

**ACCOUNTS FOR
THE 1ST QUARTER ENDED
SEPTEMBER 30, 2021
(UNAUDITED)**



Pak Leather Crafts Limited



Pak Leather Crafts Limited

DIRECTORS' REVIEW

Your directors are pleased to present their report along with the unaudited financial statements for the 1st quarter ended September 30, 2021.

Grappling with the fourth COVID-19 wave, the Government, as before, implemented micro-lockdowns that successfully limited the infection spread, while permitting economic activity to continue and thereby mitigating the economic fallout. Accordingly, your directors managed uninterrupted operations during the period under review.

FINANCIAL RESULTS:

	September 30, 2021	September 30, 2020
(Rs. In '000').....	
Profit/(loss) before taxation	(3,665)	(2,304)
Taxation	(350)	(350)
Profit/(loss) after taxation	(4,015)	(2,654)
Accumulated (loss) B/F	(356,396)	(347,693)
Accumulated (loss) C/F	(360,411)	(350,347)
(Loss) / earnings per share after tax (Rupees)	(1.18)	(0.78)

Total turnover of Rs.31.830 million is composed of export amounting to Rs 22.415 million and local sales/ job work of Rs.9.415 million comparing to total turnover of Rs.34.752 million during the corresponding period last year. Due to decline in sales Company ended up with loss of Rs. 4.015 million. This resulted loss per share is Rs.1.18 comparing with loss per share of Rs.0.78 during same period last year.

FUTURE OUTLOOK:

The management is doing its best to achieve sustainable growth in sales.


The government is finalizing a proposal to give subsidy on gas, LNG and electricity to the export-oriented industries. It will help your company to control, if not reduce, the energy cost.

ACKNOWLEDGEMENT:

The Board is thankful to all the stakeholders including employees, customers and banks for their efforts, cooperation and trust.

For and on behalf of the Board


SALEEM AHMED
Chief Executive


UMER AHMED
Director

October 29, 2021



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED) AS AT SEPTEMBER 30, 2021

	Unaudited Sept. 30, 2021(Rs. In '000').....	Audited June 30, 2021
ASSETS		
Non-current assets		
Property, plant and equipment	32,927	32,268
Long term deposits	1,410	1,410
	<u>34,337</u>	<u>33,678</u>
Current assets		
Loose tools	403	371
Stock in trade	55,469	59,759
Trade debts	19,370	15,171
Advances and other receivables	3,632	3,810
Tax refunds due from governments	3,195	4,127
Cash and bank balances	1,573	4,335
	<u>83,642</u>	<u>87,573</u>
TOTAL ASSETS	<u>117,979</u>	<u>121,251</u>
CAPITAL AND LIABILITIES		
Share capital and reserves		
Share capital	34,000	34,000
Loan from Directors	117,891	116,363
Accumulated loss	(360,411)	(356,396)
	<u>(208,520)</u>	<u>(206,033)</u>
Non-current liabilities		
Long term loans	12,227	12,227
Deferred interest income	5,150	5,150
	<u>17,377</u>	<u>17,377</u>
Current liabilities		
Short term bank borrowings	112,530	112,530
Current portion of long term financing	46,903	46,903
Interest / mark up payable	89,200	89,200
Trade and other payables	59,997	59,868
Provision for taxation - income tax	350	1,264
Unclaimed dividend	142	142
	<u>309,122</u>	<u>309,907</u>
Contingencies	-	-
TOTAL LIABILITIES	<u>117,979</u>	<u>121,251</u>

Muhammad Saleem Ahmed
Chief Executive Officer

Umer Ahmed
Director

Naseer Ahmed
Chief Financial Officer



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED) AS AT SEPTEMBER 30, 2021

