



Johnson & Phillips (Pakistan) Limited

September 30,
2018
1st Quarterly Account
(Un-Audited)



Contents

Company Information	1
Director's Review (English)	2
Director's Review (Urdu)	3
Condensed Interim Statement of Financial Position	4
Condensed Interim Statement of Profit or Loss	5
Condensed Interim Statement of Other Comprehensive Income	6
Condensed Interim Statement of Cash Flow	7
Condensed Interim Statement of Changes in Equity	8
Notes to the Condensed Interim Financial Statements	9
Condensed Interim Consolidated Financial Statements	13

COMPANY INFORMATION

Board of Directors

Mr. Salman Ganny	Chairman
Ms. Mariam Shafi	Director
Mr. Muhammad Tariq Anjum	Director
Mr. Mohammad Azhar ul Islam	Director
Mr. Abid Saeed Khan	Director
Mr. Syed Jamshed Zaidi	Director
Mr. Shehryar Saeed	Director/CEO

Board of Audit Committee

Mr. Abid Saeed Khan	Chairman
Mr. Muhammad Tariq Anjum	Member
Ms. Mariam Shafi	Member

Board of HR Committee

Mr. Syed Jamshed Zaidi	Chairman
Mr. Salman Ganny	Member
Mr. Shehryar Saeed	Member

Company Secretary & Chief Financial Officer(CFO)

Mr. Tariq Ahmed

Internal Auditor

Mr. Tariq Ilyas

Legal Advisor

LMA EBRAHIM HOSAIN
Barristers, Advocates, & Corporate Legal Consultants,
156 - 1, Scotch Corner, Upper Mall, Lahore

Auditors

M/s. Nazir Chaudhri & Co.
Chartered Accountants
4-Karachi Chambers, Hasrat Mohani Road,
P.O.Box.No.5061, Karachi-74000

Share Registrar

C & K Management Associates (Pvt) Ltd.
404, Trade Tower, Abdullah Haroon Road,
Near Metropole Hotel, Karachi-75530

Bankers

Silk Bank Ltd.
Soneri Bank Ltd.
Habib Bank Ltd.
JS Bank Ltd.

Registered Office

C-10, South Avenue, SITE, Karachi-75700
Tel: 092-21-32560030-7 Fax: 092-21-32564603
Website: www.johnsonphillips.pk
E-mail: Johnsonphillips@cyber.net.pk

Directors' Review

The Board of Directors would like to present the condensed, un-audited financial statements of the Company for the three-month period ended September 30, 2018.

Business Review

The Sales -net for the year was Rs.1.8M as compared to Rs.1.5M for the corresponding period of last year. The cost of sales for the year was 1.5M as compared to Rs.7.6M. The Gross Profit of the Company was Rs. 0.2M against a loss of Rs. (6.1M) in the corresponding period of last year. The Company's Distribution cost, Administrative expenses and finance cost during the three months period ended September 30, 2018 was Rs.6.6M as against Rs.5.3M in the corresponding period of previous year. The Company is in the process of reorganizing its activities. A loss after tax of Rs.6.3M was reported for the three month period ended September 30, 2018 compared to a loss after tax of Rs.11.4M in the corresponding period. Management of your Company is making concerted efforts and continues to endeavor to achieve improved performance in the future.

Future Plan

The management after the sale of its land and building will implement a new business plan. The five years Business Revival Plan / Strategy and Execution includes continued activity in an area related to the core business of the company - i.e. in the electrical equipment industry. In this regard a new setup for Engineering, Repair and Maintenance Services is to be established. For this purpose, the company will be able to put to use its existing Plant & Machinery and Testing equipment. In addition to this, the company will be exploring new businesses in the Indenting and trading sector. To generate this working capital, the company advertised in the newspaper to sell its land and building at its existing facility located at SITE, Karachi. Following this sale, the facility will be shifted to a new location in Korangi, Karachi. Three quotations were received for the purchase of Company's Land and Building. However, the highest bidder backed out and at present the management is pursuing the other bidders to re-quote which is in the process of being finalized.

Financial Highlights

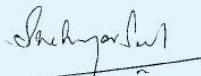
The comparative financial highlights of your Company for the three months period ended September 30, 2018 and September 30, 2017 are as follows:

	2018	2017
Rupees in '000.....	
(Loss) for the quarter before taxation	(6,389)	(11,462)
Out of which the Directors have accounted		
For taxation - current	(0)	(15)
Accumulated (Losses) brought forward	(384,883)	(341,866)
Accumulated losses carried over to Balance Sheet	(392,757)	(351,635)
Earnings per share - basic & diluted	(1.17)	(2.11)

Acknowledgement

The Board of Directors would like to express its sincere appreciation to the Company's valued clients, business partners and other stakeholders. The Board would also like to thank the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange and the Central Depository Company for their continued guidance and support.

