

**ACCOUNTS FOR
THE 3RD QUARTER ENDED
MARCH 31, 2018
(UNAUDITED)**



Pak Leather Crafts Limited



Pak Leather Crafts Limited

DIRECTORS' REVIEW

The Directors' of your company are pleased to present their review of the company for the 3rd quarter ended March 31, 2018.

The financial results for the nine months ended March 31, 2018 are as below.

	March 31 2018	March 31 2017
(Rs. In '000').....	
Loss before taxation	(3,709)	(5,491)
Taxation	(260)	(337)
Loss after tax	(3,969)	(5,828)
Accumulated loss B/F	(395,337)	(390,095)
Accumulated loss C/F	(399,306)	(395,923)
Loss per share after tax (Rupees)	(1.17)	(1.71)

Turnover of your company reached to Rs.35.431 million during the nine months period under review. Due to continued efforts of your directors export sales jumped up to Rs. 25.984 million from Rs.17.146 million over corresponding period last year.

However, the management do not see much improvement in near future due to the prevalent market condition and international recession in the leather market.

On behalf of the Board

MUHAMMAD SALEEM AHMED
Chief Executive

Karachi: April 24, 2018



Pak Leather Crafts Limited

CONDENSED INTERIM BALANCE SHEET (UNAUDITED) AS AT MARCH 31, 2018

	Unaudited March 31, 2018(Rs. In '000').....	Audited June 30, 2017
ASSETS		
Non-current assets		
Property, plant and equipment	23,099	17,073
Long term deposits	1,410	1,410
	<u>24,509</u>	<u>18,483</u>
Current assets		
Stores, spares and loose tools	317	317
Stock - in - trade	93,026	38,024
Trade debts	29,363	82,714
Advances and othr receivables	2,533	1,694
Tax refunds due from government	179	547
Cash and bank balances	3,250	1,369
	<u>128,668</u>	<u>124,665</u>
TOTAL ASSETS	<u>153,177</u>	<u>143,148</u>
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorised capital		
5,000,000(June 30, 2017: 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
Unappropriated loss	(399,306)	(395,337)
	<u>(365,306)</u>	<u>(361,337)</u>
Non-current liabilities		
Deferred liabilities	-	1,655
Bank dues under litigation	254,432	254,432
Short term loans	83,423	69,336
Accrued markup	124,029	124,029
	<u>461,884</u>	<u>449,452</u>
Current liabilities		
Trade and other payables	56,599	55,033
Contingencies and Commitments		
	-	-
TOTAL EQUITY AND LIABILITIES	<u>153,177</u>	<u>143,148</u>

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

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director

NASEER AHMED
Chief Financial Officer



Pak Leather Crafts Limited

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2018

Note	For the Quarter ended		For the Nine Months ended	
	March.31 2018	March.31 2017	March.31 2018	March.31 2017
	----- (Rs. In '000') -----			
Turnover	18,230	9,836	35,431	33,704
Cost of sales	18,512	12,187	34,343	35,136
Gross profit/(loss)	(282)	(2,351)	1,088	(1,432)
Selling and distribution expenses	947	491	7,442	1,026
Administrative expenses	1,168	964	3,065	2,851
	2,115	1,455	10,507	3,877
Operating (loss)	(2,397)	(3,806)	(9,419)	(5,309)
Other operating income	538	86	6,171	200
	(1,859)	(3,720)	(3,248)	(5,109)
Finance cost	253	127	461	382
Loss before taxation	(2,112)	(3,847)	(3,709)	(5,491)
Taxation	90	75	260	337
Loss after taxation	(2,202)	(3,922)	(3,969)	(5,828)
(Loss) per share - Basic and Diluted (Rupees)	(0.65)	(1.15)	(1.17)	(1.71)

CONDENSED INTERIM COMPREHENSIVE INCOME (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2018

