



GOODLUCK INDUSTRIES LIMITED

HALF YEARLY REPORT

December 31

2018

GOODLUCK INDUSTRIES LIMITED

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GOODLUCK INDUSTRIES LIMITED

COMPANY INFORMATION

Board of Directors

Mr. Fahad	Chairman
Mr. Ashfaq	Chief Executive
Mr. Shamsul-Haq	
Mr. Shamsul-Zuha	
Mrs. Naveen Shams	
Mr. Muhammad Usman	
Mr. Muhammad Safyan Qureshi	Independent
Mr. Faizan Ahsan	Independent
Mr. Hasham Khan	Independent

Company Secretary

Mr. Nafees Shams Qureshi

Audit Committee

Mr. Faizan Ahsan	Chairman
Mr. Shams-ul-Haque	
Mr. Muhammad Usman	
Mr. Muhammad Safyan Qureshi	

H. R & Remuneration Committee

Mr. Fahad	Chairman
Mr. Shams-uz-Zoha	
Mr. Hasham Khan	

Auditors

M/s. Muniff Ziauddin & Co
Chartered Accountants

Bankers

Habib Metropolitan Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
MCB Bank Limited
United Bank Limited

Legal Advisor

M/s. Merchant Law Associates

Share Registrar

C & K Management Associates (Pvt) Ltd
404, Trade Tower, Abdullah Haroon Road
near Metropole Hotel, Karachi
Phones: 35687830, 35685939

Registered Office

S-49/A, S.I.T.E, Mauripur Road, Karachi
E-mail: goodluckindltd@live.com
Web: www.goodluckind.com
Phones: 32354361-64, 32354929
Fax: 32358685

GOODLUCK INDUSTRIES LIMITED

Chairman's Review

We are pleased to present the Company's condensed interim financial results for the period ended December 31, 2018. We are confident that our existing commercial business together with the opportunities in pipeline will facilitate in sustaining the growth achieved during the recent years. Needless to mention that the rise in other avenues of business will further add value to the net worth of the company

The management remains committed to maintain focus on sustaining the financial performance of your Company. We thank our shareholders, customers, bankers and staff for their support and trust in the Company.

We wish to thank our valued customers for their faith in our products and services and sincerely hope that they will continue this patronage, support and confidence reposed on us. We also take this opportunity to thank our bankers and regulatory bodies for providing us with their valuable support throughout this period.

Finally we wish to thank our staff whose dedication and commitment has been a source of strength for the Company.



Mr. Fahad
Chairman

Karachi dated: February 14th, 2019

GOODLUCK INDUSTRIES LIMITED

DIRECTOR'S REPORTS TO THE SHARE HOLDERS

The Board of Directors of **Goodluck Industries Limited** presents reports on the working of the Company for the half-year ended December 2018 along with condensed interim statements of Financial Position, condensed Interim statements of profit or loss account, condensed interim statement of Comprehensive Income, condensed interim statement of changes in equity, condensed interim statements of cash flow and notes to condensed interim financial statements for the half year ended December 31 2018 (Un-audited)

Review of business activities

Sales proceeds Decreased to Rs. 381,771,954 from Rs. 384,353,019 during the current period as compared to the last corresponding period. Whereas gross profit increased to Rs. 8,518,403 from Rs. 6,204,050, during the period management tried to reduce the cost of sales. Administrative expenses increased by Rs. 6,265,977 during the current financial period where as it was Rs. 4,741,011 during the last corresponding period.

Finance

Short term running finance facilities availed from M/S Habib Metropolitan Bank Ltd with sanctioned limit of 10.00 million. The finance is secured against hypothecation of stock and personal guarantee of all the directors. We have been advised that mark up on running finance for the period will be 3 Months KIBOR+0.75% p.a

Earning per Share - basic

	Half year ended		Quarter ended	
	Dec-2018	Dec-2017	Oct - Dec 2018	Oct - Dec 2017
Profit after taxation	2,877,019	140,985	187,970	1,030,484
Weighted average number of shares	300,000	300,000	300,000	300,000
Earning per shares - basic	9.59	0.47	0.63	3.43

Future Planning

Availability of wheat and its marketing prices could not be guessed properly as such it is wise to be very much careful before taking further steps for new investment in the field.

