

**PRIVATE & CONFIDENTIAL**

**AUDIT REPORT  
&  
FINANCIAL STATEMENTS  
OF  
UNITED JUTE MILLS LIMITED  
FOR THE YEAR ENDED ON 30<sup>TH</sup> JUNE, 2025**



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

To The Shareholders

**UNITED JUTE MILLS LIMITED**

Jagoriyakandi, Narsingdi.

FOR THE FINANCIAL YEAR ENDED 30<sup>TH</sup> JUNE 2025

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Qualified Opinion

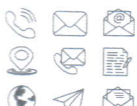
We have audited the financial statements of **United Jute Mills Limited**, which comprise of the Statement of Financial Position as at 30<sup>th</sup> June 2025, Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the 'Basis for Qualified Opinion' section of our report, 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 2025 and of its Financial Performance and Cash Flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

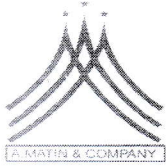
### Basis for Qualified Opinion

With modification to this report, we would like to state that

1. During the course of our audit, we observed that although the entity applies the revaluation model for its property, plant and equipment, no revaluation has been carried out since 2016-2017, which is not in compliance with paragraph 34 of IAS 16. Furthermore, despite the existence of indicators of impairment, the entity has not performed an impairment assessment in accordance with paragraph 9 of IAS 36.
2. During the year the entity has disposed Plant, Machinery & Equipment with Cost balance of Tk. 105,653,798/- and Revaluation balance of Tk. 341,530,228/- which has a Accumulated Depreciation on Cost balance of Tk. 35,869,624/- and on Revaluation balance of Tk. 154,647,500/-. We are not provided by any documents or explanation in order to verify how the Cost & Revaluation balances including the Accumulated Depreciation of the disposed assets as of the date of disposal has been determined. Additionally, we noted that only depreciation on cost has been charged in the profit or loss and depreciation on revaluation is deducted from the Reserves (Note-13) which is not in compliance with IAS-16 where it states that depreciation on cost & revaluation both should be charged to profit or loss.
3. The entity has failed to provide us any books of accounts or other alternative documents to substantiate Due from BJMC Mills of Tk. 77,528,829/- (Note-5.00), Advance, Deposit & Pre-payments of Tk. 4,927,543/- (Note-6.00), Long-Term Liabilities of Tk. 11,454,904,015/- (Note-15.00), Interest (Long-Term Loan) of Tk. 4,869,364/- (Note-39.00). As a result, we are unable to verify these reported balances.



60/2, Halim Palace (1<sup>st</sup> Floor), Naya paltan, Dhaka-1000  
88 02 226665608, Mobile -01713453596, 01728039565  
akmatinmatin@yahoo.com, akmatinmatinbd29@gmail.com



4. The entity has made prior year adjustments amounting to Tk. 9,181,247/- (Note 23.00) in respect of the BJMC Current Account disclosed in Note 8.00. However, the recognition and presentation of this adjustment have not been made in accordance with the requirements of IAS 8.
5. The entity failed to provide supporting documentation to the closing balance of Gratuity Liabilities (Provision) amounting to Tk. 464,516,526/- (Note 16.00), In the absence of reconciliation and supporting evidence, we were unable to determine the accuracy of the reported balance.
6. The entity neither did recognize any income tax provision to the extent of unpaid tax, nor any advance income tax paid as an asset which constitutes a non-compliance of IAS 12.
7. The financial statements include various financial assets, such as Investment amounting to Tk. 8,840,389/- (Note-02.00), Debtors (Less: Provisions) amounting to Tk. 29,967,678/- (Note-04.00), Interim Revenue support receivable amounting to Tk. 12,506,801/- (Note-07.00), which primarily represent contractual rights to receive cash from various parties. Despite clear indications of significant increase in credit risk associated with these assets, the entity did not measure & recognize a loss allowance based on lifetime expected credit losses, as required by IFRS-9.
8. The entity has not regularly filed statutory returns with the Registrar of Joint Stock Companies and Firms (RJSC) as per the requirements of the companies act 1944. Additionally, the entity could not provide us Schedule X (Annual Summary of Share Capital & List of Shareholders) and Form XII (Particulars of Directors, Manager, and Managing Agents).
9. The entity has remained non-operational for several years and has recently disposed of certain non-current assets, including plant & machinery (Note 1.00). These factors may give rise material uncertainty related its going concern and those uncertainties have not been adequately disclosed in the financial statements.

