



Accounts for the
Half Year Ended
December 31, 2019

GLOBE TEXTILE MILLS LIMITED

GLOBE TEXTILE MILLS LTD.

BOARD OF DIRECTORS

ARIF HAJI HABIB - Chief Executive Director
FARZANA ARIF - Non Executive Director
GUL BANO HAJI HABIB- Non Executive Director
ARSHAD ARIF - Executive Director
MISBAH ARIF - Non Executive Director
FARZEEN FAZL-E-UMER - Non Executive Director
SAMEERA YASIN SAYA - Non Executive Director

AUDIT COMMITTEE

ARSHAD ARIF -CHAIRMAN
MISBAH ARIF
FARZEEN FAZL-E-UMER

HR COMMITTEE

ARSHAD ARIF -CHAIRMAN
FARZANA ARIF
FARZEEN FAZL-E-UMER

COMPANY SECRETARY

HUMAIRA ARSHAD

CHIEF FINANACIAL OFFICER

SALIM MAYARI

BANKERS

MCB BANK LIMITED

LEGAL ADVISER

SADIA KHATOON (Advocate)

AUDITORS

PARKER RANDALL-A.J.S.
Chartered Accountants.

REGISTERED OFFICE

105, IBRAHIM TRADE TOWER
SHAHRAH-E-FASIAL,
KARACHI.

E-MAIL

arshadarifhabib@gmail.com

GLOBE TEXTILE MILLS LIMITED

DIRECTORS REVIEW

The Directors are pleased to present before you the First Quarter un-audited accounts of Globe Textile Mills Limited. for the period ended December 31, 2019

The Company incurred losses before taxation of Rs. (1,028) million during the period under review.

The net loss after taxation during the period under review is Rs. (1,028) million during the period under review.

The reasons for losses are attributed due to charge of depreciation and payment of fixed overheads.

Your Directors are pleased to record their appreciation for the dedication, commitment and loyalty of the employees.

For and on behalf of the Board of Directors

(Arif Haji Habib)
Chief Executive.

Karachi : 28.02.2020

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **GLOBE TEXTILE MILLS LIMITED** as at December 31, 2019 and the related condensed interim statement of profit or loss and condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

The figures of the condensed interim statement of profit and loss and condensed interim statement of comprehensive income for the quarters ended December 2019 and December 2018 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2019.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Hina Kazi.

Chartered Accountants

Date: 28.02.2020

Place: Karachi

GLOBE TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2019

		December 31, 2019 (Un-audited)	June 30, 2019 (Audited)
	Note	---- (Rupees in '000') ----	
ASSETS			
Non-current assets			
Fixed assets			
Plant and equipment	4	<u>3,686</u>	<u>4,096</u>
		3,686	4,096
Current assets			
Due from related party	5	51,898	52,273
Cash and bank balance	6	<u>20</u>	<u>3</u>
TOTAL ASSETS		<u><u>55,604</u></u>	<u><u>56,372</u></u>
EQUITY AND LIABILITIES			
Share capital and reserve			
20,000,000 (2018: 20,000,000) ordinary shares of Rs. 10/- each		<u>200,000</u>	<u>200,000</u>
Issued, subscribed and paid-up capital		163,664	163,664
Accumulated loss		<u>(109,325)</u>	<u>(108,297)</u>
TOTAL EQUITY		<u>54,339</u>	<u>55,367</u>
Current liabilities			
Trade and other payables	7	<u>1,205</u>	<u>944</u>
Due to related party	8	<u>60</u>	<u>61</u>
Total current liabilities		1,265	1,005
Contingencies and commitments	9		
TOTAL EQUITY AND LIABILITIES		<u><u>55,604</u></u>	<u><u>56,372</u></u>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

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GLOBE TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

	Half-year ended		Quarter ended	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
	----- (Rupees in '000') -----			
Administrative expenses	(632)	(92)	(48)	-
Other expense	(410)	(512)	(205)	(256)
	(1,042)	(604)	(253)	(256)
Other income	14	16	-	10
Operating loss	(1,028)	(588)	(253)	(246)
Loss before taxation	(1,028)	(588)	(253)	(246)
Taxation	-	-	-	-
Net loss for the period	(1,028)	(588)	(253)	(246)
Loss per share - basic and diluted (rupees)	(0.06)	(0.04)	(0.02)	(0.02)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

GLOBE TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

	Half-year ended	
	December 31, 2019	December 31, 2018
	----- (Rupees in '000') -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(1,028)	(588)
Adjustments for non cash item:		
Depreciation - idle plant	410	512
Loss before working capital changes	(618)	(76)
Decrease in current asset		
Due from related party	375	-
(Increase) / decrease in current liabilities		
Trade and other payables	261	92
Due to related party	(1)	(6)
	260	86
Net cash generated from operating activities	17	10
Net increase in cash and cash equivalents	17	10
Cash and cash equivalents at the beginning of the period	3	2
Cash and cash equivalents at the end of the period	20	12