Dividend

The Board of Directors has decided not to declare interim dividend for the period under review.

Directors' remuneration's

In order to improve the financial position of the Company, the Chief Executive and the Directors of the Company have decided to forgo fees, remuneration and other perquisites for the half year ended December 31, 2018.

GOODLUCK INDUSTRIES LIMITED

Changes in equity for the half year ended 31st December 2018.

	Share Capital Issued, subscribed and paid-up capital	Revenue reserves Unappropriated Profit	Capital reserves Revaluation surplus on property, plant and equipment	Total
	-----Rupees-----			
Balance as at July 01, 2017 - as restated	3,000,000	37,313,651	326,879,628	367,193,280
Comprehensive income for the period				
Profit for the half year ended December 31, 2017	-	140,985	-	140,985
Other comprehensive income	-	-	-	-
Transfer from surplus on revaluation of fixed assets on account of : incremental depreciation for the year - net of tax	-	2,381,986	(2,381,986)	-
Effect of change of tax rate	-	-	1,006,353	1,006,353
Transactions with owners:				
Dividend for the year June 30 2017 @ Rs 3.36 per share	-	(1,008,000)	-	(1,008,000)
Balance as at December 31, 2017	3,000,000	38,828,622	325,503,995	367,332,618
Balances as at July 01, 2018	3,000,000	45,483,460	321,076,258	369,559,719
Comprehensive income for the period				
Profit for the half year ended December 31, 2018	-	2,877,019	-	2,877,019
Other comprehensive income	-	-	-	-
Transfer from Surplus on revaluation of fixed assets on account of incremental depreciation for the half year - net of tax	-	3,114,104	(3,114,104)	-
Effect of change of tax rate	-	-	909,071	909,071
Transactions with owners:				
Dividend for the year June 30 2018 @ Rs. 3.40 per share	-	(1,020,000)	-	(1,020,000)
Balance as at December 31, 2018	3,000,000	50,454,584	318,871,225	372,325,809

Authority to issue financial statements

The Board of Directors has approved in its meeting held on 14th February 2019 to publish un-audited accounts, financial Statements and Directors' reports of Goodluck Industries Limited for the half year ended December 31 2018 to all the share holders and related departments.

Thanks

The Board appreciated the services devoted by the Board of Directors of the Company, the management and all the staff of the Industry for their hard work and sincerity.

For and on behalf of the Board



Chief Executive
Karachi; 14th February 2019

گڈ لک انڈسٹریز لمیٹڈ

شیر ہولڈرز کیلئے ڈائریکٹرز کی رپورٹ

گڈ لک انڈسٹریز لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 دسمبر 2018ء کی پہلی ششماہی کیلئے کمپنی کی کارکردگی کی رپورٹ بمعہ معادی مدت کی بیلنس شیٹ (غیر آڈٹ شدہ)، معادی نفع و نقصان اکاؤنٹ، معادی کیش فلو کا اسٹیٹمنٹ، معادی آمدنی کا اسٹیٹمنٹ، معادی ایکویٹی میں تبدیلی سے متعلق اسٹیٹمنٹ اور نوٹس پیش کر رہے ہیں۔

کاروباری سرگرمیوں کا جائزہ:

موجودہ مدت کے دوران فروخت Rs. 384,353,019 روپے سے کم ہو کر 381,771,954 روپے ہو گئی جس کا موازنہ گزشتہ مدت سے کیا جاسکتا ہے۔ جبکہ کل منافع مبلغ 6,204,050 روپے سے بڑھ کر 8,518,403 روپے ہو گیا، موجودہ مدت کے دوران فروخت کی لاگت کو کم کرنے کی کوشش کی گئی۔ موجودہ مالیاتی مدت کے دوران انتظامی اخراجات مبلغ 6,265,977 روپے سے بڑھ گئے جو کہ گزشتہ مدت کے دوران مبلغ 4,741,011 روپے تھے۔

مالیات:

مختصر مدت کی مالیاتی سہولیات میسرز حبیب میٹروپولیٹن بینک لمیٹڈ سے حاصل کی گئی جس کی منظوری کی حد 10.00 ملین ہے۔ یہ مالیات تمام ڈائریکٹرز کے اسٹاک اور ذاتی ضمانت کے حوالے سے محفوظ کی گئی ہے۔ ہمیں یہ مشورہ دیا گیا ہے کہ مذکورہ مدت کے لئے تین ماہ KIBOR+0.75% p.a کا مارک اپ موجودہ مالیات کے تحت ہونا چاہئے۔

فی شیر آمدنی۔ بنیادی:

ختم ہونے والی ششماہی		ختم ہونے والی سال		
اکتوبر تا دسمبر 2018	اکتوبر تا دسمبر 2017	دسمبر 2018	دسمبر 2017	
1,030,484	187,970	140,985	2,877,019	بعد از ٹیکس منافع (روپے)
300,000	300,000	300,000	300,000	شیرز کی تعداد کا تناسب
3.43	0.63	0.47	9.59	فی شیر آمدنی۔ بنیادی

مستقبل کی حکمت عملی:

گندم کی دستیابی اور اس کی مارکیٹنگ کی قیمتوں میں مناسب طریقہ سے اضافہ نہیں کیا جاسکا۔ لہذا نئی سرمایہ کاری کیلئے مزید اقدامات کرنے سے پہلے کافی احتیاط کی ضرورت ہے۔

ڈویڈنڈ:

بورڈ آف ڈائریکٹرز نے یہ فیصلہ کیا ہے کہ زیر جائزہ مدت کے لئے معادی ڈویڈنڈ کا اعلان نہ کیا جائے۔

ڈائریکٹرز کی تجویزیں:

کمپنی کی مالیاتی حیثیت کو بہتر بنانے کیلئے کمپنی کے چیف ایگزیکٹو اور ڈائریکٹرز نے یہ فیصلہ کیا ہے کہ اختتامی سال 31 دسمبر 2018ء کی پہلی ششماہی کیلئے فیس، تنخواہیں اور دیگر امور کو معاف کر دیا جائے۔

گڈ لک انڈسٹریز لمیٹڈ

اختتامی سال 31 دسمبر 2018ء کی پہلی ششماہی کیلئے ایکویٹی میں تبدیلیاں:

ٹوٹل	مقررہ اثاثہ جات پر اپریل، پلانٹ اور سامان کی دوبارہ ویلویویشن پر اضافہ	غیر حاصل کردہ منافع	شیر سرمایہ	
367,193,280	326,879,628	37,313,651	3,000,000	یکم جولائی 2017ء کو بیلنس
				مدت کی جامع آمدنی:
140,985	-	140,985	-	31 دسمبر 2017ء کو ختم ہونے والی ششماہی کیلئے منافع
-	-	-	-	دیگر جامع آمدنی
-	(2,381,986)	2,381,986	-	ششماہی کیلئے انکم ریمنٹل ڈپرہسی ایشن میں کمی بیشی کے اکاؤنٹ پر مقررہ اثاثہ جات کی دوبارہ ویلویویشن پر اضافی رقم کی منتقلی۔ صافی ٹیکس
1,006,353	1,006,353	-	-	ٹیکس ریٹ میں تبدیلی کا اثر
				مالکان کے ساتھ لین دین:
(1,008,000)	-	(1,008,000)	-	سال 30 جون 2017ء کے لئے ڈویڈنڈ فی شیر مبلغ 3.36 روپے
367,332,618	325,503,995	38,828,622	3,000,000	31 دسمبر 2017ء کو بیلنس
369,559,719	321,076,258	45,483,460	3,000,000	یکم جولائی 2018ء کو بیلنس
				مدت کی جامع آمدنی:
2,877,019	-	2,877,019	-	31 دسمبر 2018ء کو ختم ہونے والی ششماہی کیلئے منافع
-	-	-	-	دیگر جامع آمدنی
-	(3,114,104)	3,114,104	-	ششماہی کیلئے انکم ریمنٹل ڈپرہسی ایشن میں کمی بیشی کے اکاؤنٹ پر مقررہ اثاثہ جات کی دوبارہ ویلویویشن پر اضافی رقم کی منتقلی۔ صافی ٹیکس
909,071	909,071	-	-	ٹیکس ریٹ میں تبدیلی کا اثر
				مالکان کے ساتھ لین دین:
(1,020,000)	-	(1,020,000)	-	سال 30 جون 2018ء کے لئے ڈویڈنڈ فی شیر مبلغ 3.40 روپے
372,325,809	318,871,225	50,454,584	3,000,000	31 دسمبر 2018ء کو بیلنس

مالیاتی حسابات کے اجراء کیلئے اقرار:

بورڈ آف ڈائریکٹرز نے 14 فروری 2019ء کو ابغی منعقدہ میٹنگ میں اس بات کی منظوری دی ہے کہ غیر آڈٹ شدہ اکاؤنٹ، مالیاتی حسابات اور اختتامی سال 31 دسمبر 2018ء کی پہلی ششماہی کیلئے گڈ لک انڈسٹریز لمیٹڈ کی ڈائریکٹر رپورٹ کا اجراء کیا جائے۔

اظہار تشکر:

بورڈ مین کی بورڈ آف ڈائریکٹرز، انتظامیہ اور انڈسٹری کے تمام اسٹاف کی خلصانہ جدوجہد پر ان کا شکریہ ادا کرتا ہے۔

بورڈ آف ڈائریکٹرز کی طرف اور جانب سے



چیف ایگزیکٹو

کراچی مورخہ 14 فروری 2019ء

Independent Auditor's Review Report to the members of Goodluck Industries Limited

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Goodluck Industries Limited as at December 31, 2018 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 statements for the six-month period then ended. Management is responsible for the preparation and presentation of these 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 financial statements based on our review.

Scope of Review

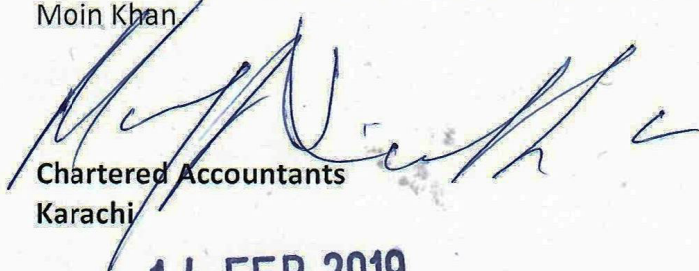
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial 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.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2018 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2018.

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 the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

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



Chartered Accountants
Karachi

Date:

14 FEB 2019



GOODLUCK INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018

	Note	Un-audited Dec-18 -----Rupees-----	Audited Jun-18
ASSETS			
Non Current Assets			
Property, plant & equipments	6	351,710,540	356,330,139
Long term deposit		<u>360,782</u>	<u>360,782</u>
		352,071,322	356,690,921
Current Assets			
Stock in trade		55,914,282	14,110,194
Trade debtors		19,963,643	19,155,691
Income tax refundable		10,543,891	10,131,248
Advances, deposits and other receivables		585,392	585,392
Cash and bank balances		<u>15,525,526</u>	<u>5,386,084</u>
		102,532,734	49,368,609
TOTAL ASSETS		<u>454,604,055</u>	<u>406,059,530</u>
EQUITY AND LIABILITIES			
Share Capital			
Authorized capital			
1,000,000 Ordinary Shares of Rs.10 each		<u>10,000,000</u>	<u>10,000,000</u>
Issued, subscribed and paid up:			
300,000 Ordinary Shares of Rs. 10 each fully paid in cash		<u>3,000,000</u>	<u>3,000,000</u>
Capital Reseves:			
Revaluation surplus on property, plant and equipments - net of tax	7	318,871,225	321,076,258
Revenue Reserves:			
Unappropriated profit		<u>50,454,584</u>	<u>45,483,460</u>
		372,325,809	369,559,719
LIABILITIES			
Non - current liabilities			
Deferred liabilities		29,862,827	33,409,960
Current liabilities			
Short term running finance	8	-	-
Trade and other payables		50,571,557	1,407,482
Dividends payable		<u>1,843,864</u>	<u>1,682,370</u>
		52,415,421	3,089,852
TOTAL LIABILITIES		<u>82,278,247</u>	<u>36,499,811</u>
Contingencies and commitments	9		
TOTAL EQUITIES & LIABILITIES		<u>454,604,055</u>	<u>406,059,530</u>

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

Chief Executive

Director

Chief Financial Officer

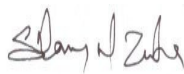
GOODLUCK INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2018

		<u>For the Half year ended</u>		<u>For the Quarter ended</u>	
	Note	Dec-18	Dec-17	Oct-Dec 18	Oct-Dec 17
		-----Rupees-----			
Sales		381,771,954	384,353,019	213,250,485	234,000,061
Cost of sales	10	373,253,551	378,148,969	209,387,165	228,278,298
Gross profit		8,518,403	6,204,050	3,863,320	5,721,763
Administrative expenses		6,265,977	4,741,011	3,381,326	2,533,866
Selling expenses		123,721	55,713	85,721	15,513
Other operating expenses		241,098	201,577	121,713	323,894
		6,630,795	4,998,300	3,588,759	2,873,272
Profit from operation		1,887,608	1,205,750	274,561	2,848,491
Financial charges		9,495	12,913	7,286	5,258
Profit before taxation		1,878,113	1,192,837	267,275	2,843,233
Taxation					
- Current		(1,920,297)	(1,977,837)	(765,376)	(1,643,206)
- Prior Year		-	(30,000)	-	(30,000)
- Deferred		2,919,204	955,985	686,072	(139,543)
		998,907	(1,051,852)	(79,304)	(1,812,749)
Profit after taxation		2,877,019	140,985	187,970	1,030,484
Earning per share - basic	11	9.59	0.47	0.63	3.43

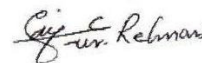
The annexed notes form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

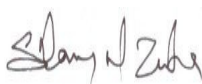
GOODLUCK INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2018

	For the Half year ended		For the Quarter ended	
	Dec-18	Dec-17	Oct-Dec 18	Oct-Dec 17
	-----Rupees-----			
Profit after taxation	2,877,019	140,985	187,970	1,030,484
Other comprehensive income				
Items that may be reclassified to statement of profit or loss in subsequent periods	-	-	-	-
Items that will not be reclassified to statement of profit or loss in subsequent periods	-	-	-	-
Total comprehensive income for the period	<u>2,877,019</u>	<u>140,985</u>	<u>187,970</u>	<u>1,030,484</u>

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



Chief Executive



Director



Chief Financial Officer

GOODLUCK INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2018

Share Capital Issued, subscribed and paid-up capital	Revenue reserves Unappropriated Profit	Capital reserves Revaluation surplus on property, plant and equipment	Total
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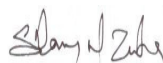
-----Rupees-----

Balance as at July 01, 2017 - as restated	3,000,000	37,313,651	326,879,628	367,193,280
Comprehensive income for the period				
Profit for the half year ended December 31, 2017	-	140,985	-	140,985
Other comprehensive income	-	-	-	-
Transfer from surplus on revaluation of fixed assets on account of : incremental depreciation for the year - net of tax	-	2,381,986	(2,381,986)	-
Effect of change of tax rate	-	-	1,006,353	1,006,353
Transactions with owners:				
Dividend for the year June 30 2017 @ Rs 3.36 per share	-	(1,008,000)	-	(1,008,000)
Balance as at December 31, 2017	3,000,000	38,828,622	325,503,995	367,332,618
Balances as at July 01, 2018	3,000,000	45,483,460	321,076,258	369,559,719
Comprehensive income for the period				
Profit for the half year ended December 31, 2018	-	2,877,019	-	2,877,019
Other comprehensive income				
Transfer from Surplus on revaluation of fixed assets on account of incremental depreciation for the half year - net of tax	-	3,114,104	(3,114,104)	-
Effect of change of tax rate	-	-	909,071	909,071
Transactions with owners:				
Dividend for the year June 30 2018 @ Rs. 3.40 per share	-	(1,020,000)	-	(1,020,000)
Balance as at December 31, 2018	3,000,000	50,454,584	318,871,225	372,325,809

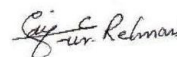
The annexed notes form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

GOODLUCK INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

Dec-18 Dec-17
 -----Rupees-----

CASH FLOW FROM OPERATING ACTIVITIES

Profit before taxation	1,878,113	1,192,837
<u>Adjustment for:</u>		
Depreciation	4,680,101	5,186,030
Gratuity Provision	281,142	571,692
CASH FROM OPERATING ACTIVITIES - BEFORE WORKING CAPITAL CHANGES	6,839,355	6,950,558

(Increase)/decrease in current assets

Stock in trade	(41,804,088)	(52,839,773)
Trade debtors	(807,952)	6,012,565
	(42,612,040)	(46,827,208)

Increase/(decrease) in current liabilities

Creditors, accrued & other liabilities	49,164,075	41,080,588
	6,552,035	(5,746,620)

CASH USED IN OPERATIONS

13,391,390 1,203,938

Gratuity paid	-	(77,900)
Tax paid	(2,332,940)	(2,385,625)
NET CASH FLOW FROM OPERATING ACTIVITIES	11,058,450	(1,259,587)

CASH FLOW FROM INVESTING ACTIVITIES

Addition to property, plant and equipments	(60,500)	(200,000)
NET CASH FLOW FROM INVESTING ACTIVITIES	(60,500)	(200,000)

CASH FLOW FROM FINANCING ACTIVITIES

Dividends paid	(858,508)	(733,587)
NET CASH FLOW FROM FINANCING ACTIVITIES	(858,508)	(733,587)

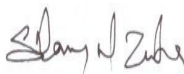
NET INCREASE IN CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS - at the beginning of the period	10,139,442	(2,193,174)
CASH AND CASH EQUIVALENTS - at the end of the period	5,386,084	4,002,449
	15,525,526	1,809,274

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



Chief Executive



Director



Chief Financial Officer

GOODLUCK INDUSTRIES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2018 (UN-AUDITED)

1 CORPORATE INFORMATION

Goodluck Industries Limited is a public limited company quoted at Pakistan Stock Exchange. The principal activity of the Company is Milling of Wheat and all kinds of Grains. The registered office and factory premises of the company are located at S-49/A S.I.T.E., Mauripur Road, Karachi.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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 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** In order to comply with the requirements of IAS 34 "Interim financial reporting" the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of the preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flow statement and condensed interim statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

The figures of the condensed interim profit and loss account for the quarters ended December 31, 2018 and 2017 have not been reviewed by the statutory auditors of the Company as they have reviewed the cumulative figures for the half year ended December 31, 2018. This condensed interim financial statements does not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's financial statements for the year ended June 30, 2018.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2018, except for the adaptation of IFRS 15 "Revenue from contracts with customers" and IFRS 9 "Financial Instruments". The revised accounting policy adopted by the management are as follows:

3.1 IFRS 15 – Revenue from Contracts with Customers

IFRS 15 'Revenue from contracts with customers' superseded IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations and its applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The Company has assessed that significant performance obligation in contracts with customers are closely related and therefore are discharged over the period of the relationship with relevant customers. Hence, the Company has concluded that it is in compliance with the requirements of the new accounting standard.

3.2 IFRS 9 – Financial Instruments

IFRS 9 'Financial Instruments' has replaced IAS 39 'Financial Instruments: Recognition and Measurement' for annual periods beginning on or after July 01, 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting. The Company has applied IFRS 9 retrospectively, with the initial application date of 1 July 2018 as notified by the Securities and Exchange Commission of Pakistan (SECP).

The Company's financial assets mainly include trade debts, advances, long term deposits and other ancillary deposits/receivables and bank balances held with commercial banks.

The adoption of IFRS 9 has changed the accounting for impairment losses for financial assets by replacing the incurred losses model approach with a forward looking expected credit loss (ECL) approach. Expected Credit Loss (ECL) are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest.

Considering the nature of the financial assets, the Company has applied the standard's simplified approach and has calculated ECL based on life time ECL. For this purpose, the management has conducted an exercise to assess the impairment of its financial assets using historical data and forward looking information. Based on such exercise, the Company has concluded that it is in compliance with the requirements of the new accounting standard and that the impact of impairment on its financial assets (if any) is immaterial to this condensed interim unconsolidated financial statements.

4 CRITICAL ACCOUNTING ESTIMATE AND JUDGEMENTS

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

In preparing this condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements of the Company for the year ended 30 June 2018.

5 Financial risk management

The Company's financial risk management objective and policies are consistent with that disclosed in the represented financial statements as at and for the year ended June 30, 2018.

GOODLUCK INDUSTRIES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2018 (UN-AUDITED)

	Dec-18	Jun-18
	-----Rupees-----	
6 PROPERTY, PLANT & EQUIPMENTS		
Opening written down value	356,330,139	366,450,480
Additions	60,500	251,200
Surplus on Revaluation of Fixed Assets	-	-
Depreciation	(4,680,101)	(10,371,541)
	<u>351,710,540</u>	<u>356,330,139</u>

	Dec-18	Jun-18
	Rupees	Rupees
7 SURPLUS ON REVALUATION OF FIXED ASSETS		
Balance at the beginning of the period	348,348,392	358,076,567
Surplus arising during the year	-	-
Less: Incremental depreciation on revalued assets for the half year -	(4,386,062)	(9,728,175)
Balance at the end of the period	<u>343,962,330</u>	<u>348,348,392</u>
Less: Related deferred tax of		
Opening balance	27,272,134	31,196,939
Surplus arisen during the year	-	-
Incremental depreciation for the period	(1,271,958)	(2,918,452)
Effect of change in tax rate	(909,071)	(1,006,353)
Closing balance	25,091,105	27,272,134
Balance at the end of the period	<u>318,871,225</u>	<u>321,076,258</u>

The company revalued its leasehold land, buildings on leasehold land and plant & machinery to replace the carrying amounts of these assets with their market values / depreciated market values. The revaluation was carried-out for June 30, 2017 by an independent valuers namely M/s. MYK Associates (Private) Limited. The appraisal surplus arisen on this revaluation aggregate to Rs. 158,848,907.

Previously, revaluation was carried-out on August 30, 2012 by an independent valuers namely M/s. Yunus Mirza & Co. The appraisal surplus arisen on that revaluation aggregated to Rs. 225,892,372.

8 SHORT TERM RUNNING FINANCE - SECURED
Habib Metropolitan Bank Limited

This represents unutilized short-term running finance facility from Habib Metropolitan Bank Limited with sanctioned limit of Rs. 10 million. The finance is secured against hypothecation charge over stocks and receivables duly insured in bank's favor and carried mark-up rate @ 3 months KIBOR + 0.75% per annum.

9. CONTINGENCIES & COMMITMENTS

9.1 CONTINGENCIES

Company has filed a suit no. 264/2017 against a supplier for the compensation of damages claim against project of designing, fabricating, providing and installation of R.O Plant system of drinking water as well as training of Goodluck Industries Limited. The Management believes that the outcome of the litigation case will be in favour of the Company.

