

PAKGEN POWER LIMITED
CONDENSED INTERIM BALANCE SHEET AS AT 31 MARCH 2013 (UN-AUDITED)

	Notes	Un-audited 31 March 2013	Audited 31 December 2012		Notes	Un-audited 31 March 2013	Audited 31 December 2012
(Rupees in thousand)				(Rupees in thousand)			
EQUITY AND LIABILITIES				ASSETS			
SHARE CAPITAL AND RESERVES				NON-CURRENT ASSETS			
Authorised share capital 400,000,000 (2012: 400,000,000) ordinary shares of Rupees 10 each		4,000,000	4,000,000	Property, plant and equipment	6	8,109,782	8,088,972
				Long-term security deposits		15	15
						8,109,797	8,088,987
Issued, subscribed and paid up share capital		3,720,816	3,720,816	CURRENT ASSETS			
Capital reserve		116,959	116,959	Stores, spare parts and other consumables		500,702	570,800
Un-appropriated profit		10,355,725	10,150,755	Fuel stock		230,370	312,842
Total Equity		14,193,500	13,988,530	Trade debts		14,212,460	12,770,094
				Advances and short-term prepayments		409,396	561,750
LIABILITIES				Other receivables		495,217	495,043
CURRENT LIABILITIES				Sales tax recoverable		744,627	712,403
Trade and other payables		590,208	649,710	Cash and bank balances		8,130	113,867
Accrued mark-up		244,771	276,682			16,600,902	15,536,799
Short-term borrowings		9,682,220	8,710,864				
		10,517,199	9,637,256				
Total liabilities		10,517,199	9,637,256				
CONTINGENCIES AND COMMITMENTS							
	5						
TOTAL EQUITY AND LIABILITIES		24,710,699	23,625,786	TOTAL ASSETS		24,710,699	23,625,786

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



CHIEF EXECUTIVE



DIRECTOR

PAKGEN POWER LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE
INCOME (UN-AUDITED)
FOR THE PERIOD ENDED 31 MARCH 2013

	Note	Quarter Ended	
		31 March 2013	31 March 2012
		(Rupees in thousand)	
Revenue		6,743,583	2,457,279
Cost of sales	7	<u>(5,893,488)</u>	<u>(1,519,838)</u>
Gross profit		850,095	937,441
Administrative expenses		(22,254)	(19,567)
Other operating expenses		<u>(627)</u>	<u>(602)</u>
		827,214	917,272
Other operating income		<u>10,784</u>	<u>556</u>
Profit from operations		837,998	917,828
Finance cost		<u>(260,947)</u>	<u>(194,173)</u>
Profit before taxation		577,051	723,655
Provision for Taxation		-	-
Profit after taxation		<u>577,051</u>	<u>723,655</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>577,051</u></u>	<u><u>723,655</u></u>
Earnings per share - basic and diluted (Rupees)		<u><u>1.55</u></u>	<u><u>1.94</u></u>

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



CHIEF EXECUTIVE



DIRECTOR

PAKGEN POWER LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE FIRST QUARTER ENDED 31 MARCH 2013

	Note	31 March 2013	31 March 2012
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	8	(294,907)	3,863,043
Finance cost paid		(292,858)	(253,390)
Interest income received		10,396	-
Income tax paid		(4,769)	-
Gratuity paid		(2,021)	(2,275)
Net cash generated from / (used in) operating activities		(584,159)	3,607,378
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(121,720)	(417,561)
Net cash used in investing activities		(121,720)	(417,561)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(371,214)	-
Net cash used in financing activities		(371,214)	-
Net increase / (decrease) in cash and cash equivalents		(1,077,093)	3,189,817
Cash and cash equivalents at beginning of the period		(8,596,997)	(6,844,780)
Cash and cash equivalents at end of the period		(9,674,090)	(3,654,963)
CASH AND CASH EQUIVALENTS			
Cash in hand		16	34
Cash at banks		8,114	1,477,092
Short-term borrowings		(9,682,220)	(5,132,089)
		(9,674,090)	(3,654,963)

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



 CHIEF EXECUTIVE



 DIRECTOR

PAKGEN POWER LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN- AUDITED)
FOR THE FIRST QUARTER ENDED 31 MARCH 2013

SHARE CAPITAL	RESERVES		TOTAL EQUITY
	Capital	Revenue	
	Retained payments reserve	Un- appropriated profit	

-----Rupees in thousand -----

Balance as at 01 January 2012 - (Audited)	3,720,816	116,959	9,422,131	13,259,906
Final dividend for the year ended December 31, 2011 @ 1.5 Rupees per share	-	-	(558,122)	(558,122)
Total comprehensive income for the period	-	-	723,655	723,655
Balance as at 31 March 2012 - (Un-audited)	3,720,816	116,959	9,587,664	13,425,439
Balance as at 01 January 2013 (Audited)	3,720,816	116,959	10,150,755	13,988,530
Final dividend for the year ended December 31, 2012 @ 1 Rupees per share	-	-	(372,081)	(372,081)
Total comprehensive income for the period	-	-	577,051	577,051
Balance as at 31 March 2013 - (Un-audited)	3,720,816	116,959	10,355,725	14,193,500

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



CHIEF EXECUTIVE



DIRECTOR

PAKGEN POWER LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013

1. THE COMPANY AND ITS OPERATIONS

Pakgen Power Limited ("the Company") was incorporated in Pakistan on 22 June 1995 under the Companies Ordinance, 1984. The registered office is situated at 53-A, Lawrence Road, Lahore. The principal activities of the Company are to own, operate and maintain an oil fired power station ("the Complex") having gross capacity of 365 MW in Mehmood Kot, Muzaffargarh, Punjab, Pakistan.

2. BASIS OF PREPARATION

This condensed interim financial information is unaudited and is being submitted to shareholders as required by the Section 245 of the Companies Ordinance, 1984. This condensed interim financial information has been prepared in accordance with the International Accounting Standards (IAS) 34 " Interim Financial Reporting" as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP). This condensed interim financial information does not include all of the information required for full annual financial statements, and should be read in conjunction with the annual financial statements for the year ended 31st December, 2012.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of this condensed interim financial information are same as applied in the preparation of the preceding annual published financial statements of the Company for the year ended 31st December, 2012.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 31st December, 2012.

5. CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

There is no change in the contingencies disclosed in the preceding audited annual published financial statements of the Company for the year ended 31 December 2012.

5.2 Commitment

5.2.1 The Company has entered into a contract for a period of thirty years for purchase of oil from Pakistan State Oil Company Limited (PSO). Under the terms of Fuel Supply Agreement (FSA), the Company is not required to buy any minimum quantity of oil from PSO.

5.2.2 Commitments for capital expenditure as at reporting date are amounting to Rupees 2,142 million (31 Dec 2012: Rupees 2,052 million).

	(Un-audited) 31 March 2013	(Audited) 31 December 2012
	(Rupees in thousand)	
6. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets (Note 6.1)	7,339,768	6,934,052
Capital work-in-progress	770,014	1,154,920
	8,109,782	8,088,972
6.1 Operating fixed assets		
Opening Book value	6,934,052	7,272,877
Add: Cost of Additions during the period / year (Note 6.1.1)	506,626	25,550
Less: Depreciation charged during the period / year	100,910	364,375
	7,339,768	6,934,052
6.1.1 Cost of additions		
Plant and Machinery	498,040	19,576
Furniture and fittings	-	977
Electric equipment and appliances	7,652	4,997
Office Equipment	934	-
	506,626	25,550
	QUARTER ENDED	
	31 MARCH	31 MARCH
	2013	2012
	(Rupees in thousand)	
7. COST OF SALES		
Fuel consumed	5,584,653	1,261,323
Operation and maintenance costs	132,263	115,588
Insurance cost	78,311	54,272
Depreciation	98,261	88,655
	5,893,488	1,519,838
8. CASH GENERATED FROM OPERATIONS		
Profit before taxation	577,051	723,655
Adjustment for non - cash charges and other items:		
Depreciation	100,910	91,416
Provision for gratuity	2,021	2,275
Interest income	(10,396)	-
Finance cost	260,947	194,173
Cash flows from operating activities before working capital changes	930,533	1,011,519
(Increase) / decrease in current assets:		
Stores, spare parts and other consumables	70,098	97,608
Fuel stock	82,472	(1,246,164)
Trade debts	(1,442,366)	4,203,484
Advances and short-term prepayments	157,123	48,931

Other receivables	(174)	100
Sales tax recoverable	(32,224)	(200,599)
	(1,165,071)	2,903,360
(Decrease) / increase trade and other payables	(60,369)	(51,836)
	(294,907)	3,863,043

9. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise of associated undertakings, other related group companies and key management personnel. Transactions with related parties include expenses charged between these companies. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Associated company	Nature of transaction	QUARTER ENDED	
		31 MARCH 2013	31 MARCH 2012
(Rupees in thousand)			
Nishat Mills Limited	Dividend	102,524	-
Adamjee Insurance Company Limited	Dividend Insurance premium	25,631 103,499	- 63,599
Security General Insurance Company	Dividend	6,407	-
Stanhope Investments	Dividend	96,117	-
Engen (Private) Limited	Dividend	64,077	-
Lalpir Power Limited	Share of expenses Share of rental income	50,714 388	54,256 382

- 9.1 The Company shares premises, employees and other common costs with its associated company, Lalpir Power Limited on fifty-fifty basis in accordance with "Shared Facilities Agreement".

10. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors on _____

11. GENERAL

Figures have been rounded off to the nearest thousand Rupees.



CHIEF EXECUTIVE



DIRECTOR