

CORDOBA LOGISTICS & VENTURES LIMITED

Condensed Interim Financial Statements

For the period ended
December 31, 2021



Parker Russell-A. J. S.
CHARTERED ACCOUNTANTS

Company Information

Board of Directors:

Independent Director/Chairman	: Mr. Zeshan Afzal	
Independent Directors	: Mr. Muneer Kamal : Ms. Maleeha Humayun Bangash	
Executive Director/CEO	: Mr. Misbah Khalil Khan	
Non- Executive Directors	: Mr. Sohail Ilahi : Mr. Raza Elahi : Ms. Anum Raza	
Nominee Director (NIT)	: Ms. Ambereen Israr	
Company Secretary	: Mr. Syed Ali Jawwad Jafri	
Chief Financial Officer	: Mr. Wajahat Hussain	
Auditors	: Parker Russell-A.J.S. Chartered Accountants	
Audit Committee	: Ms. Maleeha Humayun Bangash : Mr. Sohail Ilahi : Mr. Raza Elahi	Chairperson Member Member
HR & Remuneration Committee	: Mr. Zeshan Afzal : Mr. Sohail Ilahi : Ms. Anum Raza	Chairman Member Member
Bankers	: Meezan Bank Ltd. : Dubai Islamic Bank	
Registered Office	: Office No. 420, 4 th Floor, Eden Towers, Main Boulevard, Gulberg III, Lahore. Phone: 042-35790290-2 Email: info@cordobalv.com	
Shares Registrar	: Hameed Majeed Associates (Pvt.) Ltd. H.MHouse 7-Bank Square, Lahore. Tel: 37235081-82 Fax: 37358817	

DIRECTORS' REPORT

The Directors of your company are pleased to present before you the condensed interim financial information of the company for the half year ended December 31, 2021. During the period, the company incurred loss of Rs. 1.638 million against loss of Rs. 6.582 million in the corresponding period.

However, during the quarter ended December 31, 2021, the company earned profit of Rs. 0.446 million against loss of Rs. 3.564 million in the corresponding period.

During the period, the sponsors further injected Rs. 93.54 million for the working capital requirements and operations of the company in addition to Rs 25.00 million already been injected in FY 2020-21.

During the period, the company has started to earn its revenue under its new line of business by providing logistics related services.

Furthermore, the Board has also approved the initiation of the process/negotiations for procurement of buses and to negotiate terms & conditions with transporter(s)/company(s) for rental of these buses along with arrangements of requisite funds in line with the terms & conditions approved by the board through, but not limited to, sponsor loan, lease finance facility via bank(s)/financial institution(s) etc. for procurement of these buses.

The company has undertaken further following commercial activities during the period through investments in:

- Finox (Pvt.) Ltd. amounting to Rs. 31.35 million by purchasing of its 32.5% equity/ordinary shares.
- Children Clothing Retail (Pvt.) Ltd. amounting to Rs. 65.00 million by purchasing of its 50.0002% equity/ordinary shares. After attaining above shareholding and completion of requisite formalities, M/s. Children Clothing Retail Private Limited will become a subsidiary of the Company.

The Board of Directors in their meeting on 30th December 2021 has approved an Investment of PKR 0.70 million for the purchase of 100% shareholding comprising 6,000 ordinary shares of INF19 Ventures (Pvt.) Ltd. a company incorporated with the objective of conducting IT based business and have not yet started operations. On acquisition, this will be a wholly owned subsidiary of the Company.

The efforts of the Government of Pakistan to tackle the COVID-19 pandemic, is commendable. But despite all the efforts, the uncertainty faced by the economy and various industries/businesses shall be a prevalent factor which could be a hindrance for businesses to expand or achieve their forecasted revenues, profitability for the next few years. The company's management remains abreast with all the latest developments and shall continue to make decisions for the benefit of the company and its shareholders.

The management appreciates the continued/devoted commitment, dedication and hard work shown by the employees of the company.