Note	For the Quarter ended		For the Nine Months ended	
	March.31 2018	March.31 2017	March.31 2018	March.31 2017
	----- (Rs. In '000') -----			
Loss after taxation	(2,202)	(3,922)	(3,969)	(5,828)
Other comprehensive income	-	-	-	-
Total comprehensive (loss) for the period	(2,202)	(3,922)	(3,969)	(5,828)

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

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director

NASEER AHMED
Chief Financial Officer



Pak Leather Crafts Limited

CONDENSED INTERIM CASH FLOW STATEMENT(UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2018

	31, Mar. 2018	31, Mar. 2017
(Rs. In '000').....	
CASH GENERATED FROM OPERATIONS		
Loss before taxation	(3,709)	(5,491)
Adjustment for non-cash charges and other items:		
Depreciation	922	891
Gain on disposal of fixed assets	(337)	-
Liabilities written off	(1,655)	-
Financial charges	253	381
	(817)	1,272
Operating (Loss) Before Working Capital Changes	(4,526)	(4,219)
Changes in Working Capital		
(Increase)/decrease in current assets		
Store, spares and loose tools	-	-
Stock-in-trade	(55,002)	5,036
Trade debts	53,351	341
Advances and other receivables	(839)	(479)
Tax refunds due from government	465	62
	(2,025)	4,960
Increase/(Decrease) in current liabilities		
Trade and other payables	1,566	(1,029)
Cash generated from operations	(4,985)	(288)
Financial charges paid	(253)	(381)
Income tax paid	(296)	(275)
	(549)	(656)
Net Cash Flows From Operating Activities	(5,534)	(944)
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition in fixed assets	(7,002)	(360)
Disposal proceeds-fixed assets	330	-
Net Cash Used In Investing Activities	(6,672)	(360)
CASH FLOWS FROM FINANCING ACTIVITIES		
Directors loan received	14,087	2,100
Net cash used in financing activities	14,087	2,100
Net increase/(decrease) in cash and cash equivalents	1,881	796
Cash and cash equivalent at the beginning of the period	1,369	253
Cash and cash equivalent at the end of the period	3,250	1,049

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

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director

NASEER AHMED
Chief Financial Officer



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2018

	Issued subscribed and paid up capital	Accumulated (Losses)	Total
	(Rs. In '000')		
Balance as at July 01, 2016	34,000	(390,095)	(356,095)
Loss for the period	-	(5,828)	(5,828)
Other comprehensive (loss)	-	-	-
Total comprehensive (loss)	-	(5,828)	(5,828)
Balance as at March 31, 2017	34,000	(395,923)	(361,923)
Balance as at July 01, 2017	34,000	(395,337)	(361,337)
Loss for the period	-	(3,969)	(3,969)
Other comprehensive (loss)	-	-	-
Total comprehensive (loss)	-	(3,969)	(3,969)
Balance as at March 31, 2018	34,000	(399,306)	(365,306)

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

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
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 24, 2018** by the Board of Directors of the Company.

MUHAMMAD SALEEM AHMED
Chief Executive

NAYYER AHMED JALALI
Director

NASEER AHMED
Chief Financial Officer



Pak Leather Crafts Limited

CORPORATE PROFILE

BOARD OF DIRECTORS

Dr. Muhammad Shoaib Ahmed
Chairman / Director

Muhammad Saleem Ahmed
Chief Executive / Director

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 RESOURCE & REMUNERATION COMMITTEE

Umer Ahmed
Chairman

Muhammad Saleem Ahmed
Member

Bilal Ahmed
Member

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
Bank Alfalah Ltd

EXTERNAL AUDITORS

IECnet S.K.S.S.S.
Chartered Accountants

LEGAL ADVISOR

Shakiel Z. Lari Advocate

REGISTERED OFFICE

Pak Leather Crafts Limited
Plot 18, Sector 7 - A,
Korangi Industrial Area,
Karachi.
Email: info@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

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