

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Karachi Tools, Dies and Moulds Centre (the Company)** as at June 30, 2016 and the related income and expenditure account, cash flow statement and the statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of accounts have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - (i) the balance sheet and income and expenditure account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, income and expenditure account, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan and give the information required by the Companies Ordinance, 1984 in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2016 and of the surplus, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980)


Chartered Accountants

Engagement Partner
Mushtaq Ali Hirani

Date: November 20, 2016
Karachi.

KARACHI TOOLS, DIES AND MOULDS CENTRE
(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ORDINANCE, 1984)

BALANCE SHEET
AS AT JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees
ASSETS			
Non - current assets			
Property, plant and equipment	4	262,546,611	271,180,781
Intangibles	5	335,969	454,667
Long term security deposits		1,134,445	1,134,445
Current assets			
Stores, spares and loose tools	6	21,271,115	18,777,436
Stock-in-trade	7	10,135,907	15,271,869
Trade debts	8	45,599,398	46,088,706
Advances		388,415	2,242,148
Short term prepayments		428,976	291,640
Interest accrued		669,904	836,204
Tax refund due from Government	9	30,464,240	22,762,159
Cash and bank balances	10	100,139,280	90,193,544
		209,097,235	196,463,706
Total assets		<u>473,114,260</u>	<u>469,233,599</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
50,000,000 (2014:50,000,000) ordinary shares of Rs. 10/-each		<u>500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and paid-up capital			
49,425,000 (2015: 49,425,000) ordinary shares of Rs. 10/- each fully paid in cash		494,250,000	494,250,000
Accumulated deficit		<u>(38,451,058)</u>	<u>(45,739,531)</u>
		455,798,942	448,510,469
Current liabilities			
Trade and other payables	11	17,315,318	20,723,130
Total equity and liabilities		<u>473,114,260</u>	<u>469,233,599</u>

CONTINGENCIES AND COMMITMENTS

12

The annexed notes from 1 to 26 form an integral part of these financial statements.

Signature

Signature
CHIEF EXECUTIVE OFFICER

Signature
DIRECTOR

KARACHI TOOLS, DIES AND MOULDS CENTRE
(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ORDINANCE, 1984)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees
INCOME			
Revenue from:			
Manufacturing	13	125,161,136	98,815,424
Toll Manufacturing	14	886,000	2,146,350
Heat treatment	15	3,739,930	3,545,726
Reverse engineering		1,374,000	1,198,000
Training		7,375,310	6,566,460
		138,536,376	112,271,960
Other income	16	6,479,803	8,814,797
		145,016,179	121,086,757
EXPENDITURE			
Direct costs	17	117,986,702	97,704,650
Administrative expenses	18	19,741,004	18,836,840
		137,727,706	116,541,490
Surplus for the year		7,288,473	4,545,267
Other comprehensive income		-	-
Total comprehensive income for the year		7,288,473	4,545,267

The annexed notes from 1 to 26 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER


DIRECTOR

KARACHI TOOLS, DIES AND MOULDS CENTRE
(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ORDINANCE, 1984)
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	19	15,696,710	8,891,872
Income tax paid		(7,702,081)	(6,725,286)
Long term deposits received		-	188,306
<i>Net cash generated from operating activities</i>		7,994,629	2,354,892
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		(4,620,594)	(13,083,991)
Proceeds from sale of property, plant and equipment		500,960	636,754
Profit received on bank deposit		6,070,741	8,647,874
<i>Net cash generated from / (used in) investing activities</i>		1,951,107	(3,799,363)
<i>Net increase / (decrease) in cash and cash equivalents</i>		9,945,736	(1,444,471)
Cash and cash equivalent at beginning of the year		90,193,544	91,638,015
Cash and cash equivalent at end of the year	10	100,139,280	90,193,544

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24/7


CHIEF EXECUTIVE OFFICER


DIRECTOR

KARACHI TOOLS, DIES AND MOULDS CENTRE

(A COMPANY SETUP UNDER SECTION 42 OF THE COMPANIES ORDINANCE, 1984)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2016

	Share capital	Accumulated deficit	Total
	<----- Rupees ----->		
Balance at June 30, 2014	494,250,000	(50,284,798)	443,965,202
Total comprehensive income for the year			
Surplus for the year	-	4,545,267	4,545,267
Other comprehensive income	-	-	-
	-	4,545,267	4,545,267
Balance at June 30, 2015	494,250,000	(45,739,531)	448,510,469
Total comprehensive income for the year			
Surplus for the year	-	7,288,473	7,288,473
Other comprehensive income	-	-	-
	-	7,288,473	7,288,473
Balance at June 30, 2016	494,250,000	(38,451,058)	455,798,942

The annexed notes from 1 to 26 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER


DIRECTOR

