

**ACCOUNTS FOR
THE 3RD QUARTER ENDED
MARCH 31, 2015
(UNAUDITED)**



Pak Leather Crafts Limited



Pak Leather Crafts Limited

CORPORATE PROFILE

CHAIRMAN / DIRECTOR

Dr. Muhammad Shoaib Ahmed

CHIEF EXECUTIVE / DIRECTOR

Muhammad Saleem Ahmed

BOARD OF DIRECTORS

Nayyer Ahmed Jalali

Azeem Ahmed

Bilal Ahmed

Umer Ahmed

Syed Fawad Hussain Rizvi

AUDIT COMMITTEE

Dr. Muhammad Shoaib Ahmed

Azeem Ahmed

Syed Fawad Hussain Rizvi

CHIEF FINANCIAL OFFICER &**COMPANY SECRETARY**

Syed Asif Mahmood Rizvi

BOOK POST**PRINTED MATTER****BANKERS**

Al baraka Bank Pakistan Ltd

Habib Bank Limited

Industrial Development Bank Ltd

NIB Bank Limited

United Bank Limited

Habib Metropolitan Bank Ltd

Soneri Bank Ltd

Faysal Bank Limited

EXTERNAL AUDITORS

IEC net S.K.S.S.S.

Chartered Accountants

LEGAL ADVISOR

Shakeel Z. Lari Advocate

REGISTERED OFFICE &**SHARES DEPARTMENT**

Pak Leather Crafts Limited

Plot 18, Sector 7 - A,

Korangi Industrial Area,

Karachi.



If undelivered please return to:

PAK LEATHER CRAFTS LIMITED

Plot 18, Sector 7 - A, Korangi Industrial Area,
Karachi. (Pakistan)

Ph: (92-21) 35064100 - 02, Fax: 35060109

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Pak Leather Crafts Limited

DIRECTORS' REVIEW

The Directors' of your company are pleased to present hereunder to you the un-audited accounts of the company for the 3rd quarter ended March 31, 2015

The financial results for the nine months ended March 31, 2015 are as below.

	March 31 2015	March 31 2014
(Rs. In '000').....	
Loss before taxation	(7,329)	(13,148)
Taxation	(62)	33
Loss after tax	(7,391)	(13,115)
Accumulated loss B/F	(367,679)	(346,705)
Accumulated loss C/F	<u>(375,070)</u>	<u>(359,820)</u>
Loss per share after tax (Rupees)	(2.17)	(3.86)

Due to continued recessionary conditions in the international leather market, the bad economic & security conditions of the country, the net sales of the company for the nine month period ended March 31.2015 restricted to Rs.8.649 (M). During the quarter period ended March 31.2015.the Company sustained a nominal loss of Rs. 3.769(M) only as compared to the loss of previous quarter ended March 31, 2014 of Rs. 1.580(M).

It is expected that, due to efforts of the management during the quarter ended June 30, 2015 the Company would be able to improve its sales and profit reasonably.

On behalf of the Board

MUHAMMAD SALEEM AHMED
Chief Executive

Karachi: April 28, 2015



Pak Leather Crafts Limited

CONDENSED INTERIM BALANCE SHEET (UNAUDITED) AS AT MARCH 31, 2015

	<u>Unaudited</u> March 31, 2015	<u>Audited</u> June 30, 2014
.....(Rs. In '000').....		
ASSETS		
Non-current assets		
Property, plant and equipment	23,430	19,322
Long term deposits	1,410	1,410
	<u>24,840</u>	<u>20,732</u>
Current assets		
Stores, spares and loose tools	292	292
Stock - in - trade	53,092	53,268
Trade debts	88,180	85,128
Advances and othr receivables	57	44
Tax refunds due from government	590	468
Cash and bank balances	473	323
	<u>142,684</u>	<u>139,523</u>
TOTAL ASSETS	<u>167,524</u>	<u>160,255</u>
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorised capital		
5,000,000(June 30, 2014: 5,000,000) ordinary shares of Rs. 10 each.	<u>50,000</u>	<u>50,000</u>
Issued, subscribed and paid up capital	34,000	34,000
Accumulated loss	<u>(375,070)</u>	<u>(367,679)</u>
	<u>(341,070)</u>	<u>(333,679)</u>
Non-current liabilities		
Deferred liabilities	1,655	1,655
Current liabilities		
Short term borrowings	207,529	207,529
Short term loans	73,792	61,227
Current portion of long term finance	46,904	46,904
Trade and other payables	54,685	52,590
Accrued Markup	124,029	124,029
	<u>506,939</u>	<u>492,279</u>
Contingencies and Commitments	-	-
TOTAL EQUITY AND LIABILITIES	<u>167,524</u>	<u>160,255</u>

The annexed notes form an integral part of these condensed interim financial statements.

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director



Pak Leather Crafts Limited

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2015

Note	For the Quarter ended		For the Nine Months ended	
	March.31 2015	March.31 2014	March.31 2015	March.31 2014
------(Rs. In '000')-----				
Turnover	2,058	1,750	8,649	4,449
Cost of sales	4,973	2,307	13,229	7,694
Gross (loss)	(2,915)	(557)	(4,580)	(3,245)
Selling and distribution expenses	21	8	77	1,976
Administrative expenses	995	1,078	3,005	4,261
	1,016	1,086	3,082	6,237
Operating (loss)	(3,931)	(1,643)	(7,662)	(9,482)
Other operating income	170	90	350	240
	(3,761)	(1,553)	(7,312)	(9,242)
Finance cost	8	9	17	3,906
Loss before taxation	(3,769)	(1,562)	(7,329)	(13,148)
Taxation	-	18	62	(33)
Loss after taxation	(3,769)	(1,580)	(7,391)	(13,115)
Loss per share - Basic and Diluted (Rupees)	(1.11)	(0.46)	(2.17)	(3.86)

CONDENSED INTERIM COMPREHENSIVE INCOME (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2015

Note	For the Quarter ended		For the Nine Months ended	
	March.31 2015	March.31 2014	March.31 2015	March.31 2014
------(Rs. In '000')-----				
Loss after taxation	(3,769)	(1,580)	(7,391)	(13,115)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	(3,769)	(1,580)	(7,391)	(13,115)

The annexed notes form an integral part of these condensed interim financial statements.

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director



Pak Leather Crafts Limited

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2015

	31, Mar. 2015	31, Mar. 2014
.....(Rs. In '000').....		
CASH GENERATED FROM OPERATIONS		
Loss before taxation	(7,329)	(13,148)
Adjustment for non-cash charges and other items:		
Depreciation	1,392	1,091
Financial charges	17	3,906
	1,409	4,997
Operating (Loss) Before Working Capital Changes	(5,920)	(8,151)
Changes in Working Capital		
(Increase)/decrease in current assets		
Store, spares and loose tools	-	175
Stock-in-trade	176	414
Trade debts	(3,052)	1,683
Advances and other receivables	(176)	12
	(3,052)	2,284
Increase/(Decrease) in current liabilities		
Trade and other payables	2,095	(179)
Cash generated from operations	(6,877)	(6,046)
Financial charges paid	(17)	(11)
Gratuity paid	-	(7)
Income tax paid	(22)	(50)
	(39)	(68)
Net Cash Flows From Operating Activities	(6,916)	(6,114)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed assets expenditure	(5,500)	-
Net Cash Used In Investing Activities	(5,500)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings	-	-
short term loans	12,566	6,205
Net cash used in financing activities	12,566	6,205
Net increase/(decrease) in cash and cash equivalents	150	91
Cash and cash equivalent at the beginning of the period	323	237
Cash and cash equivalent at the end of the period	473	328

The annexed notes form an integral part of these condensed interim financial statements.

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2015

	Issued subscribed and paid up capital	Accumulated (Loss)	Total
(Rs. In '000').....		
Balance as at July 01, 2013	34,000	(346,705)	(312,705)
Loss for the period	-	(13,115)	(13,115)
Other comprehensive (loss)	-	-	-
Total comprehensive (loss)	-	(13,115)	(13,115)
Balance as at March 31, 2014	34,000	(359,820)	(325,820)
Balance as at July 01, 2014	34,000	(367,679)	(333,679)
Loss for the period	-	(7,391)	(7,391)
Other comprehensive (loss)	-	-	-
Total comprehensive (loss)	-	(7,391)	(7,391)
Balance as at March 31, 2015	34,000	(375,070)	(341,070)

The annexed notes form an integral part of these condensed interim financial statements.

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director



Pak Leather Crafts Limited

**CONDENSED INTERIM
NOTES TO THE FINANCIAL STATEMENTS**

1. Pak Leather Crafts Ltd, is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 and quoted on the Islamabad, Karachi and Lahore Stock Exchanges. The principal activity of the company is Leather tanning, Manufacturing of Leather garments and export of Leather and Leather Garments.
2. These financial statements are unaudited and are being submitted to the shareholders as required under section 245 of the Companies Ordinance 1984.
3. The accounting policies adopted for the preparation of these accounts are the same as those applied in preparing the accounts for the preceding period.
4. Figures have been re-arranged and re-classified, wherever necessary, to facilitate comparison.
5. These financial statements were authorized for issue on April 28, 2015 by the Board of Directors of the Company.

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director