



Ghani

THE GLASS EXPERTS

Half Year
Financial Statements
2014-15

Ghani Value Glass Limited

Corporate Information

BOARD OF DIRECTORS

Chairman

Mr. Imtiaz Ahmad Khan

Directors

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

Mr. M. Iqbal Khan

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
Burj 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

Directors' 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 Half Year ended December 31, 2014 along with review report of auditors thereon.

During the period under review, the Company has recorded Net Revenue of Rupees 294 million as compared to Rupees 311 million for the corresponding period of last year. Gross profit stood at Rupees 26 million as compared to Rupees 42 million for the corresponding period of last year. The Company has earned Net Profit of Rupees 5 million as compared to Rupees 16 million for the corresponding period of last year. Earning per share was Rupees 0.28 against Rupees 0.87 for the same period of last year. The work on Spectrum Coating Line is in its full pace. The results for the period under review are as follow:

FINANCIAL INDICATORS	2014	2013
	Rupees '000'	
Sales-Net	293,769	310,943
Gross profit	26,463	42,412
Profit / (loss) before taxation	8,306	21,548
Net profit	5,262	16,039
Earning per share	0.28	0.87

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: February 23, 2014

Auditor's Report

TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of Ghani Value Glass Limited (the company) as at 31 December 2014 and the related condensed interim profit and loss account, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the financial statements for the six month period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standards on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information not prepared, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

Chartered Accountants
Engagement Partner: Farooq Hameed

Lahore: February 23, 2015

Condensed Interim Balance Sheet (un-audited)

Ghani Value Glass Limited

AS AT 31 DECEMBER 2014

	Note	Un-audited 31 December 2014 Rupees	Audited 30 June 2014 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	220,377,198	214,905,058
Long term deposits		4,633,044	4,633,044
		225,010,242	219,538,102
CURRENT ASSETS			
Stores, spares and loose tools		24,758,250	19,910,783
Stock in trade	6	86,536,035	63,732,113
Trade debts - unsecured, considered good		146,085,456	146,463,555
Loans and advances		13,899,736	18,028,091
Tax refunds due from the government		34,495,261	31,286,246
Cash and bank balances		33,701,687	34,952,081
		339,476,425	314,372,869
		564,486,667	533,910,971
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 2014: Rs. 10/- each).		300,000,000	300,000,000
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
Unappropriated profit		52,354,361	47,092,265
		244,409,361	239,147,265
SURPLUS ON REVALUATION OF FIXED ASSETS			
		92,932,206	92,932,206
		337,341,567	332,079,471
NON CURRENT LIABILITIES			
Deferred taxation		16,802,052	17,139,896
		354,143,619	349,219,367
CURRENT LIABILITIES			
Trade and other payables		206,961,771	177,340,134
Provision for taxation		3,381,277	7,351,470
		210,343,048	184,691,604
		564,486,667	533,910,971
CONTINGENCIES AND COMMITMENTS			
	7	-	-
		564,486,667	533,910,971

The annexed notes from 1 to 13 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

Condensed Interim Profit and Loss Account (un-audited)

Ghani Value Glass Limited

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2014

	Note	Six Month Period Ended		Three Month Period Ended	
		31 December 2014 Rupees	31 December 2013 Rupees	31 December 2014 Rupees	31 December 2013 Rupees
Gross sales		360,885,038	373,860,129	185,297,379	216,622,031
Less: Sales tax, excise duty and commission		67,115,656	62,916,685	36,307,681	39,274,531
Sales-net	8	293,769,382	310,943,444	148,989,698	177,347,500
Cost of Sales	9	(267,306,267)	(268,531,098)	(135,991,677)	(144,746,707)
Gross profit		26,463,115	42,412,346	12,998,021	32,600,793
Distribution cost		(11,620,493)	(11,907,821)	(6,393,958)	(6,368,359)
Administrative expenses		(12,509,010)	(13,362,079)	(6,411,223)	(6,127,957)
		(24,129,503)	(25,269,900)	(12,805,181)	(12,496,316)
Operating profit		2,333,612	17,142,446	192,840	20,104,477
Finance cost		(136,387)	(210,114)	(108,461)	(96,462)
Other operating income		6,723,859	6,625,229	4,103,831	3,481,153
Other operating expenses		(615,555)	(2,009,896)	(288,966)	(1,580,260)
		5,971,917	4,405,219	3,706,404	1,804,431
Profit before taxation		8,305,529	21,547,665	3,899,244	21,908,908
Taxation		(3,043,433)	(5,508,822)	(1,242,743)	(7,150,790)
Profit after taxation		5,262,096	16,038,843	2,656,501	14,758,118
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		5,262,096	16,038,843	2,656,501	14,758,118
Earnings per share - basic and diluted		0.28	0.87	0.14	0.78

