

**ACCOUNTS FOR
THE 1ST QUARTER ENDED
SEPTEMBER 30, 2017
(UNAUDITED)**



Pak Leather Crafts Limited



Pak Leather Crafts Limited

CORPORATE PROFILE

CHAIRMAN / DIRECTOR

Dr. Muhammad Shoab Ahmed

DIRECTORS

Muhammad Saleem Ahmed

Nayyer Ahmed Jalali

Azeem Ahmed

Bilal Ahmed

Umer Ahmed

Syed Fawad Hussain Rizvi

AUDIT COMMITTEE

Syed Fawad Hussain Rizvi

Bilal Ahmed

Umer Ahmed

HUMAN RESORCE & REMUNERATION COMMITTEE

Umer Ahmed

Muhammad Saleem Ahmed

Bilal Ahmed

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Naseer Ahmed

BOOK POST

PRINTED MATTER

BANKERS

Albaraka Bank Pakistan Ltd

Habib Bank Limited

Industrial Development Bank Ltd

NIB Bank Limited

United Bank Limited

Faysal Bank Limited

Habib Metropolitan Bank Ltd

Soneri Bank Ltd

Bank Alfalah Ltd

EXTERNAL AUDITORS

IECnet S.K.S.S.S

Chartered Accountants

SHARE REGISTRAR

NI Associates (Pvt) Ltd

53, Kokan Society, Alamgir Road,
Karachi - 74800

Tel: 021-34937012, 34945892

LEGAL ADVISOR

Shakeel Z. Lari Advocate

REGISTERED OFFICE

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 their report for the 1st quarter ended September 30, 2017.

Financial results are as under:

	September 30, 2017	September 30, 2016
(Rs. In '000').....	
(loss) before taxation	(3,312)	(733)
Taxation	(61)	(58)
(loss) after taxation	<u>(3,373)</u>	<u>(791)</u>
Accumulated (loss) B/F	(395,338)	(390,095)
Accumulated (loss) C/F	<u>(398,711)</u>	<u>(390,886)</u>
Loss per share after tax (Rupees)	(0.99)	(0..23)

As evident from above figures, quarter under review could not perform better than same period last year. Total turnover of Rs.6.14 (M) is composed of export amounting to Rs.3.28 (M) and local sales/ job work of Rs.2.86(M) comparing to total turnover of Rs. 10.325(M) during the corresponding period.

Comparative increase in loss is attributed to sharp decline in sales due to shortfall in export.

In the subsequent quarters Company expect better results than the quarter under review as your directors are putting efforts for growth in export sales. Response is very encouraging from the present and perspective foreign customers.

On behalf of the Board

MUHAMMAD SALEEM AHMED

Chief Executive Officer

Karachi: October 27, 2017



Pak Leather Crafts Limited

CONDENSED INTERIM BALANCE SHEET (UNAUDITED) AS AT SEPTEMBER 30, 2017

	Unaudited Sept. 30, 2017	Audited June 30, 2017
.....(Rs. In '000').....		
ASSETS		
Non-current assets		
Property, plant and equipment	16,804	17,073
Long term deposits	1,410	1,410
	<u>18,214</u>	<u>18,483</u>
Current assets		
Stores, spares and loose tools	317	317
Stock - in - trade	38,967	38,024
Trade debts	82,709	82,714
Advances and other receivables	972	1,694
Tax refunds due from governments	592	547
Cash and bank balances	278	1,369
	<u>123,835</u>	<u>124,665</u>
TOTAL ASSETS	<u>142,049</u>	<u>143,148</u>
EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	34,000	34,000
Accumulated loss	(398,711)	(395,338)
	<u>(364,711)</u>	<u>(361,338)</u>
Non-current liabilities		
Long term finance	-	-
Deferred liabilities	1,655	1,655
	<u>1,655</u>	<u>1,655</u>
Current liabilities		
Short term borrowings	207,529	207,529
Short term loans	69,556	69,336
Current portion of long term finance	46,904	46,904
Accrued markup	124,029	124,029
Trade and other payables	57,087	55,033
	<u>505,105</u>	<u>502,831</u>
Contingencies and commitments	-	-
TOTAL EQUITY AND LIABILITIES	<u>142,049</u>	<u>143,148</u>

