

HAJI MOHAMMAD ISMAIL MILLS LIMITED

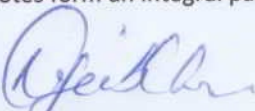
CONDENSED INTERIM FINANCIAL STATEMENTS

*FOR THE PERIOD ENDED
DECEMBER 31, 2014*

Haji Mohammad Ismail Mills Limited
Balance Sheet
As at December 31, 2014

	Note	December 2014 Rupees (Un-Audited)	June 2014 Rupees (Audited)
ASSETS			
NON-CURRENT ASSETS			
Long term deposits		50,000	50,000
CURRENT ASSETS			
Short term investments	5	39,864,764	47,120,267
Advances income tax		1,539,448	1,326,636
Security deposits		200,000	200,000
Other receivables		4,508,392	4,382,852
Cash and bank balances		5,152,930	634,962
		<u>51,265,534</u>	<u>53,664,717</u>
TOTAL ASSETS		<u>51,315,534</u>	<u>53,714,717</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital			
12,000,000 (2014: 12,000,000) ordinary shares of Rs. 10 each		<u>120,000,000</u>	<u>120,000,000</u>
Issued, subscribed and paid up capital	6	119,750,400	119,750,400
Reserves		<u>(69,931,282)</u>	<u>(73,413,930)</u>
		49,819,118	46,336,470
CURRENT LIABILITIES			
Trade and other payables		1,496,416	1,700,082
Current portion of long term loans		-	5,678,165
		1,496,416	7,378,247
TOTAL EQUITY AND LIABILITIES		<u>51,315,534</u>	<u>53,714,717</u>
CONTINGENCIES AND COMMITMENTS	7		

The annexed notes form an integral part of these condensed financial information.


CHIEF EXECUTIVE


DIRECTOR

HAJI MOHAMMAD ISMAIL MILLS LIMITED
Condensed Interim Profit and Loss Account (Un-audited)
For The Half Year & Quarter Ended December 31, 2014

Note	Half year ended		Quarter ended	
	December 31, 2014 Rupees	December 31, 2013 Rupees	December 31, 2014 Rupees	December 31, 2013 Rupees
Administrative expenses	(829,758)	(733,299)	(365,022)	(377,668)
Other expenses	-	(4,705)	-	(4,705)
Other income	3,805,710	1,042,664	2,559,462	516,434
Finance cost	(1,032)	(1,740)	(800)	-
	2,974,920	302,920	2,193,640	134,061
Profit before taxation	2,974,920	302,920	2,193,640	134,061
Taxation	8 (242,372)	-	(122,913)	-
Profit after taxation	2,732,548	302,920	2,070,727	134,061
Earning per share-basic and diluted	9 0.23	0.03	0.18	0.02

The annexed notes form an integral part of these condensed financial information.



CHIEF EXECUTIVE



DIRECTOR

Haji Mohammad Ismail Mills Limited
Condensed Interim Statement of Comprehensive Income (Un-Audited)
For The Half Year & Quarter Ended December 31, 2014

	Note	Half year ended		Quarter ended	
		December 31, 2014 Rupees	December 31, 2013 Rupees	December 31, 2014 Rupees	December 31, 2013 Rupees
Profit after taxation		2,732,548	302,920	2,070,727	(134,061)
Other Comprehensive income for the period					
Surplus arising of re-measurement of available for sales investment	5	750,100	-	617,307	-
Total comprehensive Profit for the period		<u>3,482,648</u>	<u>302,920</u>	<u>2,688,034</u>	<u>(134,061)</u>

The annexed notes form an integral part of these condensed financial information.



CHIEF EXECUTIVE



DIRECTOR

Haji Mohammad Ismail Mills Limited
Statement of Changes in Equity
For The Half Year Ended December 31, 2014

	Issued, subscribed and paid-up capital	Reserves			Total
		Capital Share premium	Revenue		
			Accumulated Losses	Sub total	
----- Rupees -----					
Balance as at July 01, 2013	119,750,400	6,912,000	(82,674,908)	(75,762,908)	43,987,492
Total Comprehensive income for the Period	-	-	302,920	302,920	302,920
Balance as at December 31, 2013	119,750,400	6,912,000	(82,371,988)	(75,459,988)	44,290,412
Balance as at July 01, 2014	119,750,400	6,912,000	(80,325,930)	(73,413,930)	46,336,470
Total Comprehensive income for the Period	-	-	3,482,648	3,482,648	3,482,648
Balance as at December 30, 2014	119,750,400	6,912,000	(76,843,282)	(69,931,282)	49,819,118

