

**ACCOUNTS FOR
THE 3RD QUARTER ENDED
MARCH 31, 2022
(UNAUDITED)**



Pak Leather Crafts Limited



Pak Leather Crafts Limited

CORPORATE PROFILE

BOARD OF DIRECTORS

Mrs. Rubina Saleem
Chairperson
Muhammad Saleem Ahmed
Director / CEO
Dr. Muhammad Shoaib Ahmed
Director
Nayyer Ahmed
Director
Azeem Ahmed
Director
Umer Ahmed
Director
Ahmed Jalali
Director

AUDIT COMMITTEE

Dr. Muhammad Shoaib Ahmed
Chairman
Ahmed Jalali
Member
Azeem Ahmed
Member

HUMAN RESORCE & REMUNIRATION COMMITTEE

Umer Ahmed
Chairman
Nayyer Ahmed
Member
Azeem Ahmed
Member

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Naseer Ahmed

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BANKERS

Al baraka Bank Pakistan Ltd
Habib Bank Limited
Industrial Development Bank Ltd
MCB Limited
Habib Metropolitan Bank Ltd
Soneri Bank Ltd
Faysal Bank Limited
Bank Alfalah Ltd
Bank of Khyber
Meezan Bank Ltd
BankIslami Pakistan Ltd
Askari Bank Ltd

EXTERNAL AUDITORS

RSM Avais Hyder Liaquat Nauman
Chartered Accountants
Lahore

LEGAL ADVISOR

Hassan Arif
Advocate, Sindh High Court

REGISTERED OFFICE

Plot 18, Sector 7 - A,
Korangi Industrial Area, Karachi.
Email: export1@pakleather.com
Website: www.pakleather.com,

SHARE REGISTRAR

JWAFFS Registrar Services (pvt) Ltd
407-408, Al Ameera Centre,
Shahrah-e-Iraq, Karachi.
Tel: 021- 35662023
021- 35662024

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 the condensed interim unaudited financial statements of the Company for the nine month period ended March 31, 2022.

Financial Results:	March 31 2022	March 31 2021
(Rs. In '000').....	
Profit/ (Loss) before taxation	5,655	19
Taxation	(1,187)	(775)
Profit/ (loss) after tax	4,468	(756)
Accumulated loss B/F	(356,397)	(347,693)
Accumulated loss C/F	(351,929)	(348,449)
Profit/ (loss) per share after tax (Rupees)	1.31	(0.22)

Company Performance:

Your directors are pleased to report that continues and rigorous efforts has started fruiting in the form of positive financial results. During the period under review the total sales reached to Rs.104.990 million comparing with Rs.77.185 million for the same period, last year. Sales included export of Rs. 73.948 million whereas in the comparative same period the exports was Rs.53.063 million.

On the expenses front, saving was exercised in general, marketing and financial expenses. Total these expenses incurred during the period under review reduced to Rs. 13.354 million from Rs. 14.715 million for same period last year.

Profit before tax is Rs.5.655 million for the nine months ended March 31,2022 comparing with the Profit of Rs. 0.019 million for the same period last year.

Future Outlook:

During the period foreign business tour was made to UAE and Indonesia. Initial trial orders have been received. It is expected that repeat bulk orders will be received in the forthcoming period.

Acknowledgement:

The management is pleased to put on record its appreciation of cooperation from employees, customers, suppliers and the banks.

On behalf of the Board

Muhammad Saleem Ahmed
Chief Executive Officer

Karachi: April 29, 2022



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2022

	Unaudited March 31, 2022	Audited June 30, 2021
(Rs. In '000').....	
ASSETS		
Non-current assets		
Property, plant and equipment	33,148	32,268
Long term deposits	1,410	1,410
	<u>34,558</u>	<u>33,678</u>
CURRENT ASSETS		
Loose tools	320	371
Stock in trade	61,750	59,759
Trade debts	29,817	15,171
Advances and other receivable	3,336	3,810
Tax refunds due from Government	2,829	4,127
Cash and bank balances	4,333	4,335
	<u>102,385</u>	<u>87,573</u>
Total Assets	<u>136,943</u>	<u>121,251</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Issued, subscribed and paid up capital	34,000	34,000
Loan from Director	123,041	116,364
Accumulated loss	(351,929)	(356,397)
	<u>(194,888)</u>	<u>(206,033)</u>
NON-CURRENT LIABILITIES		
Long term loans	12,987	12,227
Deferred interest income	4,390	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	64,491	59,867
Provision for taxation - income tax	1,187	1,264
Unclaimed dividend	143	143
	<u>314,454</u>	<u>309,907</u>
CONTINGENCIES		
	<u>136,943</u>	<u>121,251</u>

