



Leather [↑]Up Limited

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024
(UNAUDITED)**



COMPANY PROFILE

Board of Directors

Khalid H. Shah	Chief Executive/ Director	Mahmooda Shah	Director
Jazim Shah	Director / Chairman	S. Faisal Shah	Director
Ellahi Bukhsh	Director	Farooq Raza	Director
Shaikh Abdus Sami	Director		

Board Audit Committee

Ellahi Bukhsh	Chairman
Jazim Shah	Member
Mahmooda Shah	Member

Human Resource Committee

Ellahi Bukhsh	Chairman
S. Faisal Shah	Member
Mahmooda Shah	Member

Chief Financial Officer / Company Secretary

Ali Ahmar

Auditors

UHY Hassan Naeem & Co.

Legal Advisor

Maqsood Ahmad Bullo & Company Advocate

Bankers

MCB Bank Ltd	United Bank Ltd	Faysal Bank Ltd
Summit Bank Ltd	Askari Bank Ltd	Meezan Bank Ltd
Bank Al-falah Ltd	Bank Al Habib Ltd	

Registered Office/Factory

Plot # 23/C, 15th Commercial Street Phase II Extension, Defence Housing Authority, Karachi.

Phone: (021) 35880771-2 Fax: (021) 35880773

E-mail: leatherup@cyber.net.pk

Website: leatherupltd.com

Share Registrar Office

M/S C&K Management Associates (Pvt) Limited

M13, Progressive Plaza, Civil Lines Quarter, Near P.I.D.C, Beaumont Road, Karachi - 75530, Pakistan

Phone: (021) 35687839- (021) 35685930



DIRECTORS REPORT

The Directors are pleased to present the financial report for the first quarter ended September 30, 2024.

Company Performance:

The company's net revenue for this period amounted to Rs. 4.0 million, compared to Rs. 18.7 million in the same period last year. The net loss after taxation for the first quarter ended September 30, 2024, stands at Rs. 127,583, whereas the same period in the previous year recorded a net profit of Rs. 98,611.

Future Outlook:

Despite various challenges, the company remains focused on:

Enhancing operational efficiencies.

Exploring new market opportunities.

Reducing production costs.

Leveraging key performance drivers.

While global uncertainties and challenges within the leather industry persist, the management remains committed to safeguarding shareholders' interests. We are focused on maintaining stability and are actively working to secure significant export orders from existing clients, while also exploring new markets to support sustainable export growth. We remain optimistic about achieving solid export figures in the near future.

Workers Management Relation:

We appreciate the efforts of our staff and workers, whose dedication made these achievements possible. We are also thankful to our shareholders for their continued support, which we aim to maintain in the future.

Worker-management relations have been excellent, ensuring smooth operations. We value this spirit of teamwork and plan to foster it further.

Thanks and Appreciation:

We sincerely thank our shareholders for their trust and support, now and during difficult times.

Karachi - October 29, 2024.

By order of the board

Khalid H. Shah

Chief Executive Officer

ڈائریکٹرز کی رپورٹ

ڈائریکٹرز کو خوشی ہے کہ وہ 30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی کے مالیاتی بیان کی رپورٹ پیش کر رہے ہیں۔

کمپنی کی کارکردگی

کمپنی کی آمدنی اس مدت کے دوران 4.0 ملین روپے رہی، جو پچھلے سال کی اسی مدت میں 18.7 ملین روپے تھی۔ 30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی کے لیے ٹیکس کے بعد خالص خسارہ 127,583 روپے ہے، جبکہ پچھلے سال کی اسی مدت میں 98,611 روپے کا خالص منافع ریکارڈ کیا گیا تھا۔

مستقبل کا لائحہ عمل

مختلف چیلنجز کے باوجود، کمپنی درج ذیل پر توجہ مرکوز رکھے ہوئے ہے:

آپریشنل کارکردگی کو بہتر بنانا۔

نئے مارکیٹ مواقع تلاش کرنا۔

پیداواری لاگت کو کم کرنا۔

کلیدی کارکردگی کے محرکات سے فائدہ اٹھانا۔

چمڑے کی صنعت میں عالمی غیر یقینی صورتحال اور چیلنجز کے باوجود، انتظامیہ شیئر ہولڈرز کے مفادات کے تحفظ کے لیے پرعزم ہے۔ ہم

استحکام برقرار رکھنے پر توجہ دے رہے ہیں اور موجودہ گاہکوں سے اہم برآمدی آرڈرز حاصل کرنے کے لیے فعال طور پر کام کر رہے ہیں، جبکہ

برآمدات کو بڑھانے کے لیے نئی منڈیوں کی تلاش بھی جاری ہے۔

ہم پر امید ہیں کہ مستقبل قریب میں معقول برآمدی نتائج حاصل کریں گے

ورکرز اور انتظامیہ کے تعلقات

ہم اپنے تمام عملے اور کارکنوں کی کوششوں کو سراہتے ہیں، جن کی محنت نے ان کامیابیوں کو ممکن بنایا۔ ہم اپنے شیئر ہولڈرز کا بھی