For and on behalf of the Board

Lahore:
March 01, 2022

Misbah Khalil Khan
Chief Executive

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBES OF CORDOBA LOGISTICS & VENTURES LIMITED

Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Cordoba Logistics & Ventures Limited** (the Company) as at December 31, 2021 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statement for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

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

Conclusion

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

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Other Matter

- a) The condensed interim financial statements of the Company for the six-months ended December 31, 2020 and the annual financial statements of the Company for the year ended June 30, 2021 were reviewed and audited by another firm of Chartered Accountants who vide their reports dated February 23, 2021 and July 8, 2021 expressed an unmodified conclusion and unmodified opinion thereon respectively.
- b) The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarter ended December 31, 2021 have not been reviewed and we do not express a conclusion on them.

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Shabbir Kasbati.

Parker Russell AJS

(Chartered Accountants)

Date: 01 March 2022

Karachi.

UDIN : RR202110192b0GtLEU48

CORDOBA LOGISTICS & VENTURES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
Note	(-----Rupees in '000'-----)	
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipments	4 158	-
Investments	5 109,861	13,515
Long term deposits and deferred cost	38	38
	110,057	13,553
CURRENT ASSETS		
Trade debts	198	-
Trade deposits and short term prepayments	410	-
Tax refunds due from government	16,501	16,866
Cash and bank balances	7,505	11,542
	24,614	28,408
TOTAL ASSETS	134,671	41,961
SHAREHOLDERS EQUITY AND LIABILITIES		
Authorised share capital		
22,500,000 ordinary shares of Rs. 10/- each	225,000	225,000
Issued, subscribed and paid up capital		
Issued, subscribed and paid up capital	221,052	221,052
Accumulated loss	(208,997)	(207,359)
	12,055	13,693
Sponsor's loan	6 118,540	-
	130,595	13,693
NON CURRENT LIABILITIES		
Sponsor's loan	-	25,000
CURRENT LIABILITIES		
Trade and other payables	7 4,076	3,268
Contingencies and commitments	8	
TOTAL EQUITY AND LIABILITIES	134,671	41,961

The annexed notes from 1 to 14 form an integral part of these financial statements.



Chief Executive Officer

Chief Financial Officer

Director

CORDOBA LOGISTICS & VENTURES LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Note	Half year ended		Quarter ended	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
-----Rupees in '000'-----					
Revenue	9	3,000	-	2,500	-
Direct cost		(800)	-	(800)	-
Gross profit		2,200	-	1,700	-
Administrative expenses		(3,953)	(6,580)	(1,308)	(3,562)
		(1,753)	(6,580)	392	(3,562)
Other income		115	-	54	-
Finance cost		-	(1)	-	(1)
Net profit / (loss) before taxation		(1,638)	(6,581)	445	(3,564)
Taxation	10	-	-	-	-
Net profit / (loss) after taxation		(1,638)	(6,581)	445	(3,564)
Other comprehensive income		-	-	-	-
Total comprehensive income / (loss)		(1,638)	(6,581)	445	(3,564)
----- (Rupees) -----					
Earning / (loss) per share		(0.07)	(0.30)	0.02	(0.16)

The annexed notes from 1 to 14 form an integral part of these financial statements.



Chief Executive Officer

Chief Financial Officer

Director

CORDOBA LOGISTICS & VENTURES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Issued subscribed and paid-up capital	Accumulated loss	Sponsor's loan	Total
-----Rupees in '000'-----				
Balance as at June 30, 2020 - (Audited)	221,052	(201,869)		19,183
Net loss for the period	-	(5,490)	-	(5,490)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	(5,490)	-	(5,490)
Balance as at June 30, 2021 - (Audited)	221,052	(207,359)	-	13,693
Net loss for the period	-	(1,638)	-	(1,638)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	(1,638)	-	(1,638)
Classification of long term loan to equity	-	-	118,540	118,540
Balance as at Dec 31, 2021 - (Unaudited)	221,052	(208,997)	118,540	130,595

The annexed notes from 1 to 14 form an integral part of these financial statements.