For and on behalf of the Board.



Shehryar Saeed
Managing Director / CEO
Karachi: October 29, 2018



Salman Ganny
Chairman

ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز کو 30 ستمبر، 2018 کو ختم ہونے والے تین مہینے کی مدت کے لئے کمپنی کے کنسرسی، غیر آڈٹ شدہ مالی بیانات پیش کرنا چاہیں گے۔

کاروباری جائزہ

گزشتہ سال کی اسی مدت کے لئے 1.8 ملین روپے کے مقابلے میں سیکڑ میٹ 1.5 ملین روپے تھی۔ فروخت کی قیمت 7.6 ملین روپے کے مقابلے میں 1.5 ملین روپے تھا۔ کمپنی کا مجموعی نافع تھا۔ (0.2 ملین روپے) روپے گزشتہ سال کے نقصان کے خلاف (6.1 ملین روپے)۔ گزشتہ سال کی اسی مدت میں 30 ستمبر، 2018 کو ختم ہونے والے تین مہینے کے دوران کمپنی کی تقسیم کی لاگت، انتظامی اخراجات اور مالیاتی اخراجات پچھلے سال کی اسی مدت میں 5.3 ملین روپے کے مقابلے میں 6.6 ملین روپے تھی۔ کمپنی اپنی سرگرمیاں دوبارہ منظم کرنے کے عمل میں ہے۔

اسی مدت میں 11.4 ملین روپے ٹیکس کے بعد نقصان دہ ہونے کے مقابلے میں 30 ستمبر، 2018 کو تین ماہ کی مدت کے لئے 6.3 ملین روپے کا ٹیکس نقصان ہوا۔ آپ کی کمپنی کا انتظام اجتماعی طور پر بہتر کر رہا ہے اور مستقبل میں بہتر کارکردگی کو حاصل کرنے کے لئے کوشش کرنا جاری ہے۔

مستقبل کا منصوبہ

اس کی زمین اور عمارت کی فروخت کے بعد مینجمنٹ ایک نئی کاروباری منصوبہ کو نافذ کرے گی۔ کاروباری بحالی کی منصوبہ بندی / پانچ سال کی عمر اور ایکٹریکل آلات کی صنعت میں کمپنی کے بنیادی کاروبار سے متعلق علاقے میں مسلسل سرگرمی شامل ہے۔ اس سلسلے میں انجینئرنگ، مرمت اور بحالی کی خدمات کے لئے ایک نئی سیٹ اپ قائم کی جائے گی۔ اس مقصد کے لئے، کمپنی اپنے موجودہ پلانٹ اور مشینری اور ٹیسٹنگ کا سامان استعمال کرنے کے قابل ہوگی۔ اس کے علاوہ، کمپنی انڈسٹریل اور تجارتی شعبے میں نئے کاروباری اداروں کی تلاش کرے گی۔ یہ کام کرنے والی سرمایہ پیدا کرنے کے لئے، کمپنی اخبار میں تشہیر کرنے کے لئے اپنی زمین اور عمارت کو اس سائٹ، کراچی میں واقع موجودہ سہولت پر فروخت کرنے کے لئے۔ اس فروخت کے بعد، سہولیات کراچی، کوئٹہ میں ایک نیا مقام منتقل ہو جائے گی۔ کمپنی کی زمین اور عمارت کی خریداری کے لئے تین کوٹیشن موصول ہوئی تھیں۔ تاہم، سب سے زیادہ بولی لگانے والا باہر ہو گیا اور اس وقت انتظامیہ دوسرے بولی لگانے والا سے کوشش کی جارہی ہے جو حتمی شکل کے عمل میں ہے۔

مالی اہمیت

تین ماہ کی مدت کے دوران آپ کی کمپنی کا موازنہ مالیاتی نمائش 30 ستمبر، 2018 اور 30 ستمبر، 2017 تک درج کی گئی ہیں:

2017	2018	
000	000 روپے میں
(11,462)	(6,389)	ٹیکس دینے سے قبل سہائے لئے (نقصان)
		جن میں سے ڈائریکٹروں نے حساب کیا ہے
(15)	(0)	ٹیکس کے لئے - موجودہ
(341,866)	(384,883)	جمع (نقصانات) آگے بڑھے
(351,635)	(392,757)	بیلنس شیٹ تک جمع کئے جانے والے نقصانات
(2.11)	(1.17)	فی آمدنی - بنیادی اور نی