The annexed notes from 1 to 13 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

Condensed Interim Statement of Cash Flow (un-audited)

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2014

CASH FLOWS FROM OPERATING ACTIVITIES

Profit for the period before taxation

Adjustments for non-cash charges and other items:

Depreciation
Provision for WPPF
Provision for WWF
Provision for doubtful debts
Finance costs
Profit on savings account

Working capital adjustments

(Increase) / decrease in current assets:
Stores, spares and loose tools
Stock-in-trade
Trade debts
Loans and advances
Increase / (decrease) in current liabilities:
Trade and other payables
Loans from directors

CASH GENERATED FROM OPERATIONS

Taxes paid
WPPF paid
Finance cost paid
Profit on saving account received

NET CASH GENERATED FROM OPERATING ACTIVITIES

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of property, plant and equipment

NET CASH USED IN INVESTING ACTIVITIES

CASH FLOWS FROM FINANCING ACTIVITIES

Share deposit money received
Dividend paid

NET CASH USED IN FINANCING ACTIVITIES

NET DECREASE IN CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS - At the beginning of the period

CASH AND CASH EQUIVALENTS - At the end of the period

Six month period ended 31 December 2014	Six month period ended 31 December 2013
Rupees	Rupees
8,305,529	21,547,665
5,627,166	5,605,465
446,054	1,157,232
169,501	439,748
500,000	-
136,387	210,114
(951,182)	(820,105)
14,233,455	28,140,119
(4,847,467)	(1,572,330)
(22,803,922)	24,790,756
(121,901)	(42,341,035)
4,128,355	(9,478,650)
30,588,659	33,704,308
-	(23,468,658)
6,943,724	(18,365,611)
21,177,179	9,774,508
(10,560,486)	(6,014,156)
(1,582,576)	(1,952,851)
(136,387)	(210,114)
951,182	820,105
9,848,912	2,417,492
(11,099,306)	(16,994,658)
(11,099,306)	(16,994,658)
-	2,250,260
-	(9,373,086)
-	(7,122,826)
(1,250,394)	(21,699,993)
34,952,081	120,878,414
33,701,687	99,178,421

The annexed notes from 1 to 13 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

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

Ghani Value Glass Limited

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2014

	Share Capital	Share deposit Money	Revenue Reserves		Total
			General Reserve	Unappropriated profit/ (Accumulated loss)	
Rupees					
Balance as at 1 July 2013	75,350,000	110,774,740	3,680,000	32,465,816	222,270,556
Dividend for the year ended 30 June 2013	-	-	-	(9,418,750)	(9,418,750)
Share Deposit Money	-	2,250,260	-	-	2,250,260
Issuance of right shares	113,025,000	(113,025,000)	-	-	-
Total comprehensive income for the period	-	-	-	16,038,843	16,038,843
Balance as at 31 December 2013	188,375,000	-	3,680,000	39,085,909	231,140,909
Balance as at 1 July 2014	188,375,000	-	3,680,000	47,092,265	239,147,265
Total comprehensive income for the period	-	-	-	5,262,096	5,262,096
Balance as at 31 December 2014	188,375,000	-	3,680,000	52,354,361	244,409,361

The annexed notes from 1 to 13 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

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

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2014

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 the Company is manufacturing and sale of silver and 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

2.1 This interim financial information is un-audited but subject to limited scope review by the auditors. This interim financial information of the Company six month period ended 31 December 2014 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) - 34 " Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance 1984. In case where the requirements differ, the provisions of directives issued under the Companies Ordinance, 1984 have been followed.