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Chief Executive Officer

Chief Financial Officer

Director

CORDOBA LOGISTICS & VENTURES LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	December 31, 2021 (Unaudited)	December 31, 2020 (Unaudited)
	(-----Rupees in '000'-----)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(1,638)	(6,581)
Adjustments for non cash charges and other items		
Depreciation	6	255
Gratuity	-	214
	<u>6</u>	<u>469</u>
Operating loss before working capital changes	(1,632)	(6,112)
(Increase) / decrease in current assets		
Trade debts	(198)	-
Trade deposits, prepayments and other receivables	(411)	32
Tax refunds due from government	369	(64)
	<u>(240)</u>	<u>(32)</u>
Increase / (decrease) in current liabilities		
Trade and other payables	808	(17)
	<u>568</u>	<u>(49)</u>
Cash generated from operations	(1,063)	(6,161)
Gratuity paid	-	(7)
Income tax paid	(4)	(11)
	<u>(4)</u>	<u>(18)</u>
Net Cash from / (used in) operating activities	(1,067)	(6,179)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(164)	(1)
Investments	(96,346)	-
	<u>(96,510)</u>	<u>(1)</u>
Net cash used in investing activities	(96,510)	(1)
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings	-	(508)
Sponsor's loan	93,540	-
	<u>93,540</u>	<u>(508)</u>
Net cash generated from / (used in) financing activities	93,540	(508)
Net decrease in cash and cash equivalents	(4,036)	(6,688)
Cash and cash equivalents at the beginning of the period	11,542	7,953
Cash and cash equivalents at the end of the period	<u>7,505</u>	<u>1,265</u>

The annexed notes from 1 to 14 form an integral part of these financial statements.

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Chief Executive Officer

Chief Financial Officer

Director

CORDOBA LOGISTICS & VENTURES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

Cordoba Logistics & Ventures Limited "the Company", was incorporated in Pakistan on December 01, 1986 as a Public Limited Company under the Companies Ordinance, 1984. Its shares are quoted on Pakistan Stock Exchange. The registered office of the Company is situated at Office No. 420, 4th Floor, Eden Towers, Main Boulevard, Gulberg III, Lahore. The Company has changed its principal line of business to logistics and other ventures, as approved by the shareholders in the extra ordinary general meeting held on June 30, 2021.

2. BASIS OF PREPARATION

2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 The condensed interim financial statements do not include all the information and disclosures required in an annual financial statements and should be read in conjunction with the annual audited financial statements as at and for the year ended June 30, 2021.
- 2.3 The condensed interim financial statements are being submitted to the shareholders as required by the listing regulation of Pakistan Stock Exchange vide section 237 Companies Act, 2017.
- 2.4 The figures included in condensed interim statements of profit or loss, condensed interim statements of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 and the notes forming part thereof, have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half year ended December 31, 2021 and December 31, 2020.

3. SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets and liabilities, income or expenses. Actual results may differ from these estimates.

The accounting policies, estimates, judgments and methods of computation adopted for the preparation of the condensed interim financial statements are same as those applied in the preparation of the annual financial statements of the Company as at and for the year ended June 30, 2021.

3.1 Changes in accounting standards, interpretations and amendments to the accounting and reporting standards

a) Standards and amendments to accounting and reporting standards which became effective during the half year ended December 31, 2021

There were certain amendments to accounting and reporting standards which became mandatory for the Company's annual accounting period which began on July 1, 2021. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim financial statements.

b) Standards and amendments to accounting and reporting standards that are not yet effective

Standards and amendments to accounting and reporting standards beginning on or after July 1, 2022 do not have any significant impact on the financial reporting of the Company and, the have not been disclosed in these condensed interim unconsolidated financial statements.



