

Ghani

THE GLASS EXPERTS

First Quarter
Financial Statements
2015-16



Ghani Value Glass Limited

Corporate Information

BOARD OF DIRECTORS

Chairman

Mr. Ayub Sadiq

Directors

Mr. Imtiaz Ahmad Khan
Mr. Anwaar Ahmad Khan
Mr. Aftab Ahmad Khan
Mr. Junaid Ghani
Mr. Obaid Ghani
Mr. Jubair Ghani
Mrs. Ayesha Aftab
Ms. Afifa Anwaar
Mrs. Javaria Obaid

CHIEF EXECUTIVE OFFICER

Mr. Anwaar Ahmad Khan

AUDIT COMMITTEE

Chairman

Mr. Junaid Ghani

Members

Mrs. Ayesha Aftab
Ms. Afifa Anwaar

HR & R COMMITTEE

Chairman

Mr. Aftab Ahmad Khan

Members

Mr. Junaid Ghani
Mr. Jubair Ghani

CHIEF FINANCIAL OFFICER

Mr. Umer Farooq Khan

COMPANY SECRETARY

Hafiz Mohammad Imran Sabir

AUDITORS

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

SHARE REGISTRAR

Corplink (Pvt) Ltd
Wings Arcade, 1-K Commercial Area
Model Town, Lahore, Pakistan
Phones : (042) 35916714, 35916719
Fax : (042) 35869037

BANKERS

Habib Metropolitan Bank Limited
MCB Bank Limited

HEAD OFFICE & REGISTERED OFFICE

40-L Model Town, Lahore, Pakistan
UAN: (042) 111 949 949, Fax:(042) 35172263
E-mail : info@ghanivalueglass.com
<http://www.ghanivalueglass.com>

PLANT

Hussain Nagar
District Sheikhpura
Ph: (056) 3406171

Director's Report

Dear shareholders

Assalam-u-Alaikum Wa Rehmatullah Wa Barakatohu

The Board of Directors of Ghani Value Glass Limited is pleased to present financial statements for the first quarter ended September 30, 2015.

During the period under review, the Company has recorded Net Revenue of Rupees 137 million as compared to Rupees 145 million for the corresponding period of last year. Gross profit stood at Rupees 13 million. The Company has sustained Net Loss of Rupees 2.5 million as compared to Net Profit of Rupees 2.6 million for the corresponding period of last year. Loss per share was Rupees 0.13 against earning per share of Rupees 0.14 for the same period of last year. During the period under review, the earnings remained lower mainly due to low productivity. The financial results for the first quarter ended September 30, 2015 are as follow:

FINANCIAL INDICATORS	September 30, 2015	September 30, 2014
	Rupees '000'	
Sales-Net	137,131	144,780
Gross profit	13,111	13,465
Profit / (loss) before taxation	(3,014)	4,407
Net profit / (loss)	(2,514)	2,606
Earning per share	(0.13)	0.14

On behalf of the Directors, we are pleased to record our appreciation for our customers, employees, suppliers, shareholders and financial institutions for their trust in the management of the company.

We thank Allah Subhanatallah for blessing all of us and your company. We all should continue our endeavors to fully obey the commandments of Almighty Allah and Sunnah of our Prophet Muhammad" (Sallallahu-Alaihe-Wasallum).

On behalf of the Board of Directors



Anwaar Ahmad Khan
Chief Executive

Lahore: October 30, 2015

Condensed Interim Balance Sheet (un-audited)

AS AT 30 SEPTEMBER 2015

	Note	September 30, 2015 Rupees	June 30, 2015 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	352,101,736	351,845,881
Long term deposits		4,633,044	4,633,044
		356,734,780	356,478,925
CURRENT ASSETS			
Stores, spares and loose tools		30,722,859	27,166,970
Stock in trade	6	125,204,377	79,489,141
Trade debts - unsecured, considered good		177,640,205	156,533,781
Loans and advances		27,690,094	15,287,199
Taxes and duty refundable		51,457,327	53,691,106
Cash and bank balances		3,386,297	21,102,957
		416,101,159	353,271,154
		772,835,939	709,750,079
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital			
30,000,000 (30 June 2014: 30,000,000) ordinary shares of Rs.10/- each (30 June 2013: Rs 10/- each).		300,000,000	300,000,000
Issued, subscribed and paid up capital			
18,837,500 (30 June 2014: 18,837,500) ordinary shares of Rs.10/- each (30 June 2014: Rs 10/- each).		188,375,000	188,375,000
Revenue reserves			
General reserve		3,680,000	3,680,000
Accumulated profits / (losses)		65,585,295	68,098,808
		257,640,295	260,153,808
SURPLUS ON REVALUATION OF FIXED ASSETS			
		113,607,206	113,607,206
NON CURRENT LIABILITIES			
Deferred taxation		14,708,213	16,708,213
Long term deposits		290,592	207,393
		14,998,805	16,915,606
CURRENT LIABILITIES			
Loans from directors	7	10,000,000	55,000,000
Trade and other payables		375,089,633	256,493,202
Provision for taxation		1,500,000	7,580,257
		386,589,633	319,073,459
		772,835,939	335,989,065
CONTINGENCIES AND COMMITMENTS			
	8	-	
		772,835,939	709,750,079