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

GLOBE TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

	<u>Half-year ended</u>		<u>Quarter ended</u>	
	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>	<u>December 31</u>
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	----- (Rupees in '000') -----			
Net loss for the period	(1,028)	(588)	(253)	(246)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	<u><u>(1,028)</u></u>	<u><u>(588)</u></u>	<u><u>(253)</u></u>	<u><u>(246)</u></u>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

GLOBE TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

	Issued, subscribed and paid-up capital	Accumulated loss	Total
	----- (Rupees in '000') -----		
Balance as at June 30, 2018	163,664	(106,959)	56,705
Total comprehensive loss	-	(588)	(588)
Balance as at December 31, 2018	<u>163,664</u>	<u>(107,547)</u>	<u>56,117</u>
Balance as at June 30, 2019	163,664	(108,297)	55,367
Total comprehensive loss	-	(1,028)	(1,028)
Balance as at December 31, 2019	<u>163,664</u>	<u>(109,325)</u>	<u>54,339</u>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

GLOBE TEXTILE MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

1. THE COMPANY AND ITS OPERATIONS

Globe Textile Mills Limited (the Company) was incorporated on November 17, 1967 as a public limited company in Pakistan and registered under the Companies Act, 1913 [Repealed with the enactment of the Companies Act, 2017]. Its shares are quoted on Pakistan Stock Exchange (PSX). The principal activity of the Company is manufacturing and selling of yarn.

The registered office of the Company is situated at 105, Ibrahim Trade Tower Shahrah-e-Faisal, Karachi.

2. BASIS OF PREPARATION

During the period, the management of the Company has prepared financial statements on non-going concern basis as the Company is at non-productive state since 2008 and has incurred accumulated losses of Rs. 109.3 million as at December 31, 2019 equivalent to 67% of its paid-up capital.

The condensed interim financial statements has been prepared for the six months period ended December 31, 2019 in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Act 2017. In case where the requirements differ, the provisions of or directives issued under the Companies Act, 2017 shall prevail.

The condensed interim financial statements is being submitted to the shareholders as required by the listing regulation of PSX vide section 237 of the Companies Act, 2017.

The condensed interim financial statements does not include all the statements and disclosures required in an annual financial statements and should be read in conjunction with the annual audited financial statements as at and for the year ended June 30, 2019.

3. SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets and liabilities, income or expenses. Actual results may differ from these estimates.

The accounting policies, estimates, judgments and methods of computation adopted for the preparation of the condensed interim financial statements are same as those applied in the preparation of the annual financial statements of the Company as at and for the year ended June 30, 2019.

		December 31, 2019 (Un-audited)	June 30, 2019 (Audited)
	Note	---- (Rupees in '000') ----	
4. PLANT AND EQUIPMENT			
Plant and equipment	4.1	<u>3,686</u>	<u>4,096</u>

4.1 During the period, there are no additions or disposal in plant and equipment. (June 30, 2019: Nil)

		December 31, 2019 (Un-audited)	June 30, 2019 (Audited)
		---- (Rupees in '000') ----	
5. DUE FROM RELATED PARTY			
Chief executive officer		<u>51,898</u>	<u>52,273</u>
		<u>51,898</u>	<u>52,273</u>

6. CASH AND BANK BALANCE			
Cash in hand		3	-
Cash at banks:			
-Current accounts		<u>17</u>	<u>3</u>
		<u>20</u>	<u>3</u>

7. TRADE AND OTHER PAYABLES			
Audit fee payable		514	510
Payable to Central Depository Company of Pakistan Limited		302	302
Payable to Pakistan Stock Exchange Limited		309	132
Accrued liabilities		<u>80</u>	<u>-</u>
		<u>1,205</u>	<u>944</u>

8. DUE TO RELATED PARTY
This represents amount due to related party i.e. Globe Textile Mills (OE) Limited.

9. CONTINGENCIES AND COMMITMENTS
There has been no significant change in the status of contingencies and commitments as reported in the financial statements for the year ended June 30, 2019.

10. TRANSACTIONS WITH RELATED PARTIES
The related parties include a subsidiary company, entities having directors in common with the Company, major shareholders of the Company, directors and other key management personnel and retirement benefit plans. During the period, following are the transactions with the related party:

Related Party	Nature of relationship	Nature of transaction / balance	December 31, 2019 Rupees (000)	June 30, 2019 Rupees (000)
Chief Executive Officer	Directorship	Payment received from Chief Executive Officer of the Company	375	-
Globe Textile Mills (OE) Limited	Common directorship	Payment received on behalf of the Chief Executive of the Company	1	-

11. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended June 30, 2019.

12. AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 28.02.2020 by the Board of Directors of the Company.

13. GENERAL

Figures have been rounded off to the nearest thousand rupees.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

BOOK POST

UNDER POSTAL CERTIFICATE

If undelivered, please return to:

GLOBE TEXTILE MILLS LIMITED
105, Ibrahim Trade Tower, Shahrah-e-Faisal,
Karachi.