-	-
Share money deposit	-	-
Net cash from financing activities	-	-
Net cash flows (1+2+3)	(78,043,833)	29,146,474
Cash and cash equivalents at the beginning of the year	96,849,269	67,702,795
Cash and cash equivalents at the end of the year	18,805,436	96,849,269


Managing Director


Director





SKYWAYS SLS FRUGAL (BD) PVT LTD.

Notes to the Financial Statements

For the year ended on 30 June 2024

1.00 Legal Status and Nature of the Company

1.01 Legal Status of the Company

Skyways SLS Frugal (BD) Pvt. Ltd. is a private limited company incorporated under Bangladesh Companies Act 1994 on 1st day of March Two Hundred and Seventeen bearing registration no. C-136323/17. The registered office of the company is situated at Dhaka, Bangladesh.

1.02 Principal Activities and Nature of Operation

The main activities of the company is Freight Forwarding.

2.00 Summary of significant accounting policies

2.01 Basis and convention of accounting

The financial statements of the company have been prepared in compliance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) under historical cost convention and accrual basis of accounting.

The applicable IASs and IFRSs are as follows:

IAS-1 Presentation of Financial Statements

IAS-7 Statement of Cash Flows

IAS-8 Accounting Policies, Changes in Accounting Estimates and Errors

IAS-10 Events after the Reporting Period

IAS-12 Income Taxes

IAS-16 Property, Plant and Equipment

IAS-18 Revenue

IAS-19 Employee Benefits

IAS-24 Related Party Disclosures

IAS-36 Impairment of Assets

IAS-37 Provisions, Contingent Liabilities and Contingent Assets

2.02 Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.03 Property, Plant and Equipment:

Property, plant and equipment have been stated at cost as reduced by accumulated depreciation. Assets costing less than BDT 10,000 are recognized as expenditure irrespective of their useful lives.





2.04 Depreciation

Depreciation is provided on all fixed assets, at various rates on a reducing balance method over their estimated useful lives. Depreciation on additions to fixed assets are charged for the full year in the year of acquisition while no depreciation is charged in the year of retirement/disposal. The rates of depreciation and useful lives are stated below:

Name of Fixed Assets

Furniture & Fixture

Computer & Laptop

Office Equipment

2.05 Inventories

Inventories are valued at lower of cost and net realizable value. Inventories comprise of yarn and accessories and other raw materials. Cost is determined on First In First Out (FIFO) basis in the case of yarn and accessories and other raw materials. Cost of finished goods includes total cost of materials, all direct expenditures and an attributable proportion of overheads.

2.06 Revenue recognition

Revenue from sales of good is recognized while invoices are raised upon delivery of goods and when all the significant risks and rewards of the ownership transferred to the customer.

2.07 Taxation

Provision for current income tax has been made in the financial statements in accordance with latest Finance Act 2023

2.08 Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the date of statement of financial position are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed when material as per IAS-10 "Events after the reporting Period".

2.09 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

2.10 Foreign currency transactions

a) Foreign currency transactions have been converted into Bangladesh Taka at the ruling rate on the date of transaction.

b) The imported plant & equipment has been converted at historical rates.

2.11 General

a) Figures appearing in the financial statements have been rounded off to the nearest Taka.

b) Previous year's figures have been rearranged, whenever considered necessary to conform to the current year's presentation.



Notes No.	Particulars	Amount In BDT	
		June 30, 2024	June 30, 2023
3.00	Property, Plant & Equipment (Annexure-A)		
	Opening Balance (At Cost)	157,050	115,000
	Add: Addition During the year	-	42,050
	Less: Disposal During the year	-	-
		157,050	157,050
	Less: Accumulated Depreciation	(75,789)	(61,246)
		81,261	95,804
	For details see Annexure-A		
4.00	Preliminary Expenses		
	Opening Balance (At Cost)	7,971	8,857
	Less : Written off @ 10%	7,971	886
		-	7,971
5.00	Un-allocated Revenue Expenses		
	Opening Balance (At Cost)	278,722	309,691
	Less : Written off @ 10%	27,872	30,969
		250,850	278,722
6.00	Accounts Receivable		
		875,900	675,046
		875,900	675,046
7.00	Advances, Deposits & Prepayments		
	Advance to Staff	235,000	235,000
	Advances Income Tax (AIT) [Ref. from 06.01]	-	-
		235,000	235,000
7.01	Advances Income Tax (AIT)		
	Opening	-	-
	Tax paid by Airline	900,607	239,180
	Tax deducted at Source on FDR Interest	378,364	423,055
		1,278,971	662,235
	Adj. with Income Tax provision [Ref. to 10.00]	(1,278,971)	(662,235)
		-	-
8.00	Cash & cash equivalents		
	Cash in Hand	13,942	15,620
	Cash in Bank	18,791,494	96,833,648
		18,805,436	96,849,268
8.01	Current Account		
	SBAC Bank Ltd. (A/C no. 0010111003055) - BDT	14,770,854	13,756,462
	SBAC Bank Ltd. (A/C no. 0010140000093) - USD	3,035,919	50,434,203
	Dhaka Bank Ltd. (A/C no. 0206-100 26789) - BDT	984,720	1,670,855
	Term-Deposit A/c		
	SBAC Bank Ltd. (A/C no. 0010242027569)	-	30,972,128