The annexed notes form an integral part of these condensed interim 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 NINE MONTH PERIOD ENDED MARCH 31, 2022

Note	For the Nine Months ended		For the Quarter ended	
	March.31 2022	March.31 2021	March.31 2022	March.31 2021
	(Rs. In '000')			
Sales - net	104,990	77,185	49,258	28,975
Cost of sales	89,139	70,222	37,366	23,687
Gross profit	15,851	6,963	11,892	5,288
Other income	3,158	7,771	163	301
	19,009	14,734	12,055	5,589
Administrative expenses	8,953	9,070	3,198	2,246
Selling and distribution expenses	3,775	4,276	2,537	890
Bank charges and commission	626	1,369	452	663
	13,354	14,715	6,187	3,799
Profit for the period before taxation	5,655	19	5,868	1,790
Provision for taxation	1,187	775	550	236
(Loss)/Profit for the period	4,468	(756)	5,318	1,554
Earning per share - Basic (Rupees)	1.31	(0.22)	1.56	0.46

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2022

Note	For the Nine Months ended		For the Quarter ended	
	March.31 2022	March.31 2021	March.31 2022	March.31 2021
	(Rs. In '000')			
(Loss)/Profit for the period	4,468	(756)	5,318	1,554
Other comprehensive income	-	-	-	-
Total comprehensive (Loss)/Profit for the period	4,468	(756)	5,318	1,554

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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 NINE MONTH PERIOD ENDED MARCH 31, 2022

	31, Mar. 2022	31, Mar. 2021
(Rs. In '000').....	
CASH GENERATED FROM OPERATIONS		
Profit for the period before taxation	5,655	19
Adjustment for non-cash items:		
Depreciation	2,130	1,407
Operating cash flows before working capital changes	7,785	1,426
Changes In Working Capital		
(Increase)/decrease in current assets		
Loose tools	51	23
Stock in trade	(1,991)	(22,870)
Trade debts	(14,646)	3,610
Advances and other receivables	474	430
Tax refunds due from government	1,298	4,694
Increase/(Decrease) in current liabilities		
Trade and other payables	4,624	(2,777)
	(10,190)	(16,890)
Cash flow from operations.	(2,405)	(15,464)
Income tax paid	(1,264)	(2,296)
Net Cash Flows From Operating Activities (A)	(3,669)	(17,760)
Cash flows from investing activities		
Addition in property, plant and equipment	(3,010)	(3,671)
Net cash flow from investing activities (B)	(3,010)	(3,671)
Cash flows from financing activities		
Loan from Directors obtained / (repaid)	6,677	56,487
Short term borrowings repaid - net	-	(40,000)
Net cash flow from financing activities (C)	6,677	16,487
Net Increase/(decrease) In cash and cash equivalents (A+B+C)	(2)	(4,944)
Cash and cash equivalent at the beginning of the period	4,335	5,837
Cash and cash equivalent at the end of the period	4,333	893

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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 NINE MONTH PERIOD ENDED MARCH 31, 2022

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 period				
Loss for the period	-	-	(756)	(756)
Other comprehensive income	-	-	-	-
	-	-	(756)	(756)
Transaction with owners				
Loan obtained from directors	-	56,487	-	56,487
Balance as at March 31, 2021	<u>34,000</u>	<u>116,644</u>	<u>(348,449)</u>	<u>(197,805)</u>
Balance as at July 01, 2021	34,000	116,364	(356,397)	(206,033)
Total comprehensive (loss) for the period				
Profit for the period	-	-	4,468	4,468
Other comprehensive income	-	-	-	-
	-	-	4,468	4,468
Transaction with owners				
Loan obtained from directors	-	6,677	-	6,677
Balance as at March 31, 2022	<u>34,000</u>	<u>123,041</u>	<u>(351,929)</u>	<u>(194,888)</u>

The annexed notes form an integral part of these condensed interim 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 Exchange. 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 29, 2022** by the Board of Directors of the Company.

MUHAMMAD SALEEM AHMED
Chief Executive Officer

UMER AHMED
Director

NASEER AHMED
Chief Financial Officer