

**ACCOUNTS FOR
THE 1ST QUARTER ENDED
SEPTEMBER 30, 2020
(UNAUDITED)**



Pak Leather Crafts Limited



Pak Leather Crafts Limited

DIRECTORS' REVIEW

Your directors are pleased to present their report for the 1st quarter ended September 30, 2020.

Financial results are as under:	September 30, 2020	September 30, 2019
(Rs. In '000').....	
Profit/(loss) before taxation	(2,304)	4,208
Taxation	(350)	(430)
Profit/(loss) after taxation	(2,654)	3,778
Accumulated (loss) B/F	(347,693)	(396,481)
Accumulated (loss) C/F	(350,347)	(392,703)
Earnings per share after tax (Rupees)	(0.78)	1.11

Total turnover of Rs.34.752 million is composed of export amounting to Rs.28.656 and local sales/ job work of Rs.6.095 comparing to total turnover of Rs.40.759 million during the corresponding period last year. Due to decline in sales and incurring additional cost due to COVID 19 pandemic, Company ended up with loss. This resulted loss per share is Rs.0.78 comparing with earning per share of Rs.1.11 during same period last year.

The overall economic outlook still remains uncertain due to the Covid-19 which is expected to show another wave of the pandemic. Your management is doing its best to achieve sustainable growth in sales.

On behalf of the Board

MUHAMMAD SALEEM AHMED
Chief Executive Officer

Karachi: October 29 2020



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED) AS AT SEPTEMBER 30, 2020

	<u>Unaudited</u> Sept. 30, 2020	<u>Audited</u> June 30, 2020
.....(Rs. In '000').....		
ASSETS		
Non-current assets		
Property, plant and equipment	23,155	23,526
Long term deposits	<u>1,410</u>	<u>1,410</u>
	24,565	24,936
Current assets		
Loose tools	<u>308</u>	<u>308</u>
Stock in trade	52,543	46,323
Trade debts	25,641	23,151
Advances and other receivables	5,111	6,715
Tax refunds due from Government-Sales tax	13,261	8,026
Cash and bank balances	<u>1,214</u>	<u>5,837</u>
	98,078	90,360
TOTAL ASSETS	<u>122,643</u>	<u>115,296</u>
EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	34,000	34,000
Loan from Director	108,651	60,157
Accumulated loss	<u>(350,347)</u>	<u>(347,693)</u>
	(207,696)	(253,536)
Non-current liabilities		
Long term loans	<u>14,601</u>	<u>14,601</u>
Deferred interest income	<u>2,776</u>	<u>2,776</u>
	17,377	17,377
Current liabilities		
Short term bank borrowings	<u>112,530</u>	<u>152,530</u>
Current portion of long term financing	46,903	46,903
Interest / mark up payable	89,200	89,200
Trade and other payables	63,979	60,526
Provision for taxation - income tax	<u>350</u>	<u>2,296</u>
	312,962	351,455
Contingencies	-	-
TOTAL LIABILITIES	<u>122,643</u>	<u>115,296</u>

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 1ST QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended September 30, 2020	Quarter ended September 30, 2019
(Rs. In '000').....	
Sales	34,752	40,759
Cost of sales	32,819	33,171
Gross profit / (loss)	1,933	7,588
Other income	291	330
	2,224	7,918
Administrative expenses	3,348	1,375
Selling and distribution expenses	1,005	1,785
Bank charges and commission	175	550
	4,528	3,710
Profit/(loss) for the period before taxation	(2,304)	4,208
Provision for taxation	350	430
Profit/(loss) for the period	(2,654)	3,778
Earnings per share - Basic and diluted	(0.78)	1.11
Statement of comprehensive income for the period ended September 30, 2020		
Profit/(loss) for the period	(2,654)	3,778
Other comprehensive income	-	-
Total comprehensive income/(loss) for the period	(2,654)	3,778