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CHIEF EXECUTIVE

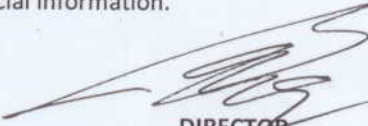

DIRECTOR

HAJI MOHAMMAD ISMAIL MILLS LIMITED
CASH FLOW STATEMENT
For The Half Year Ended December 31, 2014

	2014 Rupees	2013 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	2,974,920	302,920
Adjustments for:		
Finance cost	1,032	1,740
Fair value adjustment of investment	750,100	4,705
	751,132	6,445
Profit before working capital changes	3,726,052	309,365
(Increase)/Decrease in current assets:		
Short term investment - net	7,255,503	183,495
Trade debts		5,000,000
Trade deposits and short term prepayments	-	5,700,000
Other receivables	(125,540)	(2,044,000)
	7,129,963	8,839,495
Increase / (decrease) in current liabilities:		
Trade creditors, accrued and other liabilities	(203,666)	(157,627)
Cash generated from operations	10,652,349	8,991,233
Payments for:		
Taxes paid	(455,184)	(105,180)
Finance cost paid	(1,032)	(1,740)
	(456,216)	(106,920)
Net cash generated from operating activities	10,196,133	8,884,313
CASH FLOW FROM FINANCING ACTIVITIES:		
Short term loan	(5,678,165)	-
Net cash (used in) financing activities	(5,678,165)	-
Net increase in cash and cash equivalents	4,517,968	8,884,313
Cash and cash equivalents at beginning of the period	634,962	35,491,021
Cash and cash equivalents at end of the period	5,152,930	44,375,334

The annexed notes form an integral part of these condensed financial information.


CHIEF EXECUTIVE


DIRECTOR

HAJI MOHAMMAD ISMAIL MILLS LIMITED

NOTES TO THE CONDENSED FINANCIAL INFORMATION (UN-AUDITED)

For The Half Year Ended December 31, 2014

1 STATUS AND NATURE OF BUSINESS

The company was incorporated in Pakistan as a Private Limited Company on February 5, 1980 and subsequently converted to a Public Limited Company on October 15, 1987. Shares of the company were subsequently listed on the Karachi Stock Exchange on November 29, 1994. Principal business of the Company is manufacture and sale of yarn and power generation.

- 1.2 Alhamdulillah liabilities of the banks and creditors have been settled. Clearance of CIB report is in process. Bankers are reluctant to finance the company for setting up new unit as the available security to finance is inadequate. Pending arrangements with banks for future business plan, management is looking other business opportunities with available funds in hand.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information of the Company for the six months period ended December 31, 2014 is un-audited and has been prepared in accordance with the requirements of the International Financial Reporting Standard (IFRS) IAS 34 "Interim Financial Reporting" and provisions of and directives issued by the Securities and Exchange Commission of Pakistan under the Companies Ordinance, 1984 (the Ordinance). This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the company as at and for the year ended June 30, 2014.

This interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi Stock Exchange and section 245 of the Companies Ordinances, 1984 .

2.2 Functional and presentation currency

These financial information are presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented in Pakistani Rupees has been rounded off to the nearest rupee.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation which have been used in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the preceding year ended June 30, 2014.

Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the company's operations or did not have any impact on the accounting policies of the company.

4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended June 30, 2014.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2014.

	(Unaudited) December 31, 2014 Rupees	(Audited) June 30, 2014 Rupees
5 SHORT TERM INVESTMENT	<u>39,864,764</u>	<u>47,120,267</u>

