

GOODLUCK INDUSTRIES LIMITED

COMPANY INFORMATION

Board of Directors

Chief Executive

Mr. Ashfaq Haji Hasham

Directors

Mr. Haji Moosa Haji Kassam
Mr. Salim Rehmatullah Dada
Mr. Mohammad Abbas Memon
Mrs. Hoor Bano
Mr. Shams-ul-Haque
Mr. Shams-uz-Zoha
Mr. Muhammad Hanif

Chief Financial Officer

Rana Saif-ur-Rehman

Company Secretary

Mr. Nafees Shams Qureshi

Auditors

M/s. Muniff Ziauddin & Co
Chartered Accountants

Legal Advisor

M/s. Navin Merchant Advocates

Share Registrar

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

Phones: 35687839, 35685930

Bankers

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

Registered Office

S - 49/A, S.I.T.E, Mauripur Road,
Karachi

Web: www.goodluckind.com
E-mail: goodluckindltd@live.com
Phones: 32354361-64, 32354929
38298574-75, 37664207

GOODLUCK INDUSTRIES LIMITED

DIRECTOR'S REPORTS TO THE SHARE HOLDERS

The Directors of the Goodluck Industries Limited presents reports on the working of the Company for the half-year ended December 2013 along with statements of interim condensed Balance Sheet (Un-audited), Interim condensed profit & loss account, interim condensed cash flow statement, interim condensed statement of changes in equity and notes to interim condensed financial statements for the half year ended December 31 2013 (un-audited).

Review of business activities

Sales proceeds during the period Increased to Rs. 322,424,029 from 148,254,597 during the current period as compared to the last corresponding period. This was due to increase in rates of commodity (wheat) purchases from Food Department "Government Sindh" and private purchases from the open market. However due to abnormal increase in electricity and transportation charges and other related items the administration expenses increased by Rs. 3,556,447 during the current financial period where as it was Rs. 3,308,312 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.

7 BASIC EARNINGS PER SHARE

	Half year ended		Quarter ended	
	Dec-13	Dec-12	Oct-Dec 13	Oct-Dec 12
Profit after taxation - Rupees	846,775	1,149,372	1,364,106	575,459
Weighted average number of shares	300,000	300,000	300,000	300,000
Basic earning per shares - Rupees	2.82	3.83	4.55	1.92

GOODLUCK INDUSTRIES LIMITED

Changes in equity for the half year ended 31st December 2013.

Equity at the end of December 2012 was Rs. 217,529,323. Profit during the period for Rs. 846,775 also added to the equity of the Company and after deduction of dividend declared for the year ended June 2013 for Rs. 600,000/= equity at the end of December 2013 is Rs.218,589,526.

	Share Capital	Unappropriated Profit	Surplus on revaluation of fixed assets	Total
	Rupees			
Balance as at July 01, 2012	3,000,000	11,149,909	-	14,149,909
Total comprehensive income for the period	-	1,149,372	-	1,149,372
Dividend	-	(600,000)	-	(600,000)
Surplus on revaluation of fixed assets	-	-	225,892,372	225,892,372
Adjustment of incremental depreciation	-	3,249,250	(3,249,250)	-
Deferred tax impact of the revaluation surplus	-	-	(23,062,330)	(23,062,330)
Balance as at December 31, 2012	3,000,000	14,948,531	199,580,792	217,529,323
Balance as at July 01, 2013	3,000,000	19,011,214	196,331,537	218,342,751
Total comprehensive income for the period	-	846,775	-	846,775
Dividend	-	(600,000)	-	(600,000)
Adjustment of incremental depreciation	-	1,932,081	(1,932,081)	-
Balance as at December 31, 2013	3,000,000	21,190,070	194,399,456	218,589,526

GOODLUCK INDUSTRIES LIMITED

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, 2013.

Authority to issue financial statements

The Board of Directors has approved in its meeting held on 22nd February 2014 to publish un-audited accounts, financial Statements and Directors' reports of Goodluck Industries Limited for the half year ended December 31 2013 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. Co-operation extended by the management of M/S Habib Metropolitan Bank Limited for approval of running finance facilities for Rs. 10.00 million was also place on record.



Chief Executive

Dated: 22nd February 2014

**AUDITORS' REPORT TO THE MEMBERS ON
REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION**

Introduction

We have reviewed the accompanying condensed interim balance sheet of **GOODLUCK INDUSTRIES LIMITED** as at December 31, 2013 and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information"), for the half year then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the interim condensed profit and loss account for the Quarters ended December 31, 2012 and 2013 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2013.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the six months ended December 31, 2013 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan relating to interim financial reporting.

