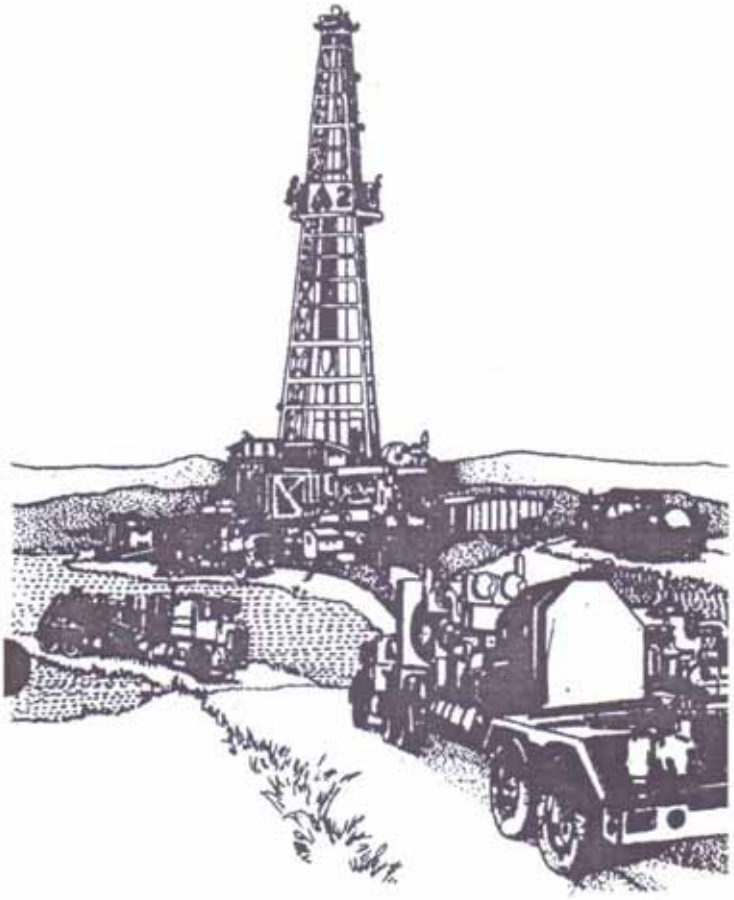
ADOS PAKISTAN LIMITED

QUARTERLY REPORT SEPTEMBER 30, 2014



COMPANY INFORMATION

CHIEF EXECUTIVE OFFICER	Mr. Zia Akbar Ansari
DIRECTORS	Mr. Jamal Akbar Ansari Mr. Zia Akbar Ansari Ms. Sabina Ansari Mrs. Uzma Jamal Mrs. Shoobarana Zia Mr. Taha Akbar Ansari Mr. Sheryar Akbar Ansari Mr. Sheikh Usman Ahmed Mr. Muhammed Fahd Shaffi
COMPANY SECRETARY	Ms. Sabina Ansari
CHIEF FINANCIAL OFFICER	Mr. Ali Imran Haider Bokhari
AUDIT COMMITTEE	Mr. Muhammed Fahd Shaffi - Member Mrs. Shoobarana Zia- Member Mr. Sheikh Usman Ahmed - Member
AUDITORS	Anjum Asim Shahid Rahman Chartered Accountants
BANKERS	Burj Bank Limited, F-8 Markaz, Islamabad Dubai Islamic Bank Pakistan Limited, Roshan Center, Plot 78-W, Jinnah Avenue, Blue Area, Islamabad. NIB Bank Limited (Formerly PICIC Commercial Bank Limited, Razia Sharif Plaza, Blue Area, Islamabad. Bank Alfalah Limited, Awan Arcade, Blue Area, Islamabad. Bank Islami Pakistan Limited 5-6, Chanab Center, Block 104-E, Jinnah Avenue, Blue Area Islamabad. National Bank of Pakistan, F-8 Markaz, Islamabad. Bank of Khyber. Blue Area, Islamabad Bank of Khyber, Hattar Industrial Zone, Hattar.
LEGAL ADVISORS	Samad Law Associates, Samad Chambers, 1st Floor, G-253/A, Liquat Road, Rawalpindi.
REGISTERED OFFICE	# 88, Khayaban-e-Iqbal, F-8/2, Islamabad. Tel # 92-51-2264308-2255560 Fax # 92-51-2281678
SHARE REGISTRAR / TRANSFER AGENT	Evolution Factor (Private) Limited, formerly Corporate Support Services (Private) Limited 407-408, Al Ameera Center, Shahrah-e-Iraq, Saddar, Karachi. Tel # 92-21-5662023-24 Fax: + 92 21 5221192
FACTORY	a) Plot # 43, Phase III, Hattar Industrial Estate, Khyber Pukhtoonkhwa. Tel # 92-995-617192 & 617364, Fax # 92-995-617193 b) Plot # 292, Street # 3, Industrial Area I-9/3,

