

# Johnson & Phillips (Pakistan) Ltd.













# Our

Vision

To achieve market leadership in our core business build on innovative technology, deliver quality products at competitive prices and maintain our history of pioneering

# Our

Mission

- Continuous improvement in our operating standards, anticipating and meeting our customers' expectation.
- · Eager to learn, strive to succeed and keen to please
- · Aim high, stay focused and leave nothing to chance.
- . To provide, career growing opportunities to the talented professionals.

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JSP Annual Report 2020

# **Company Information**

Board of Directors

Mrs. Zainab Anis Mianoer Chairman

Mr. Umair Mianoor Director
Mr. Amin Khanani Director
Mr. Usman Mianoor Director

Mr. Hamif Chamdia Director
Mrs. Uroosa Mismoor Director

Mr Anis Misnoor

Board of Audit Committee

Mr. Amin Khuruni Chairman Mr. Umair Mianeor Member

Mns. Uroosa Mianoor Member

Roard of HB Committee

Mr. Hanif Chamdia Chairman Mr. Usman Mianoor Member

Chief Financial Officer (CFO) Mr. Sved Muhammad Shahid

Company Secretary Mr. Hanif Hossain

Internal Auditor Mr. Taris Dans

Leval Advisor Mr. Muhammad Yousuf (Advocate)

Auditors M/s. Reanda Haroon Zakaria & Company

Chartered Accountants
Room No. M1-M4, MEZZANINE Floor, Progrative Plaza

Plit No. 5-C1-10, Civil Lines Quarter, Beaumont Road Near Daywood Centre, Karachi, 25530, Pakintan

Share Registrar C & K Management Associates (Pvt) Ltd.

404, Trade Tower, Abdullah Haroon Road, Near Metropole Hotel, Karachi-75530

Bankers Silk Bank Lad. Seneri Bank Lad.

Registered Office C-10, South Avenue, SITE, Karachi-75700

Tel: 092-21-32560030-7 Fax: 092-21-32564603 Website: www.iohnsombillips.pk E-mail: Johnsombillips/ncyber.net.pk

#### CODE OF CONDUCT

#### OBJECTIVE

The objective of Johnson & Phillips (Pakistan) Limited is to engage efficiently, responsibly and profitabily in the manufacturing, installation and sale of electrical equipments.

#### RESPONSIBILITIES TOWARDS STAKEHOLDERS

in achieve the objective, the Company recognizes its responsibilities towards its shareholders, customers, employees and to those with whore it does business, and the society at large.

#### EMPLOYEE

The Company expects all its employees to demonstrate honesty, integrity and fairness in all aspects of its business.

#### To obey Company policies and values.

- · The Company provides all employees with equal opportunities.
- The Company is doing its best to provide job satisfaction.
- Good working environment to marketic the envelopers.
- The Company ensures that employees avoid conflict of interest between their private financial activities and their professional role in conducting Company business.

#### BUSINESS RESOURCES

The Company safeguard in resources and does not allow the use of confidential information (manual or electronic ) for personal gain.

Does not allow use of any inside information (directly or indirectly) about the organization for personal profit.

Does not unlow use of any viside information ( directly or indirectly) unless.

Does not make any misfeading entries into the company books of accounts.

#### SOCIAL RESPONSIBILITIES

The Company acts in a responsible manner within the law of Pakinan, in pursuit of its legitimate commercial objectives.

to famili at signi requirements of the conveniences and its registrately reason, tonow near an application areas of the contributes fluids to group whose activities promote party interests.

#### FINANCIAL REPORTING & INTERNAL CONTROL

The Computer recognizes its social responsibility and contributes to community activities.

To implement an effective and transparent system of financial reporting and internal controls to safeguard the interest of our share holders and falfill the regulatory requirements.

#### ....

All the decision of the management are in the interest of the Company and the activities and involvement of the directors and emphryees in no way conflict with the interest of the Company.

ENVIRONMENT PROTECTION
To protect environment and essure health and safety of the work force and well being of the people living in the adjoining areas of our about

## QUALITY ASSURANCE

The Company is ISO 9000-2001 contiled company and committed to previse products which consistently offer value in terms of price, quality, consumer antifection and are at the came time offe for their intended use, to unify contenter needs and expectation.

The Board of Diseases conserve that the above reincibles are committed with through its staffs committee constitute for this representation.

#### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 94h Annual Greenal Meeting of Johnson & Phillips (Publistan) Liniace will be held on 27h November 2020 of the Registered Office of the Company at C-10, South Assume STE: Kanado at 60-20 p.m. to transact the following beckness:

ORDINARY MINISTERS.

- To confirm the Minuses of the 59th Annual General Meeting held on October 26, 2019.
- To receive, consider and adopt Annual Audited Financial Statuments of the Company tagether with the Directors' and Audited' Reports Incrent for the year ended June 30, 2020 augster with the Audited Consolidated Financial Statuments of the Company and the Directors' and Auditors' Report fraction for the year orded June 30, 2020.
- To appeint Auditors of the Company for the froncial year ording June 30, 2021 and to fix their retruscration. The Board of Directors on the recommendation of the Audit Committee has proposed the name of ording Auditors MN. Reunda Haroen Zuloaria Associators, Charbord Accountants for their representations are external auditors for the very crediting have 30, 2022.

# ANY OTHER BUSINESS: 4. To transact any other Date: Navember 91st, 2020.

To transact any other business with the permission of the Chair.

By Order of the Board

Notes

Conquery Secretary

The Sheer Torouter Rook of the Company will receive closed from November 20th, 2020 to November 20th, 2020 to November 20th, 2020 to November 20th, 2020 to November 20th, 2020 (see days) reclaimed; Transfer consolved not Requirence (Office, of the Company by one Shaon Requirence, Carl Monagement (Ny) Linkede, 404 Transfer Power, Adulfalls Harces Boad, New Memoupele Bated, Karachie 75530 by the close of business on November 19th, 2020 will be through a limit from the purpose.

#### 2. Appointment of Praxies and Attending AGM:

- A member eligible to attend and vote at the Meeting may appoint unother member as his/her proxy to attend, and vote instead of him/her.
  - ii) A blank instrument of proxy applicable for the meeting is being provided with the notice next to members. Further, copies of the instrument of proxy may be obtained from the Registered Office of the Company during normal office bears.
  - (ii) A day considered incomment of proxy and the power of interney or other authority (if any), under which is is signed or a restanted certifical copy of our lowest of internet to the Visit, he depended in the Registered Offsice, not less than 48 leaves before the time of the meeting. Attends copies of valid CNIC or the pumper of the meeting and the Proxy Stant.
- ity In case of corporate cestry, the Board of Directors' Resolution / Purset of Atterney with specimen signature shall be submitted with conty-form.
- v) The awares of the physical shares and the shares regimend in the neare of Dayaniany Company of Pakistan LM. (CDC) and / or their practice are required to preduce their original National Mentity Car (CNIC) or Passepon (in case of Streign nationals).
- Members are requested to notify any changes in their address immediately to the Shares Registrar Mix. C & K Management (Pst)
- Members, who love not yet submitted attented photocopy of their valid CNIC along with folio transfer are requested to send the same, if the curricut, directly to the Cornears's Share Registrar.
- 5. The Annual Report of the Company for the year ended June 30, 2000 has been placed on the Company's website at the link:
- The Asseal Report of the Company for the year ended June 30, 2020 to being disputched to the shareholdess through CD. However, if any shareholder, in addition, divines to get the hard oney of Asseal Assidad Francial Statements, the cases shall be provided from of cost strike seem so whething days of more copied what request. Sharadad Requed Forms is straightfor the perspose or Company's
- Video Conference Facility will be provided to members who hold at least 10% or more shareholding enabling them to perticipate
  in the AGM. They will be antentiated subject to multibility of such facility in that city and receipt of the Consett Form seven
  days before holding of Contrard Meeting Consent from in carefulls for the purpose on Company's website.

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JIIP Annual Report 2020

# SIX YEARS FINANCIAL REVIEW

REPERS IN THE

	2020	2019	2018	2017	2016	2015
Sales	965	4,078	6,312	22,924	35,448	39,210
Gress Poolit / (Loss)	(5,777)	(4,793)	(11,333)	(16,545)	(10,890)	(21,116)
Profit / Loss before Tinuxion	(55,322)	(32,679)	(49,954)	(71,365)	(55,082)	(58.231)
Profit / Loss After Texasion	(54,383)	(31,540)	(80,166)	(70,500)	(52,851)	(56,814)
Fixed Assets (Nat)	425,250	488,734	14,194	175,318	184,000	192,820
Total Assats	490,565	597,397	517,079	216,143	260,433	275,799
Total Liabilities	350,097	342,856	517,009	216,143	260.433	222.241
Career Amers	5,115	26,463	30,166	39,885	35,464	82,809
Carron Liabilities	362,922	329,546	[8948]	377,689	163(78)	129,727
Liquidity						
Carce: Ratio	0.01	0.08	0.92	22.00	0.46	0.63
Quick Ratio	0.01	0.07	0.15	Q15	0.20	0.28
Profeshibly						
Ciresa Profis Razio	(638.34):	(117.53)	(290.45)	(159.42)	(39.56)	(53.83)
Net Ports Ratio	(6,009,17)	(750.37)	(778.97)	(307,55)	(149:31)	(144.82)
Amety Collication						
Incomes Turnever Rinto	400	5.41	30.40	\$1.00	\$1.60	71.00
Total Assets Turnever Ratio	0.01	2.00	1.00	11.00	14.60	14.60
Deixae Turnover Rusio	34.08	49.43	5.86	5.58	4.60	1.33
Creditor Turnover Ratio	0.00	041	660.	931	0.22	0.29
INVESTMENT						
Earning Per Share	9.5%	(5.84)	(9.82)	(12:94)	(9.79)	(10.61)
Market Value For Share	3830	46.70	63.25	29.99	29.29	29.60
P.E. Ratio	(3.89)	(7.99)	(7/0)	(2.32)	(2.19)	(1.94)
Market Capitalization (Ma)	211,499	254,514	314,649	163,416	111,166	112,249
Employee as Ressauration	7,916	13,727	13,561	19,551	17,318	17,357
Production						
Transformer (Nas)		3.	4	31	13	12
Switch Geor Panel (Nest)		- î	1		- 62	60

# Chairman's Review

I present to you the 59th annual report on the performance of the company for the year ended june 30, 2020.

the new management of the company is trying its best to secure the proper finances that would be required to meet the day-to-day challenges and to start the production at the soonest possible time so that the losses sustained by the company could be wiped off. we reiterate to bring the company in a profitable manner, we request our shareholders to obease pray in this regard.

During the year 2019-20, the corona virus (COVID-19) has spread over in most of the countries of the world and has also swallowed the precious human lives in thousands in many countries of the world, this virus has very badly put its impact on the economy of the respective countries including pakistan, this disease has badly been affected to the different sectors of the country.

The state bank of pakistan has since decreased its rate of interest to a single digit, it is hoped that this will pave the way towards increase of the business trend of the country.

I would like to thank company's valued customers, suppliers and shareholders for their continued trust and support and appreciate the efforts of all employees for working in difficult conditions.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Mrs. Zainab Anis Mmianoor

Karachi: October 27th, 2020



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> سار ۱۵۰۵-200 میکند. به ۱۵۰۵-۱۵۰۵ بازی ۱۵۰۵-۱۵۰۵ میکند. به جدی کنید سازگذاری به ۱۵۰۵-۱۵۰۵ بازی بازی کی که کلی ج در از داران به به ۱۵۰۵ بازیکی و این به این از در بستان بازید که شد که این از این از این ۱۵۰۵ بازید.

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2020, 2 97.30

#### DIRECTORS' REPORT

The Directors of year Company are pleased to present the 59th Annual Report sugment with the Audited Feature of Statements for the year resid from 80, 2020 and Auditors

#### Financial Hubblehoo

The comparative financial highlights of your Company for the year ended Jane 30, 2021 and Jane 30, 2029 are as follows:

	2009 (Regers in	2019
(Least for the year before ignation)	(55.522)	(32,679)
Out of which the Directors have accounted		
for broking - current	1,189	835
Deprodic (inv) for appropriation	(54,343)	(31,844)
Accompland (None) Drought Ferward	(412,855)	(3)(4,7))
Adjustment for incremental depositation on revalend aware	3,202	2,164
Other Comprehensive Prefit (Less)		534
Accorniated issues carried over to Balance Sheet	(464,896)	(412,855

In view of the forest and coul of the figuid funds for weeking capital, the Dissection have not communicated any dividend to the observation for the year ended have 30, 2020. Eurnings per share:

## Earnings per chare for the year cacked has \$40,2000 in Rs. (907) chare 2019. Rs. (5.86)

The Salet - not for the year was fix 0.900 William as compared to Re. 6070 Milliam for compared aggressed of last year. The cost of taken for year year Re. 6402 Milliam The Ceres loss of the Crespany was Ro.5.777 Million against a loss of Ro.4.793 Million in the corresponding period of last year. This is mainly due to caused operations. The

# corresponding year of previous year. The Company is in process of morganisms in such time

A loss after ten of Rs. 54.154 William was expected for the year ended form 20, 2020 compared to a loss other ten Rs. 51.164 Million in the prerequending period. Management

We invest in cubination and distriction one confugers and man them to fine market childrenges effectively. We provide recessary on pile toward to employees so that they

MP is felly consisted to also in calcular an amountable consesser of two part fields in respectable through comprising the consesser protection and economic and

# Extremel Acadis

The Auditors Mrs. Records Repress Zaleatio & Company, Chartered Appearance write at the conclusion of the Annual General Meeting, Being children, they have offered

# The Company's Based clearly fellows the activities of the Internal Analis Department on a service or all levels of Management. The main chiecine of the independent Internal Statement of Corporate and Financial Reporting Framework:

The companie lines, rates and regulations framed these tander spell out the amount function of the Boost of Direction of the Company. The Boost is fully many of its properties

- The Saussial statements prepared by the Company, percent findly in state of affairs, the results of its operations , such three and changes in opiny;
- The Congany has maketained proper books of accounts as cognited eachs the Conquesion Act, 2017.
   The Conquests has falketed constantly agreeption accounting polarity in programmer of the financial attenuants. Changes whenever reads, here been adequate.
- Institutional Associates State of the State of the Product and Associates purgetts.
  - The operar of recent control is would, and his been effected by implemental and monitored. Such a system in designed to restage other than distribute, the risks of falses to achieve objectives, and by the sature can provide only resemble, and out of trollar, instantion against natural institutement or loss. The process madby the flower to review the distributions of the operar of instructions and the distributions of the operar of institutement of the operar of instructions and the distributions of the operar of institutement of the operar of institutement of the operar of the operar of institutement of institutement of the operar of institutement of

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Name of member Na. of member Annalist
M. Muhammad Annalist
M. Muhammad Charles (Chairman)
M. Muhammad Charles (Missar)
Manhay

Mr. Mahemai Unian Asis Mianoc and Mr. Union Anis Minner Leire of obsesse were granted to the aembers weight to street the secting. As regarded on the late of the contributed, which supports close fine of communication and send of otherly with deligation of exposed lifts and accordability.

- 6 There is no dealer upon the Company's shaller be consisted in an a point concess.
- The Company has fellowed the best procious of the United Companies (Code of Companies Generations). Regulations, 2617 and there is no material degraphs there from.
  - Key opening and framework data for last not yours in amounted to the the orport.
  - The value of accessors including accessed mome of geometric had on the busis of nativel financial scanners as at December 31, 2016 in Ro. 5.37 Million (December 31st, 3012 and/and answer Ro. 6.35 Million).
  - The related parties' transactions are agreered existed by the Board Acadis Committee and the Board of Discotors.
  - All regire decisions relating to the innocement of discussments, changes in the policies are taken by the Stead of Discussor.
     Discussor consider productions of CHO, CHO and Committee tent Stead of Steams I had to and Steam of the control of the control
  - Ourstanding toxes and duties nor given in the firmerial automorph

### Board of Directors

The Chairman inch the Benal of Director, repromis the Group and acts as and overall considers of the Group on behalf of the Board and the valuabilities. Responsible for eneming the Board's effectiveness, he empoyees the Board's acts to be a stock to play a felt and constructive role in the development and descriptions of descriptions of the Company's company.

#### Bale of Chief Executive Officers (CEO / MIRE

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CEO / MD/s performance is manifested and craduated by the Dound against the jub-doctription set by the Dound

#### Composition of the Board

# Total number of Direct

The Board of Direction contaction of an an members, four Non-Direction Direction two independent Direction and one Direction MD & Chief Direction Officers.

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Same	No. of months obligate to attend during the tensors	No. of meeting stierded
Mrs. Zainah Anis Mismoor (Thairman)	,	3
Mr. Muhammad Asia Migrour (MDICEO)	3	3
Mr. Muhammad Umar Anti-Mumor		
Mr. Mulintural Corne Missour	3	3.
Mr. Muhammad Amin Khamail	t t	
Ms. Ursona Area Mismoor	*	
Mr. Malametal Harif Chandla		

Parlicement Distance of the Street

Person to United Companies (Code of Cosponies Communes) Regulations, 2017. The Board of Demokro approved a Compenhenries terchasism is evaluate as many performance by adopting unforcedulation medical-long trough as agained quantitation. The conduction deviced is based on the completing and landing creak on the discoloring of the National Information of the Conduction of Conduction of Contraction of Conduction of Cond

#### Pattern of Shareholding:

A successor shorting the pattern of shorthedding is required under section 227 of the Companies Act, 2017 for the year ended have 56, 2019 is analysed with the report.

Compliance with the Lined Companies (Code of Corporate Government Regulations, 2019).

The requirements of the Listed Companion (Cade of Corporate Generations) Regulations, 2017 at our the Securities and Exchange Commission of Publisher relevant year and/of Jane 93, 2020 here been dely complied with A statement to this effects in amount with this report.

The Board has adopted a statement of Code of Combast for divotors and employees. Acknowledgment for compliance are obtained and held by the Company.

Observant building programs

The Directors will comply with the supatroment of directors training program within the given deadline.

Emplerers Relation:

The Management approximate the co-contains of the proplectors during the sale.

#### Forere plan / growth:

Regarding the frame plan if greath, as it is to be invariable of the makeholders fast new miningerses has taken over the right of the Company and with so before that the management in a typic to give to them fill a square to them fill a require to a makeholders in the management of the better plan. As the requires to another like requires to an

# Administration

The Board of Directors would like to represe as smoore approxime in the Company's valued close, becomes partners and other stakeholders. The Board round also like to found by Scientifics and Dechange Commission of Patients. The Patients Stack Undrange and the Commit Department Company of Patients for their continued guidance and support.

Manual VIII

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# STATEMENT OF COMPLIANCE WITH LISTED COMPANIES

(CODE OF C	DRPORATE GOVERNANCE) REGULATIONS, 2019 (THE REGULATIONS)
Name of Company:	Johnson & Phillips (Pakistan) Limited
Year ended:	June 16, 2020

Year coded: June 58, 2009

Johnson & Phillips (Phisson) Limited (the Company) has compiled with the requirements of the Regulations in the following manner

The total number of Directors are seven as per the following:
 Male:

Fortule: 2

The composition of the Board of Directors (the Board) is as follows:

Category Names
Independent Directors Mr. Multistrenal Hamil Chandin

Independent Directors

Mr. Militarmuid Haust Charadio
Mr. Militarmuid Anis Khasani
Mr. Militarmuid Anis Khasani
Mr. Diman Miamore
Mr. Diman Miamore
Executive Directors
Mr. Diman Miamore
Fernale Directors
Mr. Linea Miamore
Mr. Linea Miamore

The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this Company
The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disconstrate it throughout

Mrs. Zainab Anis Mianco

the Company slong with its supporting policies and procedures;

The Board has developed a vision: insisten summers, around corporare strange; While significant policies of the Computey are in the process of demandation and the Company in plantant for revival in the contract.

All the powers of the Board force been skilly exercised and decisions on referent entires have been taken by the Board / shareholders

The exectings of the Board were provided over by the Chairman. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board except that the meeting of the Board could

The Board is yet to design and implement a formal policy and transparent procedures for commonstion of Directors in accordance with

The Board has not arranged serv training program dering the year due to operational inactivity of the Company.

The Board has approved appointment of Chief Financial Officer, Company Socretary, and the head of internal audit, including their

Chief Financial Officer and Chief Executive Officer (CEO) duly ordered the financial statements before approval of the Board
 The Board had formed committees comprising of mambers given below:

# a. Audit Committee

JVP Annual Report 20120

Sr. F. Name. Designation
Mr. Multureread Amin Khanani Charmen
Mr. Ursair Mianoar Member
Mr. Ursesa Mianoar Member

## h. HR and Remateration Committee

Sr. E. Name. Designation

i. Mr. Muleurenad Hanif Cleandin Cleahman

ii. Mr. Usmen Misnoer Member

iii. Mrs. Zalaab Anis Misnoer Member

- 13. The terms of reference of the aforesaid committees have been formed, documented, and advised to the committees for compliance;
- The frequency of meetings of the committees were as per following:

Committee Frequency of Meetings

a) Audit Committee Ounterly

b) HR and Remineration Committee Across

b) HR and Retruscrition Committee An

Meeting of the Atalat Committee could not be held in the 4th quarter of the financial year.

- The Board has set up an effective internal analit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
- 16. The unstery unknow de Company has confirmed due due have been given a sain-leavey unity under the quilty covered review organes or do a neutrary of Chromate of Parisines (Fig. 2) and appealment with the Chromate (Fig. 2) and the parisines of the Chromate of Parisines (Fig. 2) and under the Chromate of Parisines and the company of the control of Parisines and the state of Parisines and the state of Parisines and the state of the Chromate Parisines and t
- 17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Englishious or any other regulatory regulators and the auditors have confirmed that they have observed WAC guidelines in this regard.
- We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with except:
   a. as stated above in paragraph 14.
  - the Company is yet to comply with the minimum as: of independent directors and of the manner of appointment of independent directors as specified under the Community Act. 2017; and
  - e, many of the reads committee members in Securial Sterate.
- Explanation for non-compliance with the requirements, other than negalations 3, 6, 7, 8, 27, 32, 33 and 36 are below:
  - a. as stated above in gauginglis 5, 7, 8 and 9;
     b. Gernal and effective recchanism for the annual evaluation of Board members will be put in place when the operations are revived;
    - 6. head of internal audit and Company secretary do not possess qualification and experience as envisaged in the Regulations as the Company caused affind condition renformance or the received due to liquidity leaves; and
    - 4, no internal stadic reports have been encounted during the year due to-operational inactivity of the Company.

# On Rehalf of the Board.



Dated: October 27, 2020

#### INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF JOHNSON & PHILLIPS (PAKISTAN) LIMITED

Review Report on the Statement of Compiliance contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019 We have reviewed the endood Statement of Compiliance with the Listed Companies (Code of Corporate Consentance) Regulations, 2019 (the Regulation), represent by the Road of Direction of Colonians & Publishy of Adharma (Listed for the year ended June 38, 2023 in account.)

The responsibility for complexes with the Regulations is that of the Board of Direction of the Company. Our responsibility is to review whether the Statement of Complexes relates the states of the Company's complexes with the provisions of the Regulations and expost if it does not and and review of vivores described proposition.

As a per of our sadies (the financial shitments we not required to obtain an undersambling of the accounting and internal counted systems sufficient to plan the sadie and absolute per inflative sadie augments. We are not supported to consider whether the Board of Directoris's attractors on internal control covers all risks and controls us to firm un opinion on the effectiveness of such internal controls, the Company's corporate processure grocedures and internal controls, the Company's corporate processure and controls.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are

reconvendance of the Arall Committee, pade before the board of Directions for their review and approval, its related party transactions, we are only required and lave ensured compliance of this requirement to the entent of the approval of the related party transactions by the Board of Directions upon recommendation of the Aralla Committee:

Based on our review, realist ja to crose to our attorious which causes on to deliver that the Statumen of Compliance date was appropriately reflect. Conceptor, consistance, as all associal respects, with the engineerous correlated to the Regulations on applicable to the Concepts for the year ended level 50, 1003.

Parisher, was destined before contents of conceptualization with the manifestation of the Regulations on reflected of the respects destined to the contents of the contents of the Concepts of the Regulations on reflected of the respective of the Concepts of the Regulations on the Regulation of the Regulations on the Regulation of the Regulations of the Regulations on the Regulation of the Regulations of the Regulat

S. No.	Reference	Description
1	Para 5 & 19 a	Company is in the process of formulating significant policies.
	Para 7 & 19 a	Meeting of the Board was not held in the 4th sparter of the financial year.
ш	Pers 8 & 19 x	Formal policy and transparent procedures are not formulated for renuncration of Directors in accordance with the Act and the Regulations.
iv	Pera 9 & 19 a	The Board has not arranged any training program during the year.
V.	Para 14 & 18 a	Meeting of the Andit Committee was not held in the 4th quarter of the financial year.
vi	Para 18 b	Company is non-compliant with respect to missimum to. of independent directors. Further, for directors appointed during the year, Company has not considered the manner specified under the Act for their appointment.
111	Para 18 c	Note of the sade committee members is fatancial literate.
villi	Para 19 h	There is no mechanism for the annual evaluation of Board members.
lx:	Para 19 c	Head of internal mulic and Company secretary are not qualified and experienced for the position,
8	Para 19 d.	No internal audit reports have been prepared during the year.

Boords House Zohnta & Commun.

these are stated in the Suscenest of Compliance:

Chartered Accountants Page: Karachi
Chartered Accountants Dated: October 27, 2020

Engagement Partner Mr. Mohammad Iqbal

JOP Annual Report 2020 18 Johnson & Phillips (Pakiston) Limited

# JOHNSON & PHILLIPS (PAKISTAN) LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020



#### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOHNSON & PHILLIPS (PAKISTAN) LIMITED ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Qualified Opinion

We have safted the anneal filmscale summers of follows B. Philips Philipson Limitychish comprise the natures of filmscale policies as a late 30, 20,000, and the seathers of option for less and option representations of changes in expire, by continents of cash flows for the year their coloid, and notes in the filmscale statements, including a stemmary of significant accounting policies and other color lates of the property of t

Except for the effects of possible effects of the extress stand in the flow for Qualified Options Section of our expost, in our explains and to the best of our information and according in the explanations given to use the advances of forward points; the extress of profile of loss the best confirms with the explanation of the explanat

# Basis for QualifiedOpinion

- We could not substratize the evistence and completeness of trade and other payables neither by direct confirmations from country parties not through observative means, so the extent of Rs. 16.342 million, out of the total balance amounting to Rs. 24.854 million.
- We could not substantiate the cristence, completeness and classification of short term homowing from former directors, long-term least from related parties including current manufaces and markup accorded on long-term least amounting to Rs. 8.848 million, Rs. 31.831 million and Rs. 94.270 million, respectively.

We conclusate or such in accordance with humanism's Standards on Auditing (S. Sch.) a applicable in Paisson. Our respectablesies relative to the first excellent less facilitées the Audition (S. Sch.) and the Confession of the Audit of the Formand Standards receive of our proper Vision independent of the Company in accordance with the International Eliteus Standards Bassell in Accountance Code of Bible in Professional Accountance of Bible in Professional Code of Bible in Professional in accordance with the Code. We believe that the audit existence we have obtained in sufficient and appropriate to provide a basis for our qualified quietee.

#### Material Uncertainty Relating to Going Concern

Widest qualifying our opinion, we down stration to not ree. List to be forecast interessors which describes the days the year, the Conveyor has interested by the threatest interessors points. Just 23, 2019 Per B. 5, 1344 williams, rough in secureational beases with 6, 460 (2019) Re. 412.885) million. Further, current liabilities for Company created in current summar by R. 5, 373,872 (2019) Re. 3, 30,000 per silice. The company created in current summar by R. 5, 373,872 (2019) Re. 30,000 per silice. The company is a second of the company is considered to company on the efforcing on year 500 days to which the Company is a second to company on the efforcing on year 500 days to which the Company is company to the company in the company in the company is company to the company to

These factors indicate the originate of material suscentiary that may can significant death on the entity, shifty to assiste as a point goate and exceedingly, the Correspon may not be able to realize it is unusers and earlies in stabilistics and stated aircreates in the normal course of bears and allow assisted and sources the crosses for properties the flattered statements on a gaving concern bases.

For earth Materials

Key audit matters are those matters that, in our professional judgment, were of most significance in our stable of the Gaussial statements of the current period. These matters were addressed in the coveract of our stable of the financial statements as a whole, and in forming our opinion thereous, and we do my provide a separate opinion on those statemen.

In addition to the matters described in the "Busis for Qualified Opinion" Section of our separt, we have determined the matters described below to be the key addit resizes to be communicated in our report:

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## S. Key andit matters Contingencies

How the matter was addressed in our audit

The Company has contingent liabilities in respect of legal and

Contingencies require management to make indocurents and

financial impact, if any, on the Company for disclosure and Due to significance of amounts involved, inherent uncertainties

(Refer note to, 20.1 to the accommunitie fluorial statements) . Our sadi rescodures in respect of level and tax continencies

We reviewed the correspondence of the Company with the relevant authorities, tax advisors, and legal advisors, including informers

· We obtained and reviewed confirmations from the Company's

· We also evaluated the requirement of making provision against

Information Other than the Financial Statements and Auditors' Report Thereon Management is responsible for the other information. The other information comprises the information included in the Annual Report but

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the according and reporting determines in necessary to emobile the preparation of francoid statements that are fine from trademic misolatement, whether due to frank or

In properties the francial statements, management is responsible for currence the Community sheller to confere on a cylen concern, dischains

Board of directors are responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain resistantle assurance about whether the financial statements as a whole are free from material ministerent. whether the to fixed or error, and to tome an auditor's report that includes our opinion. Removable assurance is a high level of assurance be expected to influence the economic decisions of users taken on the basis of these fruncial statements.

As most of an ends in occordance with ISAs as unelicable in Publishes, we revenue medicalized independ and maintain evolucional discretizions.

- . Identify and access the rides of material misstatement of the financial statements, whether due to fitted or error, design and perform audit
- . Obtain an understanding of internal control relevant to the sadid in order to design sadid procedures that are appropriate in the circumstances.
- · Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by

- Conclude on the appropriations of management's use of the going concern has of accurating and, hand on the malk civitiene estated studies a meaning discovering color accordance to the management of the management of the property shifts just content of a paing concern. The conclude that a material accuratory exist, we are regional to draw statesial sear analysis reports to the relaxed disclosures in the framework accurate that an attential accuratory exist, we are regional to draw statesial sear analysis reports the relaxed disclosures in the framework accurate to the disclosures are in the relaxagent, to making over-prints. Our excelsions are based on the active excellent accurate the relaxed of the active accurate acc
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements expected the underlying transactions and events in a manner that achieves fair presentation.

We contransacte with the bond of directors regarding, money other metters, the planned scope and timing of the suffit and significant undirectings, including any significant deficiencies in reternal cannot that we identify during our mals.

We also provide the board of decenture with a statement that we have compiled with relevant efficiel originations regarding independence.

the the provide the head or elections with a secremal rate with the compact with the head or elections with a secremal rate with the compact with the head or elections with a secremal rate with the compact with the head of the compact with the rate of the compact with the head of the compact with the compact with the head of the compact with the head of the compact with the head of the flascial streams of the corner goods and are function that by a state matter, the secremal rate with the compact with the compact with the secreman rate with the compact with the secreman rate with the secrem

Report on Other Leval and Repulatory Reconferences.