Dec-14	Jun-14	Name of the investee company	Market value		Cost	
			Dec-14	Jun-14	Dec-14	Jun-14
No of shares / certificates			Rupees	Rupees		
20,000	20,000	Nishat Power limited	912,000	700,200	616,881	621,468
46,400	41,400	Pakistan petroleum limited	8,190,528	9,022,716	10,980,863	9,920,406
25,000	50,000	Askari bank limited	576,750	952,000	419,428	845,013
65,000	90,000	Bank al falah limited	2,554,200	2,496,600	1,813,219	2,528,844
10,000	10,000	Century paper and board mills limited	542,100	538,700	636,438	641,102
510,500	100,000	Faisal bank limited	9,291,100	1,616,000	7,743,719	1,368,960
20,000	20,000	Oil and gas development company limited	4,117,400	5,085,400	5,390,515	5,430,073
220,000	200,000	Pak elektron limited	8,186,000	5,348,000	5,221,950	4,729,423
100,000	100,000	Summit bank limited	445,000	340,000	440,771	444,024
	20,000	Engro corporation limited	-	3,741,200	-	3,992,673
	5,000	Habib sugar mills limited	-	177,550	-	155,207
4,000	900	Pakistan state oil company limited	1,431,640	344,871	1,540,039	394,930
	75,000	Fuji cement company limited	-	1,449,000	-	1,278,113
5,000	8,000	International industries limited	311,700	395,120	280,893	452,761
	500,000	Lafarge pakistan cement limited	-	8,095,000	-	6,044,634
1,000	1,000	Engro fertilizers limited	78,100	57,880	-	-
	68,500	Pakistan international bulk terminal limited -Lor	-	985,030	-	1,671,230
6,500		Allied Bank Ltd.	738,270	-	778,716	-
500		Engro power qadirpur limited	20,575	-	14,931	-
5,000		Glaxosmithkline Pakistan limited	1,096,550	-	1,193,458	-
65,000		Hum network limited	954,850	-	882,734	-
200,000		KASB Bank limited	398,000	-	313,703	-
1,303,900	1,309,800		39,844,763	41,345,267	38,268,258	40,518,861
		Add /(Less): Adjustment arising from re-measurement to Fair value	-	-	1,576,506	826,406
	26,860	Subscription -Pakistan Petroleum Ltd.		5,775,000		5,775,000
500		Subscription-System Ltd	20,000		20,000	
1,304,400	1,336,660		39,864,763	47,120,267	39,864,764	47,120,267

	(Unaudited) December 31,2014	(Audited) June 30,2014
6 ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
9,576,240 (June 30,2014: 9,576,240) Ordinary shares of Rs.10 each fully paid in cash	95,762,400	95,762,400
2,398,800 (June 30,2014 : 2,398,800) Ordinary shares of Rs.10 each issued as fully paid bonus share	23,988,000	23,988,000
	<u>119,750,400</u>	<u>119,750,400</u>

7 CONTINGENCIES AND COMMITMENTS

There is no major changes in contingencies and commitments as have been disclosed in the audited financial statements for the year ended June 30, 2014.

	(Unaudited) December 31,2014	(Unaudited) December 31,2013
8 TAXATION		
Prior	205,616	-
Current	(447,988)	-
	<u>(242,372)</u>	<u>-</u>

9 EARNINGS PER SHARE-basic and diluted

	(Unaudited) December 31,2014	(Unaudited) December 31,2013
Profit for the period in rupees	2,732,548	302,920
Weighted average number of ordinary shares	11,975,040	11,975,040
Earning per share in rupees	<u>0.23</u>	<u>0.03</u>

10 DATE OF AUTHORISATION FOR ISSUE

These financial information have been authorised for issue on the Company

26 FEB 2015

by the Board of Directors of

11 GENERAL

Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE



DIRECTOR



**REVIEW REPORT ON CONDENSED INTERIM FINANCIAL
INFORMATION TO THE MEMBERS
For the period ended December 31, 2014**

INTRODUCTION:

We have reviewed the accompanying condensed interim balance sheet of **M/S. HAJI MOHAMMAD ISMAIL MILLS LIMITED** ("the Company") as at December 31, 2014 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof (here-in-after referred to as "condensed interim financial information") for the six months period then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for condensed interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended 31 December 2014 and 31 December 2013 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 December 2014.

SCOPE OF REVIEW:

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain 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.

BASIS FOR ADVERSE CONCLUSION:

The financials statements of the company have been prepared on going concern basis, despite of the facts that the Company has close down its yarn manufacturing operation in October, 2007 and production activities remained suspended. The electric power generation and its sale were also suspended in August, 2012. The management has disposed off the

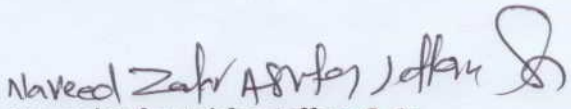
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assets of the Company including land, building, plant & machinery to pay off its major debts. No further business activities have been carried out by the company. Further more, the company has not prepared any detailed business plans including profit or cash flow projection for an appropriate period subsequent to the reporting date. The forgoing conditions indicate material uncertainty which cast a significant doubt on company ability to continue as a going concern.

The significance of matters discussed in preceding paragraph, lead us to believe that going concern assumption used in preparation of the financial statements of the company is inappropriate: consequently the assets and liabilities should have been stated at their realizable and settlement amount respectively.

CONCLUSION:

Based on our review, due to significance of matter described in the preceding paragraph, that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2014; is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.


Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants
Engagement Partner: **Ahsan Elahi Vohra - FCA**

Karachi.

Dated: **26 FEB 2015**

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