DIRECTOR'S REPORT TO THE MEMBERS

Gentlemen,

The Directors of the company take pleasure in placing before you the un-audited financial statements for the quarter ended September 30, 2014:

1. As stated in the latest annual report the management of the Company is making all its efforts to get maximum of orders from Oil & Gas Exploration Companies Operating in Pakistan and also for its specialized fabrication division in order to maintain the level of sales while also maintaining the quality & standard of work done for its customers.

2. The management is also satisfied that the Company is moving on the path of continuous profitability and is in a healthy & sound financial position with greater satisfaction of its shareholders.

3. Regarding qualification by our external auditors in their report to the members on the correctness relating to existence, nomenclature and valuation of items being classified as Stores, Spares and loose tools amounting to Rs. 1,653,593 (2014: 1,653,593) and Stock in trade amounting to Rs.3,264,562 (2014: 3,264,562), as stated in previous financial years, the Company has purchased these items stated under the above stated heads in the shape of a bulk and was imported from abroad. The price was paid for whole of the items collectively i.e. for whole of the bulk and the documents related to these were fully verified by the auditors. The problem was with the assigning of cost to each item separately, as physically verified by the auditors on stock take and to have the underlying documents and the basis for the valuation for each item for verification purposes. In addition to above regarding existence as stated by the auditors, the problem it meant was the absence of verifications on individual itemized basis rather than collective/bulk.

4. The management is closely monitoring the current scenario of business and security inside the country as well as the global recession and the unstable economic situation as their consequences are badly affecting the overall economy.

5. The management has decided not to pay dividends for the quarter ended September 30, 2014 keeping in view future cash flow requirements of the company.

The Directors take this opportunity to thank the management, workers, principal sponsors, bankers and to the most the shareholders for their endless cooperation and support.

For and on behalf of the Board

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER & DIRECTOR

Islamabad, October 31, 2014

ADOS PAKISTAN LIMITED

BALANCE SHEET [UN - AUDITED]

AS AT SEPTEMBER 30, 2014

	SEPTEMBER 30 2014 Rupees	JUNE 30 2014 Rupees
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	48,033,430	49,394,806
Long term loan and advances	17,750,000	4,549,489
Deferred taxation	8,164,712	9,886,173
	73,948,142	63,830,468
CURRENT ASSETS		
Stores, spares and loose tools	1,653,593	1,653,593
Stock in trade	18,130,958	18,130,958
Trade debts	417,544,345	379,691,302
Advances	2,374,769	1,226,222
Trade deposits and short term prepayments	13,764,116	8,748,627
Due from associated company	-	4,949,058
Accrued interest on saving accounts	676,925	339,462
Taxation refundable	94,152,316	85,796,212
Cash and bank balances	179,701,988	232,119,221
	727,999,011	732,654,655
TOTAL ASSETS	801,947,153	796,485,123
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
7,000,000 (2014: 7,000,000) ordinary shares of Rs. 10 each	70,000,000	70,000,000
Issued, subscribed and paid up capital	65,826,000	65,826,000
RESERVES		
Revenue reserves-unappropriated profit	206,928,057	197,731,376
TOTAL EQUITY	272,754,057	263,557,376
LIABILITIES		
NON-CURRENT LIABILITIES		
Employees' benefit obligation	6,450,864	6,031,220
	6,450,864	6,031,220
CURRENT LIABILITIES		
Trade and other payables	520,476,712	524,631,007
Unclaimed dividend	2,265,520	2,265,520
	522,742,232	526,896,527
TOTAL LIABILITIES	529,193,096	532,927,747
TOTAL EQUITY AND LIABILITIES	801,947,153	796,485,123

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

PROFIT AND LOSS ACCOUNT [UN - AUDITED]
FOR THE QUARTER ENDED SEPTEMBER 30, 2014

	Note	SEPTEMBER 30 2014 Rupees	SEPTEMBER 30 2013 Rupees
Revenue-net	3	**264,847,119**	125,272,831
Cost of sales/services	4	**(223,153,985)**	(101,792,400)
Gross profit		**41,693,134**	23,480,431
Administrative and selling expenses		**(33,670,451)**	(19,774,433)
Profit from operations		**8,022,683**	3,705,998
Other income		**6,518,198**	4,702,230
Financial cost		**(287,282)**	(273,814)
Profit before income tax		**14,253,599**	8,134,414
Taxation		**(5,056,918)**	(3,004,392)
Profit after taxation		**9,196,681**	5,130,022
Earnings per share		**1.40**	0.78

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

STATEMENT OF COMPREHENSIVE INCOME [UN - AUDITED]
FOR THE QUARTER ENDED SEPTEMBER 30, 2014

	SEPTEMBER 30 2014 Rupees	JUNE 30 2014 Rupees
Profit for the year	**9,196,681**	6,582,543
Re measurement of plan obligations	-	(1,107,084)
Deferred tax charge on remeasurment of plan obligations	-	365,338
Remeasurement of plan obligations - net of tax	-	(741,746)
Other comprehensive loss for the year	-	(741,746)
Total comprehensive income for the year	**9,196,681**	5,840,797

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

STATEMENT OF CHANGES IN EQUITY [UN - AUDITED]
FOR THE QUARTER ENDED SEPTEMBER 30, 2014

	Issued, subscribed and paid up capital	Capital reserves	Revenue reserves	Shareholders' equity
		Unrealized gain/(loss) on remeasurement of available for sale investment	Unappropriated Profit	
	Rupees	Rupees	Rupees	Rupees
Balance as at June 30, 2013 - (Restated)	65,826,000	-	208,347,076	274,173,076
Comprehensive income for the year				
Total comprehensive income for the year ended June 30, 2014	-	-	5,840,797	5,840,797
Final dividend for the year ended June 30, 2013	-	-	(16,456,497)	(16,456,497)
Balance as at June 30, 2014	65,826,000	-	197,731,376	263,557,376
Comprehensive income for the period				
Total comprehensive income for the period ended September 30, 2014			9,196,681	9,196,681
Balance as at September 30, 2014	65,826,000	-	206,928,057	272,754,057