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director



Pak Leather Crafts Limited

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2017

	Quarter ended September 30, 2017	Quarter ended September 30, 2016
(Rs. In '000').....	
REVENUE		
Turnover	6,141	10,325
Cost of sales	(8,318)	(9,722)
Gross profit/(loss)	<u>(2,177)</u>	<u>603</u>
OPERATING EXPENSES		
Selling and distribution expenses	(327)	(263)
Administrative expenses	(867)	(936)
	<u>(1,194)</u>	<u>(1,199)</u>
Operating Loss	(3,371)	(596)
Other operating income	176	-
Loss before taxation	(3,195)	(596)
Finance cost	(117)	(137)
Loss before taxation	<u>(3,312)</u>	<u>(733)</u>
Taxation	(61)	(58)
Loss after taxation	(3,373)	(791)
Other comprehensive income	-	-
Total comprehensive loss for the period	<u>(3,373)</u>	<u>(791)</u>
Basic and diluted (loss) per share	<u>(0.99)</u>	<u>(0.23)</u>

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director



Pak Leather Crafts Limited

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2017

	Quarter ended September 30, 2017	Quarter ended September 30, 2016
(Rs. In '000').....	
Cash generated from operations		
Loss before taxation	(3,312)	(733)
Adjustment for non-cash charges and other items:		
Depreciation	269	290
Financial charges	(117)	(137)
	<u>152</u>	<u>153</u>
	(3,160)	(580)
Changes in working capital (Increase)/decrease in current assets		
Stock in trade	(943)	3,004
Trade debts	5	959
Advances and other receivables	676	(263)
	<u>(262)</u>	<u>3,700</u>
Increase/(decrease) in current liabilities		
Trade and other payables	<u>2,055</u>	<u>(3,007)</u>
Cash generated from operations	(1,367)	113
Financial charges paid	117	137
Income tax refundable / (paid)	(61)	(58)
	<u>56</u>	<u>79</u>
Net cash flows from operating activities	(1,311)	192
Cash flow from Investing activities		
Fixed capital expenditure	-	-
Net cash used in investing activities	-	-
Cash flows from financing activities		
Proceed from long term loan	220	-
Net cash used in financing activities	220	-
Net increase/(decrease) in cash and cash equivalents	(1,091)	192
Cash and cash equivalents at the beginning of the period	1,369	253
Cash and cash equivalents at the end of the period	278	445

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2017

Particulars	Issued	Unappropriated	Total
	subscribed and paid up capital	(Loss)	
(Rs. In '000').....		
Balance as at July 01, 2016	34,000	(390,095)	(356,095)
Total comprehensive loss for the 1st quarter ended September 30, 2016		(791)	(791)
Balance as at quarter ended September 30, 2016	34,000	(390,886)	(356,886)
Balance as at July 01, 2017	34,000	(395,338)	(361,338)
Total comprehensive loss for the 1st quarter ended September 30, 2017		(3,373)	(3,373)
Balance as at 1st quarter ended September 30, 2017	34,000	(398,711)	(364,711)

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director



Pak Leather Crafts Limited

NOTES TO THE CONDENSED INTERIM ACCOUNTS

1. Pak Leather Crafts Ltd, is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 and quoted on Pakistan Stock Exchange. The principal activity of the company is Leather tanning, Manufacturing of Leather garments and export of Leather and Leather Garments.
2. These accounts are un-audited and are being submitted to the shareholders as per the notification No. 2 (52)/SE/2001 dated November 5, 2001, of Securities & Exchange Commission of Pakistan.
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 October 27, 2017 by the Board of Directors of the Company.

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director