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 Ethics Standards Board for Accountants (IESBA) 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 a basis for our qualified opinion.

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

Management is responsible for the preparation of Financial Statements 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 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 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 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 audit conducted in accordance with ISA 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 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 Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's Internal Control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 except for the effects of the matter described in the Basis for Qualified Opinion:

- 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, FCA

Enrolment No. 1968

A. Matin & Co.

Chartered Accountants

DVC: 260 3091968 AS 211802

Place: Dhaka, Bangladesh

Dated: 08 MAR 2026





United Jute Mills Limited  
Statement of Financial Position.  
As on 30th June, 2025

Particulars	Note	Amount in Taka	
		30.06.2025	30.06.2024
<b>Fixed Asset</b>			
<b>A. Non Current Assets</b>			
At Cost/Revaluation less accumulated depreciation	1.00	4,128,112,219	4,399,855,724
Asset in Pakistan	1.02	9,495,514	9,495,514
Investment	2.00	8,840,389	8,840,389
<b>Total Non-Current Assets</b>		<b>4,146,448,122</b>	<b>4,418,191,627</b>
<b>B. Current Assets</b>			
Stock, Stores & Spares	3.00	-	-
Debtors (Less: Provisions)	4.00	29,967,678	29,967,678
Due from BJMC Mills	5.00	77,528,829	59,427,192
Advance, Deposit & Pre-payments	6.00	4,927,542	6,321,844
Interim Revenue support receivable	7.00	12,506,801	12,506,801
BJMC Current Account	8.00	181,270,655	146,536,836
Current A/C with Meghna Jute Mills	9.00	2,761,462,606	2,744,778,538
Current A/C with Chandpur Jute Mills	10.00	2,758,682,396	2,742,573,035
Cash & Bank Balance	11.00	97,986,691	123,719,273
<b>Total Current Assets</b>		<b>5,924,333,198</b>	<b>5,865,831,197</b>
<b>Total Assets (A+B)</b>		<b>10,070,781,320</b>	<b>10,284,022,823</b>
<b>Capital &amp; Liabilities</b>			
<b>C. Authorised Capital</b>		<b>50,000,000</b>	<b>50,000,000</b>
<b>D. Shareholders Equity &amp; Retained Earnings</b>			
Issued, Subscribed & Paid-up Capital	12.00	15,000,000	15,000,000
Govt. Equity Contribution	13.00	48,010,997	48,010,997
Profit & Loss Account (Retained Earning)	14.00	(6,225,499,597)	(6,208,064,294)
Reserves	15.00	4,092,914,797	4,292,005,967
<b>Total Equity &amp; Retained Earning</b>		<b>(2,069,573,803)</b>	<b>(1,853,047,330)</b>
<b>E. Non Current Liabilities</b>			
Long-Term Liabilities	17.00	11,454,904,015	11,454,904,015
Gratuity Liabilities (Provision)	18.00	464,516,526	466,184,310
<b>Total Non Current Liabilities</b>		<b>11,919,420,541</b>	<b>11,921,088,325</b>
<b>F. Current Liabilities :</b>			
BJMC Current Account	16.00	-	-
Bank Over Draft	19.00	-	-
Liabilities for Goods	20.00	9,301,277	9,380,540
Liabilities for Expenses	21.00	25,609,074	20,079,878
Liabilities for Other Finance	22.00	77,203,043	68,173,846
Due to BJMC/ De-Nationalised Jute Mills	23.00	23,289,160	34,713,756
Gratuity Payable Account (Current)	24.00	85,532,029	83,633,808
<b>Total Current Liabilities</b>		<b>220,934,582</b>	<b>215,981,828</b>
<b>Total Capital &amp; Liabilities (D+E+F)</b>		<b>10,070,781,320</b>	<b>10,284,022,823</b>

Manager (Accounts & Finance)

General Manager (Project Head)

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

Place: Dhaka, Bangladesh.