اعتراف

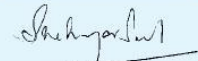
بورڈ آف ڈائریکٹرز اس کمپنی کے قیمتی کارکنوں، کاروباری شراکت داروں اور دیگر حصول داروں کو اپنی مخلص تعریف کا اظہار کرنا چاہیں گے۔
بورڈ کو پاکستان کے سیکوروریز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹاک ایکسچینج اور سینٹرل ڈیپازٹمنٹ کمپنی کو ان کی مسلسل رہنمائی اور حمایت کا شکریہ ادا کرنا بھی پسند ہے۔

بورڈ کے ذریعہ اور کے لئے۔



سلمان غنی

چیئر مین



شہر یار سعید

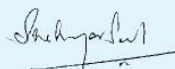
ایم ڈی اور چیف ایگزیکٹو افسر

کراچی: اکتوبر 29، 2018

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
CONDENSED INTERIM BALANCE SHEET UN-AUDITED
 AS AT SEPTEMBER 30, 2018

	Note	Un-audited September 30 2018	Audited June 30 2018
ASSETS			
Non-Current assets			
Property, plant and equipment	6	13,631	14,194
Intangible assets		-	-
Long term investments		-	-
Long term deposits		560	559
		14,191	14,753
Current assets			
Stock-in-trade		1,945	1,926
Trade debts		-	-
Loans and advances	7	97	62
Deposits, prepayments and other receivable		635	40
Tax refunds due from government		19,662	23,584
Cash and bank balances		196	4,556
		22,536	30,168
Non-current assets classified as held for sale		472,158	472,158
		508,884	517,079
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital		80,000	80,000
8,000,000 (June 30, 2018: 8,000,000) ordinary shares of Rs. 10 each		54,500	54,500
Issued, subscribed and paid-up capital			
5,449,972 (June 30, 2018: 5,449,972) ordinary shares of Rs. 10 each		29,727	29,727
Share premium reserve		23,073	23,073
General reserve		472,895	474,380
Surplus on revaluation of property, plant and equipment - net of Tax		(392,757)	(384,883)
Accumulated loss		187,438	196,797
NON-CURRENT LIABILITIES			
Long term borrowings	9	120,804	120,041
Deferred liabilities		13,908	13,908
		134,712	330,746
CURRENT LIABILITIES			
Trade and other payables	10	175,615	175,214
Current and overdue portion of long term borrowings	9	4,000	4,000
Short Term Borrowing		2,851	2,851
Mark-up accrued		-	-
Unclaimed dividend		4,268	4,268
		186,734	186,333
Contingencies and Commitments	11	508,884	517,079

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information


 Chief Executive

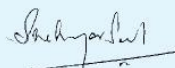

 Director


 Chief Financial Officer

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - UN-AUDITED
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2018

	Three months period ended	
	September	September
	2018	2017
	---Rupees in thousand---	
Revenue from sales and services-net	1,806	1,500
Cost of sales and services	(1,521)	(7,617)
Gross Profit / (Loss)	285	(6,117)
Operating expenses		
Distribution cost	(184)	(142)
Administrative expenses	(4,653)	(4,092)
Other income	-	-
	(4,837)	(4,234)
	(4,552)	(10,351)
Finance cost	(1,837)	(1,111)
Loss before taxation	(6,389)	(11,462)
Taxation	-	(15)
Loss after taxation	(6,389)	(11,477)
Loss per share-basic and diluted	(1.17)	(2.11)

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information


Chief Executive

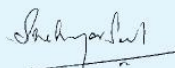

Director


Chief Financial Officer

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2018

	Three months period ended September 30	
	2018	2017
	-----Rupees in thousand-----	
Loss after taxation	(6,389)	(11,477)
Other comprehensive income	-	-
Total comprehensive loss	(6,389)	(11,477)

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information


Chief Executive

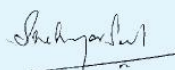

Director


Chief Financial Officer

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT - UN-AUDITED
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2018

	September 30 2018	September 30 2017
Note	Rupees in thousand	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(6,389)	(11,462)
Adjustments for:		
Depreciation	563	2,203
Provision for staff gratuity	-	-
Finance cost	1,837	1,111
	2,400	3,314
Operating loss before working capital changes	(3,988)	(8,148)
Decrease / (increase) in current assets		
Stock-in-trade	19	43
Trade debts	-	237
Loans and advances	(35)	(478)
Deposits, prepayments and other receivable	(595)	(554)
	(611)	(752)
Decrease in current liabilities		
Trade and other payables	401	180
	(4,197)	(8,720)
Income tax (paid) / refunded	(923)	(86)
Gratuity paid	-	-
Finance cost paid	(3)	(3)
	(926)	(89)
Net cash used in operating activities	(5,123)	(8,809)
CASH FLOWS FROM INVESTING ACTIVITIES	-	-
Net cash used in investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term borrowings	763	9,398
Net cash from financing activities	763	9,398
Net decrease in cash and cash equivalents	(4,360)	589
Cash and cash equivalents at beginning of the period	4,556	4,434
Cash and cash equivalents at end of the period	196	5,023