Based on our audit, we further report that in our epitalon:

a) except for the matters stated in Basis for Qualified Opinion Section of our report, grouper books of account have been kept by the Company

b) except for the matters stand in Basis for Qualified Opinion Section of our report, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the sustainest of cash flows tagather with the prices function have been downer up to endorroway with the Compunies Ast, 2017 (COX of 2017) and are in agreement with the books received and continued to the contract of the contract of

c) involvents made, expending incurred and guaration enlanded during the year were for the purpose of the Company's business; and
drive observes deducable as source under the Zakas and Usin Ondinance. 1990 (XVIII) of 1990).

#### Other Matter

Financial statements for the year craked later \$3, 2019 were assisted by member from of Chemined Accustances, who, through distinct reprosit stated. Separation 10, 2019 expressed distillations of opinion and boson financial statements due to improprientations of pairs or governs instruption used by the management for the proportion of these financial statements and also due to the non-deposit of tarpoid dividend in a separately designated throat accesses.

The engagement partner on the audit resulting in this independent auditor's report is

Mr. Mohammad Iqbal.

2820 2019 2018 Note ---- (Russes in 1889 ----ASSETS Rossavd Non Current Assets Property, plant and engineere 475,433 480.168 Intangible asset Long term deposits 415.16 480,724 Current Assets Learns advances and oversements ø Tax refunds due from the Government 3,254 1,792 26.483 Non current assets classified as held for sale 450 545 FOUTTY AND LLABILITIES Share Capital And Reserves Authorized capital 80,066 Issued, subscribed and paid-up capital 54,500 Surplus on revaluation of property, plant and equipment 467,584 23.073 (464.036) **/384/2115** 110,768 Total shareholders' equity Non Current Liabilities Deferred liabilities 7,175 13,968 7,179 Current Liabilities Current maturity of long term leans-Trade and other payables. Short term berrowings Unpaid / unclaimed dividend 4.268 Centingencies and commitments

The arracycal notes from 1 to 37 form an integral part of these financial statements.



Chief Financial Officer



Tetal Equity and Liabilities

450.565

# JOHNSON & PHILLIPS (PAKISTAN) LIMITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		2020	2019
		(Rapees in	
	Note	(Rupees in	
			Restated
Siles	21	905	4,078
Cost of sales	22	(6,682)	(8,871)
Gross loss		(5,777)	(4,793)
Distribution cost	23	(252)	(853)
Administrative expenses	24	(16,768)	(20,279)
Operating laws		(22,794)	(25,925)
Finance cost	25	(9,483)	(8,283)
Other charges	26	(23,940)	(67)
Other income	27	695	1,596
Loss before taxation		(55,522)	(32,679)
Texation - net	28	1,139	E35
Low after taxation		(54,383)	(31,844)
Other comprehensive income			
Items that will not be reclassified to profit			
or loss in the subsequent periods			
Gain on remeasurement of post employment benefit obligation	16.1.2	×	534
Total comprehensive loss for the year		(54,383)	(31,310)
Loss per share - Rapees	29	(9.98)	(5.84)
The agreesed notes from 1 to 37 form an integral part of these financial statements.			

Mahandina Chief Executive The Lid

Director

STATEMENT OF CHANGES IN EQUITY

	Sture Capital	Share Promium Reserve	scapus on revaluation of property, plant and equipment	Gesend Reserve	Accumulated losses	Total shareholders equity
			· · · · (Rapoes is	*1007)		
Bulance as at July 30, 2018 - before restatement	54,500	29,727	474,389	23,073	(384,883)	196,797
Effect of restatement		~	1,276	~	172	1,442
Bolance as at July 30, 2018 - restated	54,500	29,727	475,650	23,073	(384,711)	198,235
Loss after taxation for the year - restated	-		-		(31,844)	(31,844
Other Comprehensive increase						
Gain on remeasurement of post employment benefit obligation		×			534	534
Adjustment on disposal of revalued asset	*		(1,062)		1,062	- 1
Deferred tax on disposal adjustment during the year			308			30
			(754)		1,062	300
Reclassification adjustment of assets held for sale - restated			(2,200)			(2,200
Deferred tax on reclassification adjustment			638			63
Transfer from surplus on revaluation on account of incremental depreciation - net of deferred tax - restated			(1,562)		2,101	(1,56
Tax rate adjustment on revaluation surplus			(524)			(52)
Balance as at June 30, 2019 - restated	54,500	29,727	470,706	23,973	(412,855)	165,15
Loss after taxation for the year					(54,383)	(54,38)
Fransfer from surplus on revaluation on recount of incremental depreciation - net of deferred tax - restated			(3,292)		3,202	
Balance as at June 30, 2020	54,500	29,727	467,504	23,973	(464.036)	119,768

Supplies to revolution of property, plant and equipment will be utilized for any purpose only fifte they are realized and transferred to inappropriately profile. However, these receives can be individually efflet against louese mining in future provides (if any) from provided users. General reserves can be utilized for meeting any continguousless and for destribution of point by way of dividual.

The armeted notes from 1 to 37 form an integral part of these financial statements.

Chief Executive

The Lid



JPP Annual Report 2020

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Johnson & Philips (Pakistan) Limited

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2020

			2020	2019
		Note	· · · · (Rupees in	900)
A.	CASH FLOWS FROM OPERATING ACTIVITIES			Restated
	Loss before taxation		(55,522)	(32,679)
	Adjustment for:			
	Depreciation	4.1	4,732	4,355
	Provision for staff gratuity	16.1.2		417
	Finance cost	25	9,483	8,283
	Provision for obsolete / slow moving stock	26	1,956	
	Provision for doubtful dabts	26	53	22
	Provision for doubtful advances	26	87	
	Provision for doubtful sales tox refunds	26	20,844	
	Advance written edf	26	30	
	Deposits written off	36	242	
	Revenal of provision for obsolete stock	27		(1,252)
	Operating cash outflows before working capital changes		(18,055)	(20.K54)
	(Increase) / decrease in current assets			
	Stock-in-trade		- 1	1.222
	Trade debts		112	(187)
	Loans, advances and prepayments		(63)	67
	Sales tax pelarabile		(144)	(128)
	Increase / (decrease) in current liabilities			
	Trade and other psyables		(162,566)	8.163
			(162,661)	9.137
	Cash used in operations		(180,756)	
	Income tax paid		(162)	(333)
	Gratuity poid	16.1.2	(4,971)	
	Finance cost paid		(16)	(41)
			(4,189)	(374)
	Net cash used in operating activities	A	(184,945)	(12,091)
B.	CASH FLOWS FROM INVESTING ACTIVITIES			
	Fixed capital expenditure incurred			(55)
	Sale proceed from disposal of fixed assets			1.129
	Not cash generated from investing activities	B		1,074
c.	CASH FLOWS FROM FINANCING ACTIVITIES			
	Long term borrowings (repaid) / received - net		(48.960)	6.000
	Short term borrowings received - net		235.483	600
	Net cash generated from financing activities	C	186.519	6.680
	Net increase / (decrease) in cash and cash equivalents (A+B+C)		1,574	4.556
	Cash and cash equivalents at the beginning of the year	12		
	Cash and cash equivalents at the end of the year	12	1,793	219
	The assexed notes from 1 to 37 form an integral part of these financial statements.			

Chief Executive

The Lid



NOTES TO THE FINANCIAL STATEMENTS

#### 1 STATUS AND NATURE OF RUSINESS

A.J. Johnson and Phillips (Philatians) Limited (the Compuny) was incorporated in Pakistan as a public limited incompass on April 15, 1964 under the regulard Companies Act, 1917 frow the Companies Act, 2017, 184 where sare quoted on Pakistan Stock Exchange Limited - PSX. However, rading in the shares led by the shares are quoted on Pakistan Stock Exchange Limited - PSX. However, rading in the shares led by the page oncess of the Company's insupported and the Company has been placed on the Chefalture Segment by the PSX w.e.f. November 15, 2019 due to the non-compliance of certain provisions of the PSX Rule Rock.

The Company is principally engaged in manufacturing, installation and selling of electrical equipment. The registered office of the Company and its manufacturing facilities are situated at C-10, South Avenue, STEF, Karseli.

A.2 During the year, Mr. Mohammad, Anis Maisone, an existing sharsholder with \$53,000 shares (9.87%), arthrackfolding, apported 23,195.86 (e.99%) shares of the company held by Elichtige Company Limitor (the previous sponter of the Company) and obtained the management control of the Company w. ef. April 10, 1200. Factor, \$2,977.15 (20.14%) where were enquiried from public after failing afthe regulatory requirements. After these exquisitions, Mr. Anis Maisoner is the major shareholder as on the reporting date with 79.45% shareholders in the Company.

#### 1.3 Impact of COVID-19 on the financial statements

Management has thoroughly evaluated the effects of COVID-19 on the operations of the Company and concluded that there are no material implications of COVID-19 that could have required any disclosure in these financial statements, other than the fact that the COVID-19 has delayed the materialization of revival plans of the new management.

#### 1.4 Going concern

During the year ended June 30, 2000, the Company has incurred less after transition amounting to Rs. \$2.533 (2019; Rs. 31,346) million, rising its accumulated lesses to Rs. 46.6106 (2019; Rs. 412.855) million, Further, current limbilities exceeded its current assets by Rs. 32.5207 (2019; Rs. 300,865) million. The operations of the Conqueyo, shelding in reservent, are fairing downsound inspiretory since financial year that the operation of the Conqueyo, the contract in reservent, are fairing downsound in principal femiliar limits of the its limbilities in due covers of Punisions. The Company is reporting meager sales since then and is isosily dependent on the financial beganer (18 Deservent, openess and associated companies.)

These factors indicate the existence of material uncertainty over the Company's ability to continue as a going concern and accordingly, the Company may not be able to realize its assets and settle instibilities at stated amounts in the normal course of business. However, the management has prepared these financial statements on a going concern basis due to the following reasons:

- The Company has revaluation surplus on fixed assets amounting to Rs. 467.504 million as on the reporting date.
- The Company already has rescheduled long term and short term borrowings with its related parties, including repayment of principal and accumulated mark-up thereon.

- As discussed above in note no. 1.2 above, new management under the leadership of Mr. Anis Minnor, the new source director of the Company, has taken over the affairs of the Company with effect from April 01, 2020, with the firm intention and capabilities to revive the overall operations of the Company. In the first phase, the new management, with the financial support of new sponsor director, intends to settle the long outstanding dues of previous board members and their associated company and till the reporting date, new sponsor has settled Rs. 233.384 million in this regard. Other liabilities will also be paid off with the help of earnings from the revival of existing operations, injections of the funds from internal as well as external sources and continuing support from the new sponsor director.
- Even though that the COVID-19 has delayed the effectuation of revival plans, but the new management has firm intention and financial capabilities to start a new business seement of textile unit by injecting funds in the Company together with the revival of current business for which the detailed feasibilities and projections have already been prepared by the management, which are to be effectuated within the next financial year.

#### 2 RASIS OF PREPARATION

#### 2.1 Statement of compliance

These financial statements have been repeated in accordance with the accounting and reporting standards as applicable in Pakistan for financial reporting. The accounting and reporting standards as applicable in Pakistan comprise of International Financial Reporting Standards (IFRSs), issued by 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 from the IFRS standards, the provisions of and directives issued under the Act have been followed.

# 2.2 Basis of mousurement

These financial statements have been prepared under the historical cost convention, Further, accrual basis of accounting is followed except for cash flow information.

#### 2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is also the Company's functional currency.

#### 2.4 Use of estimates and judoments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan requires management to make informatic artimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standard as, applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material indement in the next year are as follows:-28

- Assumptions and estimates used in determining the recoverable amount, residual values and useful lives of property plant and equipment and inteneible assets - notes 3.1.3.2.4 and 5.
- Assumptions and estimates used in determining the provision for stock-in-trade notes 3.4 and 8.
- Assumptions and estimates used in the provision for doubtful debts notes 3.5 and 9.
- Assumptions and estimates used in the provision for doubtful loans and advances notes 3.6, 3.7 and 10
- Assumptions and estimates used in accounting for staff retirement benefits notes 3.9 and 16.1.
- Assumptions and estimates used in the recognition of current and deferred taxation notes 3.13, 16.2 and 28.

#### New standards, amendments to standards and IFRS interpretations that are effective for the June ended June 30, 2020

The following amendments to accounting standards are effective for the year ended June 30, 2020. Except as explained otherwise, these standards and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

	Effective for period beginning on or after
mendments to IFRS 9 Financial Instruments': Amendments regarding repayment features with negative compensation and modifications of sarreial liabilities	January 1, 2019
RS 14 'Regulatory Deferral Accounts'	July 1, 2019
mendments to IAS 19 Employee Benefits': Plan amendments,	January 1, 2019

Amendments to IAS 28 'Investments in Associates and Joint Ventures': Long-term interests in associates and joint ventures IFRIC 23 'Uncertainty over Income Tax Treatments': Clarifies the

IPRIC 23 Uncertainty over income lax freatments: Carrises the accounting treatment in relation to determination of taxable profit (ax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 Income Taxes.

January 1, 2019

January 1, 2019

Certain annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

## 2.5.1 First time adoption of new Standards

## IFRS 14 'Revulatory Deferral Accounts'

This standard was metified by the Securities and Exchange Commission of Pakistan ("SECP"), vide S.R.O. 1480 (1)7019 dated November 27, 2019, to be effective for annual periods beginning on or after July 1, 2019. The objective of this standard is to specify the financial reporting requirements for regularized sections and account balances' that arise when an entity provides good or services to customers at a price or rare that is subject to ten recutation.

IFRS 14 is not applicable on these financial statements of the Company as the Company does not deal in any goods or services that are subject to rate regulations.

Ai pr

#### IFRS 16 'Lower'

This standard was notified by the Securities and Exchange Commission of Pakistan ("SECP"), vide S.R.O. 434 (I)/2018 dated April 9, 2018, to be effective for annual periods beginning on or after January 1, 2019. This standard replaces existing guidance on accounting for leases, including IAS 17 'Leases', IFRIC 4 'Determining whether an arrangement contains a Lesse'. SIC-15 'Operating Lesses - Incentive' and SIC-27 'Evaluating the substance of transactions involving the legal form of a Lease'.

IFRS 16 primarily affects the accounting by lessees and will result in the recognition of almost all leases on the statement of financial position. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to nay rentals for virtually all lease contracts. An exemption exists for short term period (of less than 12 months) and low value leases.

The statement of profit or loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in the later years. Additionally, operating expense will be replaced with interest and depreciation so key metrics like EBITDA will change. Operating cashflows will be higher as cash payments for the principal portion of the lease liability are classified within financing activities. Only the part of payments that reflects the interest can continue to be presented as operating cashflows.

#### The accounting for lessors will not significantly change

Changes in accounting policy resulting from the adoption of IFRS 16 will be applied retrospectively in accordance with the requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. However, IFRS 16 is not applicable on these financial statements as the Company does not have

#### 2.6 Amendments to standards and IFRS interpretations that are not yet effective

The following amendments to accounting standards and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

#### Effective from period beginning on or after

Amendments to IFRS 3 'Business Combinations': Amendments to clarify the definition of a business	January 1, 202
Amendments to IFRS 4 'Insurance Contracts': Amendments regarding the	January 1, 202

Amendments to IFRS 7 'Financial Instruments - Disclosures', IFRS 9 January 1, 2020 'Financial Instruments' and IAS 39 'Financial Instruments - Recognition and Measurement': Amendments regarding pre-replacement issues in the content of the IDOR softens

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 Effective from accounting 'Investments in Associates and Joint Ventures': Sale or contribution of period beginning on or after a assets between an investor and its associate or joint venture date to be determined. Earlier application is permitted.

#### Effective from period beginning on or after

Amendments to IFRS 16 'Leases': Amendment to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a losse modification.

June 1, 2020

Amendments to IAS I 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors': Amendments regarding the definition of material

January 1, 2022

Amendments to IAS 1 'Presentation of Financial Statements': Amendments regarding the classification of liabilities

Amendments to IAS 16 'Procerty, Plant and Equipment': Amendments

January 1, 2022

Ameninens to Irvinery, "that and expanent. Ameninens probabiling a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use

January 1, 2022

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets': Amendments regarding the costs to include when assessing whether a contract is onerous

January 1, 2020

Amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRC 12, IFRIC 29, IFRIC 20, IFRIC 22, and SIC-32 to update those pronouncements with regard to references to and agoest from the framework or to indicate where they refer to a different version of the Conceptual Framework.

Certain annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

Other than the aforesaid standards, interpretations and amendments, the International Accounting

Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1 - First Time Adoption of International Financial Reporting Standards IFRS 17 - Insurance Contracts

#### 3 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below:

3.1 Property, plant and equipment
These are stated at cost less accumulated depreciation and impairment loss, if any, except for leasehold land
which is stated at revalend amount less accumulated impairment losses, if any, and building on leasehold land

and plant and machinery which are stated at revalued amounts less accumulated depreciation and impairment losses, if any.

Ost includes expenditure that is directly attributable to the acquisition and installation of an asset including borrowing coars. if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. Cost incurred to replace a component of an item of property, plant and equipment is capitalized and the asset so replaced is derecognized. Normal repairs and maintenance are charged to the statement of optifie to loss during the period in which they are incurred.

Depreciation is charged to the statement of positi and loss applying the straight line method over its useful life specified in note no. 4 to these financial statements. Depreciation on additions is charged from the month when the assets are available for intended use while no depreciation is charged in the month of disposal.

Depreciation methods, useful lives and residual values of each item of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed and adjusted, if appropriate at each reporting date.

Surplus on revaluation of assets based on forced sale value is recognized in other comprehensive income (OCI) and presented as a separate component of equity as "surplus on revaluation of property, plant and equipment". except that it reverses a revaluation deficit for the same asset previously recognized in the statement of profit or loss, in which case the surplus is credited to the statement of profit or loss to the extent of the deficit charged previously. Deficit on revaluation of assets is recognized in the statement of profit or loss, except that it reverses a revaluation surplus for the same asset previously recognized in other comprehensive income, in which case the deficit is charged to other comprehensive income to the extent of the surplus credited previously. The revaluation reserve is not available for distribution to the Company's shareholders.

Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the estimated fair value. To the extent of the incremental depreciation charged on the revalued assets, the related surplus on revaluation of assets (net of deferred taxation) is transferred directly to retained carnings (unappropriated profit). Further, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognized in other income other expenses in the statement of profit or loss. When revalued assets are sold, any related amount included in the surplus on revaluation is transferred to retained earnings (unappropriated profit / accumulated loss).

The carrying values of property, plant and equipment are reviewed at each reporting date for indication that an asset may be intensived and carrying values may not be recovered. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating unit is written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use.

#### Intangible assets

Intangible assets are stated at cost less accumulated amortization and any identified impairment loss. Amortization on additions is charged from the month in which an asset is acquired or capitalized, while no amortization is charged for the month in which the asset is disposed off or retired from use. Amortization is charged based on straight line method at the rates specified in note no. 5.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future occurring benefits associated with the item will flow to the Company and its cost can be measured reliably.

Gains and losses prising from the printment or disposal of searts is recomized in profit or loss

Investments - subsidiary companies Investment in subsidiaries are measured at cost less impairment, if any

### Stock-in-trade

These are valued at lower of cost and net realizable value. Cost is determined by applying the following basis:

Raw material At FIFO basis Work in process and finished goods At average manufacturing cost

Average cost in relation to work in process and finished goods signifies average manufacturing cost including a portion of related direct overheads. Net realizable value (NRV) represents the estimated selling price at which the inventories can be realized in the normal course of business after allowing for the cost of conversion from their existing state to finished condition

#### 5 Trade debte

These are recognized initially as fair value and subsequently measured at amortized cost after deducting allowance for suscincible amounts, first, The Compute appairs he IEEE St simpliciled appoints to neasure the expected credit issues (FCL) which uses a lifetime expected less allowance for raried and other receivables, and the expected first allowance for raried and other receivables, and adjusted for forward-descriping factors specific to the defense and the consonie environment. Hence were, in certain causes, the Computer to an adjusted of forward-descriping factors specific to the defense and the consonie environment. Hence via certain information discrete to the factor and the consonie environment. Hence the factor and the consonie are consonied to the computer to analysis of the contracting consonied amounts in the lefter of taking the other contractions.

#### 6 Low

These are recognized initially at fair value and subsequently measured at amortized cost but since the balances are considered to be recoverable adjustable within the next financial year, therefore, balances recognized initially are considered to be their amortized cost. Provision is made on the basis of lifetime ECLs that result from all possible default events over the expected life of the account balances. Bad dobts are written off when considered irrecoverable.

## Advances, deposits and prepayments

These are stated at the amortized costs which are the amounts originally disbursed and to be adjusted /refunded in future. Provision is made for the balances considered doubtful, if any. Amounts considered irrecoverable / unadjustable are written off.

## 3.8 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at nominal amounts which is considered to be their amortized cost. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and balances with banks in current and soving accounts.

## 3.9 Trade and other payables

Liabilities for trade and other payables are stated at their nominal values which is the fair value of the consideration required to settle the related obligations whether or not billed to the Company, Liabilities are written back and recomized as other income when these are considered to be no longer revable.

#### 3.10 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of a past event, and it is probable that outflow of resources embedying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each reporting date and adjusted to erefect current best estimate.

#### \$ 11 Flauncial arrest and Exhibition

#### 3.11.1 Initial Recognition

All francial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received plas or minus transaction costs (except financial asset af FVTP), where transaction costs are charged to profit or loss). These are subsequently measured at fair value or amortized cost as the case may be.

#### 3.11.2 Classification of financial assets

The Company classifies its financial instruments in the following categories:

#### of amortized cost

- at fair value through other comprehensive income ("FVTOCI"), or

- at fair value through profit or loss ("FVTPL").

# JOP Annual Report 2020

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Einspeial arrety at amortised cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through OCI
Financial assets that meet the following conditions are subsequently measured at FVTOCI

- a) the financial asset is held within a business model whose objective is achieved by both collecting
- b) the contractual terms of the financial usate give rise on specified dates to eash flows that are solely payments of principal and interest on the principal amount outstanding.

  However, Company may make an increasable election at initial recognition for particular investiments in equity instruments that would otherwise be measured at fair value through profit or loss to present unbeausor that make in other competitions; in other competitions; in case.

Financial assets at fair value through profit or loss
A financial asset is measured at fair value through profit or loss unless it is measured at amentized or at fair value through OCI.

#### 3.11.3 Financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVTPL"), or
- at amortized cost.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

#### 3.11.4 Subsequent measurement

# Financial assets at FVTOCI

These are measured at fair value, with gains or losses arising from changes in fair value recognized in OCL

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are subsequently carried at amortized cost, and in the case of

# financial assets, less any impairment. Financial assets and liabilities at FVTPI

Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at PVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise. Where management has operated or more financial liability at PVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income? (loss). Currently, there are no financial liabilities designated at PVTPL.

#### 3.11.5 Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses (ECLs) on financial assets that are measured at amortized cost. Loss allowances are measured on the basis of life time (ECLs) that result from all ossible default events over the expected life of a financial instrument.

Lifetime ECL is only recognized if the credit risk at the reporting date has increased significantly relative to the credit risk at initial recognition. Further, the Company considers the impact of invitat booking information (such as Company's internal factors and convenie environment of the country of customers) on ECLs. Credit losses are measured as the measured value of all cash shortfulls if e. the difference between the cash flows due

to the entity and the eash flows that the Company expects to receive).

Provision against financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

# 3.11.6 Derecognition

#### Eigensial acce

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognized in profit or loss.

In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FYTOCI, the cumulative gain or loss previously accumulated in the investments revolution reserve is not reclassified to profit or loss, but is transferred to revenue reserve.

#### Financial liabilities

The Company derecognies financial liabilities only when its obligations under the financial liabilities are discharged, cancerled or expired. The difference between the enzyring amount of the financial liability derecognized and the consideration point and psyable, including any non-east mosts transferred or liabilities assumed. Is exponsized in the catalogue of medicine point of the consideration point of the control of t

### 3.11.7 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously

#### 3.12 Revenue recognition

Site of goods, including sergo sales, is recognized on dispatch of goods to customer when significant with sale noteworth sear transferred to the customers and susceiled performance obligations are met. For service income, performance obligations are fulfilled at the time when the agreed services are rendered to the substitution of clients. The transaction good of company's contracts with customers for the sale of goods and services does not include any variable consideration, any significant financing components. are more conferenced on the substitution of the sale of goods and services does not include any variable consideration, any significant financing components.

- Interest income is recognized on a time-apportioned basis using the effective rate of return.
- Gain on sale of fixed assets is recorded when title is transferred in favor of transferre.
- Other income is recognized on the occurrence of transactions on accrual basis when the associated performance obligations are met.

# 3.13 Taxation

# Current

Provision for current taxation is computed in accordance with the provision of the Income Tax Ordinance, 2001.

The charge for current taxation is based on taxable income at the current rate of taxation after taking into occount applicable tax reedis, robuses and exemptions available, if any, or minimum tax on turnover or Alternate Corporate Tax (ACT), whichever is higher than the contract of th

# Deferred

Deformed an accounted for using the balance dure liability models and lumpurery differences arising between the text bases of seaso and failfulfiles and their curriery amments in the financial assessment. Deformed the Individual to the contract of the co

# 3.14 Earning per share

The Company presents basic and diluted earning per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or less arenhousable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Datard EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dudued noteroids ordinary shares.

# 3.15 Dividend and appropriation of reserves

Dividend distribution to the shareholders and appropriation to / from reserves is recognized in the period in which these are approved.

## 3.16 Contingent Liabilities

# Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the centrol of the Company: or
- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

# 3.17 Continuent Assets

Contingent assets are disclosed when there is a possible asset that arises from post events and whose existence will be confirmed only by the eccurrence of non-ecourance of our or more uncertain future events not while within the control of the Company. Contingent assets are not recognized until their realization become virtually certain. I PROPERTY, PLANT AND EQUIPMENT

Note: --- Expens in 1989 --41 475,433 488,165

Operating Fixed Assets.						_	_		
				Ova	ď				
Description	Lesseholf lows**	Salking an involved land*	Plant and mechinory*	Gen and electric introductions	Factory	Solida	Furnisher and future	Office and ather equipment	Total
				Zapi	us in "809"				
Four ended Jame AA, 2028 Opening net book solute Depreciation charge for the year	450,000	21,and (2,464)	9,8% (2,143)		56 (56)	41 (41)		90 (92)	488,162 (4,73)
Closing not book rolar on at June 18, 1820	459,000	18,900	7,483						275,430
As at Jane 38, 2028 Cost / revalued* amount Accumulated Depreciation	474,600	21,axe (3,axe)	21,972 (14,139)	1,178 (1,176)	3,933	3,547	4,338	12,141	518,691
Clining net book refer es at June 38, 2828	259,890	15,000	7,433	-			٠,		475,433
Tear Ended Jame 38, 2009 Opening cut book radue Addition during the year		ž	13,929		39	13 55		178	14,150
Reclassification of moets held for sale Disposals during the year Decreciation sharing for the year	433,900	21,400	(1,129)		116	an			(1,12) (4,35)
Cloning not hook rothe or on June 10, 2019	451,000	21,400	9,576		56	41	,	5/2	480,165
ds of Ame 20, 3919 Cost / revolued* amount Accumulated Depreciation	131,000	21,406 (1,600)	21,572 (11,996)	1,178 (1,178)	3,533 (3,677)	3,547 (3,500)	4,320 (4,320)	12,141 (12,045)	518,090
Clouding net book realise at: or June 30, 2019	650,000	20,400	9,5%		36	41		92	480,165
Emple Of - Trun	Indefinite	20	7	39	.5	- 4		.5	

37

	2020	2019
Note	Rupees in	'000
		Restated

4.2 The depreciation charge for the year has been allocated as follows:

Cost of sales	22	3,786	3,484
Administrative expenses	24	946	871
		4,732	4,355

- 4.3 Factory of the Company is on 3 acres of land situated at C-10, South Avenue, SITE, Karachi
- 4.4 Cost of fully depreciated assets as on the reporting date amounting to Rs. 25.119 (2019; Rs. 24.95) million.
- 4.5 Latest revaluation of leasehold land, building on leasehold land and plant & machinery were revalued on January 13, 2018 resulted in a surplus of Rs. 317-919 million. The revaluation exercise was conducted by Mrs. Joseph Lobo (Private) Limited, a valuer on approved list of Pakistan Bankers Association, on following bank.

Land Present market values for similar sized plots in the vicinity.

Building Replacement values of similar types of buildings based on present cost of constructions and applying residual factors based on estimated remaining useful life.

Plant and Replacement values of similar types of plant and machineries based on current rates and machinery apolying residual factors based on present condition and obsolescence.

The previous revaluations were carried out on March 31, 1995, June 30, 2004, June 17, 2008 and June 12, 2013 which resulted in a surplus of Rs. 42.642 million, surplus of Rs. 73.464 million and surplus of Rs. 104.097 million and insurplus of Rs. 104.097 million and insu

		Rupees in	'000
4.6	Had there been no revaluation, the written down value of		Ressared
	revalued accept would have been as follows:		

Lease hold land	61	61
Building on lease hold land	693	1,170
Plant and machinery		63
	754	1,294

4.7 The forced sale value of leasehold land, building on leasehold land and plant and machinery suggested collectively by the independent valuer as on the revaluation date, i.e. January 13, 2018 was Rs. 370 million.

# 4.8 Correction of error

The management had inadvertently depreciated the leasehold land in peior years which is held for an indefinite useful life as the lease period can be extended for an another term of '99 years by paying a nominal fee to the Government. Error has been rectified during the current financial year retrospectively by restating the corresponding figures in these financial statements.

Retrospective correction of error had the following effects on the amounts presented for June 30, 2019 and June 30, 2018:

,	As previously reported	Rectification Adjustment	As restated
Statement of Financial Position		Rupoes in '008	
As at June 30, 2019			
Property, plant and equipment	467,184	12,981	480,165
Surplus on revaluation of fixed assets	457,896	12,810	470,706
Accumulated losses	(413,026)	171	(412,855)
As at June 30, 2018			
Non current assets classified as held for sale	472,158	1.442	473,600
Surplus on revaluation of fixed assets	474,380	1,270	475,650
Accumulated losses	(384,883)	172	(384,711)
Statement of Profit or Loss and Other			
Comprehensive Income			
For the year ended June 30, 2019			
Cost of sales	(11,756)	2,885	(8,871)
Administrative expenses	(21,000)	721	(20,279)
		2020	2019
ANGIBLE ASSET		Rupees in	960
Computer software			
Cost		129	129
Accumulated amortization		(129)	(129)
		-	
NG TERM INVESTMENTS			
hares of anquoted subsidiary companies - at cost			
hnson and Phillips Industries (Pakistan) Limited			
Investment in shares			
3,000,000 fully paid ordinary shares of Rs. 10 each [Break-up			
value as at June 30, 2020 was Rs. nil (2019 : Rs. nil)]. The			
Company held 100% of the investee's total equity.		30,000	30,000
Advance against share capital		20,000	20,000
		50,000	50,000
hnson & Phillips Transformers (Private) Limited			
2,099,995 fully paid ordinary shares of Rs. 10 each [Break-up			
value as at June 30, 2020 was Rs. nil (2019 : Rs. nil)]. The			
Company held 70% of the investee's total equity.		21,000	21,000
& P.EMO Pakistan (Private) Limited			
50,997 fully paid ordinary shares of Rs. 10 each [Break-up value			
is at June 30, 2020 was Rs. nil (2019 : Rs. nil)]. The Company			
held 51% of the investee's total equity.		510	510
		71,510	71,510
ovision for dimination in value of investments		(71,510)	(71,510)
		-	-

<sup>6.7</sup> Breakup value per share as at the June 30, 2020 based on the latest available audited financial statements for the year ended June 30, 2020 was Rs. nil (2019; Rs. nil) for all the subsidiaries.

