

**ACCOUNTS FOR  
THE 1ST QUARTER ENDED  
SEPTEMBER 30, 2016  
(UNAUDITED)**



*Pak Leather Crafts Limited*



# Pak Leather Crafts Limited

## CORPORATE PROFILE

### CHAIRMAN / DIRECTOR

Dr. Muhammad Shoaib Ahmed

### DIRECTORS

Muhammad Saleem Ahmed  
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

### HUMAN RESORCE & REMUNIRATION COMMITTEE

Muhammad Saleem Ahmed  
Nayyer Ahmed Jalali  
Umer Ahmed

### CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Naseer Ahmed

Website: [www.pakleather.com](http://www.pakleather.com)

### BOOK POST PRINTED MATTER



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### PAK LEATHER CRAFTS LIMITED

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

Ph: (92-21) 35064100 - 01, Fax: 35060109

Website: [www.pakleather.com](http://www.pakleather.com), e-mail: [info@pakleather.com](mailto:info@pakleather.com)

### 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

H.A.M.D & CO.  
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.



## Pak Leather Crafts Limited

### DIRECTORS' REVIEW

The Directors of your company are pleased to present hereunder to you the un-audited quarterly accounts of the company for the 1st quarter ended September 30, 2016

The financial results for the 1st quarter ended September 30, 2016 are as below.

	<b>September 30, 2016</b>	September 30, 2015
	.....(Rs. In '000').....	
(loss) before taxation	<b>(733)</b>	(709)
Taxation	<b>(58)</b>	(50)
(loss) after taxation	<b>(791)</b>	(759)
Accumulated (loss) B/F	<b>(390,095)</b>	(383,212)
Accumulated (loss) C/F	<b><u>(390,886)</u></b>	<u>(383,971)</u>
Loss per share after tax (Rupees)	<b>(0.23)</b>	(0.22)

Because of recessionary conditions in the international market, the export sales made by the Company during the 1st quarter ended September 30, 2016 amounting to Rs.4.635 (M) only. This is an improvement from past 2 years activity. During the quarter ended September 30, 2016 the company made job work sales of Rs. 5.689 (M). The management expects job work sales figures to grow before end of fiscal year 2017. The net after tax losses for the 1st Quarter September 30, 2016 heavily reduced amounting to Rs.791 (M) as compared to the previous year quarter September 30, 2015. The management is making its best efforts to improve the export and local job work sales and the financial results in the forthcoming period of the current year.

On behalf of the Board

Karachi: October 27, 2016

**MUHAMMAD SALEEM AHMED**  
Chief Executive Officer



# Pak Leather Crafts Limited

## CONDENSED INTERIM BALANCE SHEET (UNAUDITED) AS AT SEPTEMBER 30, 2016

	<u>Unaudited</u> <u>Sept. 30,</u> <u>2016</u>	<u>Audited</u> <u>June 30,</u> <u>2016</u>
.....(Rs. In '000').....		
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	17,613	17,903
Long term deposits	1,410	1,410
	<u>19,023</u>	<u>19,313</u>
<b>Current assets</b>		
Stores, spares and loose tools	317	317
Stock - in - trade	39,900	42,904
Trade debts	85,064	86,023
Advances and other receivables	409	177
Tax refunds due from governments	254	223
Cash and bank balances	445	253
	<u>126,389</u>	<u>129,897</u>
<b>TOTAL ASSETS</b>	<u><u>145,412</u></u>	<u><u>149,210</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Share capital and reserves</b>		
Share capital	34,000	34,000
Accumulated loss	(390,886)	(390,095)
	<u>(356,886)</u>	<u>(356,095)</u>
<b>Non-current liabilities</b>		
Long term finance	-	-
Deferred liabilities	1,655	1,655
	<u>1,655</u>	<u>1,655</u>
<b>Current liabilities</b>		
Short term borrowings	207,529	207,529
Short term loans	66,620	66,620
Current portion of long term finance	46,904	46,904
Accrued markup	124,029	124,029
Trade and other payables	55,561	58,568
	<u>500,643</u>	<u>503,650</u>
Contingencies and commitments	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>145,412</u></u>	<u><u>149,210</u></u>