The annexed notes from 1 to 11 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

Condensed Interim Profit and Loss Account (un-audited)

FOR THE PERIOD ENDED 30 SEPTEMBER 2015

	September 30, 2015 Rupees	September 30, 2014 Rupees
Gross sales	164,117,882	175,587,659
Less: Sales tax, excise duty & commission	<u>26,987,102</u>	<u>30,807,975</u>
Sales-net	137,130,780	144,779,684
Cost of sales	<u>124,019,511</u>	<u>131,314,590</u>
Gross profit / (loss)	13,111,269	13,465,095
Administrative expenses	<u>12,565,633</u>	<u>6,097,787</u>
Distribution cost	<u>6,442,160</u>	<u>5,226,535</u>
	19,007,793	11,324,322
Operating Profit/(loss)	<u>(5,896,524)</u>	<u>2,140,772</u>
Other operating expenses	<u>102,468</u>	<u>326,589</u>
Finance cost	26,153	27,626
Other operating income	<u>(3,011,632)</u>	<u>(2,620,028)</u>
	(2,883,011)	(2,265,813)
Profit / (Loss) before tax	<u>(3,013,513)</u>	<u>4,406,585</u>
Taxation	500,000	1,800,690
Profit / (Loss) after tax	<u>(2,513,513)</u>	<u>2,605,895</u>
Other comprehensive income for the period	-	-
Total comprehensive Profit / (Loss) for the period	<u>(2,513,513)</u>	<u>2,605,895</u>
Earnings per share - basic and diluted	<u>(0.13)</u>	<u>0.14</u>

The annexed notes from 1 to 11 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

Condensed Interim Statement of Cash Flow (un-audited)

FOR THE PERIOD ENDED 30 SEPTEMBER 2015

	September 30, 2015 Rupees	September 30, 2014 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period before taxation	(3,013,513)	4,406,585
Adjustments for non-cash charges and other items:		
Depreciation	6,240,779	2,813,583
Provision for WPPF	-	236,659
Provision for WWF	-	89,930
Profit on savings account	(255,171)	(210,797)
	<u>2,972,095</u>	<u>7,335,961</u>
Working capital adjustments		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(3,555,889)	(664,535)
Stock-in-trade	(45,715,236)	(55,350,561)
Trade debts	(21,106,424)	(34,729,801)
Loans and advances	(12,402,895)	(21,205,046)
Taxes and duty refundable	2,233,779	3,312,986
Increase / (decrease) in current liabilities:		
Trade and other payables	120,113,232	94,775,237
Short term loans - net	(45,000,000)	-
Long term deposits payable	83,199	-
	<u>(5,350,234)</u>	<u>(13,861,721)</u>
CASH GENERATED FROM OPERATIONS	<u>(2,378,139)</u>	<u>(6,525,760)</u>
Taxes paid	(7,580,257)	(6,091,469)
WPPF paid	(1,516,801)	(1,586,590)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	<u>(11,475,197)</u>	<u>(14,203,819)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure incurred	(6,496,634)	(62,476)
Profit on savings account received	255,171	210,797
NET CASH USED IN INVESTING ACTIVITIES	<u>(6,241,463)</u>	<u>148,321</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(17,716,660)</u>	<u>(14,055,498)</u>
CASH AND CASH EQUIVALENTS At the beginning of the period	<u>21,102,957</u>	<u>34,952,080</u>
CASH AND CASH EQUIVALENTS At the end of the period	<u><u>3,386,297</u></u>	<u><u>20,896,582</u></u>

The annexed notes from 1 to 11 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

Condensed Interim Statement of Changes in Equity (un-audited)