شکریہ ادا کرتے ہیں جنہوں نے مشکل وقت میں ہمارا ساتھ دیا، اور ہم امید کرتے ہیں کہ یہ تعاون مستقبل میں بھی جاری رہے گا۔

ورکرز اور انتظامیہ کے تعلقات پورے سال عمدہ رہے، جس کے نتیجے میں کمپنی کے کام بخوبی چلتے رہے۔ ہم اس ٹیم ورک کی روح کو اہمیت

دیتے ہیں اور اسے مزید فروغ دینے کا ارادہ رکھتے ہیں۔

شکریہ اور قدردانی

ہم اپنے شیئر ہولڈرز کا مخلصانہ شکریہ ادا کرتے ہیں کہ انہوں نے مشکل وقت اور حالیہ دنوں میں ہمارا اعتماد اور تعاون برقرار رکھا۔



خالد ایچ شاہ
(چیف ایگزیکٹو)

کراچی: 29 اکتوبر 2024

LEATHER UP LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

ASSETS	<i>Note</i>	Sep 2024	June 2024
		Rupees	
Non-current assets			
Property, plant and equipment		2,523,326	2,574,822
Current assets			
Stock-in-trade		16,061,667	17,840,117
Trade debts		-	-
Advances, deposits and other receivables		4,713,426	4,410,635
Tax refunds due from government		2,299,505	2,224,403
Cash and bank balances		889,622	1,415,232
		23,964,220	25,890,387
Total assets		26,487,546	28,465,209
EQUITY AND LIABILITIES			
Share capital and reserves			
<i>Authorized capital</i>			
6,000,000 (2022: 6,000,000) ordinary shares of Rs. 10/- each		60,000,000	60,000,000
Issued, subscribed and paid up capital		60,000,000	60,000,000
<i>Revenue reserves</i>			
General reserve		1,369,610	1,369,610
Accumulated (losses) / profit		(41,243,422)	(41,115,839)
		(39,873,812)	(39,746,229)
		20,126,188	20,253,771
Non-current liability			
Staff retirement benefits - gratuity		470,382	470,382
Current liabilities			
Loan from directors		88,600	88,600
Trade and other payables		4,172,025	6,022,104
Unclaimed dividend		1,630,351	1,630,351
		5,890,976	7,741,055
Total equity and liabilities		26,487,546	28,465,209

Contingency and commitments

The annexed notes are integral part of these financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

LEATHER UP LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Sep 2024	Sep 2023
<i>Note</i>	Rupees	
Sales revenue	4,015,797	18,781,311
Cost of sales	<u>(3,205,690)</u>	<u>(16,660,435)</u>
Gross Profit	810,107	2,120,876
Administrative expenses	<u>(1,180,000)</u>	<u>(2,516,581)</u>
Distribution expenses	<u>(21,400)</u>	<u>(499,510)</u>
Operating loss	(391,293)	(895,215)
Other (expense) / income	302,791	1,181,639
Profit/Loss before income tax, minimum tax differential and final tax	(88,502)	286,425
Minimum tax - levy	-	
Final tax - levy	(39,081)	(187,813)
Profit/Loss before taxation	(127,583)	98,611
Taxation	-	
Profit/Loss after taxation	(127,583)	98,611
Profit/Loss per share - basic and diluted	(0.02)	0.02

The annexed notes are integral part of these financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

LEATHER UP LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

<i>Note</i>	Sep 2024	Sep 2023
	———— Rupees ————	————
Profit/(Loss) after taxation	(127,583)	98,611
Other comprehensive income		
Total comprehensive Profit/Loss for the period	<u><u>(127,583)</u></u>	<u><u>98,611</u></u>



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

LEATHER UP LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		Rupees	
Profit/Loss before taxation		(88,502)	286,424
<i>Adjustments for non-cash and other items:</i>			
- Depreciation on property, plant and equipment		51,496	41,452
- Provision for staff gratuity			
		51,496	41,452
Cash flow before working capital changes		(37,006)	327,876
Working capital changes			
<i>(Increase) / decrease in current assets</i>			
- Stock-in-trade		1,778,450	8,600,445
- Trade debts		-	
- Advances, deposits, prepayments and other receivables		(302,791)	(1,181,639)
- Tax		(39,081)	(187,813)
<i>Increase / (decrease) in current liabilities</i>			
- Trade and other payables excluding gratuity payable		(1,850,080)	(8,065,000)
		(413,502)	(834,007)
Cash generated from operations		(450,508)	(506,131)
Gratuity paid		0	
Taxes paid		(75,103)	(187,813)
		(75,103)	(187,813)
Net cash (used in) / generated from operating activities		(525,610)	(693,944)
CASH FLOWS FROM INVESTING ACTIVITIES			
Net cash (used in) / generated from investing activities		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Net loan obtained from / (repaid to) directors		-	
Unclaimed Dividend Paid		-	-
Net cash generated from / (used in) financing activities		-	-
Net increase / (decrease) in cash and cash equivalents		(525,610)	(693,944)
Cash and cash equivalents at the beginning of the year		1,415,232	2,754,248
Cash and cash equivalents at the end of the year		889,622	2,060,308

