

**ACCOUNTS FOR
THE 3RD QUARTER ENDED
MARCH 31, 2019
(UNAUDITED)**



Pak Leather Crafts Limited



Pak Leather Crafts Limited

CORPORATE PROFILE

BOARD OF DIRECTORS

Dr. Muhammad Shoaib Ahmed

Chairman / Director

Muhammad Saleem Ahmed

Director / CEO

Nayyer Ahmed Jalali

Director

Azeem Ahmed

Director

Bilal Ahmed

Director

Umer Ahmed

Director

Syed Fawad Hussain Rizvi

Director

AUDIT COMMITTEE

Syed Fawad Hussain Rizvi

Chairman

Bilal Ahmed

Member

Umer Ahmed

Member

HUMAN RESORCE & REMUNIRATION COMMITTEE

Umer Ahmed

Chairman

Muhammad Saleem Ahmed

Member

Bilal Ahmed

Member

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Naseer Ahmed

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

Bank Alfalah Ltd

Bank of Khyber

EXTERNAL AUDITORS

RSM Avais Hyder Liaquat Nauman

Chartered Accountants

Peshawar

LEGAL ADVISOR

Shakiel Z. Lari Advocate

REGISTERED OFFICE

Pak Leather Crafts Limited

Plot 18, Sector 7 - A,

Korangi Industrial Area,

Karachi.

Email: export1@pakleather.com

Website: www.pakleather.com

SHARE REGISTRAR

M/S. NI Associates (Pvt) Ltd

53, Kokan Society Alamgir Road,

Karachi - 74800

Tel: 021-34937012

021-34945892

BOOK POST

PRINTED MATTER



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

e-mail: export1@pakleather.com Website: www.pakleather.com



Pak Leather Crafts Limited

DIRECTORS' REVIEW

The directors of your Company are pleased to present their report for the 3rd quarter ended March 31, 2019

Financial results for the nine months depicting the improvement in Company's financial health are as under:

	March 31 2019	March 31 2018
(Rs. In '000').....	
Profit/(loss) before taxation	2,158	(3,709)
Taxation	(725)	(260)
Profit/(loss) after tax	1,433	(3,969)
Accumulated loss B/F	(400,628)	(395,337)
Accumulated loss C/F	(399,195)	(399,306)
Earning/(loss) per share after tax (Rupees)	0.42	(1.17)

As evident from above figures, quarter under review was better than same period last year. Total turnover of Rs.49.380 million is composed of export amounting to Rs.15.022 million and local sales/ job work of Rs.34.358 million comparing to total turnover of Rs.35.431million during the corresponding period.

Company expect further improvement in the next quarter as your directors are putting efforts to continue growth in export sales and are receiving favorable response from the foreign customers.

On behalf of the Board

MUHAMMAD SALEEM AHMED
Chief Executive

Karachi: April 27, 2019



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2019

	<u>Unaudited</u> March 31, 2019	<u>Audited</u> June 30, 2018
.....(Rs. In '000').....		
ASSETS		
Non-current assets		
Property, plant and equipment	25,079	24,196
Long term deposits	1,410	1,410
	<u>26,489</u>	<u>25,606</u>
Current assets		
Stores, spares and loose tools	353	317
Stock - in - trade	48,159	50,579
Trade debts	79,278	72,251
Advances and othr receivables	2,848	2,599
Tax refunds due from government	250	623
Cash and bank balances	1,521	389
	<u>132,409</u>	<u>126,758</u>
	<u>158,898</u>	<u>152,364</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Issued, subscribed and paid up capital	34,000	34,000
Loan from Director	69,961	67,976
Accumulated loss	(399,195)	(400,628)
	<u>(295,234)</u>	<u>(298,652)</u>
NON-CURRENT LIABILITED		
Loang term loans	12,227	17,377
Deferred interest income	5,150	-
	<u>17,377</u>	<u>17,377</u>
CURRENT LIABILITED		
Short term bank borrowings	237,420	237,420
Current portion of long term demand financing	46,904	46,904
Interest / mark up payable	124,029	124,029
Trade and other payables	27,677	25,286
Provision for taxation - income tax	725	-
	<u>436,755</u>	<u>433,639</u>
Contingencies and Commitments	-	-
	<u>158,898</u>	<u>152,364</u>