Date: 08 MAR 2025

Monika Nashat Matin, FCA

Enrollment No. 1968

A. Matin & Co.

Chartered Accountants



DVC: 260 3091968 AS 211802



**United Jute Mills Limited**  
Statement of Profit or Loss & Other Comprehensive Income  
For the Year ended 30th June, 2025

Particulars	Notes	Amount in Taka			2023-24
		2024-25			
		Hessian	Sacking	Total	
<b>Income</b>					
1 Foreign Sales	26.00	-	-	-	-
2 Local Sales	27.00	-	-	-	-
3 <b>Total Sales (1+2)</b>		-	-	-	-
4 Subsidy	26.01	-	-	-	-
5 <b>Total Income (3+4)</b>		-	-	-	-
<b>Material cost</b>					
6 <b>Opening Work-in-Process</b>		-	-	-	-
7 Raw Jute consumption	28.00	-	-	-	-
8 Charges on Raw Jute	29.00	-	-	-	-
9 Other Direct Materials Consumed	30.00	-	-	-	-
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 <b>Opening Work-in-Process</b>		-	-	-	-
14 Wages	31.00	-	-	-	-
15 Salaries	32.00			49,941,011	46,214,970
16 Power/Electricity	33.00			777,163	803,050
17 Fuel	34.00			-	-
18 Repairs & Maintenance	35.00			1,825,289	198,025
19 Depreciation	36.00			2,868,161	10,104,992
20 Insurance	37.00			9,204	8,643
21 Other Factory Overhead	38.00			-	543,623
22 <b>Sub-Total (13 to 21)</b>				55,420,828	57,873,302
23 Closing Work-in-Process				-	-
24 <b>Total Conversion cost (22-23)</b>				55,420,828	57,873,302
25 <b>Cost of production (12+24)</b>				55,420,828	57,873,302
26 Opening Stock of Finished goods				-	-
27 <b>Cost of goods available for sale (25+26)</b>				55,420,828	57,873,302
28 Closing Stock of Finished goods				-	-
29 <b>Total cost of sales (27-28)</b>				55,420,828	57,873,302
30 Administrative Expenses	39.00			9,194,664	7,243,544
31 Selling Expenses	40.00			-	198,117
32 <b>Total operating expenses (29 to 31)</b>				64,615,492	65,314,963
33 <b>Operating Profit/(Loss) (5 - 32)</b>				(64,615,492)	(65,314,963)
<b>Financial expenses</b>					
34 Interest (Cash Credit)				-	-
35 Interest (Long-Term Loan)	41.00			4,869,364	3,767,930
36 <b>Total Interest (34+35)</b>				4,869,364	3,767,930
37 <b>Total Profit/(Loss) (33-36)</b>				(69,484,856)	(69,082,893)
38 Loss On Sale Of Plant & Machinery	42.00			(134,596,447)	65,400,945
39 <b>Net Profit/(Loss) (37-38) Before Tax</b>				(204,081,303)	(3,681,948)
40 Tax Paid At Source (TDS)	43.00			9,417,975	6,540,095
41 <b>Net Profit/(Loss) After Tax (39-40)</b>				(213,499,279)	(10,222,043)

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

General Manager (Project Head)

Place: Dhaka, Bangladesh.