Notes No.	Particulars	Amount In BDT	
		June 30, 2024	June 30, 2023

9.00 Authorized Capital

3,000,000 Ordinary Shares of Tk.10/- each

30,000,000	30,000,000
30,000,000	30,000,000

9.01 Paid up Capital

500,000 Shares of Tk.10/- each

5,000,000	5,000,000
5,000,000	5,000,000

Name of Shareholders	Value of Per Shares	Number of Share		2023-2024	2022-2023
		2023-2024	2022-2023		
Md. Abrarul	10	225,000	225,000	2,250,000	2,250,000
Mrs. Biva Sultana	10	75,000	75,000	750,000	750,000
Skyways Air Services Private Limited	10	200,000	200,000	2,000,000	2,000,000
Total		500,000	500,000	5,000,000	5,000,000

10.00 Retained Earnings

Opening Balance

Add: Profit/ Loss during the year

Payment of Assessed Tax - for 2019-20

5,842,604	3,357,895
2,758,125	2,498,652
-	(13,943)
8,600,730	5,842,604

11.00 Provision, Accrued & Other Expenses

Audit fees

Business Promotion

Communication Expenses

Courier & Postage

Internet Bill

Office Rent

Office Stationery

Other Expenses

Salary & Allowance

VAT on office Rent

45,000	42,000
25,000	30,000
14,000	13,200
7,139	7,139
7,200	4,800
46,200	15,120
4,500	4,530
28,128	25,380
475,090	299,108
6,930	
659,187	441,277

12.00 Provision for Income Tax

Opening Balance

Add: This Year

Additional Assessed Tax - 2022-23

Less:

Adjusted Advances Income Tax (AIT)

Payment of Income Tax - for Previous FY

239,782	234,843
1,278,971	947,764
152,208	-
1,670,961	1,182,607
(1,278,971)	(662,235)
-	(280,590)
391,990	239,782



Notes No.	Particulars	Amount In BDT	
		June 30, 2024	June 30, 2023
13.00 Accounts Payable			
	Accounts Payable	5,596,541	86,618,149
		<u>5,596,541</u>	<u>86,618,149</u>
14.00 Net freight commission		<u>10,784,002</u>	<u>10,357,266</u>
	The company derived commission service fees as agent freight forwarder and carries by air & sea operation handling. Revenue is recognized as the net commission income. I.e Commission accrued after deducting the freight charges to air & sea charter.		
14.01 Gross freight charges			
	Ocean & air freight	489,691,008	258,616,689
		<u>489,691,008</u>	<u>258,616,689</u>
	The company derived commission, service fees as agent freight forwarder and carries by air operation and sea operation handling. The proceeds are deposited in to the Company's bank account through account transfer or instrument issued by the customers.		
14.02 Freight paid to air and sea charterer			
	Ocean & air freight charges	478,907,005	248,259,423
		<u>478,907,005</u>	<u>248,259,423</u>
15.00 Administrative Expenses			
	Audit fees	45,000	42,000
	Books & Periodicals	1,790	1,560
	Business Promotion	142,600	140,500
	Communication Expenses	128,900	124,000
	Computer Accessories	7,890	7,680
	Conveyance	78,620	57,687
	Courier & Postage	161,669	155,501
	Crockeries Item	8,450	6,620
	Depreciation Expenses	14,542	17,536
	Entertainment	89,328	72,624
	Gift Items	24,219	19,375
	Gas, Fuel, Toll & Parking	25,890	24,340
	Internet Bill	173,380	96,000
	Janitorial & Cleaning	26,300	26,300
	License, registration & renewal fees	9,547	9,547
	Membership & renewal fees	494,075	163,500
	Office Rent	554,400	554,400
	VAT on Office Rent	83,160	78,120
	Office Stationery	82,906	76,833
	Office supplies	279,225	206,834
	Preliminary Expenses Written off	7,971	886
	Un-allocated Revenue Expenses Written off @ 10%	27,872	30,969
	Repair & Maintenance	145,686	130,077
	Salary & Allowance	5,733,396	6,090,100



Notes No.	Particulars	Amount In BDT	
		June 30, 2024	June 30, 2023
	Stamp & Others	7,510	3,650
	Software & Maintenance	15,000	15,000
	Tours & Travels	30,251	23,270
	Utilities Bill	51,381	42,116
		<u>8,450,958</u>	<u>8,217,024</u>
16.00	Financial Expenses		
	Bank Charges	82,019	104,009
		<u>82,019</u>	<u>104,009</u>
17.00	Financial assets		
	Interest of FDR	1,938,279	1,410,183
		<u>1,938,279</u>	<u>1,410,183</u>



SKYWAYS SLS FRUGAL (BD) PVT LTD.

Schedule of Fixed Assets

As at 30 June 2024

Particulars	C O S T				Rate %	D E P R E C I A T I O N			Annexure-A Written down value as at 30th June, 2024
	Balance as on 12th July, 2023	Additions during the year	Disposal during the year	Balance as at 30th June, 2024		Balance as on 12th July, 2023	Charged during the year	Balance as at 30th June, 2024	
Furniture & Fixture	56,000	-	-	56,000	10%	22,933	3,307	26,240	29,760
Computer & Laptop	81,050	-	-	81,050	20%	31,436	9,923	41,359	39,691
Office Equipment	20,000	-	-	20,000	10%	6,878	1,312	8,190	11,810
Balance as at 30th June, 2024	157,050	-	-	157,050		61,247	14,542	75,789	81,261
Balance as at 30th June, 2023	115,000	42,050	-	157,050		43,710	17,536	61,246	95,804