MUHAMMAD SALEEM AHMED  
Chief Executive Officer

NAYYER AHMED JALALI  
Director



## Pak Leather Crafts Limited

### CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2016

	Quarter ended September 30, 2016	Quarter ended September 30, 2015
	.....(Rs. In '000').....	
<b>REVENUE</b>		
Turnover	10,325	4,908
Cost of sales	(9,722)	(4,790)
Gross profit	603	118
<b>OPERATING EXPENSES</b>		
Selling and distribution expenses	(263)	-
Administrative expenses	(936)	(933)
	(1,199)	(933)
<b>Operating Loss</b>	(596)	(815)
Other operating income	-	120
<b>Loss before taxation</b>	(596)	(695)
Finance cost	(137)	(14)
Loss before taxation	(733)	(709)
Taxation	(58)	(50)
<b>Loss after taxation</b>	(791)	(759)
Other comprehensive income	-	-
<b>Total comprehensive loss for the period</b>	(791)	(759)
Basic and diluted (loss) per share	(0.23)	(0.22)

MUHAMMAD SALEEM AHMED  
Chief Executive Officer

NAYYER AHMED JALALI  
Director



## Pak Leather Crafts Limited

### CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2016

	Quarter ended September 30, 2016	Quarter ended September 30, 2015
.....(Rs. In '000').....		
<b>Cash generated from operations</b>		
Loss before taxation	(733)	(709)
<b>Adjustment for non-cash charges and other items:</b>		
Depreciation	290	294
Financial charges	(137)	(14)
	153	280
	(580)	(429)
<b>Changes in working capital (Increase)/decrease in current assets</b>		
Store , spares and loose tools	-	-
Stock in trade	3,004	-
Trade debts	959	(167)
Advances and other receivables	(263)	20
	3,700	(147)
<b>Increase/(decrease) in current liabilities</b>		
Trade and other payables	(3,007)	871
<b>Cash generated from operations</b>	113	295
Financial charges paid	137	-
Income tax refundable / (paid)	(58)	(25)
	79	(25)
<b>Net cash flows from operating activities</b>	192	270
<b>Cash flow from Investing activities</b>		
Fixed capital expenditure	-	-
<b>Net cash used in investing activities</b>	-	-
<b>Cash flows from financing activities</b>		
Proceed from long term loan	-	-
<b>Net cash used in financing activities</b>	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	192	270
<b>Cash and cash equivalents at the beginning of the period</b>	253	502
<b>Cash and cash equivalents at the end of the period</b>	445	772

MUHAMMAD SALEEM AHMED  
Chief Executive Officer

NAYYER AHMED JALALI  
Director



## Pak Leather Crafts Limited

### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2016

Particulars	Issued subscribed and paid up capital	Unappropriated (Loss)	Total
	.....(Rs. In '000').....		
Balance as at July 01, 2015	34,000	(383,212)	(349,212)
Total comprehensive loss for the 1st quarter ended September 30, 2015		(759)	(759)
<b>Balance as at quarter ended September 30, 2015</b>	<b>34,000</b>	<b>(383,971)</b>	<b>(349,971)</b>
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)
<b>Balance as at 1st quarter ended September 30, 2016</b>	<b>34,000</b>	<b>(390,886)</b>	<b>(356,886)</b>

**MUHAMMAD SALEEM AHMED**  
Chief Executive Officer

**NAYYER AHMED JALALI**  
Director



*Pak Leather Crafts Limited*

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## NOTES TO THE FINANCIAL STATEMENTS

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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 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, 2016 by the Board of Directors of the Company.

**MUHAMMAD SALEEM AHMED**  
Chief Executive Officer

**NAYYER AHMED JALALI**  
Director