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information


Chief Executive

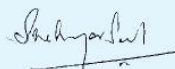

Director


Chief Financial Officer

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - UN-AUDITED
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2018

	Capital Reserve			Revenue Reserve		
Issued, subscribed and paid-up capital	Capital Share Premium	surplus on Revaluation	General	Accumulated loss	Total	
-----Rupees in thousand-----						
Balance as at July 01, 2017	54,500	29,727	-	23,073	(341,866)	(234,566)
Total comprehensive loss for the period						
Loss after taxation for the quarter ended September 30, 2017	-	-	-	-	(11,477)	(11,477)
Transfer from surplus on revaluation of property, plant and equipment - net of deferred tax	-	-	-	-	1,709	1,709
Balance as at September 30, 2017	54,500	29,727	-	23,073	(351,635)	(244,334)
Balance as at July 01, 2018	54,500	29,727	474,380	23,073	(384,883)	196,797
Total comprehensive loss for the period						
Loss after taxation for the quarter ended September 30, 2018	-	-	-	-	(6,389)	(6,389)
Transfer from surplus on revaluation of property, plant and equipment - net of deferred tax	-	-	-	-	(1,485)	(1,485)
Balance as at September 30, 2018	54,500	29,727	474,380	23,073	(392,757)	187,438

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information


Chief Executive


Director


Chief Financial Officer

JOHNSON & PHILLIPS (PAKISTAN) LIMITED**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)**

FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2018

1 STATUS AND NATURE OF BUSINESS

Johnson & Phillips (Pakistan) Limited ("the Company") was incorporated in Pakistan as a public limited company on April 15, 1961 and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at C-10, South Avenue, S.I.T.E., Karachi. The Company is principally engaged in manufacturing, installation and selling of electrical equipments. Etheridge Company Limited, held 2,719,536 (June 30, 2018: 2,719,536) ordinary shares of Rs. 10 each of the Company as at period end, which constitute 49.90% of total shares issued.

2 GOING CONCERN

The Company has incurred gross profit of Rs.0.285 million during the 1st Quarter ended September 30, 2018 (Loss September 30, 2017: Rs.6.117 million) and loss after taxation amounting to Rs. 6.389 million (September 30, 2017: Rs. 11.477 million) which has further increased accumulated losses to Rs.392.757 million (June 30, 2018: Rs. 384.883 million) and has resulted in positive equity of Rs.187.438 million (June 30, 2018: Rs.196.797 million).

The sales of the Company is continuously decreasing because of low demand from the private sector. In spite of the above stated circumstances the management of the company still consider that the going concern assumption used for preparation of these financial statement is appropriate in view of the following facts.

- i The Company already has its obligations rescheduled in respect of long term loans and financial arrangements, including repayment of principal and accumulated mark-up thereon with various lenders.
- ii Efforts are underway to obtain orders so that sales volume as well as profitability can be achieved and the management expects favorable improvements in forthcoming year. This will be achieved with the re-certification of our product line now under way, so sales to the public sector will commence driving volume, which will boost sales and profitability.
- iii The board has provided in the past continued support to the company and has indicated commitment in order to maintain the going concern status. This is evident from the fact that a Director continues to provide financial support to the Company.
- iv After the sale of its Land & Building will implement a new business plan, which is in the process of being finalized.

The management of the Company is confident that the above factors shall enable the Company to continue as going concern in foreseeable future; hence, these financial statements have been prepared on going concern assumption.

3 BASIS OF PREPARATION

3.1 Statement of Compliance

This condensed interim financial information for the three months period ended 30 September 2018 has been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

This condensed interim financial information is un-audited and is being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange Limited and under Section 237 of the Companies Act, 2017.

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 Audited Annual Financial statements as at and for the year ended 30 June 2018.

3.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except leasehold land, building and plant and machinery which are stated at revalued amount and the Company's liability under its defined benefit plan (gratuity) which is determined on the present value of the defined benefit obligations determined by an independent actuary.

3.3 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees which is also the Company's functional currency.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of Audited Annual Financial statements of the Company as at and for the year ended 30 June 2018. Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Company's operations and did not have any impact on the accounting policies of the Company.

5 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

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

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimating the uncertainty were the same as those that applied to the Audited Annual Financial statements as at and for the year ended 30 June 2018.

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the Audited Annual Financial statements as at and for the year ended 30 June 2018.