Karachi: 22nd February, 2014

Muniff Ziauddin & Co.
Chartered Accountants
Salim Sadruddin

GOODLUCK INDUSTRIES LIMITED

CONDENSED INTERIM BALANCE SHEET

AS AT DECEMBER 31, 2013

	Note	Un-audited Dec-13 Rupees	Audited Jun-13 Rupees
FIXED ASSETS			
Property, plant and equipments	5	219,278,742	222,017,125
LONG TERM DEPOSITS		313,282	313,282
CURRENT ASSETS			
Stock in trade		39,737,224	12,182,114
Trade debtors		8,984,507	2,186,507
Advances, deposits and other receivables		503,592	485,392
Income tax refundable		549,224	493,302
Cash and bank balances		22,323,619	6,784,706
		<u>72,098,166</u>	<u>22,132,020</u>
		<u>291,690,190</u>	<u>244,462,427</u>
SHARE CAPITAL AND RESERVES			
Share Capital			
Authorized:			
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>
Unappropriated profit		<u>21,190,070</u>	<u>19,011,214</u>
		24,190,070	22,011,214
Surplus on revaluation of fixed assets	6	<u>194,399,456</u>	<u>196,331,537</u>
		218,589,526	218,342,751
NON-CURRENT LIABILITIES			
Deferred liabilities		23,926,087	24,111,095
CURRENT LIABILITIES			
Creditors, accrued and other liabilities		<u>47,943,613</u>	<u>895,816</u>
Dividends payable		<u>1,230,964</u>	<u>1,112,765</u>
		49,174,577	2,008,581
Contingencies and commitments	7	-	-
		<u>291,690,190</u>	<u>244,462,427</u>

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.


Chief Executive


Director

GOODLUCK INDUSTRIES LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2013

	Notes	Half year ended		Quarter ended	
		Dec-13	Dec-12	Oct-Dec 13	Oct-Dec 12
		Rupees		Rupees	
Sales		322,434,029	148,254,597	193,403,537	100,494,963
Cost of sales	8	318,713,809	146,609,155	191,650,301	101,053,145
Gross profit		3,720,221	1,645,443	1,753,237	(558,182)
Administrative expenses		3,556,477	3,308,312	1,769,203	1,885,095
Selling expenses		49,445	48,010	0	48,010
Other income		(822,240)	0	(822,240)	0
Other charges		64,991	122,086	55,974	68,646
		2,848,673	3,478,408	1,002,937	2,001,751
		871,548	(1,832,965)	750,300	(2,559,932)
Financial charges		8,099	8,644	6,658	2,725
(Loss) / profit before taxation		863,449	(1,841,609)	743,642	(2,562,657)
Taxation					
- Current		(644,868)	536,655	(333,535)	225,322
- Deferred		628,195	(3,527,636)	954,000	(3,363,438)
		(16,673)	(2,990,981)	620,465	(3,138,116)
Profit after taxation		846,775	1,149,372	1,364,106	575,459
Other comprehensive income		0	-	0	-
Total comprehensive income		846,775	1,149,372	1,364,106	575,459
Basic earnings per share	9	2.82	3.83	4.55	1.92

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.


Chief Executive


Director

GOODLUCK INDUSTRIES LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2013

	Dec-13 Rupees	Dec-12 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	863,449	(1,841,609)
Adjustment for:		
Depreciation	3,097,883	3,431,006
Deferred liabilities	443,190	385,842
CASH FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES	4,404,521	1,975,239
(Increase)/decrease in current assets		
Stock in trade	(27,555,112)	(28,830,034)
Advance, deposits, pre-payments and other receivables	(18,200)	-
Trade debtors	(6,798,002)	(696,183)
Increase/(decrease) in current liabilities		
Creditors, accrued & other liabilities	47,047,797	33,418,847
	12,676,483	3,892,630
CASH USED IN OPERATIONS	17,081,004	5,867,869
Gratuity paid	-	(200,440)
Tax paid	(700,791)	(476,656)
NET CASH FLOW FROM OPERATING ACTIVITIES	16,380,214	5,190,773
CASH FLOW FROM INVESTING ACTIVITIES		
Addition to property, plant and equipments	(359,500)	(22,000)
NET CASH FLOW FROM INVESTING ACTIVITIES	(359,500)	(22,000)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(481,801)	(470,873)
Short term finance	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES	(481,801)	(470,873)
NET INCREASE IN CASH AND CASH EQUIVALENTS	15,538,913	4,697,900
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6,784,706	3,688,365
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	22,323,619	8,386,265

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.


Chief Executive


Director

GOODLUCK INDUSTRIES LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2013

	Share Capital	Unappropriated Profit	Surplus on revaluation of fixed assets
	Rupees		
Balance as at July 01, 2012	3,000,000	11,149,909	-
Total comprehensive income for the period	-	1,149,372	-
Dividend	-	(600,000)	-
Surplus on revaluation of fixed assets	-	-	225,892,372
Adjustment of incremental depreciation	-	3,249,250	(3,249,250)
Deferred tax impact of the revaluation surplus	-	-	(23,062,330)
Balance as at December 31, 2012	3,000,000	14,948,531	199,580,792
Balance as at July 01, 2013	3,000,000	19,011,214	196,331,537
Total comprehensive income for the period	-	846,775	-
Dividend	-	(600,000)	-
Adjustment of incremental depreciation	-	1,932,081	(1,932,081)
Balance as at December 31, 2013	3,000,000	21,190,070	194,399,456

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information



Chief Executive



Director

GOODLUCK INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2013

1 STATUS AND NATURE OF BUSINESS

Goodluck Industries Limited is a public limited company quoted at Karachi 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 STATEMENT OF COMPLIANCE

This condensed interim financial information of the company for the six months period ended December 31, 2013 has been prepared in accordance with the requirements of the International Financial Reporting Standards - 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance 1984. In case where the requirements differ, the provisions of or directives under the Companies Ordinance, 1984 have been followed.