	Unaudited Sept. 30, 2021(Rs. In '000').....	Audited June 30, 2021
ASSETS		
Non-current assets		
Property, plant and equipment	32,927	32,268
Long term deposits	1,410	1,410
	<u>34,337</u>	<u>33,678</u>
Current assets		
Loose tools	403	371
Stock in trade	55,469	59,759
Trade debts	19,370	15,171
Advances and other receivables	3,632	3,810
Tax refunds due from governments	3,195	4,127
Cash and bank balances	1,573	4,335
	<u>83,642</u>	<u>87,573</u>
TOTAL ASSETS	<u>117,979</u>	<u>121,251</u>
CAPITAL AND LIABILITIES		
Share capital and reserves		
Share capital	34,000	34,000
Loan from Directors	117,891	116,363
Accumulated loss	(360,411)	(356,396)
	<u>(208,520)</u>	<u>(206,033)</u>
Non-current liabilities		
Long term loans	12,227	12,227
Deferred interest income	5,150	5,150
	<u>17,377</u>	<u>17,377</u>
Current liabilities		
Short term bank borrowings	112,530	112,530
Current portion of long term financing	46,903	46,903
Interest / mark up payable	89,200	89,200
Trade and other payables	59,997	59,868
Provision for taxation - income tax	350	1,264
Unclaimed dividend	142	142
	<u>309,122</u>	<u>309,907</u>
Contingencies	-	-
TOTAL LIABILITIES	<u>117,979</u>	<u>121,251</u>

Muhammad Saleem Ahmed
Chief Executive Officer

Umer Ahmed
Director

Naseer Ahmed
Chief Financial Officer



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2021

	Quarter ended September 30, 2021	Quarter ended September 30, 2020
	(Rs. In '000')	
Cash flow from operating Activities		
Profit/(loss) for the period before taxation	(3,665)	(2,304)
Adjustment for non-cash		
charges and other items:		
Depreciation	684	461
	684	461
	(2,981)	(1,843)
Changes in working capital		
(Increase)/decrease in current assets		
Loose tools	(32)	-
Stock in trade	4,290	(6,220)
Trade debts	(4,199)	(2,490)
Advances and other receivables	(333)	(342)
Tax refunds due from government	932	(5,235)
Increase / (decrease) in current liabilities		
Trade and other payables	(261)	3,453
	397	(10,834)
Cash generated from operations	(2,584)	(12,677)
Income tax paid	(363)	(350)
Net cash flows from operating activities (a)	(2,947)	(13,027)
Cash flow from Investing activities		
Addition in property, plant and equipment	(1,343)	(90)
Net cash flow from Investing activities (b)	(1,343)	(90)
Cash flows from financing activities		
Long term loans	1,528	48,494
Repayment of short term bank borrowings	-	(40,000)
Net cash used in financing activities (c)	1,528	8,494
Net increase/(decrease) in cash and cash equivalents (a+b+c)	(2,762)	(4,623)
Cash and cash equivalents at the beginning of the period	4,335	5,837
Cash and cash equivalents at the end of the period	1,573	1,214

Muhammad Saleem Ahmed
Chief Executive Officer

Umer Ahmed
Director

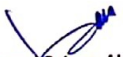
Naseer Ahmed
Chief Financial Officer




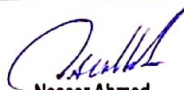
Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2021

Particulars	Issued subscribed and paid up capital	Loan from Director	Accumulated (Loss)	Total
(Rs. In '000').....			
Balance as at July 01, 2020	34,000	60,157	(347,693)	(253,536)
Total comprehensive income for the 1st quarter ended September 30, 2020	-	-	(2,654)	(2,654)
Transaction with owners loan obtained		48,494		48,494
Balance as at quarter ended September 30, 2020	34,000	108,651	(350,347)	(207,696)
Balance as at July 01, 2021	34,000	116,363	(356,396)	(206,033)
Total comprehensive loss for the 1st quarter ended September 30, 2021			(4,015)	(4,015)
Transaction with owners loan obtained		1,528		1,528
Balance as at 1st quarter ended September 30, 2021	34,000	117,891	(360,411)	(208,520)


Muhammad Saleem Ahmed
Chief Executive Officer


Umer Ahmed
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 (Now Companies Act. 2017) 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 2021 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
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

REGISTERED OFFICE

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

If undelivered please return to:

PAK LEATHER CRAFTS LIMITED

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

Ph: (92-21) 35064100 - 02, 35121615

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