Date: 08 MAR 2026



Morika Nashat Matin, FCA  
Enrollment No. 1968  
A. Matin & Co.  
Chartered Accountants

DVC: 260 3091968 AS 211802



**United Jute Mills Ltd.**  
Statement of Change in Equity  
For year ended 30th June, 2025

Particulars	Share Capital	Equity Contribution	Reserves	P&L A/C	Total
Balance as on 01.07.2024	15,000,000	48,010,997	4,292,005,967	(6,208,064,294)	(1,853,047,330)
Depreciaion on Re-Valuation Assets	-	-	142,439,058	-	142,439,058
Disposal of Fixed Asset			(186,882,728)		(186,882,728)
Prior Year Adjustment	-	-	-	9,181,247	9,181,247
Net Profit/(Loss) During the Year	-	-	-	(213,499,279)	(213,499,279)
Adjustment on Machine Sell				186,882,728	186,882,728
Closing Balance as on 30.06.25	15,000,000	48,010,997	4,247,562,297	(6,225,499,597)	(1,914,926,303)

Manager (Accounts & Finance)

General Manager (Project Head)





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**United Jute Mills Limited**

Statement of Cash Flows  
For the Year Ended June 30, 2025

Particulars	Amount in Taka	
	2024-2025	2023-2024
<b>A. Cash Flows from Operating Activities</b>		
Net Profit Before Tax	(204,081,303)	(3,681,948)
Add: Finance Cost	4,869,364	3,767,930
Add: Depreciation on Fixed Assets (Cost)	2,868,161	10,104,992
Prior Year Adjustment	9,181,247	(9,162,054)
Add: Loss on Sale of Stock Store & Spares	-	(26,872,535)
Less: Profit on Sale of Building	186,882,728	4,875,423
Loss on sale of Stock & Spares		
(Increase)/Decrease in Stock, Stores & Spares	-	44,071,500
(Increase)/Decrease in Debtors (Less: Provisions)	-	8,845,500
(Increase)/Decrease in Due from BJMC Mills	(18,101,637)	-
(Increase)/Decrease in Advance, Deposit & Pre-payments	1,394,302	(130,820)
(Increase)/Decrease in Interim Revenue support receivable	-	-
(Increase)/Decrease in BJMC Current Account	(34,733,819)	6,273,521
(Increase)/Decrease in Current A/C with Meghna Jute Mills	(16,684,068)	(9,229,619)
(Increase)/Decrease in Current A/C with Chandpur Jute Mills	(16,109,361)	(9,189,077)
Increase/(Decrease) in Liabilities for Goods	(79,263)	-
Increase/(Decrease) in Liabilities for Expenses	5,529,196	(27,848,675)
Increase/(Decrease) in Liabilities for Other Finance	9,029,197	1,049,771
Increase/(Decrease) in Due to BJMC/ De-Nationalised Jute Mills	(11,424,596)	-
Increase/(Decrease) in Gratuity Payable Account (Current)	1,898,221	(2,829,037)
<b>Cash Generated from Operations</b>	<b>(79,561,632)</b>	<b>(9,955,128)</b>
Tax Paid	(9,417,975)	(6,540,095)
Less: Bank Commission & Charges Paid	(4,869,364)	(3,767,930)
<b>Net Cash Generated from Operating Activities</b>	<b>(93,848,972)</b>	<b>(20,263,153)</b>
<b>B. Cash flows from Investing Activities</b>		
<b>Sale of Non current asset</b>		
Disposal of Building	-	2,833,811
Disposal of Plant & Machinery	69,784,174	21,807,554
Cash Payment to acquire Fixed Assets		
<b>Net cash used in investing activities</b>	<b>69,784,174</b>	<b>24,641,365</b>
<b>C. Cash flows from Financing Activities</b>		
Cash Receipt from Long-Term Liabilities	-	(2,599,444)
Cash Paid for Gratuity Liabilities (Provision)	(1,667,784)	2,682,373
<b>Net cash Flow from Financing Activities</b>	<b>(1,667,784)</b>	<b>82,929</b>
<b>D. Net Cash Inflows/(outflows) {A+B+C}</b>	<b>(25,732,582)</b>	<b>4,461,141</b>
<b>E. Cash and Cash Equivalent at The Beginning of The Year</b>	<b>123,719,273</b>	<b>119,258,131</b>
<b>F. Cash and Cash Equivalent at The End of The Year</b>	<b>97,986,691</b>	<b>123,719,273</b>