The annexed notes are integral part of these financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

LEATHER UP LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

Issued, subscribed and paid up capital	Revenue reserves		Total
	General reserve	Accumulated (loss) / profit	

————— Rupees —————

Balance as at June 30, 2023	60,000,000	1,369,610	(41,582,119)	19,787,491
<i>Total comprehensive loss for the period ended Sep 30, 2023</i>				
- Profit/(Loss) after taxation	-	-	98,611	98,611
- Other comprehensive loss	-	-	-	-
	-	-	98,611	98,611
Balance as at Sep 30, 2023	60,000,000	1,369,610	(41,483,509)	19,886,101
Balance as at June 30, 2024	60,000,000	1,369,610	(41,115,839)	20,253,771
<i>Total comprehensive profit for the period ended Sep 30, 2023</i>				
- Profit/(Loss) after taxation	-	-	(127,583)	(127,583)
- Other comprehensive income	-	-	-	-
	-	-	(127,583)	(127,583)
Balance as at Sep 30, 2024	60,000,000	1,369,610	(41,243,422)	20,126,188

The annexed notes are integral part of these financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

LEATHER UP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2024 (UN-AUDITED)

1. STATUS AND NATURE OF BUSINESS

Leather Up Limited ('the Company') was incorporated in Pakistan as a private limited company on December 2, 1990 vide registration no. K-02440 of 1990-91. Subsequently, the Company was converted into a public limited company on May 15, 1993. The Company is listed on Pakistan Stock Exchange since 1994.

The Company is engaged in the manufacture and export of leather garment products. The Head Office and the manufacturing facility of the Company are located at Plot # 23/C, 15th Commercial Street, Phase II Extension, Defence Housing Authority, Karachi.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which comprise of International Accounting Standard (IAS) 34 'Interim Financial Reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act) and provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

2.2 These condensed interim financial statements are unaudited and subject to limited scope review by the auditors. These are being submitted to the members in accordance with Section 237 of the Companies Act, 2017 (the Act).

2.3 These condensed interim financial statements do not include all the information and disclosures required in annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2024.

3. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies and method of computations followed for the preparation of these condensed interim financial statements are the same as those applied in the preparation of annual published financial statements of the company for the year ended June 30, 2024.

3.1 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements in conformity with the approved accounting standards as applicable in Pakistan requires the management to make estimates, assumptions and use judgements that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual financial statements for the year ended June 30, 2024, except as disclosed otherwise.

	Sep 30, 2024 (Unaudited)	June 30, 2024 (Audited)
<i>Note</i>	————— Rupees —————	
4 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets - at net book value	2,523,326	2,574,822
Additions - operating fixed assets (at cost)	-	-
Disposals - operating fixed assets (at net book value)	-	-
	<u>2,523,326</u>	<u>2,574,822</u>
	Sep 30, 2024 (Unaudited)	June 30, 2024 (Audited)
4.1 Depreciation charge for the period	<u>51,496</u>	<u>165,808</u>

	Sep 30, 2024 (Unaudited)	June 30, 2024 (Audited)
	Rupees	
5 STOCK IN TRADE		
Raw material and accessories	16,061,667	17,840,117
Work in process	-	-
Finished goods	778,967	778,967
Less: Provision for obsolete stock	(778,967)	(778,967)
	<u>16,061,667</u>	<u>17,840,117</u>

6 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

	Sep30, 2024 (Unaudited)	June 30, 2024 (Audited)		Sep 30, 2024 (Unaudited)	June 30, 2024 (Audited)
	Number of Shares			Rupees	
	5,759,100	5,759,100	Ordinary shares of Rs. 10/- each fully paid in cash.	57,591,000	57,591,000
	125,000	125,000	Ordinary shares of Rs. 10/- each issued for consideration other than cash.	1,250,000	1,250,000
	115,900	115,900	Ordinary shares of Rs. 10/- each issued as fully paid bonus shares.	1,159,000	1,159,000
	<u>6,000,000</u>	<u>6,000,000</u>		<u>60,000,000</u>	<u>60,000,000</u>

7 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on October 29, 2024 by the Board of Directors of the Company.

8 GENERAL

- Figures have been rounded off to the nearest rupee.
- Figures have been rearranged / reclassified where ever necessary



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR