

**ACCOUNTS FOR
THE 3RD QUARTER ENDED
MARCH 31, 2016
(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

Naseer Ahmed

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

Website: www.pakleather.com, e-mail: info@pakleather.com



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, 2016.

The financial results for the nine months ended March 31, 2016 are as below.

	March 31 2016	March 31 2015
(Rs. In '000').....	
Loss before taxation	(6,038)	(7,329)
Taxation	(137)	(62)
Loss after tax	(6,175)	(7,391)
Accumulated loss B/F	(383,213)	(367,679)
Accumulated loss C/F	(389,388)	(375,070)
Loss per share after tax (Rupees)	(1.82)	(2.17)

Leather market has been in recession for the longest period of time as international market is seeking alternatives for animal based products. However, with continued support of its directors, our international relationship with customers has a prosperous future.

As a result, the Company has made export this fiscal year after an entire 2 year of no exports. The management is also continually contacting its clientele for more business and with hard work and perseverance the management is hoping for the best. Some key figures are as below:

Export Sales: 0.48 million
Local Sales : 13.68 million
Total Sales : 14.16 million

On behalf of the Board

MUHAMMAD SALEEM AHMED
Chief Executive

Karachi: April 27, 2016



Pak Leather Crafts Limited

CONDENSED INTERIM BALANCE SHEET (UNAUDITED) AS AT MARCH 31, 2016

	<u>Unaudited</u> March 31, 2016	<u>Audited</u> June 30, 2015
.....(Rs. In '000').....		
ASSETS		
Non-current assets		
Property, plant and equipment	17,960	18,015
Long term deposits	1,410	1,410
	<u>19,370</u>	<u>19,425</u>
Current assets		
Stores, spares and loose tools	317	292
Stock - in - trade	42,917	42,601
Trade debts	86,206	88,493
Advances and othr receivables	89	32
Tax refunds due from government	342	387
Cash and bank balances	329	502
	<u>130,200</u>	<u>132,307</u>
TOTAL ASSETS	<u><u>149,570</u></u>	<u><u>151,732</u></u>
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorised capital		
5,000,000(June 30, 2015: 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>(389,388)</u>	<u>(383,213)</u>
	<u>(355,388)</u>	<u>(349,213)</u>
Non-current liabilities		
Deferred liabilities	1,655	1,655
Current liabilities		
Short term borrowings	207,529	207,529
Short term loans	66,020	66,020
Current portion of long term finance	46,903	46,903
Trade and other payables	58,822	54,809
Accrued Markup	124,029	124,029
	<u>503,303</u>	<u>499,290</u>
Contingencies and Commitments	-	-
TOTAL EQUITY AND LIABILITIES	<u><u>149,570</u></u>	<u><u>151,732</u></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, 2016

Note	For the Quarter ended		For the Nine Months ended	
	March.31 2016	March.31 2015	March.31 2016	March.31 2015
------(Rs. In '000')-----				
Turnover	4,389	2,058	14,158	8,649
Cost of sales	6,338	4,973	17,214	13,229
Gross (loss)	(1,949)	(2,915)	(3,056)	(4,580)
Distribution cost	25	21	28	77
Administrative expenses	940	995	3,140	3,005
	965	1,016	3,168	3,082
Operating (loss)	(2,914)	(3,931)	(6,224)	(7,662)
Other operating income	-	170	240	350
	(2,914)	(3,761)	(5,984)	(7,312)
Finance cost	35	8	54	17
Loss before taxation	(2,949)	(3,769)	(6,038)	(7,329)
Taxation	37	-	137	62
Loss after taxation	(2,986)	(3,769)	(6,175)	(7,391)
Loss per share - Basic and Diluted (Rupees)	(0.88)	(1.11)	(1.82)	(2.17)

CONDENSED INTERIM COMPREHENSIVE INCOME (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2016

Note	For the Quarter ended		For the Nine Months ended	
	March.31 2016	March.31 2015	March.31 2016	March.31 2015
------(Rs. In '000')-----				
Loss after taxation	(2,986)	(3,769)	(6,175)	(7,391)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	(2,986)	(3,769)	(6,175)	(7,391)

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, 2016

	31, Mar. 2016	31, Mar. 2015
(Rs. In '000').....	
CASH GENERATED FROM OPERATIONS		
Loss before taxation	(6,038)	(7,329)
Adjustment for non-cash charges and other items:		
Depreciation	903	1,392
Financial charges	54	17
	957	1,409
Operating (Loss) Before Working Capital Changes	(5,081)	(5,920)
Changes in Working Capital		
(Increase)/decrease in current assets		
Store, spares and loose tools	(25)	-
Stock-in-trade	(316)	176
Trade debts	2,287	(3,052)
Advances and other receivables	(70)	(176)
	1,876	(3,052)
Increase/(Decrease) in current liabilities		
Trade and other payables	4,013	2,095
Cash generated from operations	808	(6,877)
Financial charges paid	(54)	(17)
Income tax paid	(79)	(22)
	(133)	(39)
Net Cash Flows From Operating Activities	675	(6,916)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed assets expenditure	(848)	(5,500)
Net Cash Used In Investing Activities	(848)	(5,500)
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings	-	-
Short term loans	-	12,566
Net cash used in financing activities	-	12,566
Net increase/(decrease) in cash and cash equivalents	(173)	150
Cash and cash equivalent at the beginning of the period	502	323
Cash and cash equivalent at the end of the period	329	473

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, 2016

	Issued subscribed and paid up capital	Accumulated (Loss)	Total
(Rs. In '000').....		
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)
Balance as at July 01, 2015	34,000	(383,213)	(349,213)
Loss for the period	-	(6,175)	(6,175)
Other comprehensive (loss)	-	-	-
Total comprehensive (loss)	-	(6,175)	(6,175)
Balance as at March 31, 2016	34,000	(389,388)	(355,388)

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 Pakistan Stock Exchange Limited (Presently at default counter).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 27, 2016 by the Board of Directors of the Company.

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director