	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
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Note (-----Rupees in '000'-----)

4. PROPERTY, PLANT AND EQUIPMENT

Opening balance (at book value)	-	2,635
Additions during the period (at cost)	164	-
Disposals during the period (at book value)	-	(2,295)
Depreciation charged for the period	(6)	(340)
Closing balance (at book value)	<u>158</u>	<u>-</u>

5. INVESTMENT IN SHARES

Trukkr (Pvt.) Ltd.	5.1	13,515	13,515
Finox (Pvt.) Ltd.	5.2	31,346	-
Children Clothing Retail (Pvt.) Ltd.	5.3	65,000	-
		<u>109,861</u>	<u>13,515</u>

- 5.1 This represent an investment made by the Company in Trukkr (Pvt.) Ltd. amounting to Rs. 13.515 million (June 30, 2021: Rs. 13.515 million) comprising 5,556 ordinary shares par value Rs. 10/- each ordinary share. The purchase value of each ordinary share is Rs 2,433/- per share.
- 5.2 This represent an investment in Finox (Pvt.) Ltd. amounting to Rs. 31.346 million (June 30, 2021: Rs. Nil) comprising 4,815 ordinary shares par value Rs. 10/- each ordinary share. The purchase value of each ordinary share is Rs 6,510/- per share.
- 5.3 This represents an investment made by the Company in Children Clothing Retail (Private) Ltd. amounting to Rs. 65.00 million (June 30, 2021: Nil) comprising 650,002 ordinary shares par value Rs. 100/- each ordinary share. The purchase value of each ordinary share is Rs 100/- per share.

	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
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Note (-----Rupees in '000'-----)

6. SPONSOR'S LOAN

Sponsor's loan	6.1	<u>118,540</u>	<u>-</u>
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- 6.1 This is interest free unsecured loan from sponsors of the Company, approved by the Board of Directors through a Resolution dated 04-06-2021. During the period Rs. 93.540 million were provided by the sponsors. The loan is repayable at the discretion of the Company.

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	December 31, 2021 (Unaudited) (-----Rupees in '000'-----)	June 30, 2021 (Audited)
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7. TRADE & OTHER PAYABLES

Creditors		825	31
Accrued liabilities		847	874
Withholding tax payable		41	-
Other payables	7.1	1,948	1,948
Unclaimed dividend		415	415
		<u>4,076</u>	<u>3,268</u>

7.1 This party ceased to be a related party by virtue of change in directorship.

8. CONTINGENCIES AND COMMITMENTS

There are no material change in the status of contingencies and commitments from what is disclosed in annual audited financial statements for the year ended June 30, 2021.

	December 31, 2021 (Unaudited) (-----Rupees in '000'-----)	December 31, 2020 (Unaudited)
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9. REVENUE - Net

Logistics services	<u>3,000</u>	<u>-</u>
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10. TAXATION

In view of losses, no tax is payable by the Company on income basis. Accordingly, no provision for tax has been recognized.

11. OPERATING SEGMENTS

The financial statements are prepared on the basis of single reporting segment consistent with the information reviewed by the chief operating decision maker.

The Company is domiciled in Pakistan. All of the Company's assets are located in Pakistan as at the reporting date.

12. RELATED PARTY TRANSACTIONS

The related party comprise associated companies, staff retirement funds, directors and other key management personnel. The company in the normal course of business carries out transactions with various related parties. The company enters into transactions with related parties on the basis of mutually agreed terms. Significant transactions with related parties are as follows:

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Nature of Transactions	Relationship with the company	December 31,	December 31,
		2021 (Unaudited)	2020 (Unaudited)
		(-----Rupees in '000'-----)	
Loan obtained	Sponsor / Director	93,540	82
Rent of office premises	Sponsor / Director	(300)	(504)

13. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements has been approved and authorized for issue by the Board of Directors of the company in its meeting held on 01 MAR 2022.

14. GENERAL

All amounts have been presented in PKR and rounded of to the nearest thousands of rupees; and corresponding figures have been re-arranged/reclassified, wherever necessary, to facilitate comparison.



Chief Executive Officer

Chief Financial Officer

Director