	Un-audited September 30 2018	Audited June 30 2018	
	Rupees in thousand		
6 PROPERTY, PLANT AND EQUIPMENT			
Owned			
Opening written down value	14,194	49,630	
Depreciation	(563)	(35,436)	
Closing written down value	13,631	14,194	
7 LOANS AND ADVANCES			
Loans to subsidiary companies - unsecured			
Considered doubtful			
Johnson & Phillips Industries (Pakistan) Limited (JPI)	24,835	24,835	
Johnson & Phillips Transformers (Private) Limited (JPT)	20,864	20,864	
Johnson & Phillips EMO Pakistan (Pvt.) Limited (EMO)	3,012	3,012	
	48,711	48,711	
Less Provision against doubtful loans	(48,711)	(48,711)	
	-	-	
Advances - Unsecured, Considered good			
To suppliers	794	774	
To employees	358	341	
Against purchase of land	2,717	2,717	
Others	70	71	
	3,938	3,903	
Less: Provision for doubtful advances	(3,841)	(3,841)	
	97	62	
8 SURPLUS ON REVALUATION OF FIXED ASSETS			
Opening balance	474,380	480,321	
Transferred to accumulated loss in respect of incremental depreciation on revalued assets for the period/year	(1,485)	(5,941)	
	472,895	474,380	
9 LONG TERM BORROWINGS			
From related parties			
From director	2,851	31,542	
From other related parties	117,954	88,499	
	120,804	120,041	
From others	4,000	4,000	
	124,804	124,041	
Less: current and overdue portion	(4,000)	(4,000)	
	120,804	120,041	
10 TRADE AND OTHER PAYABLES			
Creditors	10.1	124,730	124,652
Accrued liabilities		19,512	19,067
Advances from customers		5,310	5,527
Payable to Elmetec (Pvt) Ltd - related party		22,892	22,892
Payable to ex-employees		802	802
Provident fund		249	187
Unclaimed gratuity payable		894	894
Others		1,181	1,182
Tax deducted at source		46	11
		175,615	175,214

10.1 These include Rs. 119,530 million (June 2018: 119,397 million) payable to Elmetec (Private) Limited - a related party.

11 CONTINGENCIES AND COMMITMENTS Contingencies

11.1 Guarantees

The banks have issued guarantees, on behalf of the Company as detailed below:

Guarantees against performance bond	1,794	2,679
-------------------------------------	-------	-------

Labour

11.2 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, in the opinion of legal advisors, the Company has good case in its favour.

Others

11.3 Pursuant to a recovery suit filed by the National Bank of Pakistan against Johnson & Phillips Transformers (Pvt.) Limited (Defendant No.1) and Johnson & Phillips (Pakistan) Limited (Defendant No.2), the Banking Court No. III, Lahore passed a compromise decree.

The Bank agreed that prior to executing the Decree against the Defendant No.2 as guarantor, the Bank will execute against all assets of the Defendant No. 1. The entire amount of loan has been settled by the subsidiary company, however, the bank has not yet issued No Obligation Certificate (NOC) to the subsidiary company."

The Company had filed a suit for the recovery of insurance claim of Rs 3.735 million (2017: Rs 3.735 million) in Honorable High Court of Sindh at Karachi against the EFU General Insurance Limited and M/s Hanilay & Co. (Private) Limited. However, the Honorable High Court of Sindh dismissed the suit for want of jurisdiction. The Company has filed appeal against the impugned judgment which is currently at the stage of regular hearing.

TRANSACTIONS WITH RELATED PARTIES

12 The related parties comprise associated companies, directors, key management personnel and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties, contribution of staff benefit funds, return on loans, amounts due from executives and remuneration of directors and executives alongwith other transactions with related parties are given below:

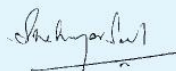
	Un-audited September 30 2018	Audited June 30, 2018
12.1 TRANSACTIONS WITH RELATED PARTIES		
Subsidiaries		
Loan provided to subsidiary companies	-	206
Payment made on behalf of subsidiary companies	-	206
Amount adjusted between two subsidiaries	-	-
Provident Fund		
Contribution paid to Provident Fund	72	175
Directors		
Director's fee paid	-	185
Markup on long term borrowings paid	-	1,750
Loan received	-	-
Funds received during the period	-	-
Funds repaid during the period	-	-
Other related parties due to close family relationship with director		
Long term Loan received	3,650	17,480
Purchases	1,401	4,833
Funds received - net	3,650	17,480
Markup on long term borrowings	1,109	3,373

13 DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue on October 29, 2018 by the Board of Directors of the Company.

14 GENERAL

Figures have been rounded off to the nearest thousand rupee.