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

MUHAMMAD SALEEM AHMED
Chief Executive Officer

UMER AHMED
Director

NASEER AHMED
Chief Financial Officer



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2019

Note	For the Quarter ended		For the Nine Months ended	
	March.31 2019	March.31 2018	March.31 2019	March.31 2018
------(Rs. In '000')-----				
Net sales	17,378	18,230	49,380	35,431
Cost of sales	14,468	18,512	39,666	34,343
Gross profit/(loss)	2,910	(282)	9,714	1,088
Selling expenses	696	947	1,557	7,442
Administrative expenses	1,239	1,168	5,750	3,065
	<u>1,935</u>	<u>2,115</u>	<u>7,307</u>	<u>10,507</u>
Operating profit/(loss)	975	(2,397)	2,407	(9,419)
Other income	150	538	414	6,171
	<u>1,125</u>	<u>(1,859)</u>	<u>2,821</u>	<u>(3,248)</u>
Finance cost	291	253	663	461
Profit/(loss) for the period before taxation	834	(2,112)	2,158	(3,709)
Provision for taxation	348	90	725	260
Profit/(loss) for the period	486	(2,202)	1,433	(3,969)
Earning/(loss) per share - Basic (Rupees)	<u>0.14</u>	<u>(0.65)</u>	<u>0.42</u>	<u>(1.17)</u>

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2019

Note	For the Quarter ended		For the Nine Months ended	
	March.31 2019	March.31 2018	March.31 2019	March.31 2018
------(Rs. In '000')-----				
Profit/(loss) for the period	486	(2,202)	1,433	(3,969)
Other comprehensive income	-	-	-	-
Total comprehensive income/ (loss) for the period	486	(2,202)	1,433	(3,969)

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

MUHAMMAD SALEEM AHMED
Chief Executive Officer

UMER AHMED
Director

NASEER AHMED
Chief Financial Officer



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF CASH FLOW (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2019

	31, Mar. 2019	31, Mar. 2018
.....(Rs. In '000').....		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) for the period before taxation	2,158	(3,709)
Adjustment for non-cash and other items:		
Depreciation	1,552	922
Gain on disposal of fixed assets	-	(337)
Liabilities written off	-	(1,655)
Financial charges	663	461
	<u>2,215</u>	<u>(609)</u>
	4,373	(4,318)
Changes in Working Capital		
(Increase)/decrease in current assets		
Store, spares and loose tools	(36)	-
Stock-in-trade	2,420	(55,002)
Trade debts	(7,027)	53,351
Advances and other receivables	126	(839)
Tax refunds due from government	373	465
	<u>(4,144)</u>	<u>(2,025)</u>
Increase/(Decrease) in current liabilities		
Trade and other payables	2,391	1,566
Cash generated from operations	<u>2,620</u>	<u>(4,777)</u>
Financial charges paid	(663)	(461)
Income tax paid	(375)	(296)
	<u>(1,038)</u>	<u>(757)</u>
Net Cash Flows From Operating Activities	1,582	(5,534)
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition in property, plant and equipment	(2,435)	(7,002)
Disposal proceeds - property, plant and equipment	-	330
Net Cash Used In Investing Activities	(2,435)	(6,672)
CASH FLOWS FROM FINANCING ACTIVITIES		
Directors loan received	1,985	14,087
Net cash used in financing activities	1,985	14,087
Net increase/(decrease) in cash and cash equivalents	1,132	1,881
Cash and cash equivalent at the beginning of the period	389	1,369
Cash and cash equivalent at the end of the period	<u>1,521</u>	<u>3,250</u>

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

MUHAMMAD SALEEM AHMED
Chief Executive Officer

UMER AHMED
Director

NASEER AHMED
Chief Financial Officer



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2019

	Issued subscribed and paid up capital	Accumulated (Losses)	Total
(Rs. In '000').....		
Balance as on July 01, 2017	34,000	(395,337)	(361,337)
Total comprehensive loss for the period			
Loss for the period	-	(3,969)	(3,969)
	-	(3,969)	(3,969)
Balance as on March 31, 2018 - Un-audited	34,000	(399,306)	(365,306)
Balance as on July 01, 2018	34,000	(400,628)	(366,628)
Total comprehensive income for the period			
Profit for the period	-	1,433	1,433
	-	1,433	1,433
Balance as on March 31, 2019 - Un-audited	34,000	(399,195)	(365,195)

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

MUHAMMAD SALEEM AHMED
Chief Executive Officer

UMER AHMED
Director

NASEER AHMED
Chief Financial Officer



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 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 237 of the Companies Act 2017.
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, 2019** by the Board of Directors of the Company.

MUHAMMAD SALEEM AHMED
Chief Executive Officer

UMER AHMED
Director

NASEER AHMED
Chief Financial Officer