2.2 The figures of the condensed interim profit and loss account for the three month period ended 31 December 2013 and 2014 have not been reviewed by the auditors of the Company as they have reviewed the cumulative figures for the six month period ended 31 December 2013 and 2014. 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 2014.

3 ACCOUNTING POLICIES

The accounting policies and the method of computation adopted in the preparation of this interim financial information are the same as those applied in preparation of financial statements for the year ended 30 June 2014.

3.1 New, amended and revised standards and interpretation of IFRSs

The Company has adopted the following amended IFRS and related interpretations which became effective during the period:

IAS 19	– Employee Benefits - (Revised) – Defined Benefit Plans: Employee Contributions
IAS 32	– Financial Instruments : Presentation - (Amendment) – Offsetting Financial Assets and Financial Liabilities
IAS 36	– Impairment of Assets – (Amendment) – Recoverable Amount Disclosures for Non-Financial Assets
IAS 39	– Financial Instruments: Recognition and Measurement – (Amendment) – Novation of Derivatives and Continuation of Hedge Accounting
IFRIC 21	– Levies

The adoption of the above amendments, revisions, improvements to accounting standards and interpretations did not have any effect on the condensed interim financial statements

In addition to the above standards and interpretations, improvements to various accounting standards have also been issued by the IASB and are generally effective for current period . The Company expects that such improvements to the standards do not have any impact on the Company's financial statements for the period.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this 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 2014.

5 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets-tangible
Capital work in progress

Note	Un-audited	Audited
	31 December 2014	30 June 2014
	Rupees	Rupees
5.1	190,687,298	196,314,464
	29,689,900	18,590,594
	220,377,198	214,905,058

5.1 Operating fixed assets - tangible

Opening book value

Additions during the period / year:

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

Less: Depreciation charge for the period / year

Closing book value

Un-audited	Audited
31 December 2014	30 June 2014
Rupees	Rupees
196,314,464	187,281,643
-	713,914
-	13,282,097
-	41,808
-	114,320
-	13,626
-	5,995,710
-	20,161,475
(5,627,166)	(11,128,654)
190,687,298	196,314,464
69,353,846	51,941,644
17,182,190	11,790,469
86,536,035	63,732,113

6 STOCK-IN-TRADE

Raw materials

Finished goods

7 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 2014.

8 SALES - Net

Local

Export

Gross Sales

Less:

Sales tax, excise duty & commission

	Un-audited			
	Six Month Period Ended		Three Month Period Ended	
	31 December 2014 Rupees	31 December 2013 Rupees	31 December 2014 Rupees	31 December 2013 Rupees
360,885,038	361,599,422	185,297,379	209,282,854	
-	12,260,707	-	7,339,177	
360,885,038	373,860,129	185,297,379	216,622,031	
67,115,656	62,916,685	36,307,681	39,274,531	
293,769,382	310,943,444	148,989,698	177,347,500	

Ghani Value Glass Limited

Un-audited

	Six Month Period Ended		Three Month Period Ended	
	31 December 2014 Rupees	31 December 2013 Rupees	31 December 2014 Rupees	31 December 2013 Rupees
9 COST OF SALES				
Raw material consumed	197,244,798	154,824,938	80,630,900	93,094,275
Stores consumed	24,079,460	21,497,901	8,248,048	11,379,876
Salaries, wages and benefits	14,550,634	14,167,079	7,396,609	4,312,310
Directors remuneration	6,012,702	6,012,702	3,006,351	6,012,702
Entertainment	2,621,513	1,749,607	1,253,508	1,355,827
Packing, loading and unloading	6,064,384	5,629,361	3,021,177	2,680,175
Fuel and power	15,149,927	27,378,794	6,790,043	17,432,617
Depreciation	4,653,556	5,017,315	2,326,778	2,550,981
Repair and maintenance	339,656	452,043	70,055	381,603
Communication	145,235	102,407	108,747	73,467
Travelling and conveyance	762,918	340,282	702,845	157,429
Rent, rates and taxes	27,741	18,834	(12,000)	-
Freight and handling	514,628	586,497	255,692	347,530
Printing and stationery	64,308	60,024	10,572	52,453
Miscellaneous expenses plant	466,528	464,675	193,706	290,064
Cost of goods manufactured	272,697,988	238,302,459	114,003,031	140,121,309
Finished goods				
Add: Opening	11,790,469	44,935,280	39,170,836	19,332,039
Less: Closing	(17,182,190)	(14,706,641)	(17,182,190)	(14,706,641)
	267,306,267	268,531,098	135,991,677	144,746,707

