1st Quarterly Report for the period ended September 30, 2016

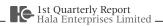






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COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Tahir Jahangir Mr. Jillani Jahangir Miss Munizae Jahangir Mrs. Sulema Jahangir Mr. Rashid Ahmad Khan Sh. Ijaz Ahmed Mr. Abdul Munaf	Chairman/Non Executive Director Chief Executive Officer Non-Executive Director Non-Executive Director Independent Director Non-Executive Director Executive Director	
AUDIT COMMITTEE	Mr. Rashid Ahmad Khan Miss Munizae Jahangir Mrs. Sulema Jahangir	Chairman/Member Member Member	
HUMAN RESOURCE & REMUNERATION COMMITTEE	Mr. Rashid Ahmad Khan Mr. Jillani Jahangir Miss Munizae Jahangir Mrs. Sulema Jahangir Sh. Ijaz Ahmed Mr. Abdul Munaf	Chairman/Member Member Member Member Member Member	
CHIEF FINANCIAL OFFICER	Mr. Abdul Munaf		
COMPANY SECRETARY	Muhammad Mushtaq Saeed Iqbal		
AUDITORS	Tariq Abdul Ghani Maqbool & Co. Chartered Accountants		
LEGAL ADVISORS	A.G.H.S Law Associates		
BANKERS	Faysal Bank Limited NIB Bank Limited Askari Bank Limited J.S Bank Limited		
REGISTERED OFFICE/WORKS	Factory Premises, 17.5 KM Lahore Tel: 042-37970130, Fax: 042-37970681 Email. hala@halaenterprie Website: www.halaenterpr	37970230 eses.com	
SHARE REGISTRAR OFFICE	M/s Corplink (Private) Lim	ited	

Tel: 042-35916714, 35916719 Fax: 042-35869037 Email. corplink786@yahoo.com



DIRECTORS' REPORT

Dated: October 31, 2016

The Board of Directors of Hala Enterprises Limited are pleased to present the interim financial report of the company for the quarter ended September 30, 2016 along with the interim financial information.

In the period under review, the company saw a lower volume of sales than regularly predicted. This was mainly due to the end of the summer season. The regular buyers of the company maintain higher stocks of goods for the beginning of the summer season. However, we are hopeful to see a better sales performance in the upcoming quarters as the next summer & spring seasons approach. The overall profit margin improved for the company thereby allowing to minimize the losses.

We are hopeful to catch up with a better sales performance till the end of the financial year and increase profitability by reducing weaving costs. The company has already undertaken a project of modernization for its machinery and hopes to achieve it's set targets within the 3rd quarter.

We would like to take this opportunity to thank our customers, suppliers and bankers for their continue cooperation towards the progress of the company. We hope that this support would continue in the future as well.

We would also like to thank our dedicated and talented team of executives, staff and workers for the hard work put in towards the companies performance for the period.

For & on behalf of the Board

(JILLANI JAHANGIR) CHIEF EXECUTIVE OFFICER

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CONDENSED INTERIM BALANCE SHEET As At September 30, 2016 (un-audited)

CAPITAL AND LIABILITIES	lst Quarter ended Sep-16 Un-Audited Rupees	Year ended Jun-16 Audited Rupees
Share capital and reserves		
Authorized capital 16,000,000 ordinary shares of Rs. 10 each	160,000,000	160,000,000
Issued, subscribed and paid up capital Share deposit money Reserves Accumulated loss	68,040,000 61,923,044 26,991,076 (135,229,907) 21,724,213	68,040,000 61,923,044 22,682,680 (134,549,853) 18,095,871
Surplus on revaluation of Property, Non Current Liabilities	83,459,215	83,810,126
Deferred liability Current Liabilities	43,529,943	44,335,297
Trade and other payables Accrued mark up Short term borrowings Due to related parties Provision for taxation	49,896,724 5,969,480 85,400,000 9,420,866 538,111 151,225,181	52,242,764 7,770,541 89,210,000 3,405,189 2,152,292 154,780,786
Advance against assets held for disposal Contingencies and Commitments	3,775,000 - 303,713,552	3,775,000 - 304,797,080

NOTES TO THE ACCOUNTS

- 1 These accounts are un-audited and are being submitted to the share holders in accordance with the requirements of the companies ordinance 1984.
- 2 Accounts policies adopted for the preparation of these accounted are the same as those applied in the preparation of the preceding annual accounts of the company
- 3 Amounts set aside in these accounts for taxation are provisional. Final liability will be determined on the basis of annual results.
- 4 Cash flow statement, comprehensive income statement and statement of changes in equity has been disclosed as per requirements of the IAS No 34
- 5 where necessary, previous figures have been re-arranged for the purpose of fair comparison.