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Pr

		2020	2019
7 LONG TERM DEPOSITS	Note	Rupees	m '000
To Central Depository - CDCPL Pakistan Telecommunication - FTCL K-Electric - KE Sui Southern Gas - SSGC Others		25 34 21 237 -	25 34 21 237 242 559
8 STOCK-IN-TRADE			
Rave material and components			
In hand - gross Work-in-process Less: provision for obsolete / slow moving items	6.	34,158 4,386 38,544 (38,544)	34,158 4,386 38,544 (36,588) 1,956
8.1 Movement in obsolete / slow moving items			
Balance as on July 61, Provision made during the year Reversals during the year on account of sale Bulance as on June 36,	26 27	36,588 1,956 - 38,544	37,840 (1,252) 36,588
9 TRADE DEBTS - Considered doubtful			
Trade debts Less: Provision for doubtful trade debts	9.1	75 (75)	187 (22) 165
9.1 Movement in provision for doubtful trade debts			
Opening provision Provision made during the year	26	22 53 75	22 22

Johnson & Philips (Pakistari) Limited

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		2020	2019
10 LOANS, ADVANCES AND PREPAYMENTS	Note	Rupees	in '609
Loans to subsidiary companies - unsecured			
- considered doubtful			
Johnson and Phillips Industries (Pakistan) Limited (JPI)		24,835	24,835
Johnson & Phillips Transformers (Private) Limited (JPT)		20,864	20,864
J & P EMO Pakistan (Pvt.) Ltd. (EMO)		3,012	3,012
	10.1	48,711	48,711
Less: Provision against doubtful loans		(48,711)	(48,711)
Advances - considered doubtful		-	-
To suppliers		-	881
To employees		-	307
Against purchase of land			2,717
Others		×	71
			3,976
Less: Provision for doubtful advances	10.2		(3.854)

Prepayments

		Opening provision	Provision made during the year	Advances written off during the year	Closing
	Suppliers	(794)	(87)	881	
	Purchase of land	(2,717)		2:717	
	Employees	(272)		272	
	Others	(71)		71	
		(3,854)	(87)	3,941	
				2020	2019
TAX	REFUNDS DUE FROM THE GOV	ERNMENT	Note	Rupees in	'960
	Income tux		11.1	3,110	3,177
	Sales tax			20,988	20,844
	Less: Provision for doubtful sales to	ex refunds		(20,844)	1.0
				144	20,844
				3,254	24,021
II.I	Balance as on July 01,			3,177	2,868
	Taxes gaid during the year			102	333
	Prior year adjustment		28	(155)	(24
	Tax liability for the year		28	(14)	- 0
	Balance as on June 38,			3,110	3,177
JOD	Annual Report 2020	41		Johnson & Phillips (Pai	kinter) Limited

# 12 CASH AND BANK BALANCES Note ---- Rupees in '000 ---Cash in hand 1

Cash at banks
- in current accounts
- in savings accounts

1 31 1,715 118 77 70 1,792 188 1,793 219

2019

2020

12.1 This carry profit at the rate ranging from 6.36% to 11.41% (2019; 5.75% to 10.25%) per annum.
13. SHARE CAPITAL.

Al	RE CAPITAL				
	2020	2019		2020	2019
	Number of	shares	Ordinary shares of Rs. 10 each	Rupees in	999
	8,000,000	8,000,000	Authorized Capital	80,000	80,000
			Issued, Subscribed And Paid-Up Capital		
	4,638,268	4,638,268	Fully paid in cash	46,383	46,383
	93,000	93,000	Issued for other than cash	930	930
	718,704	718,704	Fully paid bonus shares	7,187	7,18
	5,449,972	5,449,972		54,500	54,50

13.1 The Company has one class of ordinary shares which earnies no right to fixed income. The holders are entitled to receive dividends and other entitlements in the form of bonus and right shares, as and when declared by the Company. Each member is entitled to one vote per share at the general meetings of the Company.

declared by the Company. Each member is entitled to one vote Company.	per shan		
a company of		2020	2019
14 SURPLUS ON REVALUATION OF PROPERTY.	Note	Rupees	in '600
PLANT AND EQUIPMENT			Restated
Balance as at July 01,		479,189	485,414
Reclassification adjustment - net of deferred tax		-	(1,562)
Related deferred tax liability of reclassification adjustment			(638)
Transfer to equity in respect of incremental			
depreciation - net of deferred tax		(3,202)	(2,104)
Related deferred tax liability on incremental depreciation		(1,308)	(859)
Effect of disposal during the year - net of deferred tax			(754)
Deferred tax on disposal during the year			(308)
		(4,510)	(6,225)
Balance as at June 30,		474,679	479,189
Less: Related deferred tax liability			
- at the beginning of the year		(8,483)	(9,764)
- related to reclassification adjustment			638
- on incremental depreciation for the year		1,308	859
effect of disposal during the year			308

- effect of tax rate adjustment

(524)

(8,483)

14.2

14.1 In accordance with the requirements of IFRS 13 Fair value measurement, the Company classifies its property and equipment in terms of following fair value hierarchy.

Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities:

Lord 2-Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Fair value measurements using Inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs).

Details of the Company's property, plant and equipment in terms of fair value hierarchy, explained above.

		-Rupees in '000	
Assets measured at fair value			
Operating fixed assets - Lease hold land		450,000	
- Building on lease hold land	-	18,000	
- Plant and Machinery		7,433	
2020	_	475,433	
2019	=	479,976	-
		2020	2019
NG TERM LOANS	Note	Rupees in	'999

# IS LONG TERM LOANS

# - Unsecured and interest bearing

at June 30, 2020 is as follows:

Close family member of former director	15.1	8,408	8,40
Former director	15.2	20,377	20,37
Associated company	15.3	3,046	52,01
		31,831	80,79
Less: Current portion of long term loans	15.4	(31.831)	(80,79

- 15.1 This represents loss received from Mr. Exical Billel Overshi and carries marken at the rate of 1 year Kibor plus 2% (2019: 1 year Kibor plus 2%) per annum. The terms of prosyment of loan and markun have been rescheduled from time to time. As per the latest rescheduled term made on June 30, 2019, the loan with the markup thereon was repayable on or before December 31, 2019, however, the Company could not settle the loan due to liquidity issues. Therefore, whole amount of loan is classified as current liability
- 15.2 This represents been received from Mr. Billal Cheruchi in different transfers amounting to Re. 9.55 million Rs. 3.00 million and Rs. 7.80 million obtained under various agreements. The terms of repayment of loan and markum thereon have been rescheduled from time to time. As per the latest rescheduled term made on June 30, 2019, the loan with the markup thereon was renavable in twenty four equal quarterly installments commencing from July 01, 2020. While the mark-up on the tranche of Rs. 9.58 million will be charged at the rate of 1 year Kibor plus 2% per annum while the mark-up on the tranches of Rs. 3.00 million and Rs. 7,80 million shall be charged at the rate of 1 Month Kibor plus 2% per annum.

- 15.3 This represents lean received from Elmetec (Pr1,) Limited and carries markup at the rate of 1 year Kibor plus 2% (2015): 1 year Kibor plus 2%) per amount. The tensor for repropuents of loan and markup have been rescheduled from time to time. As per the lastest rescheduled term make on thes 02, 2019, the loan with the markup thereon was repayable on or before December 31, 2019, however, the Company could not settle the loan due to liquidity issuess. Therefore, whole amount of loan is classified as current liabors.
- 15.4 During the year, the new sponsor of the Company, after taking over the control of the affairs of the Company as, April 0.2, 2003. In acceptant the true make excited down in our in 1.5 in 151.3 with all these tends, according to which the interaction which the marking accorded therein only 151.3 to 151.3 with all the period by the new opener within this financial year. Therefore, now long to March 31, 2020 will be regarded by the respect with the financial year. Therefore, no marked you be tree accorded in these financial statements after Agrid 10, 2020 and accordingly, beins and markup populse thereon have been classified as current infollistics in these financial statements.

16	DEF	ERRED LIABILITIES	Note	2020 Rupees in	2019
		Staff retirement benefits - Gratuity	16.1		4,027
		Deferred taxation	16.2	7,175	8,483
				7,175	12,510
	16.1	Staff retirement benefits - Gratuity			
		Staff retirement benefits - Gratuity	16.1.2	850	4,921
		Unclaimed gratuity shown under trade and other payables	17	(850)	(894)
				_	4,027

16.1.f Given the current operational status of the Company, management has decided to cease the gratuity with effect from July 01, 2019, as the number of employees of the Company are below the minimum threshold of employees defined under the Industrial and Commercial Imployment (Standing Orders), 1968. Grainity payable as on the reporting date is related to employees already left the Company and therefore, it has been classified as current lishibility in these financial statements.

		2020	2019
	Note	(Rupees is	· '900) ·
16.1.2 Liability for gratuity arose in the following manner:			
Opening net liability		4,921	5,038
Provision for the year	16.1.3	*	417
Remeasurement gain charged to OCI			(534)
Benefits paid		(4,071)	
Closing net liability		850	4,921
16.1.3 Charge to statement of profit or loss			
Current service cost		-	44
Interest cost			373
Total amount chargeable to statement of profit or loss			417

6.1.4	Principal assumptions		2020	2019
	Valuation discount rate		n/a	14%
	Expected rate of eligible salary increase in future years		n/a	9%
			2020	2019
16.2	Deferred suxuation	Note	(Rupees	in '600)
	Taxable temporary differences			
	Surplus on revaluation of fixed assets	14	7,175	8,483
	Deductible temporary differences			
	Accelerated tax depreciation		2,235	2,509
			92.407	00.679

Deferred acc unset not recognised 16.2.1 94,664 102,187 13.73.75 8.483

16.2.1 The management has not recognized the deferred ax asset on deductible differences as on the reporting date as the management is uncertain about the timing and extent of future translets profits against which

(94,664) (87,489)

Provisions

			2020	
Normal business loss	Expiry date		Rs. in '000	
TY 2015	June 30 2021		50,380	
TY 2016	June 30 2022		44,869	
TY 2017	June 30 2023		71,365	
TY 2018	June 30 2024		42,053	
TY 2019	June 30 2025		28,326	
TY 2020	June 30 2026		27,731	
			264,724	
Unabsorbed tax depreciation	Indefinite		53,922	
TRADE AND OTHER PAYABLES			20/20	2019
TRADE AND OTHER PAYABLES		Note	(Rupees i	n '000)
Trade creditors		17.1	5,338	124,87
Advance from customers - unse	ecured	17.2	8,638	31,31
Accrued liabilities		17,3	7,753	27,21
Payable to ex-employees			802	80
Provident fund payable		17.4 & 17.5	725	53
Unclaimed gratuity payable		16.1	850	89
Withholding tax payable			499	49
Others		17.6	249	1,33
			24,854	187,46
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- 17.1 This includes Rs. nil (2019; Rs. 119.690) million payable to an associated company related party.
- 17.2 This includes Rs. nil (2019: Rs. 22.575) million advance received from an associated company related party.
- 17.3 This includes Rs. nil (2019; Rs. 9.194) million payable to former CEO of the Company related party, on account of salaries and other benefits.
- 17.4 Given the current operational status of the Company, management has decided to cease the provident fund facility with effect from January 01, 2020, as the number of employees of the Company are below the minimum threshold of employees defined under the Industrial and Commercial Employment (Standing Orders), 1968.
- 17.5 Investments out of Provident Fund have been made in accordance with the provisions of Section 218 of the Act and the conditions specified thereunder.
- 17.6 This includes Rs. nil (2019: Rs. 1.085) million payable to former CEO of the Company related party, on account of trimbursable expenses incurred on behalf of the Company.

18 SHORT TERM BORROWINGS	Note	(Rupces in	'000)
- Unsecured and interest free			
From related parties			
Director	18,1		2,851
New sponsor director	18.2	233,384	
Former directors	18.3	8,848	3,898
		242,232	6,749

- 18.1 During the year, the director, Mr. Salman Ganny, has resigned from his position, therefore, lean has been classified as disclosed in note no. 18.3 below.
- 18.2 This represents unsecured and interest free loan received from the new sponsor director, Mr. Anis Mianoor, which is repayable on demand.
- 18.3 These represent unsecured and interest free loans received from former directors of the Company, Mr. Salman Ganny and Mr. Blial Qureshi amounting to Rs. 4.950 (2019; Rs. 2.851) million and Rs. 3.898 (2019; Rs. 3.8981 million respectively, which are reconsided on demand.

Note	2020 (Rupces in	2019
15.1	12,969	11,981
15.2	12,757	10,388
15,3	34,011	27,901
	59,737	50,269
	15.1 15.2	Note (Rupces in 15.1 12,969 15.2 12,757 15.3 34,011

# 20 CONTINGENCIES AND COMMITMENTS

# 20.1 Continuencies

20.2

- 20.1.1 Some legal cases are pending against the Company filed by ex-workers to re-instate them on their jobs. No definite outcome of the cases can be anticipated, however, the Company has good case in its favour.
- 28.L.2. Audit us 177.(1) read with section 214-D of the Income Tax Ordinance 2001 for tax year 2015 was selected and demand amounting to Rep. 9955 million has been raised. Company has filled an ageat before Honolde Commissioner (Appeal-IV). Karnehi which is pending as on the reporting date. The Company's tax advisor expects a flowerable extreme of the case.
- 28.L.J. As modi proceeding six 122 of the Income Tax Ordinance, 2001 for tax year 2016 were conducted by the Assistant (Depty Commissioner Hand Revenue, Zones, 1401). Example, Ann. AHTO, Kazzels, who raised the deemad tax amounting to Rs. 164. (40) million. Computer (Bird an appeal with the Commissioner Appeals who remaded back the ender for musessames. Assistant Totays; Commissioner Hand Revenue risas of the domand to Rs. 174.75° million. An appeal in his respect has too his field to the Homeard Commissioner (Appeal 48) realizant for Seption 275, 2007. The Company).
  - 28.6.4 An order was passed by Addisonal commissioners Re mising doesned of Rs. 5.700 million as principal and Rs. 0.255 million as peachly for default in declaration; payment or witholdings also tas in relation to test years 2011 to 2016 and recovered Rs. 4.268 million from the Company hash seconds. The Company has filed appeal via 450 (of the Sales Tran. 4, 1998 against the air order which is possing before Honourides Commissioner (Appeals-V) Inland Revenue. The Company's tax advisor expects a finovariable outcome of the cases.
  - 20.1.5 Pursuant to a recovery suit filed by the National Bank of Pakistan against Johnson & Phillips Transformers (Pv.) Limited (defendant no.)) and Johnson & Phillips (Pakistan) Limited (defendant no. 2), the Banking Court No. III. Labore associal comercionis decree.

In pursuant of this devere, the Bank agreed that prior to executing the Devere against the defendant not. In this repart, the gamanton, the Bank will exceed exerce regions at the easens of the defendant not. In this repart, the Bank sold the featury land and building thereon in the consideration of Fa. 2.5 "million which has also been confirred by the Caron during the year." He enteriar amount of lines has been settled by the subsidiary and the subsidiary and the subsidiary of the subsidiary and the subsidiary completes the subsidiary confirmed to the characteristic and the subsidiary completes the subsidiary completes the subsidiary completes the subsidiary completes in this case.

	(Rupees in '000)
Commitment	
Consider formal by a booking consequence on boboth of	

the Company against performance bond

1,745

2020 2019

		2020	2019
	Note	(Rupees	in '000)
21 SALES			
Gross sales		1,097	4,728
Commission on sales		(80)	(66)
Sales tax		(159)	(687)
Dates and		858	3,975
Service income		47	103
Service medite		905	4.078
			4,078
22 COST OF SALES			
Raw material consumed	22.1	237	2,155
Salaries, wages and other benefits	22.2	1,209	2,580
Fuel and power		528	437
Repair and maintenance		786	42
Traveling and conveyance		3	17
Depreciation	4.2	3,786	3,484
Other manufacturing expenses		133	156
		6,682	8,871
Work in process			
Opening stock		4,386	4,386
Closing stock	8	(4,386)	(4,386
		6,682	8.871
22.1 Raw material consumed		6,682	8,871
Opening stock		34,158	35.380
Purchases during the year		237	933
t dictances during the year		34.395	36,313
Closing stock	8	(34,158)	(34,158
Citating states	_	237	2,155
22.2 Salaries, wages and other benefits		1,202	
Salaries and wages	16.1.1	1,202	2,473
Gratuity		-	
P.F Contribution	17.4	7	14
		1,209	2,580
23 DISTRIBUTION EXPENSES			
Salaries, wages and other benefits	23.1	221	503
Advertising and sales promotion		0	76
Travelling and conveyance		6	3
Repair and maintenance		20	8
Entertainment		4	11
Others			252
		252	853
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2020 2019

			2020	2019
		Note	(Rupees is	1000)
23.1	Salaries, wages and other benefits			
	Salaries and waters		214	470
	Gratuity	161.1	-	18
	P.F. Contribution	17.4	7	15
			221	503
24 ADM	MINISTRATIVE EXPENSES			
	Salaries and other benefits	24.1 & 31	6,486	8,644
	Travelling and conveyance		375	509
	Legal and professional		3,239	4,536
	Rent, rates and taxes		482	185
	Repair and maintenance		1,251	396
	Printing, stationery and postage		697	933
	Utilities		910	811
	Entertainment		110	321
	Fees and subscription		984	1,033
	Auditors' remuneration	24.2	803	945
	Insurance expense		84	147
	Depreciation	4.2	946	871
	Others		398	948
			16,765	20,278
24.1	Salaries and other benefits			
	Salaries and wages		6,412	8,190
	Gratuity	16,1,1		300
	P.F Contribution	17.4	74	148
			6,486	8,644
24.2	Auditors' remuneration			
	Annual audit fee		500	324
	Review of half yearly financial statements		75	65
	Consolidated financial statements		100	65
	Review of statement of compliance with CoCG		75	54
	Certification and others		16	
	Special audit fee			324
	Out of pocket expenses		37	
			803	945
25 FIN.	ANCE COST			
	Mark up on long term loans from related parties	15	9,467	8,242
	Bank charges and commission		16	41
			9,483	8,283

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24 OTHER CHEROLO				
Provision for obsolete / slow movin	g stock	8.1	1,956	
Provision for doubtful debts		9.1	53	22
Provision for doubtful advances		10.2	87	13
Provision for doubtful sales tax refu	inds	11	20,844	-
Penalty paid to FBR		26.1	702	-
Advances written off			30	100
Other assets written off			26	32
Deposits written off			242	
			23,940	67
26.1 This represents penalty paid in perelated to tax year 2015 to tax year.		g of withholding t	axes carried ou	t by the FBR
			2020	2019
27 OTHER INCOME		Note	(Rupees	w 1990)
Interest income			8	30
Scrap sales			687	
Recovery of deposits previously wr	itten off			341
Reversal of provision for obsolete s	tock	8.1		1,252
			695	1,596
28 TAXATION - NET				
Current			14	
Prior			155	24
Deferred		16.2	(1,308)	(859)
			(1,139)	(835)
28.1 Returns up to the tax year 2019 has Income Tax Ordinance, 2001. Ho- period of five years from the date or	wever, the Commissi	ioner of Income T	ax may at any	
29 LOSS PER SHARE - RASIC AND DILU	TED		2020	2019 Restated
There is no dilutive effect on the basic company, which is based on:	earnings per share o	f the		
Loss after taxation - (Rupees in th	ousand)		(54,383)	(31,844)
Weighted average number of ordi	tary shares		5,449,972	5,449,972
Loss per share - basic and diluted	- (Rapees)		(9.98)	(5.84)
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26 OTHER CHARGES

2020 2019 Note ---- (Rupees in '000) -----

242.232

59.737

352,210

4.268 4.268

6.749

50,269

# 30 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

# 30.1 Financial Instruments By Category

# Financial Assets

- At amortized cost			
Long term deposits	7	317	55
Trade debts	9	18	10
Cash and bank balances	12	1,793	2
		2,110	9
Inancial Liabilities			
- At amortized cost			
Current maturity of long term leans	15	31,831	80,75
Trade and other payables	17	14,142	154,23

# Short term borrowings Accrued markup Unpaid / unclaimed dividend 30.2 Financial Risk Management

The Company's activities expose its on suriety of financial risks credit risk, flagidity risk and marker risk (interest' made, one risk and price risk). The Company's overall risk management purpamne focuses on the upperficultity of financial markers and seeks to minimize potential adverse effects on the upperficultity of financial removes the contraction of the company's financial assets and liabilities are limited. The Company constitutely manages its exposure to financial risk without any material change from mercious credit in the manuer described in some below.

- Credit risk - Liquidity risk
- Market risk
- Operational risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

# 30.2.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counterparties fails to meet its contractual obligation and it mainly arises from balances with banks and financial institutions, trade debts, loans, advances, deposits and other receivables. The credit risk on liquid fund is limited because the counter parties are banks with responsible high credit ratinox.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions. The Company believes that it is not excussed to mailer occaseration of credit in the contractual or other conditions.

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk before any provisions at the reporting date is:

	2020	2019
	(Rupecs in	(000)
Long term deposits	317	559
Trade debts		165
Bank balances	1,792	1,792
	2,109	2,516

# Deposits

These do not require any impairment as these are mainly held with government backed public utility companies and with financial institutions with sound credit ratings.

# Credit Rating of Company's Banks

The credit quality of Company's bank balances can be assessed with reference to external credit rating as follows:

Name of banks	Rating	Credit	Credit rating		
	Agency	Short term	Long tern		
Habib Bank Limited	VIS	A-1+	AAA		
Habib Metropolitan Bank	PACRA	A1+	AA+		
Silk Bank Limited	VIS	A-2	Λ.		
Soneri Bank Limited	PACRA	A1+	AA-		
JS Bank Limited	PACRA	A1+	AA-		
MCB Bank Limited	PACRA	AI+	AAA		
National Bank of Pakistan	VIS	A-1+	AAA		
Bank Alfalah Limited	VIS	A-1+	AA+		

# 30.2.2 Liquidity risk

Liquiday fix reflects the Company's inshiftiy in raising finds to meet commitments. Liquiday fix alters because of the possible, that the Company could be required to pay; in ballisis earlier has necessed of the final fix and the commitment associated with the financial liabilities as they fall of fillingly in raising finals to meet commitment associated with the financial liabilities as they fall of the Company's approach, that it will advant the sufficient injustify to meet its liabilities when due, under both normal and stressed conditions, without contring unacceptable leases or at the raisi of Company's required. The Company's Vigalogian contring unacceptable leases or at the raisi of Company's required. The Company's Vigalogian fix the contringual contribution of the contribution of Company's required for the Company's Vigalogian fixed contributions of the contribution of Company's required for best of Figular and received as the contribution of Company's required for best of Figure and the contribution of Company's required for best of Figure and the Company's required for the contribution of Company's required for best of Figure and the Company's required and contribution of Company's required and co

		-20	20				
	Carrying	Contractual cash flows	Six months or less	Six to twelve months			
		(Rupees in	'000)				
Financial Liabilities				10 Feb 2-0			
Trade and other payables	14,142	14,142	*	14,142			
Short term borrowings	242,232	242,232	100	242,232			
Accrued markup	59,737	59,737		59,737			
Unpaid / unclaimed dividend	4,268	4,268		4,268			
Current maturity of long term loans	31,831	31,831	100	31,831			
	352,210	352,210	_	352,210			
	2019						
	Carrying	Contractual cash flows	Six months or less	Six to twelve months			
		(Ripecs)	in '000)				
Financial Liabilities							
Trade and other payables	154,226	154,226		154,226			
Short term borrowings	6,749	6,749		6,749			
Accrued markup	50,269	50,269		50,269			
Unpaid / unclaimed dividend	4,268	4,268		4,268			
Current maturity of long term loans	80,795	80,795		80,795			
	296,308	296,308	$\overline{}$	296,308			

# 30.2.3 Market risk

Morker risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market instructs rates or the market price due to a change in credit rating of the issues or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company is manages market rate risk p menionized apposite on marketables securities by following the internal risk management and ineventment policies and guidelines. Market risk companies of market products produced to a product product products of the contract products and the products of the products produced to any other transfer products and the products of the

# 30.2.4 Operational risk

Operational risk is the risk of direct or indirect loss atting from a wide variety of causes associated with processes technology and infrastructures supporting the company's operations either internally within the Company's service providers, and from external factors other than credit, market and fingularly risks such as whose earling from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risk arising formal the company's activities:

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the hoard of directors. The responsibility encompasses the controls in the following areas:

i Requirements for appropriate segregation of duties between various functions, roles and responsibility;

ii Requirements for the reconciliation and monitoring of transactions;

W Compliance with regulatory and other legal requirements;

ir Documentation of control and procedures;

 Requirements for the periodic assessment of operational risk faced, and the adequacy of controls and necedures to address the risk identified;

vi Ethical and business standards; and

vii Risk mitigation, including insurance where this is effective.

# 30.3 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The carrying values of all the financial assets and liabilities reported in the financial statements approximate their fair values.

# 30.4 Capital risk monagement

The Company's objective when managing capital is to suffigurated the Company's ability to continue as a going concern in order to provide returns for substrobleton and Decenfin for other such stackholders and to minimize an optimal capital structure is reduce the cost of capital. In order to maintain or adjust the capital susteau, the Company may adjust the amount of dividenting and in hardworks, most new shorts and their other measures connentration to the circumstances. The Company futures its expansions proposes through capits, horievings and management of its working capital. It is not be in manation as interpretate in the lowest varieties somes of futures to minimize that the working capital is a fixed to manation as properties in the lowest varieties control of future to minimize that the

The Company monitorine capital using a gearing ratio, which is not dobt divided by total sharrholders equity plus not dobt. Not dobt is calculated as total loans and borrowings from bushing companies including any finance cost thereon, less cash and both bedunces. The Company's strategis is no maintain leveraging during. Since the Company has not taken any loan or borrowings from financial institutions as on the reporting dure, hence its gearing ratio is nil as on the reporting dute.

# JI REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

The aggregate amount changed in the financial statements for the year for remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Company are as follows:

	Exect	ative	Chief Ex	reative	Din	ector	Tot	al
	2929	2019	2929	2019	2020	2019	2828	2019
				(Rupees i	n 1898y			
Managerial remuneration		1,200	1,800	2,400			1,800	3,600
Rent and utilities			618	1,719		59	618	1,778
		1.700	2.419	4.119		50	2.419	5 276

No. of person(s) - 1 1 1 - 1

# 22 TRANSACTIONS WITH RELATED PARTIES

JPP Annual Report 2020

The related parties comprise of associated companies including subsidiaries, directors of the company, key management personnel and their close family members. Year end balances relating to related parties are specifically disclosed in relative notes to these financial statements. Remuneration to directors and CEO is disclosed in note no. 31 to these financial statements. Other transactions with related parties are as follows:

	20/20	2019
	(Rupees in	(000)
Associated Company - Close family member of former		
director of the Company is a director of the associated		
сомрану		
Elmetec (Pvt.) Limited		
Long term loan obtained	6,036	6,08
Long term loan repaid	55,000	
Purchases	268	89
Trade liability paid	119,957	
Advance received from associated company repaid	22,575	
Markup charged	6,110	4,65
Close family member of former director of the Company		
Faisal Bilal Qureshi		
Markup charged	988	1,060
Bilol Qureshi - former director of the Company		
Short term loan obtained		60
Markup charged	2,369	2,52
Key Management Personnel of the Company		
Anis Mianoor - New Sponsor (79.82% shareholding)		
Loan obtained	233,384	
Salman Ganny - former director of		
the Company (0.02% shareholding)		
Short term loan obtained	2,099	
Shehryar Saced - former CEO of the Company		
Accrued salary and other benefits paid	11,612	
Gratuity paid	3,500	
Reimbursable expenses incurred	567	
Expenses reimbursed by the Company	1,652	
Post Employment Benefit - Provident Fund		
Contribution paid to Fund		17

32.1 Transactions with key management personnel are carried out under the terms of their employment,

32.2 The transactions with related parties are made under mutually agreed terms and conditions. 55

Johnson & Philips (Pakistan) Limited

# 33 PRODUCTION CAPACITY

The production capacity of the plant cannot be determined as this depends on the relative proportions of the various types and sizes of products manufactured according to required specifications.

34 NUMBER OF EMPLOYEES 2020

# 35 CORRESPONDING FIGURES

Corresponding figures have been re-arranged / reclassified, whenever necessary, for the purpose of better presentation. Major reclassifications made during the year are as follows:

Reclassification to the caption component	Note	Amount Rs. in '000
Advance to supplier	10	87
Advances from customers	17	4,000
Accrued markup	19	50,269
Other charges	26	
Provision for doubtful debts		23
Provision for doubtful advances		12
Other charges		
Other assets written off	26	32
Other income	27	
Reversal of provision for obsolete stock		1,252
	component  Advances to supplier Advances from customers  Accrued markup  Other charges  Provision for doubtful debts  Provision for doubtful advances  Other charges  Other abuses  Other abuses  Other abuses  Revenal of provision for	component Note  Advance to supplier 10  Advances from customers 17  Advances from customers 17  Advances from customers 26  Provision for doubtful debts Provision for doubtful debts 17  Provision for doubtful advances Other study study 18  Other advances written off 26  Other Income

# 36 GENERAL

- Figures have been rounded off to the nearest Rupees in thousands.
- The external auditors of the Company expressed disclaimer of opinion on the financial statements for the year ended June 30, 2019, therefore, corresponding figures in these financial statements are un-audited.

# 17 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 27, 2020 by the Board of Directors of the Company.

One Executive One Financial Officer Director

JIP Annual Report 2000 56 Johnson & Phillips (Pakistan) Limited

# JOHNSON & PHILLIPS (PAKISTAN) LIMITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED

JUNE 30, 2020

# DIRECTORS' REPORT (CONSOLIDATED)

The comparative financial highlights of your Company for the year ended June 30, 2020 and June 30, 2020 are as follows:

	(Mapers	in 1000)
(Lex) for the year before tension Out of which the Directors have accounted	(52,649)	(32,72%)
for treation - current	1,289	1035
Disposable (boss) for appropriation Accumulated (Lowes) brought forward Adjustment for Incomental depreciation on prolited mores Other Comprehensive Profit (Lowe)	(91,666) (466,177) 3,310	(31,892) (377,990) 2,104 534
Accumulated loss corried over to Balance Sheet	(454,942)	(406,177)
The following subsidiaries have been consolidated in the figurated expensions of the heiding company:		

Johnson & Phillips (Pulcoton) Limited

Loss per share:

There has been no material changes since Jane 30, 2020 and the Company has not extend into any commitments which would affect its fewerial position on that date. Performance Bardon:

The Salao net for the year was Re 8.905 Million as compared to Re 6.905 Million for the companing period of last year. The cost of sales for the year was Re 6.602 Million

The Great less of the Company was Ro. 15.7773 Million as compared to Ro. 14.7975 Million in the companyaling period of last year. The Company's Distribution cost, Administrative expenses and finance cost during the core ended hour 20, 2020 now Ro. 2020 Million in the corresponding period of previous

A loss ofter tex of Eq. 51,000 Million was reported for the pure unded how 20, 2000 compared to a few of Eq. 51,000 Million in the corresponding period. Management

The andrives Mrs. Records Harven Zallarin B. Company, Chartered Accomment coins at the conclusion of the Annual General Meeting, Being eligible, they have offered

The Auditors give disclaimer of opinion on the going concern issue a fluir Auditor's Report Internal Audio

Statement of Corporate and Financial Reporting Framework:

The Corporate Love, ridge and regulations framed there under used one the overall functions of the Brand of Dissection of the Company. The Brand in falls are under used for corporate

1. The financial statements proposed by the Company, present faith its state of officers, the reports of its approximent, each flows and changes in equity.