10 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise companies with common directorship, directors and key management personnel. Details of transactions with associated undertakings during the year, other than those which have been disclosed elsewhere in this financial information, are as follows:

Relationship within group	Nature of transactions	Un-audited	Un-audited
		31 December 2014 Rupees	31 December 2013 Rupees
Associated undertakings	Purchase of goods and services	183,807,656	162,140,848
	Sales of goods and services	-	69,064
	Scrap sales	2,863,895	2,747,800
	Shared expenses (Reimbursement of expenses)	666,120	704,840
	Rental income	2,908,782	3,057,324
Post employment benefit plans	Expenses charged in respect of retirement benefit plans	2,659,504	2,169,854
Key management personnel	Salaries and other employee benefits	25,415,958	25,173,915
All transactions with related parties have been carried out on commercial terms and conditions.			
Balance at the end of the period/year			
	Receivable from related parties, unsecured, considered good	-	-
	Payable to related parties- unsecured	377,785	377,785

These are in the normal course of business and are interest free.

11 Segment Reporting

The Company's activities are broadly categorized into two primary business segments namely mirror glass and tempered glass.

Segment analysis of profit and loss account for the period ended 31 December 2014

	Un-audited		
	Mirror Glass (Rupees)	Tempered Glass and other (Rupees)	Total (Rupees)
Sales	216,947,246	76,822,136	293,769,382
Cost of sales	(198,644,253)	(68,662,014)	(267,306,267)
	18,302,993	8,160,122	26,463,115
Unallocated expenses			
Distribution cost			(11,620,493)
Administrative expenses			(12,509,010)
Bank charges			(136,387)
Other operating income			6,723,859
Other operating expenses			(615,555)
Taxation			(3,043,433)
Profit after taxation			5,262,096

Segment analysis of profit and loss account for the period ended 31 December 2013

	Un-audited		
	Mirror Glass (Rupees)	Tempered Glass and other (Rupees)	Total (Rupees)
Sales	246,472,425	64,471,019	310,943,444
Cost of sales	(214,955,562)	(53,575,536)	(268,531,098)
	31,516,863	10,895,483	42,412,346
Unallocated expenses			
Distribution cost			(11,907,821)
Administrative expenses			(13,362,079)
Bank charges			(210,114)
Other operating income			6,625,229
Other operating expenses			(2,009,896)
Taxation			(5,508,822)
Profit after taxation			16,038,843

Segment analysis of assets and liabilities as at 31 December 2014

	Un-audited		
	Mirror Glass (Rupees)	Tempered Glass and other (Rupees)	Total (Rupees)
Segment Assets	101,541,077	35,532,911	137,073,988
Unallocated assets			427,412,679
			564,486,667
Unallocated liabilities			227,145,100

Segment analysis of assets and liabilities as at 30 June 2014

	Un-audited		
	Mirror Glass (Rupees)	Tempered Glass and other (Rupees)	Total (Rupees)
Segment Assets	109,091,847	35,842,127	144,933,974
Unallocated assets			388,976,997
			533,910,971
Unallocated liabilities			201,831,500

The sales percentage by geographic region is as follows :

	2014	2013
	%	%
Pakistan	100%	96.72%
Afghanistan	-	2.83%
South Africa	-	0.42%
UAE	-	0.03%

- 31.6% revenue is arising from sale to two customers.

- All non current assets of the company as at 31 December 2014 and December 2013 are located in Pakistan.

12 DATE OF AUTHORIZATION FOR ISSUE

This interim financial information was authorized for issue by the Board of Directors of the Company on February 23, 2015.

13 GENERAL

Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE



DIRECTOR

Ghani

Ghani Value Glass Limited

Head Office:

40-L, Model Town, Lahore, Pakistan

UAN: +92-42-111 949 949

Fax: +92-42-35172263

www.ghanivalueglass.com