9.2 COMMITMENTS

There were no commitments as at December 31, 2018 (June 30, 2018: Nil).

GOODLUCK INDUSTRIES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2018 (UN-AUDITED)

10 COST OF SALES

	Half year ended		Quarter ended	
	Dec-18	Dec-17	Oct-Dec 18	Oct-Dec 17
	-----Rupees-----			
Raw Material Consumed	351,432,016	355,853,189	197,714,852	218,037,491
Packing material consumed	5,237,501	4,056,657	2,293,238	2,128,654
Power charges	8,071,269	8,749,222	4,032,401	4,350,658
Salaries & benefits	2,027,297	1,545,776	1,112,790	915,161
Labor charges	1,197,990	1,297,681	705,420	777,777
Machineries repair & maintenance	798,901	410,030	423,316	237,623
Oil & Lubricant	42,748	21,823	28,648	7,200
Depreciation	4,490,109	4,987,771	2,245,052	2,497,459
	373,297,831	376,922,149	208,555,717	228,952,023
Add : Opening stock - finished goods	1,304,940	2,875,625	2,180,668	975,080
Less : Closing stock - finished goods	(1,349,220)	(1,648,805)	(1,349,220)	(1,648,805)
	(44,280)	1,226,820	831,448	(673,725)
	373,253,551	378,148,969	209,387,165	228,278,298

11 BASIC EARNING PER SHARE

Profit after taxation - Rupees	2,877,019	140,985	187,970	1,030,484
Weighted average number of shares	300,000	300,000	300,000	300,000
Basic earning per share - Rupees	9.59	0.47	0.63	3.43

There is no dilutive effect on the basic earnings per share of the Company.

12 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties are carried out on arm's length basis. The significant transactions with associated undertakings and related parties other than those which have been specifically disclosed elsewhere in this condensed interim financial statements are given below:

Sales	Nil	Nil
Purchases	Nil	Nil

13 DATE OF AUTHORIZATION

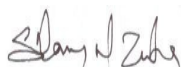
These financial statements were authorized for issue on **14th February 2019** by the Board of Directors of the Company.

14 GENERAL

14.1 Figures have been rounded off to the nearest rupee.



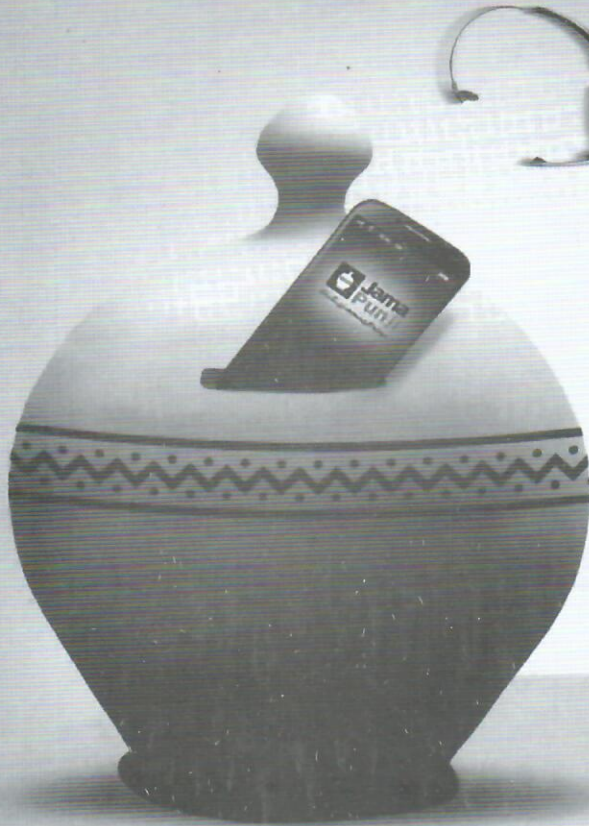
Chief Executive



Director



Chief Financial Officer



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