3. The Company has followed consistently appropriate accounting periods in proportion of the financial extension. Changes wherever made, have been adequately

4. International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Dikistan have been followed in preparation

5. The vectors of internal control is count in desire and his bear effectively involvemental and manifestal. Such a vector is desired by manages when effectively

- Almost Audit Generalize (IRC) is in plane It reviews the approach adopting the Company's institut and department and the copie of and the adoptional validate extension and adoptional and another. It also incommon appears from the investment and incluming analysis and the contrast and allows a required as desired and a production of the contrast and any material to exclude a contrast and a production of the first transfer and the first transfer and the contrast and any material and a production of the contrast. The Cluminum of Exists is an independent of contrast and all the other members of the MAC and dependent detection.
- As expectational accuture he bear and blood, which support due line of construction and found lands of arthrity with despetits of respectfully.
   There is a mean I belieful and enough element. Transcal formats are removed and from destination are reviewed derive the vortex statistical.
- changes in the business confirmment.

  6. There is no dealet upon the Company's ability to confirms as a going consum.
- The Division of year Commercial for the commercial and control for the commercial in the commerci
- N. The Company has fellowed the best gractions of the Lineal Companies (Code of Companie Government), Regulations, 2017 and there is no material departure floor floor.
  - 9. The related parties' transactions are approved or satisfied by the Board Audit Committee and the Board of Directors.
  - 18. All major decisions relating to the arrestments of deinterstitutes, changes in the professor are taken by the horistinest Connection / Board of Directors.
  - appeared by the Board.

    12. Outstanding laser and derive are given in the financial statements.

## Board of Directors Composition of the Board

The body of the second of the

Mrs. Zainsh Aris Misrace

Ms. Mahammad Axio Missour (MD & Chief Executive Officer

Mr. Muhammad Corner Missouri Mr. Muhammad Amin Khummi

Ms Mohammad Unair Mismor Ms Mohammad Hasel Chomdia

# Pattern of Sharoholding:

A statement showing the pottern of shortholding is attached with this report.

# Future Plan growth:

As reported in our Analysis Assesser Report for the year maked lines 10, 1000 dress the control of thems of Indianous and Phillips (Philosopa) Liminal, we are placed to inform our stakeholds to the procedure substantial positions and the lines of the three final positions of the procedure of the three final positions and the lines of the limit of the lin

registrating for training point, so it is in the convenience of the instantiance that the instantiance in the company and which is desired in the company and instantiance in the instantian contribution in some future, so that is the health contill be given to them. We request to established on the puty for the collections and the health of the properties of the health of the health of the continue of the health of the

# leknes ledgement:

The Board of Discovers would like to express in sincere approximism to the Company's valual clients, business partners and other substabilities. The Board would also like to thanks the Scorrides and Exchange Commissions of Palasses, the Palasses Stock Englanges and Control Dispository Company for their continued produces and support.





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# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JOHNSON & BUILLING PAYISTAN LIMITED ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

# Qualified Opinion

We have audited the attacked cornelislated francial statements of Johnson & Phillips (Publisher) Limited and its substituties (the Group), which

Except for the effects or possible effects of the numers stated in the Basis for Qualified Opinion Section of our report, in our opinion. consolidated financial performanceardineous elidated cash flows for the year than ended in accordance with the accounting and reporting standards as applicable in Pakistan.

# Bosis for QualifiedOpinion

Key Audit Mattery

. We could not sub-tantiste the existence and completeness of trade and other modifies neither by direct confirmations from counter nuries

. We could not substantiate the existence, completeness and classification of short term borrowing from former directors of the Holding and

We conducted our stall in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under report. We are independent of the Company in occordance with the International Ethics Standards Board for Accountants' Code of Ethics

# Material Uncertainty Relating to Going Concern

Without cardifying our crimines, we draw attention to note us. 1.4 to the consolidated financial statements which describes that during the rtillion. The subsidiaries are in the course of being wound up while the operations of the Holding Company, including its revenue, are facing

These factors indicate the existence of material uncertainty that may cost significant doubt on the Holding Compan's ability to continue as

Key and treaters are those matters that, in our professional judgment, were of most significance in our audit of the cornelidated financial and in ferring our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matters described in the "Basis for Qualified Opinion" Section of our report, we have determined the matters described

## Kee audit matters How the matter was addressed in our audit Management Takeover (Refer note no. 1.2 and 1.4 to the accompanying consolidated Our malif procedures to address the matter amongst others includes the

With effect from April 01, 2020, new management has taken over the affairs of the Group and intensified its offices to New management has also prepared revival plan and financial

Since the tikeover has significantly changed the overall finercial and operational prospects of the Holding Company,

mittees as a key mald matter in our report.

- We reviewed all the correspondence related to taken or including
- We obtained and reviewed the projections including each flow
- We assessed the adoptacy of the disclosures as per the guideline

# S. Key andit matters

How the matter was addressed in our audit

(Refer note to: 20.1 to the accommuning comelidated financial ...

The Holding Company has contingent liabilities in respect of loral and income tex puriors, which are nonline adjudication

Contingencies require management to make judgements and laws, statutory rules and regulations, and the probability of provisions that may be required against such contingencies.

Due to significance of amounts involved, inherent succertainties with respect to the estaume of matters and use of significant minagement indements and estimates to assess the same liabilities relating to legal and income tax matters as a key Our audit procedures in respect of legal and tax contingencies

We reviewed the correspondence of the Holding Corresponding

indements or orders russed by the correctors authorities in relation

We obtained and reviewed confirmations from the Holding prohable outcome of the legal matters, open tay assessments and

We involved internal tax professionals to assess management's engaged by the Holding Company

We also evaluated the requirement of making provision against of legal and tax contingencies in accordance with the requirements

# Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

Management of the Holding Company is responsible for the other information. The other information comprises the information included

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In correction with our saids of the consolidated fearetial statements, our responsibility is to read the other information and, in doing so, the stallt or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material

minutationest of this other information, we are required to remost that fact. We have arching to report in this record. Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

Management is reasonable for the proportion and fair remembries of the consolidated francial statements in accordance with the accordance

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a poing concern.

Board of directors are responsible for overseeing the Group's fauncial reporting pro-

Auditor's Responsibilities for the Audit of the Canadidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an analitor's report that includes our opinion. Remorable assurance is a high level missisteness when it exists. Missistenests can arise lives final or error and are considered material if, individually or in the aggregate, they

As part of an audit in accordance with ISAs as ambiguitie in Publistan, we exercise professional indement and maintain professional skepticion.

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design for our occasion. The risk of not detecting a material missiatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- Obtain as understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but any fact the control of the circumstances, and the circumstances of the circumstances of the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- oy massavent.
  Coxclade on the appropriatance of management's use of the going cascum basis of accounting and based on the model evidence obtained, before a material successively exists related to extensive existing and the exist of the consists of the consist of the
- to cease to certifine as a going concern.

  Evaluate the overall presentation, structure, and content of the convolidated financial statements, including the disciousres, and whether the financial statements make the threat the advances of the structure the underlying transactions and events in a manner that achieves this mesentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express on opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of

We communicate with the board of discriers regarding, among other matters, the planned scope and timing of the nadit and significant made

We also provide the board of directors with a statement that we have compiled with relevant ethical requirements regarding independence, and to communicate with their all relationships and other matters that may reasonably be thought to bear on our independence, and where excludible, related safenames.

Four the natives commerciated with the board of discrim, we determine those matters that were of most significance in the audit of the coronilated filastical distortions of the coronilated filastical distortions of the coronilated and new thorefore the law, sunds matters. We describe these matters in our analysis of the coronilated filastical distortions and the firms are or which, included and their formship are citated resources, we determine that matter it doubt not be correspondent to the coronilated in our applied because the subsequent of thing as would manusculy be expected in outset; the matter it may be considered on the coronilated of the co

# Other Matter

Further, consolidated financial statements for the year ended June 30, 2019 were audited by morbar firm of Chartered Accountants, who, through their expert dated September 30, 2019 expressed disclaimer of opinion on those consolidated financial statements due to following

- inappropriatoress of going concern assumption used by the management of the Holding Company and of the subsidiaries for the
  preparation of those consolidated financial statements;
- non-densiti of urraid dividend in a separately designated bank account by the Holding Company.
- scope limitation due to luck of proper accounting records of current and previous assets and liabilities of the subsidiaries in accordance with the requirements of the Act;
- existence, occurrence, occurrency, and completeness of different mosts written off and liabilities written back by the subsidiaries could not be substantiated;
- no confirmation reply from NBP in relation to settlement of long-term lean which was populse by the JPT to the bank; and
   tax confirmation reply from NBP in relation to settlement of long-term lean which was populse by the JPT to the bank; and
   tax confirmation and accordingly, the effects of deferred taxation
- could not be assertained.

The engagement partner on the audit resulting in this independent auditor's report is Mr.Moharemed Inhol.

Reanda Haroon Zakaria & Company

Pince: Karachi Dated: October 27, 2020

# JOHNSON & PHILLIPS (PAKISTAN) LIMITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2020

		2620	2019	2018
	None	6	Rapers in '888)	
ASSETS			Restated	Restated
Non Current Assets				
Property, plant and equipment	4	475,433	480,165	14,194
Intangible asset	5	-		
Long term deposits	6	317	559	559
Current Assets		475,750	480,724	14,753
Stock-in-trade	2	_	1.956	1.926
Trude debts	*	: 1	1,956	
Advances and prepayments		68	103	62
Deposits	9.	46	122	0.2
Tax refunds due them the Government	10	2,808	26.116	25,629
Cash and bank halances	11	1,793	219	8.556
CODE AND DATE DATEROOS		4,669	28,578	32,263
Non current assets classified as held for sale		4,649	20,378	473 (00)
Total Assets		489,419	509 302	579,616
	,	411,417	207,552	720,010
EQUITY AND LEABILITIES				
Share Capital And Reserves				
Authorized capital	12	89,980	80,000	91,000
Issaed, subscribed and paid-up capital	12	54,500	54,500	54.500
Share premium reserve		29,727	29,727	29,727
Surplus on revaluation of property, plant and againment	13	467,584	470,706	475,650
General reserve		23,073	23,073	23,073
Accumulated leaves		(454,942)	(405,177)	(377,998
Total shareholders' equity		119,862	171,829	204,952
Non-controlling interest	14.	(13,375)	(13,682).	(13,669)
Non Current Liabilities				
Long term loans	15	-		116,743
Deferred liabilities	16	7,175	13,106	14,504
		7,175	13,106	131,247
Current Liabilities				
Current maturity of long term loans	15	31,831	80,795	
Trade and other payables	17	25,004	192,282	179,984
Short term borrowings	18	245,917	10,434	13,834
Accrued markup	19	59,737	50,269	
Unpoid / tasclaimed dividend		4,268	4,268	4,268
E-E	-	366,757	338,049	198,086
Coatingencies and commitments	20	****	500 FOX	******
Total Equity and Liabilities		489,419	509,302	520,616

The annexed notes from 1 to 37 form an integral part of these consolidated financial statements.

Chief Executive

Chief Financial Officer

# JOHNSON & PHILLIPS (PAKISTAN) LIMITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

AND OTHER COMPREHENSIVE INCOME

	Note	(Rapses	in '690)
			Restated
Sides	21	905	4,078
Crost of sales	22	(6,682)	(8.871)
Gross loss		(5,777)	(4,793)
Distribution cost	23	(252)	(853)
Administrative expenses	24	(16,915)	(20,327)
Operating loss		(22,944)	(25,973)
Finance cost	25	(9,483)	(8,283)
Other charges	26	(26,595)	(67)
Other income	27	6,073	1,596
Loss before taxation		(52,949)	(32,727)
Tioxation - not	.28	1,289	835
Loss after taxation		(51,660)	(31,892)
Loss after taxation attributable to:			
- Owners of the Holding Company		(51,967)	(31,879)
- Non-controlling interest		307	(13)
Other comprehensive income		(51,660)	(31,892)
Items that will not be reclassified to profit.			
or loss in the subsequent periods  Gain on remeasurement of post employment benefit obligation	16.1.2		534
Total comprehensive loss for the year	100.02	(51,669)	(31,358)
Total comprehensive loss for the year attributable to:		(\$1,967)	
Owners of the Holding Company     Non-controlling interest		307	(31,345)
- Non-controlling interest		(51,660)	(31.358)
Loss per share - Rupees	29	(9.48)	(5.85)

Chief Executive

The Lid Chief Financial Officer

2020 2019

# JOHNSON & PHILLIPS (PAKISTAN) LIMITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Province Reserve	revaluation of property, plant and equipment	General Reserve	Accommissed losses	Total shareholders' cquity
			····· (Expect i	1007)		
Balance as at July 30, 2018 - before restatement	54,500	29,727	474,380	23,813	(231,335)	189,841
Effect of restatement (note no. 4.8) Effect of restatement (note no. 14.1.1)	č		1,279	-	13,669	13,669
Balance as at July 30, 2018 - restated	54,500	29,727	475,650	23,913	(377,598)	264,953
Total comprehensive loss for the year - restated					(31,345)	(31,345)
Adjustment on disposal of revalued asset	-		(1,0(2)		1,002	10.
Deferred tax or disposal adjustment during the year	L.J	L.J	366	L.J	1.002	308 508
Reclassification adjustment of mosts held for sale - restated	Ė.	Ė	(2,200)	Ė		(2,200)
Deferred tax on reclassification edjustment			628			638
Francier from surplus on revolution on account of incremental depreciation			(1,562)		2.104	(1,862)
Tax rate adjustment on revolutions surplus			(524)		-	(524)
Balance as at June 36, 2007 - restated	54,500	29,727	479,786	23,813	(495,177)	171,829
Total comprehensive loss for the year					(51,967)	(51,967)
Transfer from surplus on revolution on account of incremental depreciation - net of deferred tax - restated			(3,282)		3,210	
Balance as at June 36, 2020	54,500	29,727	467,564	23,913	(454,942)	119,862

Share premium reserve can only be railized by the Holding Company for the purpose specified in Section 81 of the Companies Act, 2017.

Surples on resolution of property, plant and opigeness will be attitud for any purpose only after they are realized and transferred to exappropriated profits. However, these resources as be individually offers agained because aftering in Europeanide (Europeanide (Europeanide et al., Occased coverse on the attitude for example, any consequence and offer intervience on opticity to war of twicked.

The proceed notes from 1 to 27 from an internal and of these consulishmed from including

Chief Executive

Chief Financial Officer

Director

JDP Annual Report 2020

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# JOHNSON & PHILLIPS (PAKISTAN) LIMITED CONSOLIDATED STATEMENT OF CASH FLOWS

		2620	2919
	Nate	(Rupees i	w 7696)
A. CASH FLOWS FROM OPERATING ACTIVITIES			Restoled
Loss before taxation		(52,949)	(32,727)
Adjustment for:			
Derecciation	4.1	4,732	4.355
Provision for staff gratuity	16.1.2		417
Finance conf	25	9,483	8.283
Provision for absolute / slow maying stock	26	1.956	-
Provision for destratal debts	26	53	22
Provision for destriful advances	26	87	-
Provision for dealyttal sales tax refunds	26	20.844	
Advance written off	26	2.685	
Deposits written off	26	242	91
Liabilities written back	27	(5,378)	-
Reversal of provision for obsolete stock	27		(1,252)
Operating cash outflows before weeking capital changes		(18,245)	(20,902)
(Increase) / decrease in current assets			
Stock-in-trade		-	1,222
Trade debts		112	(187)
Advances and grepayments		(63)	6.7
Sales tax refundable		(144)	(128)
Increase ( (decrease) in current liabilities			
Trade and other payables		(162,416)	8,211
		(162,511)	9,185
Cash used in operations		(180,756)	
Income tax paid		(162)	(333)
Grafaity paid	16.1.2	(4,071)	
Finance cost paid		(16)	(41)
		(4,189)	
Net cash used in operating activities	A	(184,945)	(12,091)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Tixed capital exponditure incurred		8	(55)
Sale proceed from disposal of fixed assets			1,129
Net cosh generated from investing activities	В		1,074
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Long term bemowings (repaid) / obtained - net		(48,964)	6.050
Short term berrowings obtained - net		235,483	600
Net cash generated from financing activities	C	186,519	6,680
Net increase / (decrease) in cash and cash sunivalents (A+B+C)		1,574	(4,337)
Cash and cash equivalents at the beginning of the year	11	219	4,556
Cash and cash equivalents at the end of the year	11	1,793	219
The attracted notes from 1 to 37 form an integral part of these consolidated financial statements.			
Melandra Execid			Sp.
Mohadon Theid		1	1

Chief Executive JDP Annual Report 2020 The Lid Chief Financial Officer

# JOHNSON & PHILLIPS (PAKISTAN) LIMITED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

LI Johnson and Phillips (Pakistan) Limited (the Holding Company) was incorporated in Pakistan as a public limited company and the Holding Company has been placed on the Defaulters' Someon by the PSX w.e.f. November 15, 2019 the to the noncompliance of certain provisions of the PSX Rule Book

The Holding Company is principally engaged in manufacturing, installation and selling of electrical equipment. The registered office of the Company and its manufacturing facilities are situated at C-10, South Avenue, SITE, Karachi,

The following subsidiaries have been consolidated in these consolidated financial statements of the Holding Company

Subsidiaries	Company States	Holding
Johnson and Phillips Industries (Pakistan) Limited - JPI Johnson & Phillips Transformers (Private) Limited - JPT	Public Unlisted Private	70%

1.2 During the year, Mr. Muhammad Aris Mismoor, an existing shareholder with 535,000 shares (9.82% shareholding), acquired 2.719.5% (49.90%) shares of the Holding Company held by Ethersine Company Limited (the previous sportore of the Holding Company) and obtained the management control of the Bolding Company w.c.f. April 01, 2020. Further, 1,097,718 (20.14%) shares were acquired from public after fulfilling all the regulatory requirements. After these acquisitions, Mr. Anis Mismorr is the major shareholder as on the reporting date with 79.82% shareholding in the Holding Company.

# 1.3 Impact of COVID-19 on the complidated financial statements

Management of the holding company has thoroughly evaluated the effects of COVID-19 on the operations of the Group and financial statements, other than the fact that the COVID-19 has deleved the materialization of revival plans of the new

## L3 Going concern

During the year ended June 30, 2020, the Group has incurred loss after taxation amounting to Rs. 51 (60 (2019; Rs. 31 892)) using by Rs. 362 088 (2019; Rs. 309.471) million. The operations of the Group, including its revenue, are facing downward trajectory since financial year 2015 due to which the Group is facing financial and operational difficulties and is unable to discharge its liabilities in due course of business. The Group is reporting meagre sales since then and is totally dependent on the financial surport of Directors, spensors of the Holding Compeny and associated corporation.

These factors indicate the existence of material uncertainty over the Group's ability to continue as a going concern and

- The Holding Company has revaluation surplus on fixed assets amounting to Rs. 467.504 million as on the reporting date
- The Holding Company already has rescheduled long term and short term betrowings with its related parties, includin renorment of principal and accumulated mark-up thereon.
- As discussed above in note no. 1.2 above, new management of the Group, under the leadership of Mr. Anis Minnoor with the limn intention and careabilities to nevive the overall operations of the Group. In the first phase, the new management, with the fearness arrest of new amount director, estends to write the love outstanding days of previous board monthly liabilities will also be paid off with the help of earnings from the revival of existing operations, injections of the funds
- · Even though that the COVID-19 has delayed the effectuation of revival plans, but the new management of the Group lasfirm intention and financial capabilities to start a new business segment of textile unit by injecting funds in the Holding

# 2 BASIS OF PREPARATION

# 2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as of International Financial Reporting Standards (IFRSs), issued by 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 from the IFRS standards, the provisions of and directives issued under the Act

# 2.2 Basis of monarement

These consolidated financial statements have been occurred under the historical cost convention. Further, accrual basis of

2.3 Basis of consolidation These consolidated financial statements include the financial statements of the Holding Company and its subsidiary

A company is a subsidiary, if an entity (the Holding Company) directly or indirectly controls, beneficially owns or holds more than fifty percent of its voting securities or otherwise has power to elect and appoint more than fifty percent of its

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the The financial statements of the subsidiary are remaind for the same reporting period as the Holding Company, using consistent accounting policies. The accounting policies of the subsidiary are changed to conform with accounting policies

All intra-croup balances, transactions and unrealized gains and losses resulting from intra-croup transactions and dividends

Since the ownership of the Holding Company in the JPT and JPEMO is less than 100% as disclosed above in note no. 1.1 above, therefore, a non-controlling interest CNCD exists for which the NCI is allocated its share of the total comprehensive

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognizes the assets (including goodwill) and liabilities of the subsidiary carrying amount of any NCL cumulative translation-differences recognized in equity, and recognizes fair value of consideration received, any investment retained, surplus or deficit in profit and loss account, and reclassifies the Holding Company share

appropriete The ouests. liabilities, income and expenses of subsidiary communies are consolidated on a line by line basis and corrying value of investments held by the Holding Company is eliminated against the subsidiary companies' shareholders' equity

# 2.4 Fanctional and precentation currency

These consolidated flavorial suprements are interested in Pulc Burners, which is also the Great's functional currency.

# 2.5 Use of estimates and judgments

The preparation of consolidated financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and

The estimates and associated assumptions are based on bisocical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the corrying values of assets and habilities that one not readily amount from other sources. Actual regults may differ from these estimates The estimates and underlying assumptions are reviewed on an engoing basis. Revisions to accounting estimates are recognized

future periods if the revision affects both current and future periods. Judgments made by management in the application of suproved accounting standard as, applicable in Pakistan, that have significant effect on the consolidated financial statements and estimates with a significant risk of material judgment in the

- Assumptions and estimates used in determining the recoverable amount, residual values and useful lives of property, plant and equipment and intangible assets - notes 3.1, 3.2, 4 and 5.
- Assumptions and estimates used in determining the provision for stock-in-trade notes 3.4 and 7.
- Assumptions and estimates used in the provision for doubtful debts notes 3.5 and 8.
- reptions and estimates used in the provision for doubtful loans and advances = 3.6 and 9.
- Assumptions and estimates used in accounting for staff retirement benefits notes 3.8 and 16.1.
- Assumptions and estimates used in the recognition of current and deferred taxation notes 3.12, 16.2 and 28.

2.6 New standards, amendments to standards and IFRS interpretations that are effective for the June ended June 30, 2020 The following amendments to accounting standards are effective for the year ended June 30, 2020. Except as explained

significant impact on the consolidated financial s	statements other than	certain additional	Effective for or	urind	
			beginning on or after		

	d Instruments': Amendments regarding
financial liabilities	e compensation and modifications of

IFRS 14 Regulatory Deferral Accor-

Amendments to IAS 19 'Employee Benefits': Plan amendments,

curtailments or settlements

Amendments to IAS 28 'Investments in Associates and Joint Ventures': Long-term interests in associates and joint ventures

IFRIC 23 'Uncertainty over Income Tax Treatments': Clarifies the accounting treatment in relation to determination of taxable profit (tax loss). tex bases, unused tax losses, unused tax credits and tax rates, when there is

July 1, 2019 January 1, 2019 January 1, 2019

January 1, 2019

January 1, 2019

Certain annual improvements lawe also been made to a number of standards, which have not been enumerated here for brevity 26.1 First time adoption of new Standards

IFRS 14 'Regulatory Deformal Accounts' This standard was notified by the Securities and Euchange Commission of Pakistan ("SECP"), vide S.R.O. 1489 (1):2019 dated November 27, 2019, to be effective for annual periods beginning on or after July 1, 2019. The objective of this standard is

IFRS 14 is not applicable on these consolidated financial statements of the Group as the Group does not deal in any goods or services that are subject to rare regulations.

# HERS 16 'Leason'

This standard was notified by the Securities and Exchange Commission of Pakistan ("SECP"), vide S.R.O. 434 (1) 2018 dated April 9, 2018, to be effective for annual periods beginning on or after January 1, 2019. This standard replaces existing guidance on accounting for larges, including IAS 17 'Leages', IFRIC 4 'Determining whether an arrangement contains a Leage', SIC-15 'Operating Leases - Incentive' and SIC-27 'Evaluating the substance of transactions involving the legal form of a Lease',

IFRS 16 primarily affects the accounting by lessors and will result in the recognition of almost all leases on the statement of

The statement of profit or loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in the later years, Additionally, operating expense will be replaced with interest and depreciation so key metrics like EBITDA will change. Operating cashifows will be higher as cash payments for the principal portion of the lease liability operating cashflows.

The accounting for lessors will not significantly change.

Changes in accounting policy resulting from the adoption of IFRS 16 will be applied retrospectively in accordance with the requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Ernors, However, IFRS 16 is not applicable on these consolidated financial statements as the Grosso does not have are asset on lease basis.

#### 2.7 Amendments to standards and IFRS interpretations that are not yet effective

The following amendments to accounting standards and incorportations are only effective for accounting periods, beginning on or after the deter mentioned against each of them. These standards, interportations and atmendments or to the Group's operations or are not expected to have significant impact on the consolidated financial statements other than certain additional disclosures:

Effective from period
beginning on or after

Amendments to IFRS 3 'Business Combinations'. Amendments to clarify the definition of a business

Amendments to IFRS 4 'Insurance Contracts': Amendments regarding the

expiry date of the deferral approach

Amendments to IFRS? Financial Instruments - Disclosures', IFRS 9 Financial

Amendments regarding pre-reptacement assues in the context of the IBOR reform

Amendments to IFRS 10 Consolidated Financial Statements' and IAS 28

'Investments in Associates and Joint Ventures'; Sale or contribution of assets between an investor and its associate or joint venture

Amendments to IFRS 16 "Lesses": Amendment to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lesse modification.

Amendments to IAS 1 Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors': Amendments regarding the definition of material Amendments to IAS 1 Presentation of Financial Statements': Amendments

regarding the classification of liabilities

Amendments to IAS 16 Property, Plant and Equipment. Amendments probabiliting a company from deducting from the cost of property, plant and customers in promise received from softine items produced which the consumer.

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets': Amendments regarding the costs to include when assessing whether a contract is controls.

Amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update those pronouncements with regard to references to and quotes from the firmework or to indicate where they refer to a different version of the

Assets': Amendments regarding the costs to include when assessing whethe a contract is onerous

Amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, January 1, 2020

January 1, 2020

Effective from accounting period beginning on or after a date to be determined. Earther

application is permitted.

June 1, 2020

January 1, 2020

January 1, 2022

Effective from perior beginning on or after January 1, 2022

January 1, 2020

Certain aurual improvements have also been made to a number of standards, which have not been enumerated here for beevity.

Other than the afforeasied standards, interpretations and amendments, the International Accounting Standards Board (LASB) has
the issued the following standards which have on the endozed locable by the Securities and Exchance Commission of Pikicium.

IFRS 1 - First Time Adoption of International Financial Reporting Standards IFRS 17 - Insurance Contracts The significant accounting policies adopted in the preparation of these consolidated figureial statements are set out below.

## 3.1 Property; plant and equipment

These use stated at cost less accumulated depreciation and impairment loss, if any, except for lessehold land which is stated at revalued amount less accumulated impairment losses, if any, and building on leasthold land and plant and machinery which are stated at revalued amounts less accumulated depreciation and impairment losses, if any,

Cost includes expenditure that is directly attributable to the acquisition and installation of an asset including borrowing costs, if any.

Subsequent costs age included in the asset's carrying means or recognised as a separage meet, as appropriate, only when its probable faith finare concentre benefits associated with the time will flow up the of second as record on essential reliably. Cast incurred to englect a component of an item of property, plant and equipment in capitalized and the asset so replaced in decreoparted. Neimal requires and maintenance are changed to the consolidated statement of point or look during reliable plants.

Depreciation is charged to the statement of profit and loss applying the straight line method over its useful life specified in note no. 4 to these consolidated financial statements. Depreciation on additions is charged from the month when the assets are available for intended use while no depreciation is charged in the memb of disposit.

Depreciation methods, useful lives and residual values of each item of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed and adjusted, if appropriate at each reporting date.

Simples on revolution of anoth mode on freeds also who is recognized in other comprehensive inspects (CCC) and presented as a signature composed of equity in "simples on revolutions" in opening properly, alsee and equipment, except that it revents as revolutions of decis for the same and previously recognized in the singenteer of profit or less in, in which case the sumples is central to the electron of central for the electron of profit of two in the central of the deficit and pure serving. Metics in new solutions of security in the electron of the deficit is central for the electron of the electron of the electron of the electron of security in the electron of the electron of security in the electron of the electron of security in the electron of the ele

Revaluation is carried out with sufficient regularly to ensure that the carrying amount of assets does not differ materials from the estimated disease, but he served on the necessaries deprecisions changed on the revalued assets, the related surplus on revaluation of assets cert of defermed transitions is transifiend directly to retained carriing corruptoristical profit). Purther, occuminated deprecisions as as the evaluation date is climitated against the gross earrying interact of the asset and the ret amount in restated as the evaluation date is climitated against the gross earrying interact of the asset and the ret amount in restated as the evaluation of the asset. Upon deposal, any revulsation surplus relating to the particular asset being old in transifered to extended entiring contemporated profits.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carring amount of the property, plant and equipment, and is recognized in other income other expenses in the suggester of positive else. When nevaluod assets are soid, any related amount michale in the surphis on revisition.

is transferred to retained earnings (unsuppropriated profit (accumulated loss)).

The earning values of property, plant and equipment are reviewed at each exporting date for addication that an asset may be imported and earning values more the recovered. If any such indication mains and where the earning values receive the earlings of exporting the earning values received the earning values may be imported and earning values may not be recovered. If any such indication mains and where the earning values received the earlings of exportance and as written down to their recovered the amount. The

recoverable amount of property, plant and equipment is the proper of net selling price and value in use.

### 3.2 Intengible assets

Intrangible assets are stated at cost less accumulated amentration and any identified impairment less. Amentazion on additions is charged from the mention in which an user's inaquined or estimated, white or unservication is charged for the mention to which the asset is disposed off or retired from use. Amentazion is charged based on straight line method at the mess specified in note no. 5.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only where it is probable that future economic benefits associated with the item will flow to the Group and its cost can be measured reliably.

Gains and losses arising from the retirement or disposal of assets is recognized in arroll or loss.

#### 3.3 Investments - subsidiary companies

Investment in subsidiaries are measured at cost less impairment, if any

#### 3.4 Stock-in-trade

These are valued at lower of cost and not realizable value. Cost is determined by applying the following basis:

Raw material At FIFO basis

Work in process and finished goods of related direct overbeads.

At average manufacturing cost

Average cost in relation to work in process and finished goods signifies average manufacturing cost including a portion Net realizable value (NRV) represents the estimated selling price at which the inventories can be realized in the normal course of business after allowing for the cost of conversion from their existing state to finished condition and for the estimated cost necessary to make the sale.

#### 3.5 Trade dobts

These are recognized initially at fair value and subsequently measured at amortized cost after deducting allowance for uncollectable amounts if any. The Group amilies the IFRS 9 simplified anomach to measure the expected credit losses (ECL) which uses a lifetime expected loss allowance for trade and other receivables. The monascement of the Hedding Company has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. However, in certain cases, the management may also consider a financial asset to be in default when internal or external information indicates that the Group is unfiltely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

## 3.6 Advances, deposits and prepayments

These are wored at the amortized costs which are the amounts originally disbursed and to be adjusted / refunded in future. Provision is made for the balances considered doubtful, if any. Amounts considered irrecoverable / unadjustable are written

Cash and eash equivalents are carried in the statement of financial position at nominal amounts which is considered to be their amortized cost. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and balances

# J.8 Trade and other payables

Liabilities for trade and other payables are stated at their nominal values which is the fair value of the consideration required to sente the related obligations whether or not billed to the Group. Liabilities are written back and recognized as other income when these are considered to be no longer payable.

