

DIRECTORS' REPORT

The Directors of your Company present the 3rd Quarter Report together with unaudited financial statements of the Company for the period ended September 30, 2013.

The Company has made a loss after tax for the 3rd quarter. This is mainly due to decline in sales and increase in input costs. In the next quarter there is a likely hood of increased pressure on sales performance because of economic instability, political activity due to the elections, law and order situation and never ending energy crises.

However, the management continues to make efforts to improve the sales, operational efficiency and optimum results for the Company, and is doing every thing possible to find new business avenues to return to profitability.

The Board would like to thank is valued customers, suppliers and shareholders for their continued trust and support.

For and on behalf of Board of Directors

Karachi
Dated: Oct 31, 2013

Shehryar Saeed
(Chief Executive)

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2013

	Un-Audited	Audited
	Sep 30, 2013	June 30, 2013
	(Rupees in thousand)	
<u>ASSETS</u>		
NON-CURRENT ASSETS		
Property, plant and equipment	208,426	210,048
Long term investments	-	-
Long term deposits	940	940
	209,366	210,988
CURRENT ASSETS		
Stock-in-trade	75,806	106,455
Trade debtors	83,885	42,209
Loans and advances	30,867	23,419
Deposits, prepayments and others receivable	10,758	9,490
Advance income tax-net of provision	1,470	1,938
Cash and bank balances	2,199	9,622
	204,985	193,133
TOTAL ASSETS	414,351	404,121
<u>EQUITY AND LIABILITIES</u>		
SHARE CAPITAL AND RESERVES		
		-
Authorised		
8,000,000 (June 30,2013: 8,000,000) ordinary shares of Rs. 10	80,000	80,000
Issued, subscribed and paid-up capital	54,500	54,500
Share premium reserve	29,727	29,727
General reserves	23,073	23,073
Unappropriated loss	(112,102)	(112,371)
SHARE HOLDERS' EQUITY	(4,802)	(5,071)
Surplus on revaluation of property, plant and equipment	157,520	158,312
NON-CURRENT LIABILITIES		
Long term borrowings	72,734	72,732
Deferred liabilities - staff gratuity	7,526	7,653
CURRENT LIABILITIES		
Trade and other payables	172,355	162,227
Current and over due portion of long term borrowings	4,000	4,000
Mark up accrued	750	-
Unclaimed dividend	4,268	4,268
	181,373	170,495
Contingencies and commitments	-	-
TOTAL EQUITY AND LIABILITIES	414,351	404,121

The annexed notes form an integral part of these financial statements.

Chief Executive

Director

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2013

	Note	First Quarter Ended September	
		2013	2012
------(Rupees in thousand)-----			
Sales and services (net)	8	55,484	21,894
Cost of sales and services	9	(48,716)	(18,995)
Gross profit		6,768	2,899
Dirtribution cost	11	(491)	(2,830)
Administrative expenses	10	(4,916)	(4,815)
Other operating income	12	30	22
		(5,377)	(7,623)
Operating profit/(loss)		1,391	(4,725)
Finance cost	13	(1,359)	(1,408)
Profit/(loss) before taxation		32	(6,133)
Taxation		(963)	(104)
Loss after taxation		(931)	(6,237)
Earnings per share - basic and diluted		(0.17)	(1.14)

The annexed notes form an integral part of these financial statements.

Chief Executive

Director

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2013

	<u>First Quarter Ended September</u>	
	<u>2013</u>	<u>2012</u>
	------(Rupees in thousand)-----	
Loss after taxation	(931)	(6,237)
Other comprehensive income	-	-
Total comprehensive loss	<u><u>(931)</u></u>	<u><u>(6,237)</u></u>

The annexed notes form an integral part of these financial statements.