FOR THE PERIOD ENDED 30 SEPTEMBER 2015

	Share Capital	Revaluation Surplus	Revenue Reserves		Total
			General Reserve	Unappropriated Profit/Loss	
Rupees					
Balance as at 30 June 2014	188,375,000	92,932,206	3,680,000	47,092,265	332,079,471
Profit for the period ended 30 September 2014				2,605,895	2,605,895
Balance as at 30 September 2014	<u>188,375,000</u>	<u>92,932,206</u>	<u>3,680,000</u>	<u>49,698,160</u>	<u>334,685,366</u>
Balance as at 30 June 2015	188,375,000	113,607,206	3,680,000	68,098,808	373,761,014
Loss for the period ended 30 September 2015				(2,513,513)	(2,513,513)
Balance as at 30 September 2015	<u>188,375,000</u>	<u>113,607,206</u>	<u>3,680,000</u>	<u>65,585,295</u>	<u>371,247,501</u>



CHIEF EXECUTIVE



DIRECTOR

Condensed Interim Notes to the Financial Statements (un-audited)

FOR THE PERIOD ENDED 30 SEPTEMBER 2015

1 LEGAL STATUS AND NATURE OF BUSINESS

Ghani Value Glass Limited (the Company) was incorporated in Pakistan on 17 March, 1967 as a Public Limited Company and its shares are quoted on Karachi and Lahore Stock Exchanges. The principal activity of company is manufacturing and sale of silver & aluminium mirror, tempered and double glazed glass. The Company's registered office is at 40-L Block, Model Town Lahore.

2 BASIS OF PRESENTATION AND MEASUREMENT

This condensed interim financial information is un-audited for the three months period ended 30 September 2015 and has been prepared in accordance with the requirements of the International Accounting Standard(IAS)- 34 'Interim Financial Reporting' and provisions of and directive issued under the Companies Ordinance, 1984. In case where the requirement differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This interim financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 30 June 2015.

3 ACCOUNTING POLICIES

The accounting policies applied for the preparation of this condensed interim financial information are the same as those applied in preparation of the annual audited financial statements of the Company for the year ended 30 June 2015.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the financial statements for the year ended 30 June 2015.

5 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets 5.1
Capital work in progress

5.1 Operating fixed assets - tangible

Opening book value

Additions during the period / year:

- Buildings on freehold land
- Plant and machinery
- Electric installations
- Mills equipment
- Furniture & fixture
- Computers
- Office equipment
- Vehicles

Less: Written down value of deletions during the period / year

Add: Revaluation of land during the period / year

Less: Depreciation charge for the period / year

Closing book value

	Un-audited 30 September 2015 Rupees	Audited 30 June 2015 Rupees
	345,237,375	228,090,314
	6,864,361	123,755,567
	352,101,736	351,845,881
	228,090,314	196,314,464
	-	12,257,746
	118,221,438	7,971,448
	-	-
	2,999,027	621,046
	752,875	-
	-	96,000
	-	394,763
	1,414,500	1,674,650
	123,387,840	23,015,653
	-	-
	-	20,675,000
	(6,240,779)	(11,914,803)
	345,237,375	228,090,314

	Un-audited 30 September 2015 Rupees	Audited 30 June 2015 Rupees
6 STOCK-IN-TRADE		
Raw materials	72,922,805	57,974,240
Finished goods	52,281,572	21,514,901
	125,204,377	79,489,141
7 LOANS FROM DIRECTORS		
Mr. Anwaar Ahmed Khan	10,000,000	55,000,000
	10,000,000	55,000,000

7.1 These represent unsecured, interest free loans from Directors for working capital and are payable on demand.

8 CONTINGENCIES AND COMMITMENTS

There is no material change in the contingencies and commitments since the last audited financial statements for the year ended 30 June 2015.

9 TRANSACTIONS WITH RELATED PARTIES

Relationship within group	Nature of transactions	Un-audited 30 September 2015 Rupees	Un-audited 30 September 2014 Rupees
Associated undertakings	Purchase of goods and services	121,661,322	126,985,896
	Cullet sales	916,360	1,117,163
	Shared expenses (Reimbursement of expenses)	607,400	316,480
	Rental income	1,599,321	1,454,391
Post employment benefit plans	Expenses charged in respect of retirement benefit plans	1,089,569	1,291,205
Key management personnel	Salaries and other employee benefits	14,822,802	12,707,978

All transactions with related parties have been carried out on commercial terms and conditions.

10 DATE OF AUTHORIZATION FOR ISSUE

These financial information were authorized for issue by the Board of Directors of the Company on October 30, 2015.

11 GENERAL

Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE



DIRECTOR

Ghani

Ghani Value Glass Limited

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