## 3.9 Provisions

Provisions are recognized when the Group has a local or commentive obligation as a result of a past event, and it is probable that outflow of resources embody me economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each reporting date and adjusted to reflect current best

## 3.10 Financial assets and liabilities

# LM I Initial Recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received plus or minus transaction costs (except financial asset at FVTPL where transaction costs are charged to profit or loss) These are subsequently measured at fair value or amortized cost as the case may be.

#### 3.182 Classification of financial assets

- The Group classifies its financial instruments in the following categories:
  - at fair value through other comprehensive income ("FVTOCI"), or - at fair value through profit or loss ("FVTPL").

The Group determines the classification of financial assets at initial recognition. The classification of instruments (other than emity instruments) is driven by the Group's business model for managing the financial assets and their contractual cash flow characteristics

#### Financial assets at amortized cost

Financial agent that meet the following conditions are subsequently measured at amortized cost:

- e) the financial asset is held within a business model whose objective is to hold financial assets in order to collect
- At the contractual terms of the financial asset give rise on specified dates to each flows that are solely payments of principal and interest on the principal amount ourstanding.

Financial assets at fair value through OCI

- Financial assets that meet the following conditions are subsequently measured at FVTOCE
- at the fluoreial asset is held within a husiness model whose objective is achieved by both collectine contracted cash flows and selling financial assets and
  - At the contractual terms of the financial asset rive rise on specified dates to each flows that are solely payments of principal and interest on the principal amount outstanding

However, Group may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income provided that the investment is neither held for trading nor its a contingent consideration in a

Financial occess at fair value through mosts or lass

A financial osset is measured at fair value through profit or loss unless it is measured at amortized or at fair value throug NOCE

#### 2.10.2 Financial Schillibles

The Group classifles its financial liabilities in the following cutegories:

- at fair value through profit or loss ("FVTPL"), or
- at amortized cost.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Group has could to measure them at FVTPL.

## 3.19.4 Subsequent measurement Financial gosets at FVTOCI

These are measured at fair value, with gains or losses arising from changes in fair value recognized in OCI,

Financial aware and Babilities at amortized cost Firencial assess and liabilities at amortized cost are subsecurately carried at amortized cost, and in the case of financial assets, less any impoirment.

Financial overs and finbilities at FVTPE Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at EVTPL are included in the statement of much or less and other communicative income in the nertial in which they own credit risk will be recognized in other comprehensive income / (loss). Currently, there are no financial liabilities

## 3.10,5 Impairment of financial assets at amortized cost

The Group recognizes, a loss allowance for expected credit losses (ECLs) on financial assets that are measured at amortized expected life of a financial instrument.

Lifetime ECL is only recognized if the credit risk at the reporting date has increased significantly relative to the credit risk at initial recognition. Further, the Company considers the impact of forward looking information (such as Group's internal factors and economic environment of the country of customers) on ECLs. Credit losses are measured as the persont value of all cash shortfalls (i.e. the difference between the cash flows due to the entity and the cash flows that the Company expects to receive). Provision against financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

#### 3.10.6 Derecognition

# Financial assets

The Holding Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognized in profit or loss.

In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

In contrast, on derecognition of an investment in equity instrument which the Holding Company has elected on initial recognition to measure at FVTOCL the cumulative main or loss previously accumulated in the investments revulsation reserve is not poclassified to modit or loss, but is transferred to revenue reserve.

#### Financial liabilities

The Holding Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the finencial lightlity derecognized and the consideration paid and not able, including any non-cash assets transferred or liabilities assumed is recognized in the

# statement of profit or loss and other comprehensive income. 3,10.7 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated finencial statements only when there is a legally enforceable make to set off the recognized amount and the Group intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

## 3.11 Revenue recognition

 Sale of coods, including scrap sales, is recognized on disputch of coods to customer when significant risks and rewards are transferred to the customers and associated performance obligations are met. For service income, performance obligations are fulfilled at the time when the pareed services are rendered to the satisfaction of clients. The transaction price of Group's contracts with customers for the sale of goods and services does not include any variable consideration. any significant financing component, any non-cash consideration or any consideration payable to its customers.

- . Interest income is recognized on a time-apportioned basis using the effective rate of return.
- · Gain on sale of fixed posets is recorded when title is transferred in favor of transferred
- Other income is recognized on the occurrence of transactions on accrual basis when the associated performance obligations are met.

# 3.12 Taxotion

Provision for current travision is compared in accombance with the american of the foreme Tay Ordinance, 2001

The chance for current treation is based on treable income at the current rate of treation after taking into account applicable tax credits, rebates and exemptions available, if any, or minimum tax on tumover or Alternate Corporate Tax (ACT), whichever is higher.

#### Deferred

Deliment has an accussed fire using the behavior above tability method on all trapperey differences variety between the method and trapperey differences variety between the tabilities used of mean and limited and method and the stabilities and the stabilities and the stabilities are stabled to the stabilities and the stabilities are required by the stability of the stability of

## 3.13 Earning per share

The bloding Company persons basic and diluted enning per share (EPS) data for its ordinary shares. Basic EPS is calcivated by dividing the profit or loss attributable to ordinary shareshelders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is documined by adjusting the profit or loss attributable to ordinary shares outstanding for the effects of all diluted potential ordinary shares.

## 3.14 Dividend and appropriation of reserves

Dividend distribution to the shareholders and appropriation to / from reserves is recognized in the period in which these are approved.

## 3.15 Contingent Liabilities

## Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not whelly within the control of the Holding Company; or
- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to sentle the obligation or the amount of the obligation cannot be measured with sufficient refability.

### 3.16 Continuent Assets

Contingent assets are disclosed when there is a possible asset that arises from post events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the central of the Gover. Contingent nosets are not recognized until their realizations become virtually certain.

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				Ovn	ď				
Bescription	Levelold lend*	Balding an Insohold land*	Hou out suchinery*	Ges and distric installations	Factory mols	Felicles	Fundance and flattern	Office and other equipment	Total
					no in "Vee"				
Year couled Jame 30, 2820									
Opening net book value									
- restated	453,600	20,490	3,576		56	41		92	490,163
Depreciation charge for the year	*	(2,400)	(2,143)		(56)	(41)	~	(92)	(4,73)
Cleaking net bunk robus as at June 10, 2020	451,000	18,000	7,410		-	ų.	-		475.4X
ds at Jame 30, 2920	0.000	10,000	1,827	_	_	_		_	4/1040
Cost / revolued* associes	455,500	21,400	21,572	1,178	3.935	3,547	4,320	12,141	518,091
Accuratisted Depreciation		(5,400)	(14,139)	(1,176)	(3,533)	(3,547)	(4,338)	(12,141)	(43,656
Closing net book volue as									_
of Aune 30, 2020	451,000	18,900	7,433	_	_	_	_	_	475,433
Near Engled Asses 38; 2019									
Opening net bank value		-	13,929		74	13		178	14,191
Additions during the year Resignation of anota						35			8
held for sale - restated	450,000	21,400							471,400
Disposals during the year Depreciation charge for		~	(3,329)					(0.)	(1.12
the year - restated		(1,000)	(3,224)		(18)	(27)		(%5)	(4,33
Closing ner book radia as on Jone 39, 2019 - restated	453,000	20.00	94%		- 14	40	-	92	490.16
As at Asse 30, 2019									
Cost / revolue/* arrespt									
- restated	450,000	21,400	21,572	1,178	3,933	3,547	4,320	12,141	518,091
Accumulated Depreciation - restated		(1,000)	(11,996)	(L178)	(3,177)	(3,506)	(4,320)	(12,049)	(37,92)
Closing ner book radia as at Ann 30, 2019 - restated	450,000	20.400	9556	-	56	in	-	92	480,165
Diefel Mr - Years	Indefinite	10	7	19		-	5	5	

20/20 2019 ---- Runees in 1000 ----

4.2 The depreciation charge for the year has been allocated as follows:

Cost of sales	22	3,786	3,484
Administrative expenses	24	946	871
		4,732	4,355
	_		

- 4.3 Factory of the Company is on 3 acres of land situated at C-10. South Avenue, SITE, Karachi
- 4.4 Cost of fully depreciated assets as on the reporting date amounting to Rs. 25.119 (2019: Rs. 24.95) million
- 4.5 Latest revaluation of leasehold land, building on leasehold land and plant & machinery were revalued on January 13. 2018 resulted in a surplus of Rs. 317:919 million. The revaluation exercise was conducted by M/s. Joseph Lobo (Private) Limited a valuer on anomyod list of Pakistan Bankers Association, on following basis:

Present market values for similar sized plots in the vicinity.

Building Replacement values of similar types of buildings based on present cost of constructions and applying residual factors based on estimated remaining useful life.

Plant and Replacement values of similar types of plant and machineries based on current rates and machinery applying residual factors based on present condition and obsolescence.

The previous revolutions were carried out on March 31, 1995, June 30, 2004, June 17, 2008 and June 12, 2013 which resulted in a surplus of Rs. 42 642 million, surplus of Rs. 73.464 million and surplus of Rs. 104.097 million and impairment of Rs. 0.855 million respectively.

---- Rupers in '600 ----4.6 Had there been no revaluation, the scritten down value of revolved assets would have been as follows: Lease hold land 61 Building on loans hold land 691 Plant and machinery 75.0

- 4.7 The forced sale value of leasehold land, building on leasehold land and plant and machinery suggested collectively by the independent valuer as on the revaluation date, i.e. January 13, 2018 was Rs. 370 million.
- 4.8 Correction of error

The management of the holding company had inadvertently depreciated the leasehold land in prior years which is held for an indefinite useful life as the lease period can be extended for an another term of 99 years by paying a nominal fee to the Government. Error has been rectified during the current financial year retrospectively by restating the corresponding figures in these consolidated financial statements.

Retrospective correction of error had the following effects on the amounts presented for June 30, 2019 and June 30, 2018:

	As previously reported	Rectification Adjustment	As restated
Statement of Financial Position		upoes in 1990	
As at June 30, 2019			
Property, plant and equipment	467,184	12.981	480,165
Surplus on revaluation of fixed assets	457,896	12.810	470,706
Accumulated losses	(406,348)	171	(406,177)
As at June 30, 2018			
Non current assets classified as held for sale	472.158	1.442	473,600
Surplus on revaluation of fixed assets	474.380	1.270	475,650
Accumulated losses	(378,170)	172	(377,998)
Stotement of Profit or Loss and Other Comprehensive Income			
For the year ended June 30, 2019			
Cost of sales	(11,756)	2,885	(8,871)
Administrative expenses	(21,048)	721	(20,327)
		2020	2019
NTANGIBLE ASSET		Rupees i	w '090'
Computer software			
Cost		129	129
Accumulated amortization		(129)	(129)
ONG TERM DEPOSITS			
Central Depository - CDCPL		25	25
Pakistan Telecommunication - PTCL		34	34
K-Electric - KE		21	21
Sui Southern Gos - SSGC		237	237
Others		400	242
Contra		317	559
TOCK-IN-TR-ADE			
Rave material and components			
In hand - gross		34,158	34,158
Work-in-process		4,386	4,386
		38,544	38,544
Less: provision for obsolete / slow moving items	7.1	(38,544)	(36,588)
7.1 Movement in obsolete/slow moving items			1,956
Balance as on July 91.		36.588	37.840
Provision made during the year	26	1,956	27,000
Reversals during the year on account of sale	27	-	(1,252)
Balance as on Jane 30,		38,544	36,588
PP Annual Report 2020 Si	0 Johnson & Phil	lige (Pakisten) Limite	d- Consolidated

					2620	2019
8	TRADE DEBTS			No	te Rupees in	'809
	<ul> <li>Considered doubtful</li> </ul>					
	Trade debes				75	187
	Less: Provision for doubt	tful trade debts		8.		(22
						165
	8.1 Movement in provision for	or doubtful trade d	lehts			
	Opening provision				22	
	Provision made durin	g the year		2	6 53	22
					75	22
9 41	ADVANCES AND PREPAYMI	EVIS				
	Advances - considered de	vabeful				
	To suppliers					881
	To employees				8.	307
	Against purchase of lar	ad				2,717
	Others					71
						3,974
	Less: Provision for dou	beful advances		9.	2 -	(3,854
						122
	Prepayments				68	
					68	122
	9.1 These represent interest Closing bulances represe					
	9.2 Mavement in provision f doubtful advances	Sur	Opening provision	Provision mode during the year	Advances written off during the year	Closing provision
	Suppliers		(790)	(87)	181	
	Purchase of land		(2.717)		2.717	
	Employees		(272)		272	
	Others		(71)		71	
			(3,854)	(87)	3,941	_

IN TAX	REFUNDS DUE FROM THE GOVERNMENT		Note	2020 Rupees in	2019
	Income tox		10.1	2,664	5,272
	Sales tax			20,988	20,844
	Less: Provision for doubtful sales tax refunds			(20,844)	100
				144	20,844
				2,868	26,116
10.1	Balance as on July 01,			5,272	4,963
	Taxes paid during the year			102	933
	Advance tax written off			(2,655)	100
	Provision for assation written back			560	
	Prior year adjustment		28	(155)	(24)
	Tax liability for the year		28	(460)	
	Balance as on June 30,			2,664	5,272
19P	Annual Report 2020	81	Johnson & Phil	lips (Pakistan) Limited-	Consolidated

#### II CASH AND BANK BALANCES

2020 2019 Note ---- Rapecs in '000 ----

Cash in hand Cash at banks - in current accounts - in savings accounts 1 31 1,715 118 77 70 1,792 188 1,793 219

ILI This carry profit at the rate ranging from 6.36% to 11.41% (2019: 5.75% to 10.25%) per annum

### 12 SHARE CAPITAL

2020	2019		2020	2019
Number o	Shares	Ordinary shares of Rs. 10 each	Rupees in	'690
8,000,000	8,000,000	Authorized Capital	80,000	80,000
		Issued, Subscribed And Paid-Up Capital		
4,638,268	4,638,268	Fully paid in cash	46,383	46,383
93,000	93,000	Issued for other than cash	930	930
718,704	718,704	Fully paid bonus shares	7,187	7,187
5,449,972	5,449,972		54,500	.54,500

to receive dividends and other entitlements in the form of botton and night shares, as and when declared by the Company. Each member is entitled to one vote per share at the general meetings of the Company, 2029 2029.

13 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT Restants

Bolonce as at July 01,	479,189	485,414
Reclassification adjustment - net of deferred tax		(1,562)
Related deferred tax liability of reclassification adjustment		(638)
Transfer to equity in respect of incremental		
depreciation - net of deferred tax	(3,202)	(2,104)
Related deferred tax liability on incremental depreciation	(1,308)	(859)
Effect of disposal during the year - net of deferred tax		(754)
Deferred tax on disposal during the year		(308)
	(4,510)	(6,225)
Bolance as at Jame 30,	474,679	479,189
Less: Related deferred two liability		
- at the beginning of the year	(8,483)	(9,764)
- related to reclassification adjustment		638

- effect of disposal during the year - effect of sax rate adjustment

(524)

13.2

- 13.1 In accordance with the requirements of IFRS 13 Fair value measurement the Company classifies its reports and equipment in seems of following fair value hierarchy-
  - Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities:
  - Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
  - Level 3: Fair value measurements using Inputs for assets or liability that are not based on observable market data (i.e. unobservable innues)

Details of the Company's property, plant and equipment in terms of fair value hierarchy, explained above, at June 30, 2020 is as follows:

			Rupces in '000	
Assets measured at fair value				
Operating fixed assets - Lease hold land		-	450,000	
Operating fixed assets - Building on lease hold land			18,000	
Operating fixed assets - Plant and Machinery			7,433	-
	2020		475,433	
	2019		479,976	
			2020	2019
		Note	Rapees in	'960
N-CONTROLLING INTEREST				Restated
NCI Share in issued, subscribed and				
paid-up capital of subsidiaries			9,490	9,490
NCI Share in accumulated losses of subsidiaries				
- Brought forward			(23,172)	(23,159)
- For the year			307	(13)
			(22,865)	(23,172)
		14.1	(13,375)	(13,682)
1 NCI balance as on July 01,			(13,682)	(13,669)
Share of profit / (loss) for the year			307	(13)
NCI balance as on June 30,		14.1.1	(13,375)	(13,682)

### 14.1.1 Correction of error

In prior years, management of the Holding Company, inadvertently, did not account for the effects of Non-Controlling Interest (NCI) with respect to share of losses incurred by the subsidiary companies in accordance with the requirements of the IFRS.

Error has been rectified during the current financial year retrospectively by restating the corresponding figures of the NCI in these consolidated financial statements.

Level 1 Level 2 Level 3

15 LONG TERM LOANS - Unsecured and interest bearing	Note	Rupees in	1000
From related parties  Close family member of former director	15.1	8,408	8,408

- 15.1 This represents loan received from Mr. Faisal Bilal Qureshi and carries markup at the rate of 1 year Kibor plus 2% (2019) I year Kibor plus 25s) nor arount. The terms of renavment of loan and markup have been reacheduled from time to time. As per the latest rescheduled term made on June 30, 2019, the loan with the markup thereon was repayable on or before December 31, 2019, however, the Company could not settle the loan due to liquidity issues. Therefore whole amount of loss is classified as comess liability
- 15.2 This represents loan received from Mr. Bilal Oureshi in different tranches amounting to Rs. 9.58 million. Rs. 3.00 million and Rs. 7.80 million obtained under various agreements. The terms of repayment of loan and markup thereon have been rescheduled from time to time. As nor the latest rescheduled term made on June 30, 2019, the least with the marken thereon was repayable in twenty four could quarterly installments commercing from July 01, 2020. While the mark on on the tranche of Rs. 9.58 million will be channed at the trate of I year Kiber plus 2% ner aroun while the mark-up on the tranches of Rs. 3.00 million and Rs. 7.80 million shall be charged at the rate of 1 Month Kibor plus 256 per annum.
- 15.3 This represents loan received from Elmetee (Pvs.) Limited and carries markup at the rate of 1 year Kibor plus 2% (2019. 1 year Kibor plus 2%) per annum. The terms of repayment of lean and markup have been rescheduled from time to time. As per the latest rescheduled term made on June 30, 2019, the loan with the markup thereon was repayable on or before December 31, 2019, however, the Company could not settle the loan due to liquidity issues. Therefore, whole amount of loan is classified as current liability
- 15.4 During the year, the new uponsor of the Company, after taking over the control of the affairs of the Company w.e.f. April 01, 2020, has renegotiated the terms described above in note no. 15.1 to 15.3 with all those lenders, according to which the loans together with the markup accrued thereon only upon March 31, 2020 will be repaid by the new sporsor within this figureial year. Therefore, no mark-up has been accound in those financial seatements after April 01, 2020 and accordingly, loans and markup payable thereon have been classified as current liabilities in these consolidated financial statements.

6	DEFERRED LIABILITIES	Note	Rupces in	'000
	Staff retirement benefits - Gratuity	16.1		4,027
	Deferred taxation	16.2	7,175	9,079
			7,175	13,106
	16.1 Stoff retirement benefits - Gratuity			
	Staff retirement benefits - Gratuity	16.1.2	850	4,921
	Unclaimed gratuity shown under trade and other payables	17	(850)	(894)
			-	4,027

Associated company

Less: Current portion of long term loans

31.831

(31.831) (80,795) 16.L1 Given the current operational status of the Company, management has decided to cease the grainity with effect from July 01, 2019, as the number of employees of the Company are below the minimum threshold of employees defined under the Indirated and Commercial Employment (Standing Ochset), 1966, Grainity pepals as on the reporting date is related to employees already left the Company and therefore, it has been classified as current liability in these consolidated financial statements.

		2020	2019
	Note	(Rupees in	'900)
16.1.2 Liability for gratuity arose in the following manner:			
Opening net liability		4,921	5,038
Provision for the year	16.1.3		417
Remeasurement gain charged to OCI			(534)
Benefits paid		(4,071)	
Closing net liability		850	4,921
16.1.3 Charge to statement of profit or loss			
Current service cost			44
Interest cost			373
Total amount chargeable to statement of profit or loss			417
16.1.4 Principal assumptions		2020	2019
Valuation discount rate		m/a	1456
Expected rate of eligible salary increase in future years		m/a	9%
16.2 Deferred secution			
Taxable temporary differences			
Surplus on revaluation of fixed assets	13	7,175	8,483
			596
		7,175	9,079
Deductible temporary differences			
Accelerated tax depreciation		2,235	2,509
Available tax losses		92,407	99,678
Provisions		22	
		(94,664)	(102,187)
		(87,489)	(93,108)

16.2.1 The management of the holding company has not recognized the deferred tax asset on deductible differences as on the reporting date as the management is uncertain about the timing and extent of future taxable profits against which such benefit care ho utilized.

Deferred tax asset not recognised

16.2.1

### 16.2.2 Breekup of unused tax losses and their expiry dates is as follows:

Normal business loss	Expiry date	2020 Rs. in '000
TY 2015	June 30 2021	50,380
TY 2016	June 30 2022	44,869
TY 2017	June 30 2023	71,365
TY 2018	June 30 2024	42,053
TY 2019	June 30 2025	28,326
TY 2020	June 30 2026	27,731
		264,724
Unaburbed by degree intion	Indefinite	53,922

Unabsorbed tax depreciation	Indefinite	53,922	
17 TRADE AND OTHER PAYABLES	Note	2020 (Rapsex is	2019 v '000)
Trade creditors	17.1	5,338	124,875
Advance from customers - unsecured	17.2	8,638	31,318
Accrued liabilities	17.3	7,903	30,848
Payable to ex-employees		862	802
Provident fund payable	17.4 & 17.5	725	535
Unclaimed gratuity payable	16.1	850	894
Withholding tax payable		499	996
Others	17.6	249	2,014
		25,004	192,282

17.1 This includes Rs. nil (2019: Rs. 119.690) million payable to an associated company - related party.

of reimbursable expenses incurred on behalf of the Company.

- 17.2 This includes Rs. nil (2019: Rs. 22.575) million advance received from an associated company related party.
- 17.3 This includes Rs. nil (2019; Rs. 9.194) million payable to former CEO of the Company related party, on account of salaries and other benefits.
- 17.4 Given the current operational status of the Company, management has decided to case the provident fund facility with effect from January 01, 2020, as the number of employees of the Company are below the minimum threshold of employees defined under the Industrial and Commercial Engloyment (Standing Orders), 1901.
- 17.5 Investments out of Provident Fund have been made in accordance with the provisions of Soction 218 of the Act and the conditions specified thereunder.
  17.6 This includes Rs. nil (2019: Rs. 1.085) million payable to former CEO of the Company related party, on account

IS SHORT TERM BURROWINGS - Unsecured and interest free	Note	2020 (Rupees in	2019
From related parties			
Director	18.1		2,851
New sponsor director	18.2	233,384	
Former directors	18,3	12,533	7,583
		245,917	10,434

- 18.1 During the year, the director, Mr. Salman Ganny, has resigned from his position, therefore, loan has been classified as disclosed in note to 18.3 before
- 18.2 This represents unsecured and interest free loan received from the new sponsor director, Mr. Anis Mianoer, which is repayable on demand.
- 18.3 These represent unsecured and interest free loans received from former directors of the Company, Mr. Salman Ganty and Mr. Bilal Qureshi amounting to Sts. 4:590 (2019; Rs. 2.851) million and Rs. 7:883 (2019; Rs. 7:583) million respectively, which are repsylable on demand.

19 ACCRUED MARKUP	Note	2020 (Rupees in	2019
On long term loans from related parties			
Close family member of former director	151	12,969	11,981
Former director	15.2	12,757	10,388
Associated company	15.3	34,011	27,901
		59.737	50.269

## 20 CONTINGENCIES AND COMMITMENTS

# 20.1 Contingencies

- 20.1.1 Some legal cases are pending against the Company filed by ex-workers to re-instate them on their jobs. No definite outcome of the cases can be anticipated, however, the Company has good case in its favour.
- 28.LZ. Astit us j. 177 (1) read with section 214-D of the Income Tax Onlineace 2001 for tax year 2015 was selected income and current amorning to Re. 2025 million has been related. Company has fined an agent before Honorable Commission (Appeal-IV), Karachi which is pending as on the reporting date. The Company's tax advisor expects a favourable outcome of the case.
- 20.1.3. A and proceeding six 122 of the Isome Tis Columne, 2001 for tax year 2016 for serve conduced by the Assistant Depty Commissioner Inhall Reviews, Execut Livil, Takes, Adv., and AVIO, Karath, Aris Inside the dermand tax associating to Tis, 134.001 million, Company filled an appeal with the Commissioner Appeals who remanded below, the other for transactioners, Schoogean to year on, differ transactionses, Assistant People of Commissioner Related Commissioners (Sandard Commissioners), Assistant Company, Commissioner (Indian Commissioners), Assistant Commissioner (Indian Commissioners), Assistant Commissioner (Indian Commissioners), Assistant Commissioners (Indian Commissioners), Assistan
- 20.1.4 An outer was passed by additional commissioners IR nating demand of Ro. 5.700 million as principal and Ro. 0.252 million as penalty for default in deductions / psystems of withholding sales tax in relation to tax years 2013 to 2016 and recovered Ro. 4.268 million from the Company has filed appeal us 4.5 (8) of the Sales Tax Act, 1999 against the said order which is pending before Honourable Commissioner/Appeals-UV Inland Revenue. The Company's tax advice expects a forwardle acution of the case.
- 20.1.5 Pursuant to a recovery suis filled by the National Bank of Pakistan against Johnson & Phillips Transformers (Pt.) Limited (defendant no.1) and Johnson & Phillips (Pakistan) Limited (defendant no. 2), the Banking Court No. III, Libror passed a compromise decree.

In pressure of this decree, the flash agreed that prior to executing the Decree against the defendant to 0, 2 as guarantee, the Black will execute desergation all the assets of the defendant on 1, this regard, the Black will de the closely and and building thereons at the consideration of Rs. 23.5 million which has also been confirmed by the Court during the year. The entire amount of them has been sected by the obsellent confirmed by the Court during the year. The entire amount of them has been sected by the obsidiency company, which is also certified them for Christ Information. Report obtained from SBP, which shows all liability, However, the bank is yet to issue No Obligation Certified (NOC) or all hallify certificate to the subsidiency company. Therefore, the liability has seen on the part of congrue a guaranteer in

			2020	2019
20.2 Com	nitenced	Note -	(Rupees in )	
			100	
	agrantee issued by a banking company on behalf of the Company against performance bond		1,745	1,657
	te Company against performance oute	_	1,745	1,027
SALES				
Gross	sales		1,097	4,728
Comr	nission on sales		(80)	(66)
Sales	tax.		(159)	(687)
			858	3,975
Servi	re income		47	103
			905	4,078
COSTOFS	ALES			
Raw	naterial consumed	22.1	237	2.155
Salari	es, wages and other benefits	22.2	1,209	2,580
Fuel	and power		528	437
	r and maintenance		786	42
Trave	ling and conveyance		3	17
	ciation	4.2	3,786	3,484
Other	manufacturing expenses		133	156
			6,682	8,871
	in process		12007	4.386
	ring stock		4,386	
Citi	sing stock	, L	(4,386)	(4,386)
			6,682	8,871
22.7 Berry	nuterial consumed	-	Option	10071
	pening stock		34,158	35,380
Pi	rchoses during the year		34,395	933
-	- XX	7	(34,158)	36,313
C	osing stock	7	237	(34,158)
***		-	23)	2,133
22.2 Sular	ies, reages and other henefits			
Sa	laries and wages		1,202	2,473
Gr	anity	16.1,1	16	93
P.I	Contribution	17.4	7	14
			1,209	2.580

2020	2019
(Rupees in	(896)
221	503
-	76
6	3
20	8
4	11
1	252
252	853
214	470
-	18
7	15
221	503
6,486	8,644
375	509
3,239	4,536
482	185
1,251	396
697	933
910	811
110	321
984	1,033
953	993
84	147
946	871
398	948
16,915	20,327
6,412	8,190
	306
74	148
6,486	8,644
500	324
150	48
75	65
100	65
75	54
	324
	113
953	993
	16 37

		2020	20/9
25 FINANCE COST	Note	(Rapees in	1890)
Mark up on long term loans from related parties	15	9,467	8,242
Bank charges and commission		16	41
		9,483	8,283
26 OTHER CHARGES			
Provision for obsolete / slow moving stock	7.1	1,956	14
Provision for doubtful debts	8.1	53	22
Provision for doubtful advances	9.2	87	13
Provision for doubtful sales tux refunds	10	20,844	
Penalty paid to FBR	26.1	702	100
Advances written off		2,685	
Other assets written off'		26	32
Deposits written off		242	
		26,595	67

26.1 This represents pertaily poid in pursuant of monitoring of withholding taxes carried out by the FBR related to tax year 2015 to tax year 2018.

27 OTHER INCOME	Note	2020 (Rapees in	2019
Interest income			3
Scrap sales		687	
Liabilities written buck		5,378	
Recovery of deposits previously written off			341
Reversal of provision for obsolete stock	7.8		1,252
		6,073	1,596
28 TAXATION - NET			
Current		460	
Prior		155	24
Deferred	16.2	(1,904)	(859)
		(1,289)	(835)
28.1 Returns up to the tax year 2019 have been filed, which are deemed to be a			

Tax Ordinance, 2001. However, the Commissioner of Income Tax may at any time during a period of five years from the dare of filling of return, select any return for audit purpose.

2020 2010

29 LOSS PERSHARE - BASIC AND DILLUTED 2029 2019
Restated
There is no dilutive effect on the basic commus per share of the

 company, which is based on:
 Loss sift exturion- (Repres in theorem)
 (\$1,640)
 (\$1,892)

 Loss sift exturion- (Repres in theorem)
 \$4,697
 \$4,0972

 Meighted on exeque number of ordinary shares
 \$4,489,775
 \$4,0972

 Loss age where - basic and distort - Galeecey
 (9,48)
 (5,55)

356,045

#### 30 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

### 30.1 Financial Instruments By Category

#### Financial Assets

- At amortized cost			
Long term deposits	6	317	5
Trade debts	8		1
Cash and bank balances	11	1,793	2
		2,110	5
Financial Liabilities	_		
- At amortized cost			

 Current naturity of long term loans
 15
 31,831
 30,795

 Track and other psyables
 17
 14,392
 185,395

 Short term between tings
 18
 245,917
 10,344

 Accroed markup
 19
 59,737
 50,260

 Unpadd 'unfallmed dividend
 4,268
 4,248
 4,248

# 30.2 Financial Risk Management

The Company's scivities expose it to a variety of financial risks; credit risk, liquidity risk and market risk (interest) mark-up rais risk and price risk). The Company's overall risk management programme focuses on the suproducibility of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall, risks arising from the Company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risk without my martiral change from previous period in the marmet described in notar-body formation of the without my martiral change from previous period in the marmet described in sorts before the company of the company

# - Credit risk

- Liquidity risk

- Market risk

« Operational risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management poli

#### 38.2.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counterporties fails to meet its contractual obligation and it mainly arises from balances with banks and financial institutions, stude debts, boars, advances, deposits and other receivables. The credit risk on liquid faind is limited because the counter parties are banks with reasonably high credit ratings.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk. The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk before any provisions at the reporting date is:

	2020 (Rupees in %	2019
ong term deposits	317	559
rade debts		165
ank balances	1,792	1,792
	2,109	2.516

## Deposits

These do not require any impairment as these are mainly held with government backed public utility companies and with financial institutions with sound credit ratings.