Chief Executive

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2013

	Issued, subscribed and paid-up capital	Capital Share Premium	Reserved General	Revenue Un appropriated loss	Total
----- (Rupees in thousand) -----					
Balance as at July 01, 2012	54,500	29,727	23,073	(107,165)	135
Loss for Three months	-	-	-	(6,237)	(6,237)
Transfer from surplus on revaluation of fixed assets	-	-	-	483	483
Balance as at September 30, 2013	54,500	29,727	23,073	(112,919)	(5,619)
Balance as at July 01, 2013	54,500	29,727	23,073	(112,371)	(5,071)
Loss for Three months	-	-	-	(931)	(931)
Transfer from surplus on revaluation of fixed assets	-	-	-	1,200	1,200
Balance as at September 30, 2013	54,500	29,727	23,073	(112,102)	(4,802)

Chief Executive

Director

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE FIRST ENDED SEPTEMBER 30, 2013

	September 30	
	2013	2012
	(Rupees in thousand)	
CASH FLOWS FROM OPERATIONS		
Loss before taxation	32	(6,133)
Adjustment for:		
Depreciation		1,827
Provision for staff gratuity		276
Gain on disposal of property, plant and equipments		-
Finance cost		1,408
Operating (loss)/profit before working capital changes	32	(2,622)
(Increase) / decrease in current assets		
Stock -in-trade	-	(4,448)
Trade debtors		26,151
Loans and advances		(3,482)
Deposits, prepayments and other receivable		1,005
	-	19,226
(Decrease)/increase in current liabilities		
Trade and other payables		(14,699)
	32	1,905
Gratuity paid		(70)
Taxes paid		(447)
Financial cost paid		(5,376)
Net cash (used in)/ generated from operating activities	32	(3,987)
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipments		(102)
Proceeds from disposal of property, plant and equipment		-
Long term deposits	-	-
Net cash generated from (used in) investing activities	-	(102)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings		-
Repayment of short term borrowing		(206)
Net cash generated from (used in) financing activities	-	(206)
Net (decrease)/increase in cash and cash equivalents	32	(4,295)
Cash and cash equivalents at beginning of. the period		7,232
Cash and cash equivalents at end of the period	32	2,938

The annexed notes form an integral part of these financial statements.

Chief Executive

Director

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE FIRST ENDED SEPTEMBER 30, 2013

- 1 The Company was incorporated in Pakistan as a public limited Company on April 15, 1961 and its shares are quoted on Karachi Stock Exchange Limited. The registered office of the Company is situated at C-10 South Avenue, SITE, Karachi. The Company is principally engaged in manufacturing, installing and selling of electrical equipments. Ethridge Company Limited, Hong held 2,719,536 (June 30, 2013: 2,719,536) ordinary shares Rs. 10 each of the Company as at period end, which constitute 49.90% of total shares issued.
- 2 These financial statements have been prepared using the same accounting policies as are applied in the preparation of the annual audited financial statements for the year ended June 30, 2013.
- 3 These financial statements have been prepared in accordance with the requirements of International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan.
- 4 Provision for taxation are estimated. Final liability will be determined on the basis of annual results.
- 5 These financial statements were authorized for issue , by the Board of Directors on October 24, 2013.
- 6 Corresponding figures have been re-arranged, where necessary, for the purpose of comparison.
- 7 Figures have been rounded-off to the nearest thousand of Rupees.

	First Quarter Ended September	
	2013	2012
	------(Rupees in thousand)-----	
8 SALES AND SERVICES (NET)		
Gross sales	55,484	22,006
Commission and discount on sales		(113)
	55,484	21,894
9 COST OF SALES AND SERVICES		
Raw materials and components consumed		
Opening stock	45,865	48,826
Purchases and sub contract cost	12,759	17,643
	58,624	66,469
Closing stock	(44,261)	(47,325)
	14,363	19,144
Salaries, wages and other benefits	3,399	3,500
Insurance	29	52
Fuel and power	360	585
Repair and maintenance	24	12
Printing and stationery	13	6
Traveling and conveyance	149	166
Depreciation	1,298	1,462
Other manufacturing expenses	36	16
	5,308	5,799
	19,671	24,943
Work in process		
Opening stock	67,225	81,807
Closing stock	(41,072)	(84,796)
	26,153	(2,989)
Cost of goods manufactured	45,824	21,954
Finished goods		
Opening stock	7,117	4,398
Closing stock	(4,225)	(7,357)
	2,892	(2,959)
	48,716	18,995