Chief Executive


Director


Chief Financial Officer

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
Condensed Interim Consolidated Balance Sheet - Un-Audited
 As At September 30, 2018

	Note	Un-audited 30-Sep 2018	Audited June 30 2018
(Rupees in thousand)			
Assets			
Non-Current Assets			
Property, plant and equipments	4	13,631	14,194
Intangible assets		-	
Long term Investments			
Long term deposits		560	559
		14,191	14,753
Current Assets			
Store, spares and loose tools		-	-
Stock-in-trade		1,945	1,926
Trade debts		-	-
Loans and advances		97	62
Deposits, prepayments and other receivables		635	40
Tax refunds due from government		22,318	26,239
Cash and bank balances		196	4,556
		25,192	32,823
Non-current assets classified as held for sale		472,158	472,158
Total Assets		511,540	519,734
Equity And Liabilities			
Share Capital And Reserves			
Authorised capital		80,000	80,000
8,000,000 (June 30, 2018: 8,000,000) ordinary shares of Rs. 10 each			
Issued, subscribed and paid-up capital		54,500	54,500
Share premium reserve		29,727	29,727
General reserve		23,073	23,073
Surplus on revaluation of property, plant & equipment - Net of Tax		474,380	474,380
Accumulated loss		(399,412)	(391,839)
		182,268	189,841
Non-controlling interest		-	-
Advance against share capital		-	-
Non-Current Liabilities			
Long term borrowings		120,804	120,041
Deferred liabilities		14,504	14,504
		135,308	134,545
Current Liabilities			
Trade and other payables		180,385	179,984
Short term borrowings		4,751	6,536
Current and overdue portion of long term borrowings		4,000	4,000
Mark-up accrued		-	-
Unclaimed dividend		4,268	4,268
Taxation		560	560
		193,964	195,348
Contingencies and Commitments	5		
Total Equity And Liabilities		511,540	519,734

The annexed notes 1 to 8 form an integral part of this condensed interim consolidated financial information.


 Chief Executive

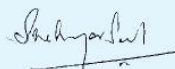

 Director


 Chief Financial Officer

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
Condensed Interim Consolidated Profit And Loss Account - Un-Audited
For The Three Months Period Ended September 30, 2018

	Quarter ended September 30	
	2018	2017
	------(Rupees in thousand)-----	
Revenue from sales and services-net	1,806	1,500
Cost of sales and services	(1,521)	(7,617)
Gross Profit / (Loss)	285	(6,117)
Operating expenses		
Distribution cost	(184)	(142)
Administrative expenses	(4,779)	(4,092)
Gain / (Loss) on sale of assets held for sale	(5,124)	(9,213)
Other operating income	5,551	-
Operating Profit / (Loss)	(4,251)	(19,564)
Finance cost	(1,837)	(1,111)
Profit / (Loss) before taxation	(6,088)	(20,675)
Taxation	-	(15)
Gain / (Loss) after taxation	(6,088)	(20,690)
Loss attributable to:		
- Owners of the Holding company	-	-
- Non-controlling interest	-	-
Loss for the period	-	-
Loss per share - basic and diluted	(1.12)	(3.80)

The annexed notes 1 to 8 form an integral part of this condensed interim consolidated financial information.


Chief Executive


Director


Chief Financial Officer

JOHNSON & PHILLIPS (PAKISTAN) LIMITED

Condensed Interim Consolidated Statement Of Comprehensive Income - Un-Audited
For The Three Months Period Ended September 30, 2018

	1st Quarter ended September 30	
	2018	2017
	--(Rupees in thousand)--	
Profit / (Loss) after taxation	(6,088)	(20,690)
Other comprehensive income	-	-
Total comprehensive loss	<u>(6,088)</u>	<u>(20,690)</u>
Total comprehensive loss attributable to:		
- Owners of the Holding company	-	-
- Non-controlling interest	-	-
	<u>-</u>	<u>-</u>

The annexed notes 1 to 8 form an integral part of this condensed interim consolidated financial information.


Chief Executive

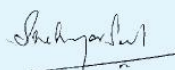

Director


Chief Financial Officer

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
Condensed Interim Consolidated Cash Flow Statement - Un-Audited
For The Three Months Period Ended September 30, 2018

	September 30	September 30
	2018	2017
Note	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	(6,088)	(20,675)
Adjustments for:		
Depreciation	563	2,203
Gain / (Loss) on disposal of held ofr sale assets	(5,113)	10,716
Provision for staff gratuity	-	-
Finance cost	1,837	1,111
	(2,713)	14,030
Operating (Loss) / Profit before working capital changes	(8,800)	(6,645)
Decrease in current assets		
Stock-in-trade	19	6,953
Trade debts	-	237
Loans and advances	(35)	8,527
Deposits, prepayments and other receivable	(595)	(554)
	(611)	15,163
Decrease / (increase) in current liabilities		
Trade and other payables	401	180
Net cash from operations	(9,009)	8,698
Taxes paid	(923)	(86)
Gratuity paid	-	-
Finance cost paid	(3)	(3)
	(926)	(89)
Net cash used in operating activities	(9,935)	10,864
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure incurred	-	-
Net cash generated from/(used in) investing activities	-	-
Sale proceed from disposal of held for sale assets	-	21,345
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowing	763	9,398
Short term borrowings obtained	126	16
Short term borrowing repaid to bank	-	(29,669)
Short term borrowing repaid to holding company	-	(7,487)
	126	(37,140)
Net decrease in cash and cash equivalents	841	13,276
	(4,360)	589
Cash and cash equivalents at beginning of the period	4,556	4,597
Cash and cash equivalents at end of the period	196	5,186

The annexed notes 1 to 8 form an integral part of this condensed interim consolidated financial information.