### Credit Rating of Company's Banks

The credit quality of Company's bank balances can be assessed with reference to external credit rating as follows:

Name of banks	Rating	Crnfi	Credit rating	
	Agency	Short term	Long term	
Habib Bank Limited	VIS	A-1+	AAA	
Habib Metropolitan Bank	PACRA	AI+	AA+	
Silk Bank Limited	VIS	A-2	A-	
Songri Bank Limited	PACRA-	A1+	AA-	
JS Bank Limited	PACRA	AI+	AA-	
MCB Bank Limited	PACRA	AI+	AAA	
National Bank of Pakistan	VIS	A-1+	AAA	
Bank Alfalah Limited	VIS	A-1+	AA+	

### 30.2.2 Liquidity risk

Exployer yet enfrees the Company's inshifty in mixing finds to more commissions. Explicitly in a tries because for possibly the the Company of the report of the property of t

		262	w	
	Carrying	Contractual cash flows	Six months or less	Six to treelre months
		(Rupces i	in 1050)	
Financial Liabilities				- 75
Trade and other payables	14,292	14,292	-	14,292
Short term borrowings	245,917	245,917		245,917
Accrued markup	59,737	59,737		59,737
Unpaid / unclaimed dividend	4,268	4,268		4,268
Current maturity of long term loans	31,831	31,831		31,831
	356,045	356,045		356,045
		201	9	
	Carrying amount	Contractual cash flows	Sév months or less	Str to brefix months
		(Rapoes is	1090)	
Financial Liabilities				
Trade and other payables	158,539	158,539	-	158,539
Short serm borrowings	10,434	10,434		10,434
Acerued markup	50,269	50,269		50,269
Unpaid / unclaimed dividend	4,268	4,268		4,268
Current maturity of long term loans	80,795	80,795		80,795
	304,306	304,306		304,306

# 30.2.3 Market risk

Maker risk in the risk than the value of the financial insuraneus may fluenate as a result of changes in market interest reases we the maker profes due to a change in confest meing of the issuer or the insuraneus Aunquie in market storieses, speculative activities, supply and dremad of socurities and liquidity in the market. The Company margues market risk by monitoring exporter on marketable executions by following the insurant distantament and investment particularly and guidelines. Market risk comprises of three types of risks, currency risk, interest rate risk and price risk. The Company law termoral values in disk as not the reconstitution.

# 30,2.4 Operational risk

Operational risk is the risk of direct or indirect less arising from a wide variety of causes associated with processes technology and suffastructure supporting the company's operations either internally within the Company or externally as the Company's review providers, and flow external flatter of the three that flowing risks such as those arising from kepl and regulatory requirements and generally accepted standards of investment management behavior. Oversitional risk a time formal the comment's activities:

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. The responsibility encompasses the cosmols in the following areas:

- 4 Requirements for appropriate segrecation of duties between various functions, roles and responsibility.
- # Requirements for the reconciliation and monitoring of transactions;
- iii Compliance with regulatory and other legal requirements:
- Ir Documentation of control and procedures;
  - v Requirements for the periodic assessment of operational risk faced, and the adequacy of controls and procedures to address the risk identified:
  - of Ethical and business standards; and
  - vil Risk mitigation, including insurance where this is effective.

## 30.3 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The earrying values of all the financial assets and liabilities reported in the consolidated financial statements approximate their fair values.

## 36.4 Capital risk management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Holding Company may adjust the amount of dividends paid to shareholders, issue new shares and take other measures commensuration to the circumstances. The Group finances its expansions projects through equity, borrowings and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk and maximizing profitability. The Holding Company monitors capital using a goaring ratio, which is not debt divided by total shareholders equity

plus net debt. Net debt is calculated as total loans and borrowings from banking companies including any finance cost thereon, less each and bank balances. The Group's strategy is to maintain leveraged searing. Since the Group has not taken any loan or hornowines from financial institutions as on the reporting date, hence its graving ratio is nil as on the reporting date.

#### 31 REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

The approprie amount charged in the consolidated financial statements for the year for renuncration, including all benefits, to the Chief Executive, Directors and Executives of the Holding Company is as follows:

	Exec	with	Chief En	rentive	Dire	ctor	Tot	of .
	2929	2019	2020	2019	2020	2019	2020	2019
	_			(Rupres is	1909)			
Managerial remuneration		1,200	1,800	2,400			1,800	3,600
Rent and utilities			618	1,719		59	618	1,778
	- 4	1,200	2,418	4,119		59	2,418	5,378
No. of person(s)		ī.	1	1		i.		

31.1 Due to financial constraints, the new CEO has voluntarily waived the remuneration, w.e.f. April 2020, till the revival of the operations of the Company.

#### 32 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies including subsidiaries, directors of the all the Group entities including key management personnel and their close family members. Year end balances relating to related parties are specifically disclosed in relative notes to these consolidated financial statements. Remuneration to directors and CEO of the Holding Company is disclosed in note no. 31 to these consolidated financial statements. Other transactions with related parties are so follows:

	2020	2019
	(Rapees i	in '900)
Associated Company - Close family member of former		
director of the Company is a director of the associated		
combinit		
Elwetec (Prt.) Limited		
Long term loan obtained	6,036	6,080
Long term loan repaid	55,000	
Purchases	268	891
Trade liability paid.	119,957	
Advance received from associated company repaid	22,575	
Markup charged	6,110	4,653
Close family member of former director of the Company		
Fairal Bilal Qureshi		
Markup charged	988	1,069
Bilol Quecchi - former director of the Company		
Short term loan obtained		600
Markup charged	2,369	2,521
Key Management Personnel of the Company		
Anis Mienoor - New Sporsor (79.82% shareholding)		
Loun obtained	233,384	
Salman Ganny - former director of		
the Company (0.02% shareholding)		
Short term loan obtained.	2,099	
Shelvyar Saced - former CEO of the Company		
Accrued salary and other benefits paid	11,612	
Gramity paid	3,500	
Reimbursable expenses incurred	567	
Expenses reimbursed by the Company	1,652	
Post Employment Benefit - Provident Fund		
Contribution paid to Fund		177

22.1 Transactions with less management accounted are carried out under the terms of their amplement 32.2 The transactions with related parties are made under mutually apreed terms and conditions.

# 33 PRODUCTION CAPACITY

The production capacity of the plant cannot be determined as this depends on the relative proportions of the various types and sizes of products manufactured according to required specifications.

# 34 NUMBER OF EMPLOYEES

Total employees as at the year end Average employees during the year

2	8
	8

2020 2019

# 35 CORRESPONDING FIGURES

Corresponding figures have been re-arranged / reclassified, whenever necessary, for the purpose of better presentation. Major reclassifications made during the year are as follows:

Reclussification from the caption component	Reclassification to the caption component	Note	Amount Rs. in '600
Accrued liabilities	Advance to supplier	9	87
Short term borrowings	Advances from customers	17	4,000
Short term borrowings	Accrued markup	19	50,269
Administrative expenses	Other charges	26	
Provision for doubtful debts	Provision for doubtful debts		22
Provision for doubtful advances	Provision for doubtful advances		13
Finance cost	Other charges		
Donnant bank accounts written off	Other assets written off	26	32
Cost of soles	Other income		
Reversal of provision for obsolete stock	Reversal of provision for		
	obsolete stock	27	1,252

#### 36 GENERAL

- Figures have been rounded off to the nearest Rupees in thousands.
- The external auditors of the Holding Company expressed disclaimer of opinion on the consolidated financial statements for the year confedd ann 30, 2019, therefore, corresponding figures in these consolidated financial statements are un-audited.

## 37 DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorized for issue on October 27, 2020 by the Board of Directors of the holding Computy.

Mehandra Chief Executive

The Lid



# PATTERN OF SHARE HOLDINGS JOHNSON & PHILLIPS (PAKISTAN) LIMITED AS AT JUNE 30, 2020

# Categories of shareholders Shareholders shares Held Percentag

Directors, CEO and their Spouse & Minor Children

Mahampud Anis Munoor	1.	4,349,757	79.81
Zainab Anis Mismoor	1.	500	0.01
Maharerud Useun Missoor	1.	500	0.01
Mahamrad Umair Mianour	3	500	0.01
Unassa Aris Miarcor	1	500	0.01
Mahazarand Araia Kharani	3.	500	0.01
Mahammad Hamif Chandia	1	500	0.01
		4,352,757	
Financial Institutions.			
National Bank Of Palcistan	2	42,823	0.79
National Investment Trust ( NIT )	2	16,787	0.31
Trastee National Bank Of pakistan Employees	2	54,349	1.00
Hobib Bank Limited	1.	245	0.00
Joint Stock Companies ( Local ).			
NH Securities (pvt) Ltd.	1.	376	0.01
Khadja & Kassan Ali Investments (pvt) Ltd.	1.	1,500	0.03
Javed Orner Volus & Company Limited	J.	11	0.00
		1,887	
Investment Companies. H.M. Investmenta (Pvi) Ltd.	2	125	0.00
Pyramid Investments (Private ) Limited	2	1.380	9.03
Involvment Corporation Of publisher	î	3,016	0.06
ancessas Corporation Of passings		4.521	0.50
General Public.		501	
Individual	3113	975,981	17.91
Others.			
Polistan Shircholder Association	3.	1	0.00
Administrator Abandoned Property	J.	781	0.01
		762	
Totals	1137	5,449,972	100
Share Holders Halding 5% or more.	Shares Held		
Share Holders Holding 5% or more.  Meharerual Aris Misroor	Shares Held 3,254,536		Percentag 59.72
National Investment Trast (NIT )	16,787		9,06

# JOHNSON & PHILLIPS (PAKISTAN) LIMITE

### PATTERN OF SHARE HOLDING

# SHAREHOLDERS STATISTICS

# AS AT JUNE 30, 2020

No of Share		Shareholding		Total Shares	
Holders	From		To	Held	
613	3		100	18,496	
312	101	~	500	91,033	
97:	501		1000	78,284	
88	1001		5000	193,949	
II.	5001	×	10000	75,372	
3	10001		13000	38,404	
5	15001	*	20000	91,558	
1	35001		40000	37,048	
ī	40001	*	45000	42,500	
1	50001	-	55000	52,507	
1	75001	*	80000	79,000	
τ	110001		115000	110,273	
si.	190001		195000	191,791	
1	1630001		1635000	1,630,221	
ď.	2715001		2720000	2,719,536	
1137			Total	5,449,972	

# JOHNSON & PHILLIPS INDUSTRIES (PAKISTAN) LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED

JUNE 30, 2020

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JOHNSON & PHILLIPS INDUSTRIES (PAKISTAN) LIMITED ON THE AUDIT OF THE PRANCIAL STATEMENTS

# Opinion

We have sufficed the unesced frameatal statements of Jahanasa & Phillips Industries (Philainas) Limited which comprise the accentence of financial growings as a law \$0.0000, and the summer of prilain roles as and other comprehensive increase, the statement of changes in equity, the statement of calls flows for the year flow coded, and notes to the financial statements, including a summary of significant accounting policies, and other explanation financiation, and we make that we have obtained all the information and other policies.

In our opiosite, and to the best of our information and seconding to the cuplinations given to us, the subserver of financial position, the statement of college of the statement of colleges in evaluate and the subserver of call between the statement of colleges in evaluate and the subserver of call between supported to the statement of colleges in evaluate and the subserver of call between supported to the statement of colleges in expectate with the action from the proprint part of the subserver of call between the information required and respectively give a town and fair view of the state of the Campany's affairs as at June 10, 2020 and of the poolit and other comprehensive income, the charges in court and its call between these codes.

## Basis for Opinion

We conducted our made in accordance with International Standards on Auditing (TSAs) as applicable in Padstant. Our reportabilities and the Auditor Repossibilities for the Auditor Padstand of the Patacrial Standards of the Patacrial Standards for the Patacrial Standards Board for Accountance Code of the International Code of the International Accountance as Auditory the International Code of Controlled Accountance of the International Code of Controlled Accountance in Auditory the International Controlled Accountance in Auditory that the International Controlled C

#### Emphasis of Matter

Company has prepared its financial statements on a basis other than going concern as disclosed in note no. 1.3 read with note no. 2.2 to the financial statements thereby recording assets at realizable values and liabilities at amourns payable. Our opinion is not modified in reperci of this matter.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Report but does not include the l'hancial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereous.

In connection with our suffi of the financial statements, our exponentiality is to read the other influenciation and, in duting so, consider whether the other information is materially inconsistent with the financial attenuents or our lower-holge administration the anality of eitherwise appears to be materially missated. If, based on the work we have performed, we conclude that there is a material missatement of this other information, we are consistent of society that there. We have softline to syntain this five read.

#### Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the proposation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Publishus and the requirements of Companies Act, 2017 OCXX of 2017 31 and for sends instruccounted as management determines in necessary to enable the preparation of financial statements that are free from material measurement. We belief red to financial or event.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern bosis of accounting unless management either intends to liquidate the Composition or to eccase occurations, or has to realistic internative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance above whether the financial statements as a whole are free from material misstatement, whether date to financial or error, and to state an analized support that includes on enginion. Reasonable assurance is in high level of assurance but in not a guarantee that an audie conducted in accordance with fixed as applicable in Palasian will always detect a support of the state of the aggregate, they could reasonable be respected to inflance the economic decisions of users taken on the basis of these financial

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skenticism throughout the audit. We also

- Identify and saccos for risks of magetin insurances of the financial statement, whether due to frast of event, design and perform sufficient procedures responsive to those risks, and obtain and evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not descript a magetin dissistences tooshing from fourlet in higher faint for our resulting control.
   as a final may involve exhibition, fingues, insufficient of mission, misraprocentations, or the averaged of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design andit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the point general mass in accounting and, based on the audit revidence obtained, whether a mental uncertainty evident reduced to events or endition the turn; examplificant doubt on the Correpar's pillity to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's ports to the related disclosures in the financial statements or, if such disclosures are inadequate, so modify our opinion.
   Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, their coverts
- ANY CONCENSION OF UNSERTED THE BASE OF CHARGES OF CHARGES UP to the date of our author's report. However, flurier coverés or conditions may crasse the Company to cease so continue as a going concern.

  Evaluate the overall presentation, structure and content of the financial substances, including the disclosures, and whether the funccial statement experient the substance of the

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the arabit and significant ands findings, including any significant defectors in internal control that we identify during our ands.

Reserve on their confermed and sequentiative Reservements.

Based on our audit, we further report that in our opinion:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
  - the sustement of financial position, the sustement of profit or loss and other comprehensive income, the statement of changes in equity, and the statement of cash flows together with the notes theireen have been draws up in conformity with the Companies Act, 2017 CMX of 2017) and are in apprentices with the books of account and returns.
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- no zakar was deductible at source under the Zakat and Ushr Ordinance, 1990 (XVIII of 1980)

#### Other Matter

Financial statements for the year ended June 30, 2019 were audited by another firm of Chestreed Accountamis, who through their report shared September 30, 2019 expressed disclaimer of opinion on those financial statements due to following reasons:

- scope limitation due to lack of proper accounting records of current and previous assets and liabilities of the Compeny in

- accordance with the requirements of the Act;
- existence, occurrence, accuracy, and completeness of different assets written off and liabilities written back could not be substantiated;
- irreprepriateness of going concern assumption used by the management for the preparation of those financial statements;
   iax contingencies outfit not be assortained due to the absence of related information and accordingly, the effects of deferred

The engagement partner on the audit resulting in this independent auditor's report is

Mr. Mohammad Iqbal.

Reanda Haroon Zakaria & Company

Place: Karachi Dated: October 27, 2020

# JOHNSON & PHILLIPS INDUSTRIES (PAKISTAN) LIMITED

2020 2019 Note ---- (Rupees in '969) ----ASSETS Current Assets Advance income tax Total Assets EQUITY AND LIABILITIES Share Capital And Reserves Authorized capital 3,000,000 Ordinary shares of Rs. 10 each 30,000 Issued, subscribed and paid-up capital 30,000 30.000 Advance against share capital 20,000 Accumulated losses (75,245) (77,000) Total shareholders' equity Current Liabilities Advance against share copital 20,000 Accreed and other owable 50 2.661 Short term borrowing 24,835 24,835 360 45,245

The annexed notes from 1 to 16 form an integral part of these financial statements.



Contingencies and commitments Total Equity and Liabilities



# JOHNSON & PHILLIPS INDUSTRIES (PAKISTAN) LIMITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE TEAR INSECTION 2010

		2020	2019	
	Note .			
Administrative and operating expenses	9	(665)	(16)	
Other income - liability written back		2,780		
Profit / (loss) before taxation	_	2,115	(16)	
Taxation - current		(360)		
Profit / (loss) after taxation	_	1,755	(16)	
Other comprehensive income for the year		·	-	
Total comprehensive income / (loss) for the year	=	1,755	(16)	
Earning / (loss) per shure - Rupees	10	0.59	(0.01)	
The annexed notes from 1 to 16 form an integral part of these fine	ancial statements.			

Chief Executive



# JOHNSON & PHILLIPS INDUSTRIES (PAKISTAN) LIMITED STATEMENT OF CHANGES IN EQUITY FOR HE TEXT HANDED SINE 28 2001

Issued, subscribed and paid-up capital	Advance against share capital	Accumulated losses	Total shereholders' equity
	(Кирес	in "650")	
30,000	20,000	(76,984)	(26,984)
		(16)	(16)
30,000	20,000	(77,090)	(27,000)
	(20,000)		(20,000)
κ.		1,755	1,755
30,000		(75,245)	(45,245)
	salincritied and paid-up capital 30,000	Advance and pointing copied  30,000  20,000  30,000  30,000  30,000  30,000  30,000  30,000	Administration   Admi

The innexed notes from 1 to 16 form an integral part of these financial statements.





#### JOHNSON & PHILLIPS INDUSTRIES (PAKISTAN) LIMITED STATEMENT OF CASH FLOWS

2020 2019 (Rupees in '698) A. CASH FLOWS FROM CEASED ACTIVITIES Profit / (loss) before taxation 2.115 Adjustment for: Advance tax written off 615 Liabilities written off (2.780)Cash outflows before working capital changes Increase in current liabilities Account and other novable Net generated from ceased activities R. CASH FLOWS FROM INVESTING ACTIVITIES C. CASH FLOWS FROM FINANCING ACTIVITIES Net increase in cash and cash equivalents (A+B+C) Cash and cash equivalents at the beginning of the year

The annexed notes from 1 to 16 form an integral part of these financial statements.

Cash and eash equivalents at the end of the year





#### JOHNSON & PHILLIPS INDUSTRIES (PAKISTAN) LIMITED NOTES TO THE FINANCIAL STATEMENTS

#### 1 STATUS AND NATURE OF BUSINESS

1. Uohnson and Phillips Industries (Pakistan) Limited (the Company) was incomprated on October 05, 1992 in Pakistan under the Companies Ordinance 1984 (now the Companies Act, 2017) as a public limited company. The Company is a wholly owned subsidiary of Johnson & Phillips (Pakistan) Limited. The principal activity of the Company is to manufacture and sell all types of circurical and mechanical environment and ampliances. The registered office of the Communic is situated at C-10 South, oversize.

#### 1.2 Impact of COVID-19 on the financial statements

Management has thoroughly evaluated the effects of COVID-19 on the operations of the Company and concluded that there are no material implications of COVID-19 that could have required any disclosure in these financial statements.

### 1.3 Going concern

Management intends to windup the affairs of the Company for which the process has been initiated subsequent to year end Therefore, management believes that the Company is not a going concern and may not be able to realize its assets or discharge other than unine concern as stated in note no. 2.2 to these financial statements.

#### 2 RASIS OF PREPARATION

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakintan for financial reporting. The accounting and reporting standards as applicable in Pakintan comprise of International Financial Reporting Standards (IFRSs), issued by International Accounting Standards Board (IASB) in 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 from the IFRS standards, the provisions of and directives issued under the Act have been followed

#### 2.2 Basis of measurement

As disclosed in note no. 1.3 to the financial statements, the Company is not considered a going concern, therefore, these financial statements have been prepared on a basis other than going concern, according to which

# . All assets (if any) are stated at their realizable values; and All liabilities are stated at amounts payable based on best estimate. standards as applicable in Pakistan, as disclosed in note 2.1.

While preparing the financial statements on aforementioned basis, management has applied the accounting and reporting

Consequently, all non-current assets and non-current liabilities are reclassified as current assets / liabilities.

## 2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is also the Company's functional currency.

#### 2.4 Use of estimates and indoments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requiremanagement to make indements, estimates and assumptions that affect the application of policies and the reported amounts

The estimates and ossociated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily arounest from other sources. Actual results may differ from these estimates

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2.5 New standards, amendments to standards and IFRS interpretations that are effective for the June ended June 30, 2020

The following amendments to accounting standards are effective for the year ended June 30, 2020. Except as explained otherwise, these standards and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures

	beginning on or after
mendments to IFRS 9 Financial Instruments': Amendments regarding prepayment stures with negative compensation and modifications of financial liabilities	January 1, 2019
'RS 14 'Regulatory Deferral Accounts'	July 1, 2019
mendments to IAS 19 'Employee Benefits'. Plan amendments, curtailments or interness.	January 1, 2019
'RIC 23 'Uncertainty over Income Tax Treatments': Clarifies the accounting	January 1, 2019

Certain tensor improvements have also been made to a number of standards, which have not been enumerated here for benefit 2.5.1 First time adoption of new Standards

# tax treatments under IAS 12 'Income Taxes'. IFRS 14 'Regulatore Deferred Accounts'

This standard was notified by the Securities and Exchange Commission of Pakistan (SECP'), vide S.R.O. 1480 (I)/2019 dated November 27, 2019, to be effective for annual periods beginning on or after July 1, 2019. The objective of this standard is to specify to customers at a price or rate that is subject to rate regulation.

IFRS 14 is not applicable on these financial statements of the Company as the Company does not deal in any goods or services that are subject to rate regulations.

IFRS 16 'Leuses' This standard was notified by the Securities and Exchange Commission of Pakintar ("SECP"), vide S.R.O. 434 (I) 2018 dated Arell 9, 2018, to be effective for annual periods beginning on or after January 1, 2019. This standard replaces existing gridance on acconting for leases, including IAS 17 Leases', IFEIC 4 Determining whether an arrangement contains a Lease', SIC-15 'Oversting Lenses-Incentive' and SIC-27 'Evaluating the substance of transactions involving the legal form of a Lense'

IFRS 16 primarily affects the accounting by lessoes and will result in the recognition of almost all lones on the statement of financial position. The standard removes the current distinction between operating and financing leases and requires recognition of an asset the right to use the lowest stem) and a financial liability to pay rentals for virtually all lease contracts. An exemption exists for

The statement of profit or loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in the later years. Additionally, operating expense will be replaced with interest and deposition so ker metrics like EBITDA will change. Operating easilitions will be higher as each payments for the principal portion of the lease liability are classified within

The accounting for lawner will not significantly change

Changes in accounting policy resulting from the adoption of IFRS 16 will be applied retrospectively in accordance with the requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. However, IFRS 16 is not applicable on these financial statements as the Company does not have any asset on lease basis.

## 2.6 Amendments to standards and IFRS interpretations that are not yet effective

The following amendments to accounting standards and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and amendments are either not relevant to the Company's operations or any not expected by have significant impact on the Company's financial statements other than certain

	Effective from period beginning on or after	
Attendments to IFRS 3 Business Combinations': Amendments to clarify the definition of a business	January 1, 2020	
Amendments to IFRS 4 Trasurance Contracts': Amendments regarding the expiry date	January 1, 2023	

Effective for period beginning on or after January 1, 2019

Amendments to IFRS 7 'Financial Instruments - Disclosures', IFRS 9 'Financial Instruments' and IAS 39 'Financial Instruments - Recognition and Measurements'. Amendments regarding pre-replacement issues in the context of the IBOR reform

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 Investments in Associates and Joint Ventures': Sale or contribution of assets between an investor and its associate or joint venture.

Amendments to IFRS 16 'Leases': Amendment to provide leasees with an exemption from assessing whether a COVID-19-related tent concession is a lease modification.

Amendments to IAS 1 Preservation of Financial Statements' and IAS 8 'Accounting, Policies, Charges in Accounting Estimates and Errors': Amendments reporting the

Amendments to IAS 1 Presentation of Financial Statements' Amendments regarding the classification of liabilities

Amendments to IAS 16 'Property, Plant and Equipment' Amendments prohibiting, a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for

Amendments to IAS 37/Provisions, Contingent Liabilities and Contingent Assets': Amendments regarding the costs to include when assessing whether a contract is

Amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update those promotecrments with regard to references to and questes from the Emmework or indicate where their refer to a different version of the Conceptual Francisco etc.

Certain annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has

also issued the following standards which have not been adopted locally by the IFRS 1 - First Time Adoption of International Financial Reporting Standards

IFRS 17 - Insurance Contracts

3 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below.

#### 3.1 Financial assets and liabilities 3.1.1 Initial Recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received plus or minus transaction costs (except financial asset at FVTP), where transaction costs are charged to profit or loss). These are subsequently incusted a finity value or amortized cost as the case may be.

#### 3.1.2 Classification of financial assets

The Company classifies its financial instruments in the following categories:

at amortized cost.
 at fair value through other comprehensive income ("FVIOCI"), or

at that which through profit or loss (TVITE.).

The Company determines the classification of function assets at initial recognition. The classification of instruments (other than equity) instruments is device by the Company's business model for managing the financial assets and their contractual cash flow

June 1, 2020

January 1, 2020

January 1, 2022

January 1, 2022

January 1, 2022

January 1, 2020

Finencial assets for meet the following conditions are subsequently measured at amortized cost:

- a) the fruncial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets of fair value through OCI Financial assets that meet the following conditions are subsequently measured at PVTOCI

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- 4) the contextual terms of the financial asset give rise on specified dates to each flows that are solely payments of principal and interest on the principal answer orbitanting.
  However, Commune may make an invescable election at initial recognition for particular investments in easily instruments that would

Fixencial assets of fair value through profit or loss
A finencial asset is measured at fair value through profit or loss unless it is measured at amortized or at fair value through profit or loss unless it is measured at amortized or at fair value through OCL

#### 3.13 Einencial Behilbler

The Company classifies its financial Babilities in the following categories:

- at fair value through peofit or loss ("FVTPL"), or

Financial liabilities are recovered at amortized cost, unless they are required to be measured at EVTPL (such as instruments held for trading or derivatives) or the Company has optical to measure them at EVTPL.

### 3.1.4 Subsequent measurement

Financial arrays of FVTDCI

These are recovered at fair value, with gains or losses arising from changes in fair value recognized in OCL.

Elemential assets and liabilities at amortized cost

Financial assets and liabilities at assertized cost are subsequently carried at assertized cost, and in the case of financial assets, less ony

Financial assets and Kubilities at FVTP1

Redicted and servational gains and bones arising from changes in the first value of the function must and finishties hold at PVTP, are included in the distances of copilified less and other comprehensive incomes in the parties of which they arise. Where transparents have prefet in required in the state of the copilified and the parties of the parties of the copilified and the parties of the parties of the copilified and the parties of the parties of the copilified and the parties of the parties of the copilified and the parties of the parti

### 3.1.5 Impeirment of flownoled assets at amortized cost

The Company recognizes a law allowance for expected credit losses (ECLs) on financial mosts that are measured at ansortized cost. Loss allowances are measured on the basis of life time (ECLs) that result than all possible default events over the expected life of a financial

Lifetime E.C. in only recognized if the credit risk at the experting date has increased significantly relative to the credit risk at initial recognition. Further, the Company considers the impact of forward tooking information (such Company's internal lacies and construct or oriented to the control of control of conference or control control control or control control or control or

Provision against financial assets measured at amerized cost are deducted from the gross corrying amount of the assets.

### 3.18 Derecognition

Financial assets
The Common American Security and other for contracted side

The Company developines financial most only when the contract and rights to code flaws from the financial assets expire or when it transfers the financial mosts and substantially all the assectand risks and rewards of swarefulp to another only.

On deprographics of a financial most measured at assertion over, the difference between the most's currying value and the stan of the

In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously

In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at

#### Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired The difference between the carrying amount of the financial liability demonstrated and the consideration paid and payable, including any

#### 3.1.7 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally

#### 3.2 Accraed and other payable

Liabilities for accrued and other psyables are stated at their nominal values which is the fair value of the consideration required to settle

# 3.3 Provisions

Provisions are recognized when the Compuny has a legal or constructive obligation as a result of a past event, and it is probable that outflow of resurces embadring economic henefits will be required to settle the obligation and a reliable estimate on he made of the

Provision for current taxation is commend in accordance with the provision of the become Tax Ordinance, 2001

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credits.

Deferred tax is accounted for using the balance sheet liability method on all temporary differences urising between the tax bases of assets Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been constraint an admiratively emercial by the bulence short date. Deferred in in charged or credited to profit and iron account except to the extent if relates to items recognized directly in equity / other correctionsity income in which case it is also recognized in equity other comprehensive income.

#### 3.5 Earning per share

The Company property basic and diluted coming per share (EPS) data for its redinary shares. Basic EPS is calculated by dividing the

#### 3.6 Dividend and appropriation of reserves

Dividend distribution to the shareholders and appropriation to / from reserves is recognized in the period in which these are approved. 2.7 Continuent Liebilities

#### Contingent liability is disclosed when:

there is a required difference that prime their rest exerts and a bear existence will be confirmed and by the apparence or non-apparence -there is present obligation that arises from past events but it IS not probable that an outflow of resources embodying economic benefits

#### will be required to with the obligation or the amount of the obligation cannot be measured with sufficient reliability 3.8 Contingent Asset

Continuent assets are disclosed when there is a possible asset that arises from and events and whose existence will be confirmed only

ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	K	specs in 1000	
2020 2019			
Number of Shares			
Ordinary shares of Rs. 10 each 3,000,000 fully paid in cash		30,000	30.000
3,000,000 many past in cash		,55,050	30,000
4.1 The Company has one class of ordinary shares which carries receive dividends and other entitlements in the form of bonze Company. Each member is entitled to one vote per share at the	and right shares	as and when dec	
		2020	2019
	Note	Rupees in	1959
ADVANCE AGAINST SHARE CAPITAL	5.1	20,000	20,00
5.1 As discussed in note no. 1.3 to these financial stonements, C intend to issue any further shares, therefore, advance has been			
		2020	2019
	Note	Rupres in	2000
ACCRUED AND OTHER PAYABLE			
Accrued liabilities		50	
Sales tax payable			3
Withholding tax payable			50
Workers' Profit Participation Fund payable			2,06
		50	2,66
SHORT TERM BORROWING			
- From holding company - related party			
Johnson and Phillips (Pakistan) Limited	7.1	24,835	24,83
7.1 The loan is unsecured, interest free and repayable on demand requirements of the Company.	The lean was utility	red for working capit	tail
CONTINGENCIES AND COMMITMENTS			
There are no contingencies and commitments binding on the Compan	y as on the reporting	date.	
ADMINISTRATIVE AND OPERATING EXPENSES		2020 Rapecs in	2019
Auditors or numeration		50	1
Advance tax written off		615	
		665	16

2019

There is no dilutive effect on the basic earnings per share of the company, which is based on:

1,755	(16
3,000,000	3,000,000
0.59	(0.01
	3,000,000

II FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

---- (Rupeer in '900) ----

## 11.1 Financial Instruments By Category

# Financial Liabilities - At amortized cost Accrued and other payable Short term borrowing

24,835 24,8 24,885 24,8

### 11.2 Financial risk management

The Company's activities expose it to a variety of financial risks: crofit risk, liquidity risk and muchet risk (interest/mark-up ner risk and price risk). The Company's overall risk management programmed focuses on the supredictability of financial rushes and seeks to minimize potential adverse effects on the financial performance. Overall, risks arising from the Company's financial assets and foliabilities are limited. The Company constitutive manages its exposure to financial risk subtract new market flavour from two resolutions of the financial risk subtract new market flavour from two resolutions are form two resolutions in the manages accordant in contract.

#### - Credit risk

Liquidity risk

- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and mentioring the Company's risk management policies.

#### 11.2.1 Credit Risk

Credit risk in the risk that one party as financial insurrances will fail to dischange an obligation and cause the other party to locate a financial loss, without taking the account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar bonieses activities of two estimate economic fauties when the animate of counter parties are engaged in similar bonieses activities of two estimates economic fauties that would caree their abullets on more countercained ordered in the discussions to be similarly affected by changes in economics, positional or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular indicates.

Company is not exposed to any credit risk as on the reporting date,

#### 11.2.2 Liquidity risk

Lipiding risk in he risk that the Company, will encounter difficulty in menting obligations associated with fluxests buildings that or sentitive fluxering and the reader fluxest in sext. Lipiding risk arise between red possibility that the Company could be required to pay in Individue surface surface surface and the Company appears on a managing fluxed in the owner, and a possible, that is will always have sufficient liquidity on ment in Individue surface and the company appears to a managing fluxed in the owner, as for a possible, that is will always have sufficient liquidity on ment in Individue when the content and content and a possible, that is will always have sufficient liquidity on ment in Individue when the content and content and the reader of the red of the re

#### Following are the contractual mutarities of the financial liabilities:

	Carrying	Contractual cask flows	Upto six months	Upto one year
Financial Liabilities		(Rupees is	1 WAN)	
Accrued and other payable	.50	50	50	
Short term borrowing	50	50		50
June 30, 2020	100	100	50	50
Accrued and other payable	48	48	48	
Short term borrowing	24,835	24,835		24,835
Jane 30, 2019	24,883	24,883	48	24,835

#### 11.23 Market risk

Market risk in the risk that changes in market prices, such as interest rates, force state and equity prices will affect the Company's income or the value of in subliding sof financial instruments. The objectives of morket risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company is not exposed to any market risk as on the reporting datur.

#### 11.3 Fair value of financial assets and liabilities

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The carrying values of all the financial liabilities reported in the financial statements approximate their fair values.

#### II.4 Capital risk management

The Compay's objective when managing capital is no suffigured the Company's obligitive when managing capital is no suffigured the Company's obligitive when managing capital is no sufficient of the mobilities and to ministin a role of the sufficient of the mobilities of the capital is not one could be company may adjust the entourned of whitehold paid to desirable and to ministine or adjust the capital investment, the Company may adjust the measure of whitehold paid to desirable and the sufficient paid to desirable and their entourned is the climate of the sufficient paid to desirable and the confidence of the sufficient paid to the confidence of the sufficient paid to the confidence of the sufficient paid to the sufficient pa

The Company monitors capital using a gaining main, which is not obth disided by tend dearthodders equity plus not dobt, not dobt is calculated as tend loans and borrowings from banking companies including any finance cost thereon, less cash and bank bolances. The Company's stategy is so maintain leveraged gazzing. Since the Company has not taken any lean or borrowings from financial institutions as on the reporting date, hence its gearing ratio is nil as on the reporting date.

### 12 REMUNERATION OF CHIEF EXECUTIVE AND DIRECTORS

None of the Directors, Chief Executives are paid remuneration and any other allowances due to the inoperative status of the Company.

#### II TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies including subsidiaries, directors of the company, key management personnel and their close family members. Year end balances relating to related parties are specifically disclosed in relative mass, to these family accessors. No endered ours transaction has been incorrected during the parties of the companies of the companies. The content of the companies are consistent to the companies are specifically disclosed in

14 NUMBER OF EMPLOYEES	2020	2019
Total no. of employees as at the year end		
Average to, of employees during the year		

### 15 GENERAL

- 15.1 Figures have been rounded off to the nearest Rupoes in thousands.
- 15.2 The external auditors of the Company expressed disclaimer of opinion on the financial statements for the year ended June 30, 2019, therefore, corresponding figures in these financial statements are un-audited.

#### 16 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 27, 2020 by the Board of Directors of the Company.





### JOHNSON & PHILLIPS TRANSFORMERS (PRIVATE) LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED

JUNE 30, 2020

#### INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JOHNSON & PHILLIPS TRANSFORMERS (PVT.) LIMITED

#### Qualified Opinion

We have audited the annexed financial statements of Johnson & Phillips Transformers (Pvt.) Limited which comprise the statement easily, the statement of each flows for the year then ended, and solve to the financial statements, including a summary of significent accounting policies and other explanators information, and we state that we have obtained all the information and explanations which, to Opinion Section of our report.

Except for the effects or possible effects of the matter stated in the Basis for Qualified Opinion Section of our report, in our epinion, and affairs as at Aute 30, 2020 and of the profit and other comprehensive income, the changes in equity and its cosh flows for the year then

#### Rasis for Opalified Opinion

We could not substantiate the existence of short term borrowing from former director amounting to Rs. 3.685 million.

We conducted our and): in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan, Our responsibilities under are independent of the Company in accordance with the International Filties Standards Board for Accountants' Code of Ethics for Professional Accounts to a shorted by the fractions of Chartered Accountants of Policies (the Code) and we have fulfilled our other chiral personabilities in accordance with the Code. We believe that the audit evidence we have obtained to millicient and appropriate to provide a basis for our

#### Emphasis of Matter

Company has preserved its financial statements on a basis other than going concern as disclosed in note no. 1.3 read with note no. 2.2 to the financial statements thereby recording assets at realizable values and liabilities at amounts payable. Our opinion is not modified in respect of this matter.

Information Other then the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion. In correction with our malt of the financial statements, our reasonability is to read the other information and, in doing to, consider whether

the other information is meterially inconsistent with the financial statements or our knowledge obtained in the stallt or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other

Responsibilities of Management and Board of Directors for the Financial Statements Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as

In preparing the financial statements, management is responsible for assessing the Compan's ability to continue as a going concern, disclosure, as artificiable, matters related to come concern and using the using concern has so of accounting unless management either

Board of directors are responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Financial Statements

Our effectives are to obtain responsible assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misotatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these francial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Herrify and assess the risks of material misstatement of the financial statements, whether due to found or cover, design and perform madi procedures responsive to those roses, and obtain suffi evidence that is sufficient and armorphic to provide a basis for our certains. collision, forgery, intentional omissions, misrepresentations, or the override of internal control
- . Obtain an understanding of internal control relevant to the audit in order to design audit reocculures that are arecognize in the circumstances, but not for the purpose of expressing an origina on the effectiveness of the Company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- Conclude on the appropriateness of management's use of the norm concern basis of accounting and, based on the study evidence to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

are based on the malit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significent andit findings, including any significant deficiencies in internal control that we identify during our andit.

### Report on Other Legal and Regulatory Requirements

- Based on our audit, we further report that in our opinion a) Except for the effects or possible effects of the matter stated in the Basis for Qualified Opinion Section of our report, proper books
- b) Except for the effects or possible effects of the matter stated in the Basis for Qualified Opinion Section of our report, the statement
- (i) investments made, expenditure incurred and quarantees extended during the year were for the number of the Company's business:
- d) no zakat was deductible at source under the Zakat and Ushr Onlinence, 1980 (XVIII of 1980).

Financial statements for the year ended Jane 30, 2019 were stalled by another from of Chartered Accountants, who through their report dated September 30, 2019 expressed disclaimer of opinion on those financial statements due to following reasons:

- score limitation due to lack of proper accounting records of current and previous posts and liabilities of the Company in accordance
- existence, occurrence, securicy, and completeness of different assets written off and liabilities written back could not be substi-
- ingrorroristeness of going concern assumption used by the management for the recognition of those financial statements, and tox contingencies could not be ascertained due to the absence of related information and accordingly, the effects of deferred taxation
- no confirmation reply from NBP in relation to settlement of long term loan which was parable by the Company to the bank.

The engagement portner on the applit resulting in this independent auditor's report is.

# Mr. Mohammad Igbal. Chartered Accountants

Reanda Harron Zakaria & Company

Place: Karachi Dated: October 27, 2020

# JOHNSON & PHILLIPS TRANSFORMER (PRIVATE) LIMITED STATEMENT OF FINANCIAL POSITION ASAI ENDE 20, 2020

ASSETS	Note	2026 (Rupers in '0	2019
Current Assets			
Advance income tax			1,982
Total Assets			1,982
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital			
3,000,000 Ordinary shares of Rs. 10 each		39,000	30,000
lioued, subscribed and paid-up capital	4	30,000	30,000
Accumulated losses		(54,684)	(55,698)
Total shareholders' equity		(24,684)	(25,698)
Non-Current Liabilities			
Deferred tax liability			596
Current Liabilities:			
Accraed and other payable	5	50	2,109
Short term borrowings	6	24,548	24,548
Provision for toustion		86	427
		24,684	27,084
Contingencies and commitments	7		
Total Equity and Liabilities			1,982

The annexed notes from 1 to 15 form an integral part of these financial statements.





# JOHNSON & PHILLIPS TRANSFORMER (PRIVATE) LIMITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME TOO THE TRANSFED RIN 94, 2020

		2626	2019
	Note	(Rupers in	
Administrative and operating expenses	×	(2,932)	(16)
Other income - liability written back		2,536	
Profit / (loss) before taxation		564	(16)
Taxation			
- Current. - Deferred		(86) 596 510	- :
Profit / (loss) after taxation		1,014	(16)
Other comprehensive income for the year		× .	
Total comprehensive income / (loss) for the year		1,914	(16)
Income / (Ioss) per share - Rupees	9	6.34	(0.01

The annexed notes from 1 to 15 form an integral part of these financial statements.





#### JOHNSON & PHILLIPS TRANSFORMER (PRIVATE) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR INDEED RINE 24, 2020

	Essued, subscribed and paid-up capital	Accumulated lorses	Total shareholders' equity
Balance as at June 36, 2018	30,000	(55,682)	(25,682)
billine as at some 50, 2010	Japan	(Johns)	(asyma)
Total comprehensive loss for the year		(16)	(16)
Balance as at June 30, 2019	30,000	(55,698)	(25,698)
Total comprehensive income for the year		1,014	1,014
Balance as at June 30, 2020	30,000	(54,684)	(24,684)

The arrecycl notes from 1 to 15 form an integral part of these financial statements.





#### JOHNSON & PHILLIPS TRANSFORMER (PRIVATE) LIMITED STATEMENT OF CASH FLOWS FOR THE YEAR INNERD RINE 38, 2629

		Note	2020 (Rupees in	2019
A	CASH FLOWS FROM CEASED ACTIVITIES			
	Profit / (loss) before taxation		504	(16)
	Adjustment for:			
	Advance tax written off	8	1,982	
	Liability written back		(2,536)	100
	Cash outflows before working capital changes		(50)	(16)
	Increase in current liabilities			
	Accrued and other payable		50	16
	Net generated from ceased activities	A		- ×
Д	CASH FLOWS FROM INVESTING ACTIVITIES	8 =	-	v
c	CASH FLOWS FROM FINANCING ACTIVITIES	c =		
	Net increase in cash and cash equivalents (A+B+C)			*
	Cash and cash equivalents at the beginning of the year			
	Cash and cash oppivalents at the end of the year			

The annexed notes from 1 to 15 form an integral part of these financial statements.





#### JOHNSON & PHILLIPS TRANSFORMER (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

#### 1 STATUS AND NATURE OF BUSINESS

Li I. Holmon and Phillips Industries (Philiana) Limited (the Compuny) was incorporated on October 05, 1992 in Philips under the Compunies Confinence 1994 (now the Compunies Act, 2017) as a public limited compuni. The Company is a 79% sound satisfactor of chinese & Phillips (Philipsa) Limited. The principal activity of the Company is to insurfacture and sell all types of electroid and arcterizated equipment and applicates. The negreemed efficie of the Company is sixtuated at C.10 Senti, neverae,

#### 1.2 Impact of COVID-19 on the financial statements

Management has theroughly evaluated the effects of COVID-19 on the operations of the Company and concluded that there are no material implications of COVID-19 that could have required any disclosure in these financial statements.

#### L3 Going concern

Managarrent insteads to windry the affairs of the Company by religing the rawy cuts observe of the SECF for which the process has been tritically advanced to open or out. Therefore, managament believes that the Company is not a point consent and may not be able to realize its assets or including its inhabition in the normal course of fusitions and better, the transparent has prepared these filteraled structures on a basic other than paint occurs not stated in terms or. 2.2 to these filteraled structures.

#### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

These financial statements have been proposed in accordance with the according and reporting stradards as upplicable in Policiata for financial reporting. The accounting and reporting studends as upplicable in Policiata comprise of International Financial Reporting Standards (IFENs), assued by International Accordancing Standards Board (CSS) as a melifical student for Computing Act. 2017 (OR Act) (see, provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ from the IPS standards, the provisions of and directives issued under the Act.

#### 2.2 Basis of measurement

As disclosed in note no. 1.3 to the financial statements, the Company is not considered a gring concern, therefore, these financial statements have been prepared on a basis other than going concern, according to which:

- All assets (if any) are stated at their realizable values; and
- All liabilities are stated at amounts payable based on best estimate

While preparing the financial statements on aforementioned basis, management has applied the accounting and reporting standards as applicable in Pakisten, as disclosed in note 2.1.

Consequently, all non-current assets and non-current liabilities are reclassified as current assets / liabilities.

#### 2.3 Functional and presentation currence

These financial statements are presented in Pak Rupoes, which is also the Company's functional currency.

#### 2.3 Use of estimates and judgments

The proparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which from the basis of making the judgments show the currying values of assets and fabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the perision affects both current and future periods.

### 2.5 New steedards, coveredments to steedards and IFRS interpretations that are effective for the Jane ended Jane 38, 2028

The following amendments to accounting standards are effective for the year-ended Jane 30, 2020. Except as explained otherwise, these standards

	Effective for period beginning on or after
cederents to IFRS 9 Financial Instruments'. Amendments regarding prepayment features with pative compensation and modifications of financial liabilities	January 1, 2019
IS 14 Regulatory Deferral Accounts	July 1, 2019

HSS 14 Regulatory Deform Account July 1, 2019
Amendments to IAS 19 Employee Benefits: Plan amendments, cutalization or estimatests
January 1, 2019
Amendments to IAS 29 Investments in Associates and Joint Ventures: Long-term interests in January 1, 2019

IFRIC 23 Uncertainty over Income lias Trustments': Clarifies the accounting trustment in relation to determination of translet profit (tax loss), tax bases, unused tax losses, unused tax credits and translet profit (tax loss).

Certain annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

### 25.1 First time adoption of new Standards

## IFRS 14 'Regulatory Deferred Accounts' This standard was notified by the Securities and Exchange Commission of Pukistan ('SECP'), vide S.R.O. 1409 (I) 2019 dated November

27, 2019, is the effective for material periods bugginning on or after July 1, 2019. This objective of this standard is to specify the fluoristic properties prospectives for Pragalative red first areas of the areas when an entity provides good or services to contente at a price or rate fact is subject to rate regulation.

IFRS 14 is not applicable on these fluencial statements of the Company as the Company does not deal in any goods or services that are subject to rate negativisms.

## IFES 16 'Lenses' This standard was notified by the Securities and Enchange Commission of Pakistan ("SECF"), vide S.R.O. 434 (1):2018 dated April 9, 2018.

to be effective for exactal periods beginning one or the learney 1,300°. This sendent replace existing galdano on accentring for losses, including 16.51° From 1,100°. The content of the learney 1,300°. The sendent replace is the learney 1.50° The sendent for the learney 1.50° The content of learney 1.50° The lea

The sideratori of profit or lion will also be difficted because the lotal capture in bytically higher in the ordior yours of a lone and lower in the later years, additionally, spensing expense with emplaced with attented and dependations in key notices like HIRDA will change the ordior of the local properties and profit of the instead on contrainers by proceeding a spensing confidence, middle white francising articular, to the part of reporters that reflects the instead on contrainers by proceeding a spensing confidence.

## The accounting for lessars will not significantly change.

Changes in accounting policy resulting from the adoption of IFRS 16 will be applied retrospectively in accordance with the requirements of IASS - Accounting Policies; Changes in Accounting Estimates and Errors. However, IFRS 16 is not applied the on those frameis's statements as the Corrupa; does not here are a sout on linear busins.

### 2.4 Amendments to standards and IFRS interpretations that are not yet effective

The following unendments to accounting standards and interpretations are only effective for accounting periods, beginning on or other fixe date mentioned against each of them. These standards, interpretations and amendments are either not relevant to the Company's operations or are not occurred to have someticant insuce on the Company's fragraction interprets other than contain additional discharactive.

	Effective from period beginning on or after
nyridments to IFRS 3 'Business Combinations'; Amendments to clarify the definition of a sixess	Jumary 1, 2020

Amendments is IFRS 4 Transmer Centruct: Amendments regarding the empiry date of the defental approach.

January 1, 2023 defental approach.

Amendments on IFRS 7 Financial Instruments and Measurest. IFRS 9 Transmill instruments and Measurest. Amendments regarding pre
January 1, 2020 (AS) 59 Transmill optimizer the Technologies of Measurest. Amendments regarding pre-

Junuary 1, 2019

Amendments to IFRS 10 Consolidated Financial Sustainens' and IAS 28 Investments in Associates and Joint Ventures': Sale or contribution of assets between an investor and its associate or joint venture.

Effective from accounting period beginning on or after a date to be determined. Earlier application is permitted June 1, 2020

Amendments to IFFS 16 Loues? Amendment to provide lessees with an exemption from assessing whether a COVID-19-edated rest concession is a lone modification.

Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies.

January 1, 2020

Changes in Accounting Estimates and Erneri: Amendments regarding the definition of material Amendments to IAS 1 Presentation of Financial Statements: Amendments regarding the classification of liabilities.

James 1, 2022

Amendments to IAS 16 Tropotty, Plant and Equipment' Amendments prohibiting a company from dodacting from the cost of property, plant and equipment amounts received from selling

January 1, 2022

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets'.

Amendments regarding the costs to include when assessing whether a continue is encroses.

January 1, 2022 January 1, 2020

Amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 34, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update those prossumements with regard to reference to and quotes from the framework or to indicate where they refer to a different version

Certain annual improvements have also been made to a number of standards, which have not been enumerated here for borrity.

Other than the aforesaid standards, interpretations and assendments, the International Accounting Standards Board (LASB) has also

IFRS 1 - First Time Adoption of International Financial Reporting Standards

# IFRS 17 - Insurance Contracts SIGNIFICANT ACCOUNTING POLICIES

of the Concertual Framework.

The significant accounting policies adopted in the presentation of these financial statements are set our below:

#### 3.1 Financial assets and liabilities 3.1.1 Initial Recognition

All finuncial assets and liabilities are initially manuscul at cost which is the fair value of the consideration gives or received plus or minus transaction costs (except financial asset at IVTPL where transaction costs are charged to profit or loss). These are subsequently

#### 112 Classification of financial assets

- The Company classifies its financial instruments in the following entopories
- at amortized cost.
- at fair value through other comprehensive income ("PVIOCI"), or at fair value through modit or loss ("EVIDE").

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

#### linencial essets at assortized cos

Financial assets that meet the following conditions are subsequently measured at amortized cost:

a) be francial asset is held within a business model whose objective is so hold financial assets in order to collect contractual cash flows and.
b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely revenents of principal and.

#### Financial cosets at fair rafae through OCI Financial assets that meet the following con a) the financial asset is held within a bus selling fruncial assets and

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- However, Company may make an invocable election at initial recognition for particular invostments in equity instruments that would otherwise be measured at fair value through needs or loss to nessent subsequent changes in fair value in other comprehensive income
- 4) the function seet is beld within a business model whose objective is achieved by both collecting commettual each flows and selfing firmenal assests and do the contractal terms of the financial asset give rise on specified dates to each flows that are solely payments of principal and interest on the principal associate outstanding.

our while or measured in the value in using prints of its to be present same quest catagors in an value in outer compression or more provided that it involutes it is nother half for trading nor its a contingent consideration in a business combination.

Fluencial sector of fair value through pendit or loss.

#### A financial asset is measured at fair value through profit or loss unless it is measured at amortized or at fair value through OCI.

A LA Financial Babilities

#### The Company classifies its financial liabilities in the following categories:

 at fair value through profit or loss ("FVIPL"), or it amortized cost.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for tracing or derivatives) or the Company law opted to measure them at FVTPL.

#### 3.1.4 Subsequent measurement Financial system at FVTOCI

Those are recovered at fair value, with gains or looser arising from changes in fair value recognized in OCL

Financial assets and liabilities at amortized and

Financial assets and liabilities at important cost are subsequently curried at amortized cost, and in the case of financial assets, less any impairment.

### Financial assets and liabilities at FVTPL

Resided and streetlend grins and Source orbiting from changes in the fair value of the Reserval assets and Hollita's held at IVTPL are included in the sotients of streetle boson and other correptionerie assets in the period is which they arise. Where transparents are period to which they arise. Where transparents are period to the correspondence of the company from the certain of the cert

### 2.1.5 Impairment of financial assets at amortized

The Company econgaines a loss allowance for expected credit losses (ECLs) on financial assets that are measured at anyonized cost. Loss allowance a are measured on the basis of life time (ECLs) that routh from all possible default events over the expected life of a financial instrument.

Lifting EL, in only acceptant if the cruck risk at the reporting data has increased significantly relative to the cruck risk at trivial recognition. Further, the Company cruckeds this impact of formal belong information (and longeryer) strong labers and occurred corresponded to the creative of constances in ELLs. Dealth bases are measured as the present wake of all cash shortfulls (i.e. the difference between the each firms date to the cutting and the each firms which the Company expects to receive).

Provision against fluorial assets measured at amerized cost are deducted from the gross carrying amount of the assets.

### 3.14 Derecognition

### Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets espire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity.

On derecognition of a financial most measured at assertiond only, the difference between the asser's carrying vidue and the sum of the consideration received and receivable is exceptabled in profice of loss.

In addition, only recognition of an investment in a disk instrument desaided as at PVIOCI, the consultive gain or loss previously.

accurates to the investments revariance reserve is necessenators proof or too.

In centrast, on depreoagnition of an investment in equity instrument which the Company has elected on initial recognition to measure at PVTOCI, the cumulative area of one revisionally accumulated in the investments revaluation reserve is not reclassified to media.

#### Financial liabilities

The Company developatives francial liabilities only when its obligations under the francial liabilities are discharged, cancelled or

#### 3.1.7 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally

#### 3.2 Accraed and other papable

Liabilities for occuped and other parables are stated at their nominal values which is the fair value of the consideration required to settle

Provisions are recognized when the Computer has a local or constructive obligation as a result of a rest event, and it is mobable that outline of resources embodying common benefits will be required to settle the obligation and a reliable estimate can be made of the

### 3.4 Taxation

Carrent Provision for current taxation is commuted in accordance with the provision of the Income Tax Ordinance, 2001.

The charge for current toution is based on touble income at the current rate of toution after taking into account are licable tax credits. relates and exemptions available, if any, or minimum tax on turnover or Alternate Corporate Tax (ACT), whichever is higher

Deferred tax is accounted for using the balance sheet liability method on all temperary differences arising between the tax bases of assets horsporary differences including on investments in associates and deferred has assets are recognized to the extent flui it is probable that taxable profits will be available against which the deductible transcenty differences, transed tax boson and tax credits can be utilized other comprehensive income

#### 2.5 Earning per share

The Computer presents basic and diluted coming per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the

#### 1.6 Diridend and appropriation of reserves

Dividend distribution to the shareholders and appropriation to / from reserves is recognized in the period in which these are approved.

### 2.7 Continuent Lightlities

Contingent liability is disclosed when

- there is a requible obligation that prime from and exerts and whose existence will be confirmed only by the accurrence or non-
- there is present obligation that arises from most events but it IS not probable that an outflow of resources embedrine economic benefits will be received to settle the obligation or the amount of the obligation council be measured with self-riced reliability.

### LR Contingent Assets

Contineed assets are disclosed when there is a possible asset that arises from most except and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Corringent

#### 4 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2920	2019		2620	2019
Number of		Ordinary shares of Rs. 10 each	Rapees in	1890
3,000,000	3,000,000	fully paid in cash	30,000	30.0

4.1 The Company has one class of ordinary shares which carries no right to fixed income. The holders are entitled to receive dividends and other entitlements in the form of bonus and right shares, as and when declared by the Company, Each member is entitled to one vote per share at the general meetings of the Company.

> 24/20 2019 Note ---- Rapees in '690 ----

> > 20,864 20.864

Johnson & Philips Transformers (Private) Limited

#### 1 ACCREED AND OTHER PAYABLE

Workers' Profit Participation Fund payable 1.425 Accorded liabilities

### 6 SHORT TERM RORROWINGS

# · From related parties Bild Oureshi

From holding company Johnson and Phillips (Pakiston) Limited

Former director of the holding company

3.685

6.7 The loans are unsecused, interest free and repossible on damend. The loans were stillized for working capital requirements of the Company.

### 2 CONTINGENCIES AND COMMITMENTS

JPP Annual Report 2020

There are no continuousles and commitments binding on the Company as on the reporting date.

2820 --- Rapors in '890 ----ADMINISTRATIVE AND OBERATING EXPENSES

Auditors retruperation Advince tax written off

#### 9 FARNING / BOSS, PER SHARE - RASIC AND BILLITED

There is no dilative effect on the basic earnings per share of the

company, which is based on:

Profit / (loss) after taxation - (Rupees in thousand)	_

Weighted average number of ordinary shares 3,000,000 Earning / (loss) per share - basic and dilated - (Rupees)

### 10 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES.

Financial Liabilities

10.1	Financial Instruments By Category
	Financial Liabilities  - At amortized cost
	Accrued and other payable

Short term hornowines

Note	Rupers is	v '000
5	50	680
6	24,548	24,548
	24,598	25,239

2020 2019

1:014

#### 10.2 Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk. liquidity risk and market risk (interest) mark-up rate risk and price risk). The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall, risks arising from the Company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risk without any material chance from previous period in the marner described in notes below.

- Credit risk

. Liquidity risk

- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Pound is also responsible for developing and monitoring the Company's risk management policies.

#### 10.2.1 Credit Risk

Credit risk is the risk that one party to a financial instrument will full to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter nuries are empared in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Convenientions of enable risk indicate the relative against of the Commun's performance to development affecting a particular industry.

Company is not exposed to any credit risk as on the reporting date.

#### 10.2.2 Liquidity risk

Equility (six is the risk that the Company will encounter affilially in meeting abligations succided with fusured liabilities that as satisfied by during cacker answerf mention after a fixed by a fixed that the confirmation and a fixed part is a trained to the same contraction which are satisfied by the fixed confirm than expected or difficulty in raising finals to next commitments associated with fixed internal labellities and length of the . The consequency appears have managing playing live in course, are far possible, that will askeps where afficient liquidity to meet in hiddlittes when the, under both normal and streeted confirms, without incorning accorate that has afficient play to the company in segment. The labellities are done the managing and the confirmation of th

#### Following are the contractual maturities of the financial liabilities:

	Carrying	Contractual cark flores	Epto six months	Upto one year
		···· (Rupaes)	ix '900)	
Financial Eubilities				
Accraed and other psyable Short term berrowings	24,548	24.548	50	24,548
SHARI MEHI METOWINGS	24,748	200		24,040
June 30, 2020	24,598	24,598	50	24,548
Financial liabilities				
Accrued and other payable	680	680	680	
Short term borrowings	24,548	24,548		24,548
Jane 30, 2019	25,228	25,228	680	24,548

#### 10.2.3 Market risk

Market risk is the risk that changes in market prices, such as interest rates, freet trees and equity prices will affect the Company's income or the value of its buddings of financial institutents. The eligitatives of market risk transprants is to in stangen of the result of the results of the result of the results of the r

#### 10.3 Fair value of financial assets and liabilities

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an own's learn't branch branching.

The correing values of all the financial liabilities reported in the financial statements are positivate their fair values.

#### to I Could state assume and

The Company objective when managing capital is to suffigured the Company's shifting to continue as a going concern model to provide entire to the develocides and benefit for other admixtdent and towards and unational an approach capital resource to the capital resource and an admixtdent and capital resource to reduce the capital resource and approach and the atmost of chiefshap is also not of capital. In order to maintain to adjust the capital resource and the atmost conference of chiefshap is a state of the capital resource and the capital resources. The Company finance is the capital resources. The Company finance is the capital resource and the capital resources. The Company finance is the capital resource and the capital resources. The Company finance is the capital resource and the capital resources are capital resources. The capital resources are capital resources and the capital resources are capital resources. The capital resources are capital resources are capital resources are capital resources. The capital resources are capital resources are capital resources are capital resources. The capital resources are capital resources are capital resources are capital resources. The capital resources are capital resources are capital resources are capital resources. The capital resources are capital resources are capital resources are capital resources. The capital resources are capital resources are capital resources are capital resources. The capital resources are capital resources are capital resources are capital resources are capital resources. The capital resources are c

The Company monitons capital using a gearing ratio, which is not doth divided by sotal shareholders equity plass not dobt. Not doth it is calculated as total issues and borrowings from backing companies including any finance count rector, each and Dank Islandees. The Company's partnersge is to maintain leveraged garanty, since the Company has not taken any loan or borrowings from financial institutions as on the reporting date, hence its gearing ratio is nil as on the reporting date.

#### II. REMUNERATION OF CHIEF EXECUTIVE AND DIRECTORS

None of the Directors, Chief Executives are paid remaneration and any other allowances due to the inoperative status of the Company.

#### 12 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies including subsidiaries, directors of the company, key management personnel and their close family members. Year end balances relating to related parties are specifically disclosed in relative notes to these financial statements. No related party transaction has been incurred during the year.

13 NUMBER OF EMPLOYEES	
Total employees as at the year end	 
Accessor annulation of desires the con-	

#### IN GENERAL

- 14.1 Figures have been rounded off to the nearest Rupees in thousands.
- 14.2 The external auditors of the Company expressed disclaimer of opinion on the financial statements for the year ended June 30, 2019, therefore, corresponding figures in these financial statements are un-oudited.

#### IS DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 27, 2020 by the Board of Directors of the Company.





2020 2039

### JOHNSON & PHILLIPS EMO PAKISTAN (PRIVATE) LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED

JUNE 30, 2020

#### INDEPENDENT AUDITOR'S REPORT

THE MEMBERS OF J & PEMO PAKISTAN (PVT.) LIMITED

#### Opinion

We have suffect the annexed financial interness of J. R P.M.D. Pakista (Pr.) Limited which comprise the statement of financial positions are at least 10 as 20, 2000, and the sinterness of position of season and comprehensive incenses, the statement of leagues in capits, the first interness of each flows for the year then ended, and notes to the financial indexenent, including a summary of egisfloar accounting policies and other of the comprehensive incenses in the comprehensive incenses of egisfloar accounting policies and other incenses of the comprehensive including and the comprehensive incenses of egisfloar accounting policies and other includes and experience of the comprehensive including and the comprehensive includin

In our opinion, and so the best of nor information and according to the explanations given to us, the statement of Emercial position, the statement of Emercial to exceed the construction of the explanation of the explanati

#### Basis for Opinion

We conducted our staff is accordance with International Standards on Auditing (EAA), on explicable in Palainon. Our responsibilities such these standards on Palainon Palainon (the responsibilities such the based of the Tamashi Standards Standards

### Emphasis of Matter

Company has prepared its financial statements on a basis other than going concern as disclosed in note no. 1.3 read with note no. 2.2 to the financial statements thereby recording assets at realizable values and liabilities at amounts payable. Our options is not medified in respect of this nature.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements and our maliture' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In correction with our astif of the financial statements, our responsibility is to coul the other information and, in doing so, consider whether the other information is naturally inconsistent with the financial statements or our knowledge elektrical in the saids or otherwise appears to be naturally reliasted. If, those of our low only we have performed, us conclude that there is a mentral misstatement of this other informa-

#### Responsibilities of Management and Board of Directors for the Financial Statements

Management is expectable for the progenition and the presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Palisians and the requirements of Companies Act, 2017/2003 of 2017 and fire such internal control on management determine is necessary to earlie the proportion of financial interacts that are first from material ministrators, whether due to fired or

In preparing the financial statements, management is responsible for assessing the Computer's ability to continue as a poing concern, disclosing, as applicable, matters related to going concern and using the going concern bears of accounting unless management either intends to liquidate the Computer of the cases operations, or thus no realized attentative but to do so.

Board of directors are responsible for oversecing the Commun's financial reporting process

#### Auditor's Responsibilities for the Audit of the Financial Statements

One objectives, and to obtain reasonable, assumence about whether the financial attenuents is a whole are free from material misstatement, whether due to financial or cream, after its own an adular's report mit madels one optionic Reasonable assumers is a high level or desiratement, whether due to financial reasonables are in the reasonable assumers in a successful or accordance with first sea approached in Faksista will always detect it material instancement for its not a guarantee that an institute or an advantage of the seasonable and the seasonable with the seasonable and the seasonable are expected to influence the seasonable desiratement decision of the sizes to be the financial instancement decision of the sizes to be the financial instancement of seasonable between the seasonable and the seasonable are advantaged to the financial instancement decision of the sizes to be the financial instancement decision of the sizes to be the financial instancement and the seasonable are always to the seasonable and the seasonable are the seasonable are the seasonable and the seasonable are the seasonable

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Mentify and assess the risks of material misonatement of the financial statements, whether due to finant or error, design and perform madil procedures reportable to their risks, and obtain and or obtained that sufficient and appropriate to provide a basis from or quision. The risk of risk distorting a resolvent misonatement mostling from fraud is higher than for one resulting from error, as fraud may involve collastics, freely, intertional emotionse, misrepresentations, or the overeign of internal correct.
- Obtain an understanding of internal control relevant to the audit in coder to design audit procedures that are appropriate in the
  circumstances, but not for the purpose of expressing an originat on the effectiveness of the Contrant's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by represented.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the and/or vidence obtained, whether a material suscensity exists related to events or conditions that may care significant sharl on the Corpurps's ability to correct more approacement. Two considers that material mentatury exists, we empreyed to does not strong in our analysis of concern the consocials that a material mentatury exists, we empreyed to does not material in our analysis of the control to the related disclosures in the fluxescal statements or if such disclosures are indepente, to modify our opinion. Our conclusion are about more analysis of videocontrol and to the darks of our analysis of report of process of the control of the c
- Psalane the overall presentation, structure and content of the francial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the bound of directors regarding, among other matters, the planned scope and tinning of the saidt and significant saidt findings, including any significant deficiencies in internal control that we identify during our saidt.

#### Report on Other Legal and Regulatore Requirements

Based on our stalit, we further report that in our opinion:

- proper books of account have been kept by the Company as regarded by the Companies Act, 2017 (XIX of 2017).
- b) the statement of financial position, the statement of profit or loss and other componentive income, the statement of charges in equity and the statement of each flows tagether with the notes thereon have been drawn up in confirmity with the Comparises Act, 2017 (XIX of 2017) and are in agreement with the books of account and natures;
- () () investments made, expenditure incurred and guarantees extended during the year wore for the purpose of the Company's business
- An no railer was deductible at source under the Zailer and Unite Ordinance. 1980 (XVIII of 1980).

#### Other Metter

- Financial statements for the year craded June 30, 2019 were andited by another from of Chartered Accountants, who through their report dated September 30, 2019 expressed disclaimer of opinion on those financial statements due to following reasons:
- scope limitation due to lack of proper accounting records of current and previous assets and liabilities of the Company in accordance with the requirements of the Act;
- existence, occurrence, accuracy, and completeness of different assets written off and liabilities written back could not be substantiated;
   insurrenceristances of ocine concern assumption used by the management for the premaration of those financial statements; and
- tax contingencies could not be ascertained due to the absence of related information and accordingly, the effects of deferred taxation could not be ascertained.

The engagement partner on the audit resulting in this independent auditor's report is

### Mr. Mohammad Iqbal.

Reanda Haroon Zakaria & Company Chartered Accounterts Place: Karachi Dated: October 27, 2020

#### J&P EMO PAKISTAN (PRIVATE) LIMITED STATEMENT OF FINANCIAL POSITION AS AT JUNE 26, 2420

	Note -	2020 (Rapecs in	2019
ASSEIS			
Current Assets			
Advance income tax			58
Total Assets	_		58
EQUITY AND LIABILITIES			
Share Capital And Reserves			
Authorized capital			
1,000,000 Ordinary shares of Rs. 10 each	_	10,010	10,000
Issued, subscribed and paid-up capital	4	1,010	1.000
Accumulated lesses		(4,062)	(4,016)
Total shareholders' equity		(3,062)	(3,016)
Current Liabilities			
Accrued liabilities		50	48
Short term berrowing	5	3,012	3,012
Provision for taxation			14
	_	3,062	3,074
Contingencies and commitments	6	-	
Total Equity and Liabilities			58

. 0

The amexed notes from 1 to 14 form an integral part of these financial statements.

Director

Chief Executive

134 Johnson & Phillips EMO Pakistan (Private) Limited

#### J&P EMO PAKISTAN (PRIVATE) LIMITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME INCOME THE TRANSPORT PAR 1000

		2020	2019
	Note	(Rupees in	3000)
Administrative and operating expenses	7	(108)	(16)
Operating loss		(108)	(16)
Other income - habilities written off		62	
Loss before taxation		(46)	(16)
Taxation			~
Loss after taxation		(46)	(16)
Other comprehensive income for the year			
Total comprehensive loss for the year		(46)	(16)
Loss per share - Rupees	8	(0.46)	(0.16)
The annexed notes from 1 to 14 form an integral part of these financial s	tatements.		

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Chief Executive



### J&P EMO PAKISTAN (PRIVATE) LIMITED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR INDEED RINE 30, 2020

	Issued, subscribed and paid-up capital	Accumulated losses	Total shareholders' equity
Balance as at June 30, 2018	1,000	(4,000)	(3,000)
Total comprehensive loss for the year		(16)	(16)
Balance as at June 30, 2019	1,000	(4,016)	(3,016)
Total comprehensive loss for the year		(46)	(46)
Balance as at June 30, 2020	1,000	(4,962)	(3,962)

The annexed notes from 1 to 14 form an integral part of these financial statements.





#### J&P EMO PAKISTAN (PRIVATE) LIMITED STATEMENT OF CASH FLOWS FOR THE YEAR INSED RING 26, 2623

			2828	2019
A	CASH FLOWS FROM CEASED ACTIVITIES	Note	(Rapees in V	90)
	Loss before taxation		(46)	(16)
	Adjustment for:			
	Assets written off	7	58	
	Liabilities written off		(62)	
	Cash outflows before working capital changes		(50)	(16)
	Increase in current liabilities			
	Accrued liabilities		50	16
	Net generated from ceased activities	A.		
B.	CASH FLOWS FROM INVESTING ACTIVITIES	(F)	-	
c.	CASH FLOWS FROM FINANCING ACTIVITIES	c		
	Net increase in cash and cash equivalents (A+B+C)			*
	Cash and cash equivalents at the beginning of the year			9.0
	Cash and cash equivalents at the end of the year			-

The armoved notes from 1 to 14 form an integral part of these financial statements.

Chief Executive



#### J&P EMO PAKISTAN (PRIVATE) LIMITED NOTES TO THE FINANCIAL STATEMENTS

#### 1 STATUS AND NATURE OF BUSINESS

J.J. Johnson and Phillips EMD Pakistan (Private) Limited (the Computer) was incorporated on Morel 22, 1999 in Pakistan under the Computers (ALI) Plan a public intented congrue; in Configure 1984 (speech sound substitute) of Debuson & Hellips (Pakistan) Limited. The principal activity of Euroscopius 2014 (pages 1984) in particular contents of the Computer in State (Pakistan) Limited. The principal activity of the computer is to perfect picture in trackey expinently industries resistent. An oresect, the constructs is domain. The registered office of the computers is studied at C-10 State. Recogn. STE. Kareful.

#### 1.2 Impact of COVID-19 on the financial statements

Management has thoroughly evaluated the effects of COVID-19 on the operations of the Company and concluded that there are no material implications of COVID-19 that could have required any disclosure in those financial statements.

#### 1.3 Going concern

Management intends to winskap the affairs of the Company for which the process has been initiated subsequent to year end. Therefore, management believes that the Company is not a going concern and may not be able to make it is mostly or discharge in its labilities in the normal cornect Obstations and hence, the sumagement has proposed finess of manifester for an loady concern the normal cornect of business and where the financial concern and management of the proposed for the proposed for the proposed for the normal content of the proposed for the proposed for the normal content of the proposed for the proposed

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

These financial statements have been progned in accordance with the accounting and reporting standards as applicable in Policius for financial supering. The accounting and propring assumed in any publisher. In Indiana comprise of international Financial Reporting Standards (ISSR) is notified in the Conference of the Accounting Standards (ISSR) is notified used the Correspondent (ISSR) is notified used to the Correspondent (ISSR) is notified to the Correspondent (ISSR) is notified to the Correspondent (ISSR) is notified to the Correspondent (ISSR) is not the Correspondent

#### 2.2 Basis of measurement

As disclosed in note no. 1.3 to the financial statements, the Company is not considered a poing concern, therefore, these financial statements have been prepared on a basis other than going concern, according to which:

## All assets (if any) are stated at their realizable values; and All liabilities are stated at amounts payable based on best estimate.

While preparing the fluencied statements on aforementioned basis, management has applied the accounting and reporting standards as applicable in Pakistan, as disclosed in note 2.1.

Consequently, all neer-current assets and non-current liabilities are reclassified in current assets / habilities.

#### 2.3 Functional and presentation currency

These financial statements are presented in Pak Rupress, which is also the Company's functional currency.

#### 2.4 Use of estimates and independs

The preparation of frameial statements in conformity with approved accounting standards, as applicable in Pakistan, requires namegeners to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of asset liabilities issues and consent.

his highest to wrote year experience.

His distributes not a secretary and assumptions are based on historical experience and various other factors that are believed to be reasonable to the reasonable makes the circumstance. The entitle of which from the basis of making the indements about the curvine values of seeds and libritists.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods

### 2.5 New standards, amendments to standards and IFRS interpretations that are effective for the Jane ended June 30, 2020

The following amendments to accounting standards are effective for the year ended June 30, 2020. Except as explained otherwise, these standards and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements whether note that disclosures:

#### Effective for period herinaing on or offer

with negative compensation and modifications of financial liabilities	
IFRS 14 'Regulatory Deferral Accounts'	July 1, 2019
Amendments to IAS 19 Employee Benefits': Plan amendments, curtailments or settlements	January 1, 2019

Amendments to IAS 28 'Investments in Associates and Joint Ventures': Long-term interests in associates and joint ventures IFRIC 23 'Uncertainty over Income Tax Treatments': Clarifies the accounting treatment in credity and tax rates, when there is uncertainty over income tax treatments under IAS 12

Certain arread irrenovements have also been made to a number of standards, which have not been commercial here for brevity.

#### 2.5.1 First time adoption of new Standards IFRS 14 'Regulatory Deferral Accounts'

This standard was notified by the Securities and Exchange Commission of Pakistan ("SECP"), vide S.R.O. 1480 (I) 2019 dated November 27, 2019, to be effective for annual periods beginning on or after July 1, 2019. The objective of this standard is to specify to customers at a price or rate that is subject to rate regulation.

IFRS 14 is not applicable on these financial statements of the Company as the Company does not deal in any goods or services

This standard was notified by the Securities and Exchange Commission of Poliston CSECP's vide S.R.O. 434 (D/2018 dated April accounting for leaves, including IAS 17 Leaves. IFRIC 4 Determining whether an arrangement contains a Leave. SIC-17

IFRS 16 primarily affects the accounting by lessons and will result in the recognition of almost all lessos on the statement of financial (the right to use the leased item) and a fleancial liability to pury rentals for virtually all lease contracts. An exemption exists for

The statement of profit or loss will also be affected because the total exposus in traically higher in the earlier years of a losse and

### The accounting for lessors will not significantly change.

Changes in accounting policy resulting from the adoption of IFRS 16 will be applied retraspectively in accordance with the recomments of IAS 8 - Accounting Pulicies, Changes in Accounting Estimates and Errors, Honoror, IPRS 16 is not predicable

2.6 Amendments to standards and IFRS interpretations that are not not effective The following amendments to accounting standards and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, intermediations and amendments are either not refevent to the

### Effective from period

Amendments to IFRS 3 Business Combinations': Amendments to clarify the definition of a business	January 1, 2020
Amendments to IFRS 4 Insurance Contracts': Amendments regarding the expiry date of the	January 1, 2023



Amendments to IFRS 7 'Financial Instruments - Disclosures', IFRS 9 'Financial Instruments'

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in

a date to be determined. June 1, 2020 January 1, 2000

January 1, 2022

Jamery 1, 2022

January 1, 2022

January 1, 2020

Amendments to IFRS 16 'Leases': Amendment to provide lessees with an exemption from

Amendments to IAS 1 Presentation of Financial Statements' and IAS 8 'Accounting Policies.

Amendments to IAS 1 'Presentation of Financial Statements': Amendments regarding the Amendments to IAS 16 Property, Plant and Equipment': Amendments prohibiting a company

Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets': Amendments

Amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, LAS 1, LAS 8, LAS 34, LAS 37, LAS 38, Amendments to IFRO 2, IFRO 3, IFRO 0, IFRO 0, IFRO 1, IFRO 1, IFRO 1, IFRO 1, IFRO 1, IFRO 20, IFRO 20, IFRO 22, IFRO 22, IFRO 23, IFRO 23 different version of the Conceptual Framework.

Certain annual improvements have also been made to a number of standards, which have not been engineered here for brevity, Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also

IFRS 1 - First Time Adoption of International Financial Reporting Standards IFRS 17 - Insurance Contracts

#### 3 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below

#### 3.1 Financial assets and liabilities 2.1.1 Initial Recognition

All featurial poorts and liabilities are initially measured at cost which is the fair value of the consideration gives or received also enforcemently recovered at this value or amortisted cost on the case may be

#### 3.1.2 Classification of financial assets

- The Company classifies its financial instruments in the following enterprises:
- at the value through other comprehensive income ("TVIOCI"), or - at foir value through profit or less C'EVIPL').
- The Company determines the classification of featural assets at initial recognition. The classification of instruments (other than

### Financial assets at amortized cars

Figureial assets that most the following conditions are subsequently measured at amortized cost: the francial asset is held within a business model whose objective is to hold francial assets in order to collect contractual cash

- At the contractual terms of the financial asset give rise on specified dates to cash flows that are solely revenents of principal and interest
  - Financial exsets at feir value through OCI Financial assets that meet the following conditions are subsequently measured at EVTOCI:
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest. Bowever, Company may make an irrevocable election at initial recognition for particular investments in equity instruments that would
  - Figuretal assets at thir value through profit or loss A financial asset is measured at fair value through profit or loss unless it is measured at emortized or at fair value through OCI.

### 3.1.3 Financial fiabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVTPL"), or

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure flora at FVTPL

### Subsequent measurement

These are measured at fair value, with gains or losses arising from changes in fair value recognized in OCL

Financial exerts and Babilities of amortized cost Finencial assets and liabilities at amortized cost are subsequently carried at amortized cost, and in the case of finencial assets, less any

#### Financial exsets and Sobilities of FVTPS

Restized and unrealized gains and losses orising from changes in the fair value of the francial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise. Where transportent has epited to recognize a francial labelity at EVTPL, any changes associated with the Compute's own credit risk will be recognized in other

### 3.1.5 Impairment of financial exsets at emerical case

The Company recognizes a loss allowance for expected credit losses (ECLs) on financial mosts that are monored at amortized cost

Lifetime ECL is only recognized if the credit risk at the reporting date has increased significantly relative to the credit risk at initial

Prevision against financial assets measured at americal cost are deducted from the gross carrying arrespt of the assets.

### 3.1.6 Derecognition

#### Financial exrets

The Communic demonstrates financial assets only when the contractual rights to each flows from the financial assets origin or when it transfers the feuricial assets and substantially all the associated risks and rewards of ownership to another entity. On developition of a financial sourt measured at amortized cost, the difference between the asset's carrying value and the carry of the consideration received and receivable is recognized in grafit or loss.

In addition, on demonstration of an investment in a debt instrument classified as at FVTOCI, the carrelative cain or less proviously

s contrast, on derecognition of an involument in equity instrument which the Company has elected on initial recognition to measure at

#### Financial Babilities

The Company developatives financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the currying amount of the financial liability descongained and the consideration paid and payable, including any non-curls such transferred or highlities assumed, in execuption the estatement of profits or loss and other comprehensive increme.

#### 3.1.7 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the not amount is reported in the financial statements only when there is a legally enforceable right to set of the recognized amount and the Compuny inands either to settle on a net basis or to realize the assets and as settle due to the financial records.

#### 3.2 Accreal Bakilliles

Liabilities for accused and other psyables are stated at their assuinal sulnes which is the fair value of the consideration required to settle for related obligations whether or not billed to the Company. Liabilities are written back and recognized as other income when these are

#### 3.3 Previous

Provisions are recognized when the Company has a legal or constructive obligation as a result of a past overs, and it is probable that outliers of reserves embedying occurrence benefits will be required to settle the obligation and a reliable entireste can be made of the

## 3.4 Tecation

Current

Provision for current treation is connected in accordance with the manister of the become Tox Onlineare 2001.

The charge for current totation is based on tatable income at the current rate of taxation after taking into account applicable tax credits, rebutes and exceptions available, if any, or minimum tax on turnover or Alternate Cooperate Tax (ACT), whichever is higher.

Defined us in scenarial for using the balance does liability another and transport difference using hybraca their labour of new and healthings and fore recognition extenses. Defined in tabilities any protein prompties for all trades an including an intervation in an excention and defined the amount are exequed in the creat that is a probled that before the contraction of the contraction of

#### 1.1 Ecraino per share

The Company presents have and distral coming per share (EFS) that for its reliancy shares. Basic LFS is calculated by dividing the prefix is has attributable to refraincy absorbables in the Company by the weighted convenient or of unlarge absorbable contrading during the year. Distral EFS is determined by affairing the prefix or has attributable to entirely shareholders and the weighted aroung number of ordinary absorbables on which the contrading during the prefix or attributable to entirely shareholders and the weighted aroung number of ordinary absorbables on existant for the ordinary distral contrading absorbable contrading during shareholders and the weighted aroung number of ordinary absorbable contrading the prefix of the distral contrading absorbable contrading the contrading at the co

#### 2.6 Dividend and appropriation of reserves

Dividend distribution to the shareholders and appropriation to / from reserves is recognized in the period in which these are approved.

#### k. ? Continuent Linkshifers

Contingent liability is disclosed when

- there is a possible obligation that orises from good events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain fature events not wholly within the control of the Company, or
  - there is present obligation that arises from put events but it IS not probable that an outliere of resources embodying occurred benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

#### 3.8 Contingent Assets

Certifigent assets are disclosed when there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or asses-corrence of one or tener uncertain future events not whelly within the certical of the Company, Certifiquest assets are not recognized until their realization becomes virtually events.

#### A SPECIED PROPERTY AND BASE CREEK

2920 2019		2020	2019
Number of Shures		Rapces in	'698
Ordinary shares of Rs. 10 each			
100,000 fally paid in cash		1,000	1,000
4.1 The Company has one class of ordinary shares which carries no rigin receive dividends and other entitlements in the form of borns and the Each member is entitled to one vote per share at the general meetin.	right shares, a	s and when declar	
		2020	2019
	Note	Rapres in	505
SHORT TERM BORROWING			
From holding company - related purty			
Johnson and Phillips (Pakistan) Limited	5.1	3,012	3,012
of the Company.  CONTINGENCIES AND COMMITMENTS			
6.1 Contingencies			
6.1 Contingencies  There are no contingencies and commitments binding on the Compar	ny as on the re	porting date.	
-	ny as on the re	porting date.	2019
-	ny as on the re		
There are no contingencies and commitments binding on the Compar	ny as on the re	2020	
There are no corningoncies and commitments binding on the Comput  ADMINISTRATIVE AND OPERATING EXPENSES	ny as on the re	2026 Ropers In 50 58	16
There are no contingencies and commitments binding on the Compar- ADMINISTRATIVE AND OPERATING EXPENSES  Andless retinentials	my as on the re	2020 Ropers in 50	WW
There are no contingencies and commitments binding on the Compar- ADMINISTRATIVE AND OPERATING EXPENSES  Andless retinentials	ny as on the re	2026 Ropers In 50 58	16
There are a confingencies and commitments buding on the Comparative Comparativ	ny as on the re	2020 Rapecs In 50 58 108	16 - 16
There are a confingencies and commitments briding on the Compact ADMINISTRATIVE AND OPERATING EXPENSES Additives recommending Additives to revisition of LIGIS TREMINER - ASSIC AND BILETED There is no fillative right on the back comming per show of	ny as on the re	2020 Rapecs In 50 58 108	16 - 16
There are no contingencies and consummants building on the Compact ABMINISTRATIVE AND OPERATING EXPENSES Adultion retirementale Advances to written and LOSS PER MEMER - ASSIC AND DELETED There is no distinct effects and to have cominge per show of the compact, which is those on.	ny as on the re	2020 	16 16 2019

#### 9 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES.



3.012

### 9.1 Financial Instruments Be Catenors

Financial Liabilities - At amortized cost Accraed liabilities

50 Short term borrowing 3,012 3.062

### 9.2 Financial risk management

The Contentry's activities expose it to a variety of figureial risks credit risk. liquidity risk and market risk futerest / mark-up rate risk and price risk). The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks liabilities are limited. The Company consistently manages its exposure to financial risk without any material charge from previous

- ~ Credit risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The

### 9.3.1 Condi Risk

Credit risk is the risk that one meets to a financial instrument will fail to discharge an obligation and cause the other party to incire a financial low, without taking into account the fair value of any collateral. Concentration of credit risk arises when a member of country obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Conspany's performance to developments affecting a particular industry.

Company is not exposed to any credit risk as on the reporting date.

#### 9.2.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Compuny could be required to pay its liabilities earlier than expected or difficults in raising fands to most commitments insociated with francial Eabilities liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring tracceptable losses or risking damage to the Company's regulation. The Company counts that it has sufficient each on demand to meet expected working earlist

#### Following are the contractual maturities of the financial liabilities:

	Carrying	Contractual cash flows	Upto six	Upto one year
		· · · · · · (Rupers i	in 1690y	
Financial Babilities				
Accrued liabilities	50	50	50	
Short term borrowing	3,012	3,012	8	3,012
Jane 39, 2029	3,862	3,062	50	3,012
Financial Babilities				
Acerned Enhilities	48	48	48	
Short term beerowing	3,012	3,012		3,012
Ame 30, 2019	3,060	3,060	48	3,012

#### 9.2.3 Market risk

Market risk is the risk that changes in market prices, such as interest rates, force rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objectives of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company is not exposed to any market risk Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an

### 9.3 Fair value of financial assets and liabilities

orm's length transaction.

The carrying values of all the financial liabilities reported in the financial statements approximate their fair values.

### 9.4 Capital risk management

The Company's objective when managing capital is to sufferment's ability to continue as a point concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders. issue new shares and take other measures commensuration to the corcumstances. The Computer finances its extransions projects through equity, begrowings and management of its working capital with a view to maintain an appropriate mix between various

The Company resulters cavital using a genering ratio, which is not dath divided by total shareholders county who not dath. Not dath is colculated as total loans and bornessings from busings overgonies including any finance cost thorses, less each and bank belances The Company's strategy is to maintain leveraged gearing. Since the Company has not taken any loan or horrowings from financial institutions as on the recenting date, hence its gearing ratio is nil as on the reporting date.

#### IN REMUNERATION OF CHIEF EXECUTIVE AND DIRECTORS

None of the Directors, Chief Executives are paid remaneration and any other allowances due to the inoperative status of the Correctors

#### II TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated compenies including subsidiaries, directors of the company, key management personnel and their close family members. Year and balances relating to related parties are specifically disclosed in relative notes to those

12	NUMBER OF EMPLOYEES	2020	2019
	Total employees as at the year end		
	Average employees during the year		

#### // GENERAL

LET Figures have been rounded off to the neurost Ruper

LL2 The external maliture of the Compens expressed disclaimer of epinion on the financial statements for the year ended June 30, 2019. therefore, corresponding figures in these financial statements are un-audited.

#### LL DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 27, 2000 by the Board of Directors of the Company

FORM OF PROXY

The Company Searchay,
JOHNSON & PHILLIPS (PAKISTAN) LIMITED
59<sup>th</sup> ANNUAL GENERAL MEETING
Karadii

Resident of	hing
member of XGNSON & PHILLIPS (PAKISTAN) (DAITED, Seiding	entituary shares as per Registered Felia / CDS Account
No leady applier resi	kor of
	or failing him/her Mr. Ms. of (fail
address) who inless also member(s) of the Company, as my / our proxy of the Company in he held on Tousday, November 27, 2020 at 11.65 un. helpswein ent thereof.	to attend, act and vote for mal or and on my our balad? a Assual General Montag (AGM at the Registered Office of the company at C-10, South Assunce S.I.U.E., Kanashi and for any
As witness my / our hand / seal this day of	. 5039
Segred by	in the presence of,
Witness	
f. Nane Signature	1 New Squarer
Albert	- Albert
CNPC or Prospert No.	CMC in Proper Sic

#### Nate

- The presty form, didy correlated and signad, must be received to the Registared Office of the Company.
- ) or built and and and another and an an
- All monthers are entitled to amend and war at the specific
- 3 A member eligible to attend and vesc at the Meeting may oppoint another member in his ber proxy to aroust, and vete instead of historie.
- 4. An instrument of purely applicable for the meeting is being provided with the nation sort to members. Further copies of the instrument of purely may be obtained from the registered office of the Company sharing normal office hours.
- An instance of proxy and the power of sizency or other authority (if any), under which it is signed on a relative contribut copy of such power or authority
  is any the which the deposits of the registered either and is on the other the time of the secting.
   If a section popular same than company and must find an anc instruments of proxy and equivalely to a method with the company, all each instruments of proxy
- Members are reposted to notify any changes in their addresses immediately.
- 8 CDC secons holders will fasher base to follow the under mentioned guidelines as taid-down in circular 1, dated humany 26, 2000 instead by the Securities & Duchage Contribution of Palistan.
- For CBC Account Holders/Curporate Entities:
- In addition to above, the following requirements have to be me:

  i) The proxy form shall be witnessed by non-(2) genous whose names, addresses and CNIC numbers shall be mentioned on the form.
- Allested copies of CNX; or gamper of the beneficial owners and the prany shall be farmished with the prany form.
   The pracy shall produce his original CNX; or original passwort at the time of meeting.
- (ii) The precy shall produce his original CNIC or original purport at the time of meeting.
   (iv) In case of corporare states, the Board of Director's conductor / power of attentiony with spectrum signature shall be submitted (naless it has been provided earlier).

کعیدی سیکریٹری، جانسن اور قیسر(پاکستان) لعیدڈ 59th سالانہ جنرل میشگ کراچی می

	قومی تناخلی کار آ		ر فكالم	
				ریانٹی کے دابل
ر کے طابق معص	یادلیک فرای (سی ڈی این)کارنٹ نمر کے مطابق حصص		لاركن	مِنْسَنَ اور فِلْمِيسَ إِنْكُمْتَانَ) ثَمِلاً
		رباش کے مال		ن کے ساتھا
ش پتہ) جو / شرکت کے رکن ہیں، میرے / ہم اور میر یجے منطق پر نے کے آنے سی -10، جنوبی ایرنیو	لبېنى كا سازانه ركان (م.) بىر 2020 كو  11:45	نے ہیں۔ تاریخ 27 نوم	بالانه جار ل اجلاس من كام كل	ا مسٹر / معترموں کو ننگام کرنے ریداری جانب سے کمپنی کے کل، بانٹ اگر اچی اور / یا اس کے کس
2	020	28		10 \$ 44 - 141 - 14
4	کی دو دو نگی در			لى طرف سے تعلقط
				24
	2-2			ڙ, ناني دستنمط
	U.S.			۵,سره
ۋىياپلىور ئائىس.	قومو شائش کار			ومي تنتختي كار لأيا ياسپورٽ تعير

ير اكسى قار م

ونٹ: 3. پر تامی فقر یہ مامل طور پر مامل اور دستنط کیلی کے رجنٹرڈ نظر میں موسول پرنا اگر می ہے۔ 2. تمام ارتابی میں شرکت اور ووٹ بیلے کا حادث ہیں۔

گ کس رکن میں شرکت کر نے اور ووٹ طبے کے قال ہونے کے قال ہو سکتا ہے کسے دوسرے رکن کی جانب سے اس کے پر فاس کے طور پر شرکت کی مقیء اور اس کے بھے ووٹ آٹر ساکی

ہ ہوں موجے ہیں گان فائل کا یک اور وائل کو بعد یا گانول کے سام اور ای داریں ہے واقعی اور فرزاہ کاپیل سامائر کے گھاں کے وال کاپیل کے دھارا افراعے مصادر کو مانکیں اور ان کاپیل کی افراد کی انسان کی افراد کی اس کے دیکر کے شاہد کا انسان کی اور ان انواز کر فرد فرو پر اسمائل اند کاپیل اور موار پر درسان انشور روزی در مطرا انسان بین جانے ہیں کا 40 سے اور افزان کے واضعے کیا آئی

کے کو باور اور ان اس معامر وروان کے ان اس کے بعد ان کی بات ہے کہ اس کے اس کے بیان کے ان اس کے ان اس کے اس کے ا رکانے کی بار کی کی اور ان کی اس کے اس کی بات کی بیان کے ان اس کی بیان کی بیان کی بیان کی بار دستے میچ کرای مان رکانے کی بار کی کی اور کی بیان کی بیان کی بیان کے بیان کی بیان کے اس کی بیان کے بیان کی بی

> س آی سی الاونٹ ہوائرز / کارپوریٹ اداروں کے لئے: ایس کے خات مدد مدد مدائلہ شدہ دیات کا بدرا کا نابدگا:

Bull Siles waller to

) پر انصی فار داو دو (2) او ادکی طرف سے مثابہ کیا جائے گا دن گے نانہ پئے اور انوس شنائش کارلگے نمور درج کریں گے 1) فائد مند ماکان کی فرس شنائش کرانا پاپشورٹ کی شامل کرد مکھان اور پر نائس کور داکس فارد کے ساتھ پائی کیا دائے 2) پر انصی ماکان کے وقت پنے اصل فوس شناطر کارانیا اسٹریشیورٹ توار کرے گ

ہا گاروریٹ لارے کی صورت جی تعلق کے منتشکے ساتھ الزنے ورڈ کے قِمسنے / فاتار جج کردیتے جانی گے اجب تک یہ پہلے ہی فراہ نہیں کا گیا ہے! رکس کیٹر کر شکل دی



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