LAHORE: October 31, 2016



CONDENSED INTERIM BALANCE SHEET As At September 30, 2016 (un-audited)

ASSETS	1st Quarter ended Sep-16 Un-Audited Rupees	Year ended Jun-16 Audited Rupees
No. Comment Assets		
Non Current Assets Property, Plant and equipment	102,106,643	102,992,790
	,,	,,,,-,,,,
Long term Investments	18,900,423	14,592,027
Long term deposits	3,906,290	3,906,290
Current assets		
Stores and spares	9,046,581	8,849,653
Stock in trade	86,668,840	88,268,365
Trade debtors	18,978,684	29,045,551
Advances, deposits, prepayments and		
other receivables	30,643,127	26,575,734
Sales tax refundable	10,275,019	11,453,749
Due from associated undertakings	12,235,292	9,402,081
Cash and bank balances	4,236,541	2,994,728
	172,084,084	176,589,861
Asset Held for Disposal	6,716,112	6,716,112
	303,713,552	304,797,080

CHIEF EXECUTIVE OFFICER



CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE QUARTER ENDED SEPTEMBER 30,2016 (un-audited)

	1st Quarter ended Sep 30,2016	1st Quarter ended Sep 30,2015
	Rupees	Rupees
Sales	55,160,056	78,821,309
Cost of sales	(47,277,309)	(67,135,296)
Gross profit	7,882,747	11,686,013
OPERATING EXPENSES		
Selling and distribution Costs	3,878,649	4,571,522
Administrative expenses	3,934,512	6,476,867
	(7,813,161)	(11,048,389)
Operating profit / (Loss)	69,586	637,624
Finance Costs	(1,035,911)	(1,993,654)
Other operating Charges	(81,530)	(705,085)
Other operating income	555,000	853,113
Profit / (loss) before taxation	(492,855)	(1,208,002)
Taxation	(538,111)	(775,188)
Net profit / (loss) after taxation	(1,030,966)	(1,983,190)
Loss per share-Basic	(0.15)	(0.29)

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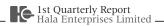


CONDENSED INTERIM CASH FLOW STATEMENT

For The Quarter Ended September 30,2016 (un-audited)

CASH FLOW FROM OPERATING ACTIVITIES	QUARTER ENDED SEP 30,2016 (UN-AUDITED) Rupees	QUARTER ENDED SEP 30,2015 (UN-AUDITED) Rupees
Profit before taxation	(492,855)	(1,208,002)
Adjustments for :	(492,833)	(1,208,002)
Depreciation	886,147	984,578
Financial charges	1,035,911	1,993,654
Gratuity	992,685	1,718,796
	2,914,743	4,697,028
Operating profit before working capital changes	2,421,888	3,489,026
(Increase) / decrease in current assets		
Stores and spares	(196,928)	(186,971)
Stock in trade	1,599,525	1,289,374
Trade debtors	10,066,867	17,131,507
Advances, deposits, prepayments and other receivables Sales tax refundable	(3,132,720)	(1,627,262)
Due from associated undertakings	1,178,730	(503,804)
Due from associated undertakings	(2,833,211)	2,423,008
(Decrease)/ increase in current liabilities		
Due to directors and associated undertakings	6,015,677	801,118
Creditors, accrued and other liabilities	(2,346,040)	(8,393,192)
	8,051,700	10,933,778
Cash generated from operations	10,473,588	14,422,804
Financial charges paid	(2,836,971)	(2,874,045)
Income tax paid	(786,765)	(1,044,684)
Gratuity paid	(1,798,039)	(2,022,707)
Net cash (used in) / from operating activities	5,051,813	8,481,368
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	-	(16,500)
Long term deposits	-	-
Net cash (used in) investing activities	-	(16,500)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term loan from directors and associated undertakings	-	-
Short term finances	(3,810,000)	(6,437,000)
Net cash from / (used in) financing activities	(3,810,000)	(6,437,000)
Net increase in cash and cash equivalents	1,241,813	2,027,868
Cash and cash equivalents at the beginning of year	2,994,728	2,706,173
Cash and cash equivalents at the end of the period	4,236,541	4,734,041
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CHIEF EXECUTIVE OFFICER



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UN AUDITED)

	1st Quarter ended Sep.2016	1st Quarter ended Sep.2015
	Rupees	Rupees
Net Loss for the period	(1,030,966)	(1,983,190)
Other comprehensive income		
Items that will not be reclassified to profit and loss		
Unrecognised acturial gain due to experience adjustment on remeasurement of staff retirement benefits	-	-
Items that may be reclassified subsequently to profit and loss		
Surplus on remeasurement of investment available for sale	4,308,396	2,629,213
Other comprehensive income	4,308,396	2,629,213
Total comprehensive (Loss) for the period	3,277,430	646,023

CHIEF EXECUTIVE OFFICER

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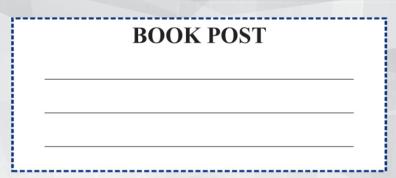
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY For The Quarter Ended September 30,2016 (un-audited)

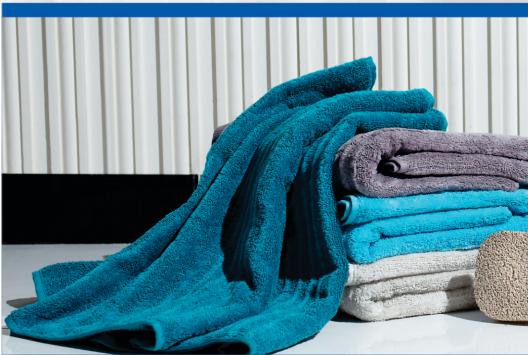
			Reserve			Reserve		
Particulars		Share		Investment			Accccumulated	
	Share	Deposit	Capital	Revaluation	Revenue	Total	Loss	Total
	Capital	Money	Reserve	Reserve	Reserve			
Balance as at Jun 30,2015	68,040,000	61,923,044	2,274,287	9,016,579	7,000,000	18,290,866	(132,669,964)	15,583,946
Net loss for the period ended Sep 30, 2015	-	-	-	-	-	-	(1,983,190)	(1,983,190)
Other comprehensive incone for the period ended Sep 30,2015	_	_		2.629.213	_	2.629.213	_	2,629,213
Chucu 5cp 50,2015				2,629,213		2,629,213		646,023
Transfer from surplus on revaluation of property, plant and equipment in respect of incremental depreciation				2,027,217		2,027,217		010,029
charged in current period							380,874	380,874
Balance as at Sep 30,2015	68,040,000	61,923,044	2,274,287	11,645,792	7,000,000	20,920,079	(134,272,280)	16,610,843
Balance as at Jun 30,2016	68,040,000	61,923,044	2,274,287	13,408,393	7,000,000	22,682,680	(134,549,853)	18,095,871
Net loss for the period ended Sep 30, 2016	-	-	-	-	-	-	(1,030,966)	(1,030,966)
Other comprehensive incone for the period								
ended Sep 30,2016	-	-	-	4,308,396	-	4,308,396	-	4,308,396
	-	-	-	4,308,396	-	4,308,396	(1,030,966)	3,277,430
Transfer from surplus on revaluation of property, plant and equipment in respect of incremental depreciation charged in current period							350.912	350,912
compen in current period							220,712	220,712
Balance as at Sep 30,2016	68,040,000	61,923,044	2,274,287	17,716,789	7,000,000	26,991,076	(135,229,907)	21,724,213

Mungahezas **CHIEF EXECUTIVE OFFICER**

DIRECTOR

Abdul Mung





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