Muhammad Saleem Ahmed
Chief Executive Officer

Umer Ahmed
Director

Naseer Ahmed
Chief Financial Officer



Dak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2020

	Quarter ended September 30, 2020	Quarter ended September 30, 2019
(Rs. In '000').....	
Cash flow from operating Activities		
Profit/(loss) for the period before taxation	(2,304)	4,208
Adjustment for non-cash charges and other items:		
Depreciation	461	465
	<u>461</u>	<u>465</u>
	(1,843)	4,673
Changes in working capital (Increase)/decrease in current assets		
Loose tools	-	(14)
Stock in trade	(6,220)	(5,675)
Trade debts	(2,490)	(6,977)
Advances and other receivables	(342)	(3,221)
Tax refunds due from Government	(5,235)	(619)
Increase / (decrease) in current liabilities		
Trade and other payables	3,453	16,762
	<u>(10,834)</u>	<u>256</u>
Cash generated from operations	<u>(12,677)</u>	<u>4,929</u>
Income tax paid	(350)	(430)
Net cash flows from operating activities (a)	(13,027)	4,499
Cash flow from Investing activities		
Addition in property, plant and equipment	(90)	(134)
Net cash flow from investing activities (b)	(90)	(134)
Cash flows from financing activities		
Long term loans	48,494	(3,800)
Repayment of short term bank borrowings	(40,000)	-
Net cash used in financing activities (c)	8,494	(3,800)
Net increase/(decrease) in cash and cash equivalents (a+b+c)	(4,623)	565
Cash and cash equivalents at the beginning of the period	5,837	2,292
Cash and cash equivalents at the end of the period	<u>1,214</u>	<u>2,857</u>

Muhammad Saleem Ahmed
Chief Executive Officer

Umer Ahmed
Director

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Chief Financial Officer



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2020

Particulars	Issued	Loan from	Accumulated	Total
	subscribed and paid up capital	Director	(Loss)	
(Rs. In '000').....			
Balance as at July 01, 2019	34,000	-	(396,481)	(362,481)
Total comprehensive income for the 1st quarter ended September 30, 2019	-	-	3,778	3,778
Transferred from non current liabilities		64,404		64,404
Balance as at quarter ended September 30, 2019	34,000	64,404	(392,703)	(294,299)
Balance as at July 01, 2020	34,000	60,157	(347,693)	(253,536)
Total comprehensive loss for the 1st quarter ended September 30, 2020			(2,654)	(2,654)
Transaction with owners received loan		48,494		48,494
Balance as at 1st quarter ended September 30, 2020	34,000	108,651	(350,347)	(207,696)

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Director

Naseer Ahmed
Chief Financial Officer



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 29, 2020 by the Board of Directors of the Company.

Muhammad Saleem Ahmed
Chief Executive Officer

Umer Ahmed
Director

Naseer Ahmed
Chief Financial Officer



Pak Leather Crafts Limited

CORPORATE PROFILE

CHAIRPERSON

Mrs. Rubina Saleem

DIRECTORS

Muhammad Saleem Ahmed
Dr. Muhammad Shoaib Ahmed
Nayyer Ahmed
Azeem Ahmed
Umer Ahmed
Ahmed Jalali

AUDIT COMMITTEE

Dr. Muhammad Shoaib Ahmed
Azeem Ahmed
Ahmed Jalali

HUMAN RESOURCE & REMUNERATION COMMITTEE

Umer Ahmed
Nayyer Ahmed
Azeem 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
Bank of Khyber
Meezan Bank
Askari Bank Ltd
Bankislami Pakistan Ltd

EXTERNAL AUDITORS

RSM Avais Hyder Liaquat Nauman
Chartered Accountants
Lahore

SHARE REGISTRAR

JWAFFS Registrar Services (pvt) Ltd
407-408, Al Ameer Centre,
Shahrah-e-Iraq, Karachi.
Tel: 021-35662023-24

LEGAL ADVISOR

Hassan Arif
Building No. 4-C, 9th Commercial
Lane, Zamzama Boulevard, DHA,
Phase 5, Karachi.

REGISTERED OFFICE

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

If undelivered please return to:

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Karachi. (Pakistan)

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