The figures of the condensed interim profit and loss account for the quarter ended December 31, 2013 and 2012 have not been reviewed by the auditors of the company as they have reviewed the cumulative figures for the half year ended December 31, 2013 and 2012. This condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the company's annual financial statements for the year ended June 30, 2013.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the financial statements for the year ended June 30, 2013 except for the values of some components of property, plant and equipments which have been carried now at the revalued amounts instead of cost.

During the period (with effect from January 01, 2013) the Company has adopted IAS 19, (Revised) 'Employee Benefits'. The amendments in the revised standard require the Company to eliminate the corridor approach and recognize all actuarial gains and losses (now called 'remeasurements' that result from the remeasurements of defined benefit obligations and fair value of plan assets at the balance sheet date) in other comprehensive income as they occur, immediately recognize all past service costs and replace interest cost and expected return on plan assets with an interest amount that is calculated by applying the discount rate to the net defined benefits liability / asset.

Previously the company accounted for the actuarial gain/loss with respect to actuarial valuation of its retirement benefit plan immediately in the relevant period. Since the company has already accounted for the actuarial gain / loss and the liability was fully recorded hence there is no impact of it in this condensed interim financial information. Further the Company considers that the financial impacts due to the above referred changes in the revised IAS 19 are not material in context to the condensed interim financial information for the half year ended December 31, 2013.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. Judgments and estimates made by the management in the preparation of this condensed interim financial information are the same as those that were applied to financial statements as at and for the year ended June 30, 2013. The company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2013.

GOODLUCK INDUSTRIES LIMITED

	Note	Dec-13 Rupees	Jun-13 Rupees
5 PROPERTY, PLANT & EQUIPMENTS			
Opening written down value		222,017,125	2,971,489
Additions		359,500	38,000
Surplus on revaluation of fixed assets		-	225,892,372
Depreciation		(3,097,883)	(6,860,908)
Adjustment		-	47,062
		<u>219,278,742</u>	<u>222,017,125</u>

	Dec-13 Rupees	Jun-13 Rupees
6 SURPLUS ON REVALUATION OF FIXED ASSETS		
Surplus arising on revaluation	196,331,537	225,892,372
Less: Transferred to unappropriated profit on account of incremental depreciation for the year - net of deferred taxation	1,932,081	6,498,505
	<u>194,399,456</u>	<u>219,393,867</u>
	0	23,062,330
Less: Deferred tax on revaluation surplus	<u>194,399,456</u>	<u>196,331,537</u>
Closing balance		

7 CONTINGENCIES & COMMITMENTS	Nil	Nil
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8 COST OF SALES

	Half year ended		Quarter ended	
	Dec-13	Dec-12	Oct-Dec 13	Oct-Dec 12
	Rupees			
Raw Material Consumed	304,960,076	134,249,817	181,791,954	94,360,548
Packing material consumed	4,367,698	1,901,393	3,456,662	789,717
Power charges	8,945,574	6,305,902	4,791,637	3,046,239
Salaries & benefits	990,773	827,641	519,432	504,383
Labor charges	648,968	272,405	372,600	161,492
Machineries repair & maintenance	222,713	24,210	141,210	8,350
Oil & Lubricant	38,051	21,933	12,070	21,933
Depreciation	3,009,841	3,339,203	1,505,381	3,263,544
	<u>323,183,694</u>	<u>146,942,504</u>	<u>192,590,946</u>	<u>102,156,206</u>
Add : Opening stock - finished goods	1,402,090	2,468,512	4,931,330	2,198,800
Less : Closing stock - finished goods	<u>(5,871,975)</u>	<u>(2,801,861)</u>	<u>(5,871,975)</u>	<u>(2,801,861)</u>
	<u>(4,469,885)</u>	<u>(333,349)</u>	<u>(940,645)</u>	<u>(603,061)</u>
	<u>318,713,809</u>	<u>146,609,155</u>	<u>191,650,301</u>	<u>101,553,145</u>

GOODLUCK INDUSTRIES LIMITED

	Half year ended		Quarter ended	
	Dec-13	Dec-12	Oct-Dec 13	Oct-Dec 12
9 BASIC EARNINGS PER SHARE				
Profit after taxation - Rupees	846,775	1,149,372	1,364,106	575,459
Weighted average number of shares	300,000	300,000	300,000	300,000
Basic earning per shares - Rupees	2.82	3.83	4.55	1.92

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

10 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 information are given below:

	Dec-13	Dec-12
	Rupees	Rupees
Sales	Nil	Nil
Purchases	Nil	Nil

11 DATE OF AUTHORIZATION

These financial statements were authorized for issue on **22nd February 2014** by the Board of Directors of the Company.

12 GENERAL

Figures have been rounded off to the nearest rupee.



Chief Executive



Director