Chief Executive

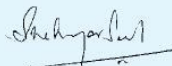

Director


Chief Financial Officer

JOHNSON & PHILLIPS (PAKISTAN) LIMITED
Condensed Interim Consolidated Statement Of Changes In Equity - Un-Audited
For The Quarter Ended September 30, 2018

	Capital Reserve		Revenue Reserve			
	Issued,					
	subscribed	Capital	surplus		Total	
	and paid-up	Share	on	General	Unappropriated	
	capital	Premium	Revaluation	Reserve	loss	
	----- (Rupees in thousand) -----					
Balance as at July 01, 2017	54,500	29,727	-	23,073	(349,328)	(242,028)
Total comprehensive loss for the period						
Loss after taxation for the period	-	-	-	-	(20,690)	(20,690)
Transfer from surplus on revaluation of property, plant and equipments	-	-	-	-	-	-
Balance as at September 30, 2017 (Restated)	54,500	29,727	-	23,073	(370,018)	(262,718)
Balance as at July 01, 2018	54,500	29,727	474,380	23,073	(391,839)	189,841
Total comprehensive loss for the period						
Loss after taxation for the period	-	-	-	-	(6,088)	(6,088)
Transfer from surplus on revaluation of property, plant and equipments	-	-	-	-	(1,485)	(1,485)
Balance as at September 30, 2018	54,500	29,727	474,380	23,073	(399,412)	182,268

The annexed notes 1 to 8 form an integral part of this condensed interim consolidated financial information.


Chief Executive


Director


Chief Financial Officer

JOHNSON & PHILLIPS (PAKISTAN) LIMITED**Condensed Interim Consolidated Notes To The Financial Information - Un-Audited**
For The Three Months Period Ended September 30, 2018**1 STATUS AND NATURE OF BUSINESS**

- 1.1** Johnson & Phillips (Pakistan) Limited ("the Holding Company") was incorporated in Pakistan as a public limited company on April 15, 1961 and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Holding Company is situated at C-10, South Avenue, S.I.T.E., Karachi. The Holding Company is principally engaged in manufacturing, installing and selling of electrical equipments. Etheridge Company Limited, held 2,719,536 (June 30, 2018: 2,719,536) ordinary shares of Rs. 10 each of the Holding Company as at September 30, 2018 which constitute 49.90% of total shares issued.

Subsidiaries of Johnson & Phillips (Pakistan) Limited are public and private limited companies and are engaged in the business of manufacturing and sale of electrical and mechanical equipments/appliances and participation in turnkey engineering industrial projects.

The following Subsidiary Companies have been consolidated in the condensed interim consolidated financial information of the Holding Company:

Subsidiary Companies	Company Status	Group Holding
Johnson & Phillips Industries (Pakistan) Limited	Public Limited	100%
Johnson & Phillips Transformers (Private) Limited	Private Limited	70%
Johnson & Phillips EMO Pakistan (Private) Limited	Private Limited	51%

- 1.2** The subsidiaries of the Group, Johnson & Phillips Industries (Pakistan) Limited and Johnson & Phillips Transformer (Private) Limited ceased production in July 1997 and February 1998 respectively. The accumulated losses of the Group as at September 30, 2018 stand at Rs. 399.412 million (June 30, 2018: Rs. 391.839 million) resulting in a positive equity of Rs. 182.268 million (June 30, 2018: Rs. 189.841 million) and as at that date the Group's current liabilities exceeded its current assets by Rs. 168.772 million (June 30, 2018: Rs. 162.525 million). Consequently, the ability of the Group to continue as a going concern is dependent on the following significant factors:

In spite of the above stated circumstances the management of the Holding Company still considers that the going concern assumption used for the preparation of these unaudited consolidated interim financial statements is appropriate in view of the following major facts:

- i) The Holding Company has already got its obligations rescheduled in respect of long term loans and financial arrangements, including repayment of principal and accumulated markup thereon with various lenders.
- ii) Efforts are underway to obtain orders so that sales volume as well as profitability can be achieved and the management expects favorable improvements in forthcoming year. This will be achieved with the re-certification of our product line now under way, so sales to the public sector will commence driving volume, which will boost sales and profitability.
- iii) The Board and other related parties of the Holding Company has provided in past continued support and expresses its commitment in order to maintain the going concern status of the Holding Company. This support is evident from the fact that a Director had in the past provided loan and financial support to the Holding Company.
- iv) After the sale of its Land & Building will implement a new business plan, which is in the process of being finalized.

The management of the Holding Company is confident that the above factors shall enable the Holding Company to continue as going concern for foreseeable future; hence, these consolidated financial statements have been prepared on going concern assumption.

2 BASIS OF CONSOLIDATION

This interim consolidated financial information has been prepared from the information available in the un-audited separate financial information of the Holding Company for the 1st, quarter ended September 30, 2018 and the un-audited financial information of the Subsidiary Companies for the 1st, quarter ended September 30, 2017.

The financial information of the Subsidiary Companies were prepared for the same reporting period as the Holding Company, using consistent accounting policies and changes were made when necessary to align them with the policies adopted by the Holding Company.

The assets and liabilities of the Subsidiary Companies have been consolidated on a line by line basis. The carrying value of investment held by the Holding Company is eliminated against the Subsidiary Companies' shareholders' equity in the consolidated financial information. All material intra-group balances and transactions were eliminated in full.

Non-controlling interest is that portion of equity in a subsidiary that is not attributable, directly or indirectly, to the Holding Company. Non-controlling interest are presented as separate item in the interim consolidated financial information.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Preparation

This condensed interim consolidated financial information of the Company for the 1st, quarter ended September 30, 2018 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" as applicable in Pakistan and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

This condensed interim consolidated financial information does not include all of the information and disclosures required for annual consolidated financial statements, and should be read in conjunction with the consolidated financial statements of the Company as at and for the year ended 30 June 2018. Comparative consolidated balance sheet is extracted from annual consolidated financial statements as at June 30, 2018 whereas comparative consolidated profit and loss account, consolidated statement of comprehensive income, consolidated cash flow statement and consolidated statement of changes in equity were extracted from un-audited condensed interim consolidated financial information for the 1st, quarter ended September 30, 2018.

3.2 Accounting Convention

The accounting policies, significant judgements made in the application of accounting policies, keys sources of estimations, the methods of computation adopted in preparation of this condensed interim consolidated financial information and financial risk management policy were the same as those applied in the preparation of the preceding quarterly consolidated financial statements of the Company for the quarter ended September 30, 2017.

4 PROPERTY, PLANT AND EQUIPMENT-TANGIBLE

	Un-audited September 30 2018	Audited June 30 2018
	(Rupees in thousand)	
Owned		
Opening written down value	14,194	49,630
Additions	-	-
Depreciation	(563)	(35,436)
Closing written down value	<u>13,631</u>	<u>14,194</u>

5 CONTINGENCIES AND COMMITMENTS**5.1 Contingencies****5.1.1 a) Guarantees**

Un-audited September 30 2018	Audited June 30 2018
(Rupees in thousand)	

The banks have issued guarantees, on behalf of the Company as detailed below:

Guarantees against performance bond	<u>1,794</u>	<u>1,794</u>
-------------------------------------	--------------	--------------

5.1.1 b) Labour, Others, Professional Fee Payable, & Unsecured Loan.

Some legal cases are pending against the Holding Company filed by ex-workers to re-instate them on their jobs. No definite outcome of the cases can be anticipated, however, in the opinion of legal advisors, the Holding Company has good case in its favour.

5.2 Commitments

There is no commitment as on September 30, 2018. (June 30, 2018: Nil)

6 TRANSACTION WITH RELATED PARTIES

The related parties comprise associated companies, directors, key management personnel and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties, contribution of staff benefit funds, return on loans, amounts due from executives and remuneration of directors and executives alongwith other transactions with related parties are given below:

Un-audited September 30 2018	Audited June 30 2018
(Rupees in thousand)	

Payments made on behalf of subsidiary companies	-	49
Payment of loan on behalf of a subsidiary company	-	70
Remuneration and benefits to key management personnel	1,200	6,072
Payment of contribution provident fund trust	72	199

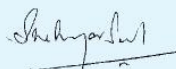
All transactions with related parties have been carried out by the Holding Company at arm's length prices using the comparable uncontrolled price method.

7 DATE OF AUTHORIZATION

This condensed interim consolidated financial information was authorized for issue on October 29, 2018 by the Board of Directors of the Holding Company.

8 GENERAL

Figures have been rounded off to the nearest thousand rupee.


Chief Executive


Director


Chief Financial Officer



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Tel : (92-21) 32560030-37 Fax : (92-21) 32564603
E-mail : johnsonphillips@cyber.net.pk Web : www.johnsonphillips.pk