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

CASH FLOW STATEMENT [UN - AUDITED]
FOR THE QUARTER ENDED SEPTEMBER 30, 2014

	SEPTEMBER 30 2014 Rupees	SEPTEMBER 30 2013 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income tax	14,253,599	8,134,414
Adjustment for:		
Depreciation	1,304,370	1,332,873
Provision for employees' benefit obligation	419,644	341,135
Provision for doubtful debts	-	-
Provision for WPPF & WWF	2,335,057	558,338
Interest on bank accounts	(337,464)	(1,283,423)
Financial cost	287,282	273,814
	4,008,889	1,222,737
	18,262,488	9,357,151
(Increase)/decrease in current assets		
Stock in trade	-	(40,188,392)
Trade debts	(37,853,043)	112,353,814
Advances, trade deposits and short term prepayments	(6,164,036)	2,279,123
Due from associated company	4,949,058	-
	(39,068,021)	74,444,545
Increase/(decrease) in current liabilities		
Trade and other payables	(6,489,352)	29,316,728
Due to associated company	-	(3,572,252)
	(6,489,352)	25,744,476
Cash generated from operations	(27,294,885)	109,546,172
Financial cost paid	(287,282)	(273,814)
Taxes paid	(13,413,022)	(6,158,045)
	(13,700,303)	(6,431,859)
Net cash flow (used in)/from operating activities	(40,995,188)	103,114,313
CASH FLOW FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment - net of disposals	57,006.00	(70,000)
Long term loan	(11,479,051)	(2,103,903)
Profit realized on bank accounts	-	1,786,345
Net cash (used in) from investing activities	(11,422,045)	(387,558)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	-	-
Net cash used in financing activities	-	-
Net change in cash and cash equivalents	(52,417,233)	102,726,755
Cash and cash equivalents at the beginning of the year	232,119,221	298,688,675
Cash and cash equivalent at the end of the year	179,701,988	401,415,430

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

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

1 LEGAL STATUS AND OPERATIONS

Ados Pakistan Limited (the "Company") was incorporated in Pakistan under the Companies Ordinance, 1984 on March 5, 1986 as a Private Limited Company and was later on converted into Public Limited Company on April 4, 1989. The Company's registered office is situated at House No. 88, Khayaban-e-Iqbal, F-8/2, Islamabad. Its shares are quoted on all the three stock exchanges in Pakistan. The Company has been involved in the supply of oil and gas field related equipment, fabrication and refurbishment of equipment and spare parts used in oil and gas industry. The Company is also engaged in fabrication of vehicles in respect of bullet proofing protection.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information is unaudited and is being submitted to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984 and International Accounting Standard (IAS) 34 'Interim Financial Reporting' and directives issued under the Companies Ordinance 1984. In case where requirements differ, the provisions of or directives issued under the Companies ordinance 1984 have been followed. This condensed quarterly financial information should be read in conjunction with the financial statements of the Company for the quarter ended September 30, 2014.

3 REVENUE

September 30, 2014	Fabrication	Repairs & services	Total
		Rupees	
Revenue	264,325,389	521,730	264,847,119
September 30, 2013	Fabrication	Repairs & services	Total
		Rupees	
Revenue	125,213,528	59,303	125,272,831

4 COST OF SALES / SERVICES

		Sep-30 2014 Rupees	Sep-30 2013 Rupees
Raw material consumed	Note 4.1	196,183,462	75,502,001
Salary, Wages and benefits		4,642,554	4,536,457
Factory Rent		948,656	910,202
Repair and maintenance		74,227	269,440
Travelling and Conveyance		307,609	591,794
Vehicle running and maintenance		-	-
Electricity, water and gas		1,169,723	789,605
Telephone and Postage		24,648	41,652
Carriage and Freight		489,474	1,204,150
Royalty and equipment rentals		354,888	232,393
Clearing and service charges		16,740,796	16,116,541
Other factory overheads		1,128,853	537,571
Depreciation		1,089,096	1,060,593
Cost of sales / services		223,153,985	101,792,400
4.1 Raw Material consumed			
opening balance as on July 01		16,646,958	4,574,337
Add: Purchases durring the period		196,899,267	117,174,393
		213,546,225	121,748,730
Less:Closing balance as on sep 30		(17,362,763)	(46,246,729)
Raw material consumed		196,183,462	75,502,001

5 GENERAL

Figures in this condensed quarterly financial information have been rounded off to the nearest rupee.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR