# OLYMPIA SPINNING & WEAVING MILLS LIMITED COMPANY INFORMATION

BOARD OF DIRECTORS		
CHAIRMAN AND CHIEF EXECUTIVE	:	M. WAQAR MONNOO
DIRECTORS	:	MRS. GHAZALA WAQAR MR. SIRAJ SADIQ MONNOO MR. SYED EJAZUDDIN MR IMRAN MONNOO MR. SYED AYAZUDDIN MR. MUHAMMAD ANWAR SAIGAL
AUDIT COMMITTEE MEMBERS CHAIRMAN (EXECUTIVE) MEMBER (NON-EXECUTIVE) MEMBER (NON-EXECUTIVE)	:	M. WAQAR MONNOO MR IMRAN MONNOO MRS.GHAZALA WAQAR
CHIEF FINANCIAL OFFICER	:	MR. ASIM JAFFERY
COMPANY SECRETARY	:	MR. MUHAMMAD ANWAR SAIGAL
LEGAL ADVISOR	:	M/S. A.K. BROHI & CO. ADVOCATE
AUDITORS	:	MUSHTAQ & COMPANY CHARTERED ACCOUNTANTS 407-408, COMMERCE CENTRE, HASRAT MOHANI ROAD, KARACHI.
BANKERS	:	UNITED BANK LTD ASKARI BANK LTD SONERI BANK LTD HABIB BANK LTD ALLIED BANK OF PAKISTAN BANK AL-FALAH LTD.
PRINCIPAL/REGISTERED OFFICE	:	E/3, FARZANA BUILDING, 1ST FLOOR, BLOCK 7 & 8, K.C.H.S. UNION LTD., SHAHEED-E-MILLAT ROAD, KARACHI-75350
MILLS AT	:	PLOT NO. H/23/3, LANDHI INDUSTRIAL AREA, LANDHI, KARACHI.

## OLYMPIA SPINNING & WEAVING MILLS LIMITED DIRECTORS REPORT

The Directors have pleasure in presenting their un-audited accounts of the Company for three months ended September 30, 2010. During the period under review the amount of sales (net) were Rs.910,882,779/- as compared to previous corresponding period sales of Rs.522,762,873/- which shows an increase of 64.78 % over previous periods sales.

Financial results for three months period ended September 30<sup>th</sup> 2010 are as under:

	September-2010	September-2009
	Rupees	Rupees
Sales (net)	910,882,779	552,762,873
Cost of goods sold	879,472,949	532,507,101
Gross profit	31,409,831	20,255,772
Distribution cost	(8,222,643)	(6,913,964)
Administrative expenses	(9,520,320)	(9,872,642)
Other income	2,225,326	502,833
	(15,517,637)	(16,283,773)
Operating profit	15,892,194	3,971,999
Finance cost	(35,135,733)	(42,721,382)
Net loss before taxation	(19,243,539)	(38,749,383)
Taxation:	(7,453,030)	(4,015,787)
Net loss for the period after taxation	(26,696,569)	(42,765,170)
Earning per share	(2.22)	(3.56)

## FINANCIAL RESULTS:

The financial results for three months period ended September 30, 2010 have resulted in net loss after tax of Rs. 26,696,569/-. Gross profit percentage has decreased from 3.66% to 3.44% as compared with the previous corresponding period. In the period under review the loss is mainly attributable to unavailability of working capital, continuous rising prices of cotton, increasing dollar rate, continuous increase in markup rates since last year and also due to double digit general inflation which increases cost of other inputs.

## **FUTURE PROSPECTS:**

To overcome the negative financial effects of theses incidents and liquidity crunch due to expansion and continuous increase in the financial cost and input prices, the management is in the process of rescheduling of financing facilities with our Bankers. There is no change in contingencies since the date of last balance sheet date.

The Company at present exporting approximately more than 60% of our total sale to Hong Kong, Korea, Bangladesh, Colombia and USA and hope to reach the level of more than 80% exports of our total sales. We also have been awarded FPCCI's Export Award named Best Export Performance award in cotton yarn

I would like to place on record the Co-operation shown by our Bankers for their support and without their cooperation, the present results could not have been achieved. The loyalty and devotion of the Staff members and the workers towards the Company is also one of the major factors for achieving the present results.

For and on behalf of the Board

M.WAQAR MONNOO Chief Executive/Director

Karachi: 30<sup>th</sup> October, 2010

## OLYMPIA SPINNING & WEAVING MILLS LIMITED CONDENSED INTERIM BALANCE SHEET (UNAUDITED) AS AT SEPTEMBER 30, 2010

EQUITY AND LIABILITIES	Unaudited September 2010 RUPEES	Audited June 2010 RUPEES
SHARE CAPITAL AND RESERVES		
Authorized capital		
13,000,000 Ordinary shares of Rs.10 each.	130,000,000	130,000,000
Issued, subscribed and paid up capital	120,000,000	120,000,000
General reserve	3,580,053	3,580,053
Capital reserve	44,665,822	44,665,822
Unappropriated loss	(637,940,417)	(613,636,211)
	(469,694,542)	(445,390,336)
Surplus on revaluation of property, plant and equipment	1,104,410,515	1,106,802,878
NON CURRENT LIABILITIES		
Long term financing	551,844,900	564,544,972
Liability against assets subject to finance lease	34,859,528	16,330,212
Deferred liabilities	2,277,892	3,534,537
CURRENT LIABILITIES		
Trade and other payables	625,497,915	553,170,353
Interest / Mark-up accrued on loans	56,859,858	54,642,731
Short-term borrowings	745,032,914	669,752,731
Current portion of		
- long term financing	31,232,089	26,925,275
- liabilities against asset subject to finance lease	39,122,218	66,418,245
	1,497,744,995	1,370,909,335
CONTINGENCIES AND COMMITMENTS		
	2,721,443,288	2,616,731,598
ASSETS		i
NON CURRENT ASSETS	1 020 202 207	1 051 755 104
Property, plant and equipment Long term deposit	1,938,302,297 13,603,559	1,951,755,104 8,613,372
Long term investment in subsidiary	44,665,822	44,665,822
Long term investment in subsidially	44,003,022	44,003,022
CURRENT ASSETS		
Stores, spare parts and loose tools	11,758,820	14,513,066
Stock in trade	265,401,410	203,057,017
Trade debts - considered good	170,951,561	110,579,134
Other financial assets	74,000,000	74,000,000
Loans and advances	162,912,248	169,082,742
Income tax and Sales tax	30,648,135	31,617,870
Other receivables	5,642,385	5,090,470
Cash and bank balances	3,557,052	3,757,001
	724,871,611	611,697,300
	2,721,443,288	2,616,731,598

The annexed notes form an integral part of these financial statements

## CHIEF EXECUTIVE

DIRECTOR

# OLYMPIA SPINNING & WEAVING MILLS LIMITED CONDENSED PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	September 2010	September 2009
	RUPEES	RUPEES
Sales (net)	910,882,779	552,762,873
Cost of sales	(879,472,949)	(532,507,101)
Gross Profit	31,409,831	20,255,772
Distribution cost	(8,222,643)	(6,913,964)
Administrative expenses	(9,520,320)	(9,872,642)
Other operating income	2,225,326	502,833
	(15,517,637)	(16,283,773)
Operating Profit	15,892,194	3,971,999
Finance cost	(35,135,733)	(42,721,382)
Net loss before taxation	(19,243,539)	(38,749,383)
Taxation	(7,453,030)	(4,015,787)
Net loss for the period after taxation	(26,696,569)	(42,765,170)
Earning per share - Basic and diluted	(2.22)	(3.56)

The annexed notes form an integral part of these financial statements

# **CHIEF EXECUTIVE**

DIRECTOR

# OLYMPIA SPINNING & WEAVING MILLS LIMITED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	September 2010 RUPEES	September 2009 RUPEES
Loss for the period after taxation	(26,696,569)	(42,765,170)
Other Comprehensive Income:		
Actuarial (Loss) recognised	-	-
Total comprehensive loss for the period	(26,696,569)	(42,765,170)

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

**CHIEF EXECUTIVE** Karachi: 30 October 2010

# OLYMPIA SPINNING & WEAVING MILLS LIMITED CONDENSED INTERIM STATEMENT STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	PAID UP CAPITAL	REVENUE RESERVE	CAPITAL RESERVE	UN- APPROPRIATED LOSS	TOTAL
	•		RUPEES		
Balance as at 30-06-2009	120,000,000	3,580,053	44,665,822	(517,189,343)	(348,943,468)
Toatl comprehensive income for the quarter ended 30th September, 2009				(42,765,170)	(42,765,170)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation				2,507,287	2,507,287
Balance as at 30-09-2009	120,000,000	3,580,053	44,665,822	(557,447,226)	(389,201,351)
Total comprehensive income for the Period from 01-10-2009 to 30-06-2010				(66,218,132)	(66,218,132)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation				10,029,147	10,029,147
Balance as at 30-06-2010	120,000,000	3,580,053	44,665,822	(613,636,211)	(445,390,336)
Total comprehensive income for the quarter ended September 30, 2010	-	-	-	(26,696,569)	(26,696,569)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation	-	-	-	2,392,363	2,392,363
Balance as at 30-09-2010	120,000,000	3,580,053	44,665,822	(637,940,417)	(469,694,542)

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

# CHIEF EXECUTIVE Karachi: 30 October 2010

# OLYMPIA SPINNING & WEAVING MILLS LIMITED CONDENSED INTERIM STATEMENT CASH FLOW (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

CASH GENERATED FROM OPERATION         (19.243,539)         (38,749,383)           Loss before taxation         (19.243,539)         (38,749,383)           Adjustment for non cash charges and other items: $15,339,824$ $15,301,903$ Depreciation $15,339,824$ $15,301,903$ Finance cost $35,135,733$ (110,885)           Cain on disposal of property, plant and equipment $1,596,255$ $270,110$ Provision for gratuity $52,071,811$ $58,182,510$ Operating Profit before working capital changes $(59,590,147)$ $(18,1473,638)$ Increase/Decrease in current assets: $500,590,147)$ $(18,1473,638)$ Stocks, stores and sparses $(59,590,147)$ $(100,222,66)$ Income tax and Sales tax $18,123,03$ $-$ Income tax and Sales tax $(112,531,601)$ $94,848,228$ Trade and other payables $72,327,562$ $41,922,433$ Case paid $(7,375,766)$ $156,203,788$ Taxes paid $(19,90,187)$ $(16,62,61,40)$ Gratuity-net $(2,948,605)$ $(2,5644,707)$ Long term disposal of property, plant and equipment		Sptember-2010 RUPEES	September-2009 RUPEES
Adjustment for non cash charges and other items: $15,339,824$ $15,301,903$ Depreciation $35,135,733$ $42,721,382$ Gain on disposal of property, plant and equipment $52,071,811$ $58,182,510$ Provision for gratuity $52,071,811$ $58,182,510$ Operating Profit before working capital changes $32,828,273$ $19,433,127$ (Increase)/Decrease in current assets: $(59,590,147)$ $181,473,638$ Stocks, stores and spares $(59,590,147)$ $181,473,638$ Trade debts $(60,372,427)$ $12,909,205$ Loan and advances $1,812,393$ $(100,222,653)$ Increase/(Decrease) in current liabilities: $72,327,562$ $41,922,433$ Trade and other payables $72,327,562$ $41,922,433$ Cash generated from operations $(7,375,766)$ $156,003,788$ Taxes paid $(8,295,689)$ $(7,090,320)$ Finance cost paid $(8,295,689)$ $(16,626,140)$ Gratuity-net $(49,057,381)$ $(25,644,707)$ Long term deposits $(1,887,017)$ $(2,564,707)$ Net cash from operating activities $(1,887,017)$ $(16,82,640)$ CASH FLOW FROM FINANCING ACTIVITIES $(1,887,017)$ $(2,554,77),01$ Proceeds from disposal of property, plant and equipment $(1,28,724,791)$ $(125,724,791)$ Fixed capital expenditure $(1,887,017)$ $(2,554,77)$ CASH FLOW FROM FINANCING ACTIVITIES $(1,887,017)$ $(2,554,77)$ Long term finance $(8,393,258)$ $(1,711,308)$ Short Term Finance $(8,393,258)$	CASH GENERATED FROM OPERATION		
Adjustment for non cash charges and other items:       15,339,824       15,301,903         Depreciation       35,135,733       42,721,382         Finance cost       35,135,733       42,721,382         Gain on disposal of property, plant and equipment       52,071,811       58,182,510         Provision for gratuity       52,071,811       58,182,510         Operating Profit before working capital changes       32,828,273       19,433,127         (Increase)/Decrease in current assets:       (59,590,147)       181,473,638         Stocks, stores and spares       (59,590,147)       12,909,205         Loan and advances       (60,372,427)       12,909,205         Income tax and Sales tax       1,812,393       (67,944)         Increase/(Decrease) in current liabilities:       72,327,562       41,922,433         Trade and other payables       72,327,562       41,922,433         Cash generated from operations       (7,375,766)       156,003,788         Taxes paid       (8,295,689)       (7,000,320)         Finance cost paid       (32,918,605)       (2,644,707)         Long term deposits       (49,057,381)       (25,644,707)         Net cash from operating activities       (1,887,017)       2,165,808         CASH FLOW FROM INVESTING ACTIVITIES <td< td=""><td>Loss before taxation</td><td>(19,243,539)</td><td>(38,749,383)</td></td<>	Loss before taxation	(19,243,539)	(38,749,383)
Depreciation $15,339,824$ $15,301,903$ Finance cost $35,135,733$ $44,721,382$ Gain on disposal of property, plant and equipment $1.596,255$ $270,110$ Provision for gratuity $52,071,811$ $58,182,510$ Operating Profit before working capital changes $32,828,273$ $19,433,127$ (Increase)/Decrease in current assets: $500,590,147$ $181,473,638$ Stocks, stores and spares $(60,372,427)$ $12,909,205$ Loan and advances $6,170,494$ $(100,222,563)$ Income tax and Sales tax $(551,915)$ $687,948$ Other Receivables $72,327,562$ $41,922,433$ Cash generated from operations $(7,375,766)$ $156,203,788$ Taxes paid $(8,295,689)$ $(7,090,320)$ Finance cost paid $(8,295,689)$ $(16,626,140)$ Gratuity-net $(2,381,00)$ $(1,282,471)$ Long term deposits $(4,990,187)$ $(1,887,017)$ Net cash from operating activities $(1,887,017)$ $(2,354,308)$ CASH FLOW FROM INVESTING ACTIVITIES $(1,887,017)$ $(2,354,308)$ Proceeds from disposal of property, plant and equipment $(1,887,017)$ $(2,354,308)$ Fixed capital expenditure $(1,887,017)$ $(2,165,808)$ CASH FLOW FROM FINANCING ACTIVITIES $(8,393,258)$ $(1,711,308)$ Long term finance $(8,393,258)$ $(1,272,479)$ Short Term Finance $(8,393,258)$ $(1,271,1308)$ Short Term Finance $(8,295,724,791)$ $(3,510,949)$ Net cash used in financing activi	Adjustment for non cash charges and other items:		
Gain on disposal of property, plant and equipmentProvision for gratuity $1.596,255$ $270,110$ Operating Profit before working capital changes $32,282,273$ $19,433,127$ (Increase)/Decrease in current assets: $32,282,273$ $19,433,127$ Stocks, stores and spares $(59,590,147)$ $181,473,638$ Trade debts $(60,372,427)$ $12,909,205$ Loan and advances $6,170,494$ $(100,222,563)$ Income tax and Sales tax $6,51,919$ $687,948$ Other Receivables $(112,531,601)$ $94,848,228$ Increase/(Decrease) in current liabilities: $(112,531,601)$ $94,848,228$ Trade and other payables $72,327,562$ $41,922,433$ Cash generated from operations $(7,375,766)$ $156,203,788$ Taxes paid $(8,295,689)$ $(7,090,320)$ Finance cost paid $(25,644,707)$ $(25,644,707)$ Long term deposits $(49,90,187)$ $(25,644,707)$ Net cash from operating activities $(1,887,017)$ $(2,354,308)$ CASH FLOW FROM INVESTING ACTIVITIES $(8,393,258)$ $(1,771,308)$ Net cash (used in)/from investing activities $(1,887,017)$ $(188,500)$ Cash from operating activities $(1,887,017)$ $(1,62,61,11)$ Cash square form finance $(8,393,258)$ $(1,771,308)$ Short Term Finance $(8,393,258)$ $(1,771,308)$ Short Term Finance $(2,544,707)$ $(3,510,949)$ Net cash used in financing activities $(1,89,70,17)$ $(16,62,61,11)$ Ne	Depreciation	15,339,824	15,301,903
Provision for gratuity1,596,255270,110Operating Profit before working capital changes $52,071,811$ $58,182,510$ Operating Profit before working capital changes $32,828,273$ $19,433,127$ (Increase)/Decrease in current assets: $(59,590,147)$ $181,473,638$ Stocks, stores and spares $(59,590,147)$ $181,473,638$ Trade debts $(60,372,427)$ $(12,909,205)$ Loan and advances $(61,70,494)$ $(100,222,563)$ Income tax and Sales tax $(112,531,601)$ $94,88,228$ Increase/(Decrease) in current liabilities: $(112,531,601)$ $94,88,228$ Trade and other payables $72,327,562$ $41,922,433$ Cash generated from operations $(7,375,766)$ $156,203,788$ Taxes paid $(8,295,689)$ $(7,090,320)$ Finance cost paid $(2,852,900)$ $(1,528,477)$ Long term deposits $(49,057,381)$ $(25,644,707)$ Net cash from operating activities $(1.887,017)$ $(1.887,017)$ Cash from operating activities $(1.887,017)$ $(1.885,000)$ Cash (used in)/from investing activities $(1.887,017)$ $(1.885,001)$ Cash (used in)/from investing activities $(1.887,017)$ $(1.626,614)$ Chash (used in)/from investing activities $(1.887,017)$ $(1.626,617)$ Cash used in financing activities $(1.99,949)$ $(1.7,71,308)$ Chash equivalents $(199,949)$ $(1.7,77,842)$ Long term finance $(8,393,258)$ $(1.7,11,308)$ Short Term Finance $88,102,215$	Finance cost	35,135,733	42,721,382
Provision for gratuity1,596,255270,110Operating Profit before working capital changes $52,071,811$ $58,182,510$ Operating Profit before working capital changes $32,828,273$ $19,433,127$ (Increase)/Decrease in current assets: $(59,590,147)$ $181,473,638$ Stocks, stores and spares $(59,590,147)$ $181,473,638$ Trade debts $(60,372,427)$ $(12,909,205)$ Loan and advances $(61,70,494)$ $(100,222,563)$ Income tax and Sales tax $(112,531,601)$ $94,88,228$ Increase/(Decrease) in current liabilities: $(112,531,601)$ $94,88,228$ Trade and other payables $72,327,562$ $41,922,433$ Cash generated from operations $(7,375,766)$ $156,203,788$ Taxes paid $(8,295,689)$ $(7,090,320)$ Finance cost paid $(2,852,900)$ $(1,528,477)$ Long term deposits $(49,057,381)$ $(25,644,707)$ Net cash from operating activities $(1.887,017)$ $(1.887,017)$ Cash from operating activities $(1.887,017)$ $(1.885,000)$ Cash (used in)/from investing activities $(1.887,017)$ $(1.885,001)$ Cash (used in)/from investing activities $(1.887,017)$ $(1.626,614)$ Chash (used in)/from investing activities $(1.887,017)$ $(1.626,617)$ Cash used in financing activities $(1.99,949)$ $(1.7,71,308)$ Chash equivalents $(199,949)$ $(1.7,77,842)$ Long term finance $(8,393,258)$ $(1.7,11,308)$ Short Term Finance $88,102,215$	Gain on disposal of property, plant and equipment	-	
SolutionSolutionOperating Profit before working capital changes $52,071,811$ $58,182,510$ Operating Profit before working capital changes $32,828,273$ $19,433,127$ (Increase)/Decrease in current assets: $(59,590,147)$ $181,473,638$ Stocks, stores and spares $(59,590,147)$ $12,909,205$ Loan and advances $6,170,494$ $(100,222,563)$ Income tax and Sales tax $1,812,393$ $(551,915)$ Other Receivables $(112,531,601)$ $94,848,228$ Increase/(Decrease) in current liabilities: $(112,531,601)$ $94,848,228$ Trade and other payables $72,327,562$ $41,922,433$ Cash generated from operations $(7,375,766)$ $156,203,788$ Taxes paid $(8,295,689)$ $(7,090,320)$ Finance cost paid $(2,852,900)$ $(1,928,247)$ Long term deposits $(49,057,381)$ $(25,644,707)$ Log term deposits $(49,057,381)$ $(25,644,707)$ Net cash from operating activities $(1,887,017)$ $(188,500)$ CASH FLOW FROM INVESTING ACTIVITIES $(1,887,017)$ $(1,887,017)$ Proceeds from disposal of property, plant and equipment $(1,887,017)$ $(2,165,808)$ CASH FLOW FROM FINANCING ACTIVITIES $(8,393,258)$ $(1,711,308)$ Net cash (used in)/from investing activities $(1,25,724,791)$ $(3,510,949)$ Net cash used in financing activities $58,120,215$ $(130,947,048)$ Net increase / decrease in cash and cash equivalents $(199,949)$ $(1,777,842)$ Cash and cash equival		1,596,255	270,110
(Increase)/Decrease in current assets:         Stocks, stores and spares         Trade debts         Loan and advances         Increase/(Decrease) in current liabilities:         Trade and other payables         Other Receivables         Increase/(Decrease) in current liabilities:         Trade and other payables         Cash generated from operations         Taxes paid         Finance cost paid         Gratuity-net         Long term deposits         Met cash from operating activities         CASH FLOW FROM INVESTING ACTIVITIES         Proceeds from disposal of property, plant and equipment         Fixed capital expenditure         Cash (used in)/from investing activities         CASH FLOW FROM INVESTING ACTIVITIES         Net cash (used in)/from investing activities         CASH FLOW FROM FINANCING ACTIVITIES         Long term finance         Short Term Finance         Net cash used in financing activities         Net cash used in financing activities         Net increase / decrease in cash and cash equivalents         Met cash used in financing activities			
Stocks, stores and spares $(59,590,147)$ $181,473,638$ Trade debts $(60,372,427)$ $(100,222,56)$ Income tax and Sales tax $1,812,393$ $(100,222,56)$ Other Receivables $(112,531,601)$ $94,848,228$ Increase/(Decrease) in current liabilities: $72,327,562$ $41,922,433$ Taxes paid $(8,295,689)$ $(7,090,320)$ Finance cost paid $(2,822,900)$ $(16,262,140)$ Gratuity-net $(2,822,900)$ $(2,5644,707)$ Long term deposits $(4,9057,381)$ $(25,644,707)$ Net cash from operating activities $(1,887,017)$ $2,354,308$ CASH FLOW FROM INVESTING ACTIVITIES $(1,887,017)$ $2,354,308$ Proceeds from disposal of property, plant and equipment $72,320,186$ $-2,354,308$ Fixed capital expenditure $(1,887,017)$ $2,354,308$ $-2,354,308$ CASH FLOW FROM FINANCING ACTIVITIES $72,320,186$ $-2,354,308$ $-2,354,308$ Net cash (used in)/from investing activities $(1,887,017)$ $2,165,808$ $-2,354,308$ $-2,354,308$ CASH FLOW FROM FINANCING ACTIVITIES $8,393,2580$ $(1,711,308)$	Operating Profit before working capital changes	32,828,273	19,433,127
Trade debts $(60,372,427)$ $12,909,205$ Loan and advances $6,170,494$ $(100,222,563)$ Income tax and Sales tax $1,812,393$ $687,948$ Other Receivables $(112,531,601)$ $94,848,228$ Increase/(Decrease) in current liabilities: $(112,531,601)$ $94,848,228$ Trade and other payables $72,327,562$ $41,922,433$ Cash generated from operations $(7,375,766)$ $156,203,788$ Taxes paid $(8,295,689)$ $(7,090,320)$ Finance cost paid $(8,295,689)$ $(7,090,320)$ Gratuity-net $(25,644,707)$ $-$ Long term deposits $(49,057,381)$ $(25,644,707)$ Net cash from operating activities $(1,887,017)$ $(23,54,308)$ Fixed capital expenditure $(1,887,017)$ $(188,500)$ Casht FLOW FROM FINANCING ACTIVITIES $(1,887,017)$ $(2,165,808)$ Long term finance $(8,393,258)$ $(1,711,308)$ Short Term Finance $8,393,258)$ $(1,711,308)$ Short Term Finance $8,120,215$ $(130,947,048)$ Net cash used in financing activities $58,120,215$ <	(Increase)/Decrease in current assets:		
Loan and advances $6,170,494$ $(100,222,563)$ Income tax and Sales tax $1,812,393$ $.551,915)$ $.687,948$ Other Receivables $(112,531,601)$ $94,848,228$ Increase/(Decrease) in current liabilities: $(112,531,601)$ $94,848,228$ Trade and other payables $72,327,562$ $41,922,433$ Cash generated from operations $(7,375,766)$ $156,203,788$ Taxes paid $(8,295,689)$ $(7,090,320)$ Finance cost paid $(8,295,689)$ $(16,626,140)$ Gratuity-net $(2,852,900)$ $(1,928,247)$ Long term deposits $(49,057,381)$ $(25,644,707)$ Net cash from operating activities $(56,433,147)$ $130,559,082$ CASH FLOW FROM INVESTING ACTIVITIES $(1,887,017)$ $(2,354,308)$ Proceeds from disposal of property, plant and equipment $(1,887,017)$ $(2,165,808)$ Fixed capital expenditure $(1,887,017)$ $(2,165,808)$ CASH FLOW FROM FINANCING ACTIVITIES $(125,724,791)$ $(125,724,791)$ Net cash (used in)/from investing activities $(1,887,017)$ $(130,947,048)$ Net cash used in financing activities $(199,949)$ $(1,777,842)$ Net increase / decrease in cash and cash equivalents $(199,949)$ $1,777,842$ Cash and cash equivalents at the beginning of the year $3,757,001$ $1,706,341$	Stocks, stores and spares	(59,590,147)	181,473,638
Income tax and Sales tax $1.812,393$ (551,915) $-$ Other Receivables $(112,531,601)$ $94,848,228$ Increase/(Decrease) in current liabilities: Trade and other payables $72,327,562$ $41,922,433$ Cash generated from operations $(7,375,766)$ $156,203,788$ Taxes paid Finance cost paid $(8,295,689)$ ( $(2,852,900)$ ( $(1,928,247)$ ) $(7,090,320)$ ( $(1,928,247)$ )Gratuity-net 	Trade debts	(60,372,427)	12,909,205
Other Receivables $(551,915)$ $687,948$ Increase/(Decrease) in current liabilities: Trade and other payables $72,327,562$ $41,922,433$ Cash generated from operations $72,327,562$ $41,922,433$ Cash generated from operations $(7,375,766)$ $156,203,788$ Taxes paid $(8,295,689)$ $(7,090,320)$ Finance cost paid $(8,295,689)$ $(16,626,140)$ Gratuity-net $(2,852,900)$ $(1,928,247)$ Long term deposits $(49,057,381)$ $(25,644,707)$ Net cash from operating activities $(56,433,147)$ $130,559,082$ CASH FLOW FROM INVESTING ACTIVITIES Proceeds from disposal of property, plant and equipment $-$ Fixed capital expenditure $(1,887,017)$ $(188,500)$ Caylial work in progress $ -$ Net cash (used in)/from investing activities $(1,887,017)$ $2,165,808$ CASH FLOW FROM FINANCING ACTIVITIES Long term finance $(8,393,258)$ $(1,711,308)$ Short Term Finance $(8,393,258)$ $(1,711,308)$ Short Term Finance $(8,766,711)$ $(3,510,949)$ Net cash used in financing activities $58,120,215$ $(130,947,048)$ Net increase / decrease in cash and cash equivalents $(199,949)$ $1,777,842$ Cash and cash equivalents at the beginning of the year $3,757,001$ $1,706,341$	Loan and advances	6,170,494	(100,222,563)
Increase/(Decrease) in current liabilities:       (112,531,601) $94,848,228$ Trade and other payables $72,327,562$ $41,922,433$ <b>Cash generated from operations</b> $(7,375,766)$ $156,203,788$ Taxes paid       (8,295,689) $(7,090,320)$ Finance cost paid $(8,295,689)$ $(16,626,140)$ Gratuity-net $(2,852,900)$ $(1,928,247)$ Long term deposits $(449,057,381)$ $(25,644,707)$ Net cash from operating activities $(56,433,147)$ $130,559,082$ <b>CASH FLOW FROM INVESTING ACTIVITIES</b> $(1,887,017)$ $(188,500)$ Proceeds from disposal of property, plant and equipment $ -$ Fixed capital expenditure $(1,887,017)$ $(188,500)$ Casht FLOW FROM FINANCING ACTIVITIES $ -$ Net cash (used in)/from investing activities $(1,887,017)$ $2,165,808$ <b>CASH FLOW FROM FINANCING ACTIVITIES</b> $(1,887,017)$ $(1,62,724,791)$ Long term finance $(8,393,258)$ $(1,711,308)$ Short Term Finance $(8,766,711)$ $(3,510,949)$ Net cash used in financing activities $58,120,215$ $(130,947,048)$ <td>Income tax and Sales tax</td> <td>1,812,393</td> <td>-</td>	Income tax and Sales tax	1,812,393	-
Increase/(Decrease) in current liabilities:       (112,531,601) $94,848,228$ Trade and other payables $72,327,562$ $41,922,433$ <b>Cash generated from operations</b> $(7,375,766)$ $156,203,788$ Taxes paid $(8,295,689)$ $(7,090,320)$ Finance cost paid $(8,295,689)$ $(16,626,140)$ Gratuity-net $(2,852,900)$ $(1,928,247)$ Long term deposits $(49,90,187)$ -         Net cash from operating activities $(56,433,147)$ $130,559,082$ <b>CASH FLOW FROM INVESTING ACTIVITIES</b> $(1,887,017)$ $(188,500)$ Proceeds from disposal of property, plant and equipment       -       -         Fixed capital expenditure $(1,887,017)$ $(188,500)$ Cash (used in)/from investing activities $(1,887,017)$ $(2,165,808)$ <b>CASH FLOW FROM FINANCING ACTIVITIES</b> $(1,887,017)$ $2,165,808$ Cash used in /fram investing activities $(1,893,258)$ $(1,711,308)$ Short Term Finance $(8,393,258)$ $(1,711,308)$ Repayment of lease liabilities $58,120,215$ $(130,947,048)$ Net increase / decrease in cash and cash equivalents $(199,949)$ $1$	Other Receivables	(551,915)	687,948
Trade and other payables $72,327,562$ $41,922,433$ Cash generated from operations $(7,375,766)$ $156,203,788$ Taxes paid $(8,295,689)$ $(7,090,320)$ Finance cost paid $(8,295,689)$ $(16,626,140)$ Gratuity-net $(2,852,900)$ $(1,928,247)$ Long term deposits $(49,057,381)$ $(25,644,707)$ Net cash from operating activities $(56,433,147)$ $130,559,082$ CASH FLOW FROM INVESTING ACTIVITIES $(1,887,017)$ $(188,500)$ Fixed capital expenditure $(1,887,017)$ $(2,165,808)$ CASH FLOW FROM FINANCING ACTIVITIES $(1,887,017)$ $(2,165,808)$ CASH FLOW FROM FINANCING ACTIVITIES $(1,887,017)$ $(2,165,808)$ CASH FLOW FROM FINANCING ACTIVITIES $(1,887,017)$ $(2,165,808)$ Cash (used in)/from investing activities $(1,887,017)$ $(2,165,808)$ Cash used in finance $(8,393,258)$ $(1,711,308)$ Short Term Finance $(8,393,258)$ $(1,711,308)$ Net ash used in financing activities $58,120,215$ $(130,947,048)$ Net increase / decrease in cash and cash equivalents $(199,949)$ $1,777$			h
Cash generated from operations $(7,375,766)$ $156,203,788$ Taxes paid $(8,295,689)$ $(7,090,320)$ Finance cost paid $(8,295,689)$ $(16,626,140)$ Gratuity-net $(2,852,900)$ $(1,928,247)$ Long term deposits $(49,057,381)$ $(25,644,707)$ Net cash from operating activities $(56,433,147)$ $130,559,082$ CASH FLOW FROM INVESTING ACTIVITIES $(1,887,017)$ $(188,500)$ Fixed capital expenditure $(1,887,017)$ $(188,500)$ Capital work in progress $(1,887,017)$ $(2,165,808)$ CASH FLOW FROM FINANCING ACTIVITIES $(1,887,017)$ $(2,165,808)$ CASH FLOW FROM FINANCING ACTIVITIES $(1,287,017)$ $(2,165,808)$ CASH FLOW FROM FINANCING ACTIVITIES $(1,287,017)$ $(2,165,808)$ CASH FLOW FROM FINANCING ACTIVITIES $(1,287,017)$ $(2,165,724,791)$ Short Term Finance $(8,393,258)$ $(1,711,308)$ Net increase / decrease in cash and cash equivalents $(199,949)$ $(1,777,842)$ Net increase / decrease in cash and cash equivalents $(199,949)$ $1,770,842$ Cash and cash equivalents at the beginning of the year			
Taxes paid $(8,295,689)$ $(7,090,320)$ Finance cost paid $(32,918,605)$ $(16,626,140)$ Gratuity-net $(2,852,900)$ $(1,928,247)$ Long term deposits $(49,057,381)$ $(25,644,707)$ Net cash from operating activities $(56,433,147)$ $130,559,082$ CASH FLOW FROM INVESTING ACTIVITIES $(1,887,017)$ $(188,500)$ Proceeds from disposal of property, plant and equipment $(1,887,017)$ $(188,500)$ Fixed capital expenditure $(1,887,017)$ $(188,500)$ Cash fLOW FROM FINANCING ACTIVITIES $(1,887,017)$ $(125,24,791)$ Net cash (used in)/from investing activities $(1,711,308)$ $(125,724,791)$ Short Term Finance $(8,793,258)$ $(1,711,308)$ Short Term Finance $(8,766,711)$ $(3,510,949)$ Net cash used in financing activities $(199,949)$ $1,777,842$ Net increase / decrease in cash and cash equivalents $(199,949)$ $1,770,841$	Trade and other payables	72,327,562	41,922,433
Finance cost paid $(32,918,605)$ $(16,626,140)$ Gratuity-net $(2,852,900)$ $(1,928,247)$ Long term deposits $(49,9057,381)$ $(25,644,707)$ Net cash from operating activities $(56,433,147)$ $130,559,082$ CASH FLOW FROM INVESTING ACTIVITIESProceeds from disposal of property, plant and equipmentFixed capital expenditure $(1,887,017)$ Capital work in progress $(1,887,017)$ Net cash (used in)/from investing activities $(1,887,017)$ CASH FLOW FROM FINANCING ACTIVITIESLong term finance $(8,393,258)$ Short Term Finance $(8,393,258)$ Short Term Finance $(130,947,048)$ Short Term Finance $(130,947,048)$ Net cash used in financing activities $58,120,215$ Net cash used in financing activities $(199,949)$ Net increase / decrease in cash and cash equivalents $(199,949)$ Cash and cash equivalents at the beginning of the year $(199,949)$ 1,777,8423,757,001 $1,706,341$	Cash generated from operations	(7,375,766)	156,203,788
Gratuity-net $(2,852,900)$ $(1,928,247)$ Long term deposits $(4,990,187)$ $-$ Net cash from operating activities $(56,433,147)$ $130,559,082$ <b>CASH FLOW FROM INVESTING ACTIVITIES</b> Proceeds from disposal of property, plant and equipment $ 2,354,308$ Fixed capital expenditure $(1,887,017)$ $(188,500)$ Capital work in progress $ -$ Net cash (used in)/from investing activities $(1,887,017)$ $2,165,808$ <b>CASH FLOW FROM FINANCING ACTIVITIES</b> Long term finance $(8,393,258)$ $(1,711,308)$ Short Term Finance $(8,393,258)$ $(1,25,724,791)$ Repayment of lease liabilities $(8,766,7111)$ $(3,510,949)$ Net cash used in financing activities $58,120,215$ $(130,947,048)$ Net increase / decrease in cash and cash equivalents $(199,949)$ $1,777,842$ Cash and cash equivalents at the beginning of the year $3,757,001$ $1,706,341$	Taxes paid	(8,295,689)	(7,090,320)
Long term deposits $(4,990,187)$ $-$ Net cash from operating activities $(49,057,381)$ $(25,644,707)$ Net cash from operating activities $(56,433,147)$ $130,559,082$ CASH FLOW FROM INVESTING ACTIVITIESProceeds from disposal of property, plant and equipmentFixed capital expenditure $(1,887,017)$ Capital work in progress $-$ Net cash (used in)/from investing activities $(1,887,017)$ CASH FLOW FROM FINANCING ACTIVITIES $(1,887,017)$ Long term finance $(8,393,258)$ Short Term Finance $(8,766,711)$ Repayment of lease liabilities $(8,766,711)$ Net cash used in financing activities $(199,949)$ Net increase / decrease in cash and cash equivalents $(199,949)$ Cash and cash equivalents at the beginning of the year $(199,949)$ 1,777,8423,757,001 $(1,706,341)$	Finance cost paid	(32,918,605)	(16,626,140)
Net cash from operating activities $(49,057,381)$ $(25,644,707)$ Net cash from operating activities $(56,433,147)$ $130,559,082$ CASH FLOW FROM INVESTING ACTIVITIESProceeds from disposal of property, plant and equipmentFixed capital expenditure $(1,887,017)$ Capital work in progress $(1,887,017)$ Net cash (used in)/from investing activities $(1,887,017)$ CASH FLOW FROM FINANCING ACTIVITIES $(1,887,017)$ Long term finance $(8,393,258)$ Short Term Finance $(8,766,711)$ Repayment of lease liabilities $(8,766,711)$ Net cash used in financing activities $58,120,215$ Net increase / decrease in cash and cash equivalents $(199,949)$ Cash and cash equivalents at the beginning of the year $(199,949)$ 1,777,8423,757,001 $3,757,001$	Gratuity-net	(2,852,900)	(1,928,247)
Net cash from operating activities $(56,433,147)$ $130,559,082$ <b>CASH FLOW FROM INVESTING ACTIVITIES</b> Proceeds from disposal of property, plant and equipment $ 2,354,308$ Fixed capital expenditure $(1,887,017)$ $(188,500)$ Capital work in progress $ 2,354,308$ Net cash (used in)/from investing activities $(1,887,017)$ $2,165,808$ <b>CASH FLOW FROM FINANCING ACTIVITIES</b> Long term finance $(8,393,258)$ $(1,711,308)$ Short Term Finance $(8,766,711)$ $(3,510,949)$ Net cash used in financing activities $(199,949)$ $1,777,842$ Net increase / decrease in cash and cash equivalents $(199,949)$ $1,777,842$ Cash and cash equivalents at the beginning of the year $(199,949)$ $1,776,341$	Long term deposits	(4,990,187)	-
CASH FLOW FROM INVESTING ACTIVITIESProceeds from disposal of property, plant and equipment-2,354,308Fixed capital expenditure(1,887,017)(188,500)Capital work in progressNet cash (used in)/from investing activities(1,887,017)2,165,808CASH FLOW FROM FINANCING ACTIVITIESLong term finance(8,393,258)(1,711,308)Short Term Finance(8,393,258)(1,711,308)Net cash used in financing activities58,120,215(130,947,048)Net increase / decrease in cash and cash equivalents(199,949)1,777,842Cash and cash equivalents at the beginning of the year3,757,0011,706,341		(49,057,381)	(25,644,707)
Proceeds from disposal of property, plant and equipment- $2,354,308$ Fixed capital expenditure(1,887,017)(188,500)Capital work in progressNet cash (used in)/from investing activities(1,887,017)2,165,808CASH FLOW FROM FINANCING ACTIVITIESLong term finance(8,393,258)(1,711,308)Short Term Finance(8,393,258)(1,711,308)Repayment of lease liabilities(8,766,711)(3,510,949)Net cash used in financing activities58,120,215(130,947,048)Net increase / decrease in cash and cash equivalents(199,949)1,777,842Cash and cash equivalents at the beginning of the year3,757,0011,706,341	Net cash from operating activities	(56,433,147)	130,559,082
Fixed capital expenditure(1,887,017)(188,500)Capital work in progressNet cash (used in)/from investing activities(1,887,017)2,165,808CASH FLOW FROM FINANCING ACTIVITIES(1,887,017)2,165,808Long term finance(8,393,258)(1,711,308)Short Term Finance(8,393,258)(1,711,308)Repayment of lease liabilities(8,766,711)(3,510,949)Net cash used in financing activities58,120,215(130,947,048)Net increase / decrease in cash and cash equivalents(199,949)1,777,842Cash and cash equivalents at the beginning of the year3,757,0011,706,341	CASH FLOW FROM INVESTING ACTIVITIES		
Capital work in progress-Net cash (used in)/from investing activities(1,887,017)2,165,808CASH FLOW FROM FINANCING ACTIVITIESLong term financeShort Term FinanceRepayment of lease liabilitiesNet cash used in financing activitiesNet increase / decrease in cash and cash equivalents(199,949)Net increase / decrease in cash and cash equivalents(199,949)1,777,842Cash and cash equivalents at the beginning of the year(199,949)1,706,341	Proceeds from disposal of property, plant and equipment	-	2,354,308
Net cash (used in)/from investing activities(1,887,017)2,165,808CASH FLOW FROM FINANCING ACTIVITIES(8,393,258)(1,711,308)Long term finance(8,393,258)(1,711,308)Short Term Finance75,280,184(125,724,791)Repayment of lease liabilities(8,766,711)(3,510,949)Net cash used in financing activities58,120,215(130,947,048)Net increase / decrease in cash and cash equivalents(199,949)1,777,842Cash and cash equivalents at the beginning of the year3,757,0011,706,341	Fixed capital expenditure	(1,887,017)	(188,500)
CASH FLOW FROM FINANCING ACTIVITIESLong term finance(8,393,258)Short Term Finance(1,711,308)Repayment of lease liabilities75,280,184(8,766,711)(3,510,949)Net cash used in financing activities58,120,215Net increase / decrease in cash and cash equivalents(199,949)1,777,8423,757,0011,706,341	Capital work in progress	-	-
Long term finance(8,393,258)(1,711,308)Short Term Finance75,280,184(125,724,791)Repayment of lease liabilities(8,766,711)(3,510,949)Net cash used in financing activities58,120,215(130,947,048)Net increase / decrease in cash and cash equivalents(199,949)1,777,842Cash and cash equivalents at the beginning of the year3,757,0011,706,341	Net cash (used in)/from investing activities	(1,887,017)	2,165,808
Long term finance(8,393,258)(1,711,308)Short Term Finance75,280,184(125,724,791)Repayment of lease liabilities(8,766,711)(3,510,949)Net cash used in financing activities58,120,215(130,947,048)Net increase / decrease in cash and cash equivalents(199,949)1,777,842Cash and cash equivalents at the beginning of the year3,757,0011,706,341	CASH FLOW FROM FINANCING ACTIVITIES		
Short Term Finance75,280,184(125,724,791)Repayment of lease liabilities(8,766,711)(3,510,949)Net cash used in financing activities58,120,215(130,947,048)Net increase / decrease in cash and cash equivalents(199,949)1,777,842Cash and cash equivalents at the beginning of the year3,757,0011,706,341		(8,393,258)	(1.711.308)
Repayment of lease liabilities(8,766,711)(3,510,949)Net cash used in financing activities58,120,215(130,947,048)Net increase / decrease in cash and cash equivalents(199,949)1,777,842Cash and cash equivalents at the beginning of the year3,757,0011,706,341	-		
Net cash used in financing activities58,120,215(130,947,048)Net increase / decrease in cash and cash equivalents(199,949)1,777,842Cash and cash equivalents at the beginning of the year3,757,0011,706,341			
Cash and cash equivalents at the beginning of the year3,757,0011,706,341			
Cash and cash equivalents at the beginning of the year3,757,0011,706,341	Net increase / decrease in cash and cash equivalents	(199.949)	1.777.842
	-		
	Cash and cash equivalents at the end of the year	3,557,051	3,484,182

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

## OLYMPIA SPINNING & WEAVING MILLS LIMITED CONDENSED INTERIM NOTES TO THE ACCOUNTS (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

## 1 STATUS AND NATURE OF BUSINESS

The Company was incorporated in Pakistan as a public limited company on October 28, 1960 and its shares are quoted on the Karachi stock exchange. The main business of the company is manufacturing and sale of cotton yarn.

1.1 The accumulated loss of the company stands at Rs. 637.940 million. The current liabilities exceed current assets by Rs. 772.873 million. The directors have given their commitment that in case the decision of the courts is decided against the company, they will meet the obligation through their own sources. The company is currently negotiating with its lenders for the restructuring of its entire debt based on various proposals submitted by the company. Based on above, these financial statements have been prepared on a going concern assumption.

## 2. BASIS OF PREPARATION

#### 2.1 Statement of Compliance

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Finance Reporting Standard (IFRS) IAS 34 Interim Financial Reporting as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended 30th June, 2010.

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi, Lahore and Islamabad Stock Exchanges and section 245 of the Companies Ordinance, 1984.

#### 3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of the financial statements for the 1st quarter ended September 30, 2010 are the same as those applied in the preparation of the annual audited statement for the year ended June 30, 2010.

#### 4 CONTINGENCY AND COMMITMENT

There have been no significant change in the contingencies and commitments since the last audited financial statements.

## 5 ACQUISITION AND DISPOSAL OF FIXED ASSETS

	UN-AUDITED		AU	DITED
FIVED ACCETC	September 30, 2010		June	30, 2010
FIXED ASSETS	Additions	Disposal	Additions	Disposal
Factory building (on leasehold land)	-	-	-	-
Plant and machinery	1,803,017	-	14,331,634	-
Office equipment	84,000	-	297,840	
Factory tools and equipment	-	-	7,500	-
Furniture and fixture	-	-	77,700	-
Motor Vehicle	-	-	-	2,704,135
Electric and pipe fitting	-	-		-
Total	1,887,017	-	14,714,674	2,704,135

#### 6 TRANSACTION WITH SUBSIDIARY ;

	UN-AUDITED	AUDITED	
	September-2010 RUPEES	June-2010 RUPEES	
Electric Purchased	48,251,440	201,816,751	

Transactions with subsidiary are made under normal commercial terms and conditions.

## 7 EVENTS AFTER THE BALANCE SHEET DATE :

There were no significant event since the balance sheet date.

#### 8 DATE OF AUTHORISATION FOR ISSUE :

This condensed financial statement was authorised for issue on October 30, 2010 by the board of directors of the company.

## 9 GENERAL:

Figure have been rounded off to the nearest rupees.

#### CHIEF EXECUTIVE Karachi: 30th October, 2010

# OLYMPIA SPINNING & WEAVING MILLS LIMITED DIRECTORS REPORT ON CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Directors have pleasure in presenting their Unaudited Condensed Consolidated Interim Report of the Group for three months ended September 30, 2010 for your consideration and approval. The Olympia Group comprises financial statement of Olympia Spinning & Weaving Mills Limited and Olympia Power Generation (Pvt) Limited.

The Directors report on the performance of Olympia Spinning & Weaving for the period ended 30 September, 2010 has been presented separately.

## **GROUP RSULTS**

The operating results of the period under review has resulted in net loss before taxation of Rs.17,136,217/- with net sales of Rs.910,882,779/-

	For period ended September 30, 2010 Rupees	For period ended September 30, 2009 Rupees
Gross Sales	910,882,779	552,762,873
Gross Profit	35,783,224	30,030,025
Profit from Operation	18,711,064	12,321,202
EPS	(2.05)	(2.98)

## **OLYMPIA POWER GENERATION (PVT) LIMITED**

Olympia Power Generation (Pvt) Limited, groups subsidiary earns nominal profit of Rs 2.107 million with sales of Rs 48.251 million and remain successful in achieving its target. The company is expecting continued inflationary pressure during the next year & plans to cope with it by considering alternative source of revenue and internal cost savings.

## **ACKNOWLEDGEMENT:**

I would like to place on record the Co-operation shown by our Bankers for their support and without their cooperation, the present results could not have been achieved. The loyalty and devotion of the Staff members and the workers towards the Company is also one of the major factor for achieving the present results.

For and on behalf of the Board

Karachi: 30<sup>th</sup> October, 2010

M.WAQAR MONNOO Chief Executive/Director

## OLYMPIA SPINNING & WEAVING MILLS LIMITED CONDENSED INTERIM CONSOLIDATED BALANCE SHEET (UNAUDITED) AS AT SEPTEMBER 30, 2010

EQUITY AND LIABILITIES SHARE CAPITAL AND RESERVES	Unaudited September 2010 RUPEES	Audited June 2010 RUPEES
Authorized capital 13,000,000 Ordinary shares of Rs.10 each.	130,000,000	130,000,000
Issued, subscribed and paid up capital General reserve Capital reserve Unappropriated loss	120,000,000 3,580,053 44,665,822 (617,968,355) (449,722,480)	120,000,000 3,580,053 44,665,822 (590,886,048) (422,640,173)
Non-Controlling Interest Surplus on revaluation of property, plant and equipment	43,091,923 1,104,410,515	42,248,994 1,106,802,878
NON CURRENT LIABILITIES Long term financing Liability against assets subject to finance lease Deferred liabilities	562,308,840 34,859,528 2,599,016	584,665,404 16,330,212 3,855,661
CURRENT LIABILITIES Trade and other payables Interest / Mark-up accrued on loans Short-term borrowings Current portion of - long term financing - liabilities against asset subject to finance lease	627,144,174 56,859,858 745,206,708 52,139,966 39,122,218 1,520,472,925	549,648,551 54,642,731 669,812,943 47,967,127 66,768,245 1,388,839,597
CONTINGENCIES AND COMMITMENTS		
ASSETS	2,818,020,266	2,720,102,573
NON CURRENT ASSETS Property, plant and equipment Long term deposit	2,072,506,533 13,603,559	2,087,613,691 8,613,372
CURRENT ASSETS Stores, spare parts and loose tools Stock in trade Trade debts - considered good Other financial assets Loans and advances Income tax and Sales tax Other receivables Cash and bank balances	17,695,338 265,401,410 170,951,561 74,000,000 163,645,502 30,793,737 5,642,385 3,780,241 731,910,174 2,818,020,266	20,224,182 203,057,017 110,579,134 74,000,000 170,162,488 36,831,028 5,090,470 3,931,191 623,875,510 2,720,102,573

The annexed notes form an integral part of these financial statements

## CHIEF EXECUTIVE

#### DIRECTOR

# OLYMPIA SPINNING & WEAVING MILLS LIMITED CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

		[]
	September 2010	September 2009
	RUPEES	RUPEES
Sales (net)	910,882,779	552,762,873
Cost of sales	(875,099,556)	(522,732,848)
Gross Profit	35,783,224	30,030,025
Distribution cost	(8,222,643)	(6,913,964)
Administrative expenses	(11,074,843)	(11,297,692)
Other operating income	2,225,326	502,833
	(17,072,160)	(17,708,823)
Operating Profit	18,711,064	12,321,202
Finance cost	(35,847,281)	(44,111,611)
Net loss before taxation	(17,136,217)	(31,790,409)
Taxation	(7,453,030)	(4,015,787)
Net loss for the period after taxation	(24,589,247)	(35,806,196)
Attributable to:		
Equity holders of the parent	(25,432,176)	(38,589,785)
Non Controlling Interest	842,929	2,783,589
	(24,589,247)	(35,806,196)
Earning per share - Basic and diluted	(2.05)	(2.98)

The annexed notes form an integral part of these financial statements

## **CHIEF EXECUTIVE**

## DIRECTOR

# OLYMPIA SPINNING & WEAVING MILLS LIMITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	September 2010 RUPEES	September 2009 RUPEES
Loss for the period after taxation	(25,432,176)	(38,589,785)
Other Comprehensive Income:		
Actuarial (Loss) recognised	-	-
Total comprehensive loss for the period	(25,432,176)	(38,589,785)

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

**CHIEF EXECUTIVE** Karachi: 30 October 2010

## OLYMPIA SPINNING & WEAVING MILLS LIMITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	PAID UP CAPITAL	REVENUE RESERVE	CAPITAL RESERVE	UN- APPROPRIATED LOSS	TOTAL	NON- CONTROLLING INTEREST	TOTAL EQUITY
	4			RUPEES			$\rightarrow$
Balance as at 30-06-2009	120,000,000	3,580,053	44,665,822	(505,335,008)	(337,089,133)	37,680,106	(299,409,026)
Total comprehensive income for the quarter ended 30th September, 2009				(38,589,785)	(38,589,785)	2,783,589	(35,806,196)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation				2,507,287	2,507,287	-	2,507,287
Balance as at 30-09-2009	120,000,000	3,580,053	44,665,822	(541,417,506)	(373,171,631)	40,463,695	(332,707,936)
Total comprehensive income for the Period from 01-10-2009 to 30-06-2010				(61,032,896)	(61,032,896)	1,785,299	(59,247,597)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation				7,521,860	7,521,860	-	7,521,860
Balance as at 30-06-2010	120,000,000	3,580,053	44,665,822	(594,928,542)	(426,682,667)	42,248,994	(384,433,673)
Total comprehensive income for the quarter ended September 30, 2010	-	-	-	(25,432,176)	(25,432,176)	842,929	(24,589,247)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation	-	-	-	2,392,363	2,392,363	-	2,392,363
Balance as at 30-09-2010	120,000,000	3,580,053	44,665,822	(617,968,355)	(449,722,480)	43,091,923	(406,630,557)

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

CHIEF EXECUTIVE

Karachi: 30 October 2010

# OLYMPIA SPINNING & WEAVING MILLS LIMITED CONDENSED CONSOLIDATED INTERIM STATEMENT CASH FLOW (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	Sptember-2010 RUPEES	September-2009 RUPEES
CASH GENERATED FROM OPERATION		
Loss before taxation	(17,136,217)	(31,790,409)
Adjustment for non cash charges and other items:		
Depreciation	16,994,175	17,095,967
Finance cost	35,847,281	44,111,611
Gain on disposal of property, plant and equipment	-	(110,885)
Provision for gratuity	1,596,255	270,110
	54,437,710	61,366,803
Operating Profit before working capital changes	37,301,493	29,576,394
(Increase)/Decrease in current assets:		
Stocks, stores and spares	(59,815,549)	181,731,941
Trade debts	(60,372,427)	12,909,205
Loan and advances	6,516,986	(100,219,232)
Income tax and Sales tax	2,840,221	-
Other Receivables	(551,915)	1,544,044
	(111,382,683)	95,965,958
Increase/(Decrease) in current liabilities:		
Trade and other payables	77,495,623	33,235,066
Cash generated from operations	3,414,434	158,777,418
Taxes paid	(8,298,455)	(7,090,320)
Finance cost paid	(33,630,153)	(18,016,369)
Gratuity-net	(2,852,900)	(1,995,747)
Long term deposits	(4,990,187)	-
	(49,771,696)	(27,102,436)
Net cash from operating activities	(46,357,262)	131,674,983
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	-	2,354,308
Fixed capital expenditure	(1,887,017)	(237,862)
Capital work in progress	-	-
Net cash (used in)/from investing activities	(1,887,017)	2,116,446
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finance	(18,183,725)	(2,247,093)
Short Term Finance	75,393,765	(126,435,112)
Repayment of lease liabilities	(9,116,711)	(3,508,942)
Net cash used in financing activities	48,093,330	(132,191,147)
Net increase / decrease in cash and cash equivalents	(150,950)	1,600,282
Cash and cash equivalents at the beginning of the year	3,931,191	2,177,251
Cash and cash equivalents at the end of the year	3,780,241	3,777,532

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

## OLYMPIA SPINNING & WEAVING MILLS LIMITED CONDENSED INTERIM CONSOLIDATED NOTES TO THE ACCOUNTS (UNAUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2010

## 1 STATUS AND NATURE OF BUSINESS

The Company was incorporated in Pakistan as a public limited company on October 28, 1960 and its shares are quoted on the Karachi stock exchange. The main business of the company is manufacturing and sale of cotton yarn.

1.1 The accumulated loss of the company stands at Rs. 617.968 million. The current liabilities exceed current assets by Rs. 788.562 million. The directors have given their commitment that in case the decision of the courts is decided against the company, they will meet the obligation through their own sources. The company is currently negotiating with its lenders for the restructuring of its entire debt based on various proposals submitted by the company. Based on above, these financial statements have been prepared on a going concern assumption.

#### 2. BASIS OF PREPARATION

#### 2.1 Statement of Compliance

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Finance Reporting Standard (IFRS) IAS 34 Interim Financial Reporting as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended 30th June, 2010.

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi, Lahore and Islamabad Stock Exchanges and section 245 of the Companies Ordinance, 1984.

## 3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of the financial statements for the 1st quarter ended September 30, 2010 are the same as those applied in the preparation of the annual audited statement for the year ended June 30, 2010.

#### 4 CONTINGENCY AND COMMITMENT

There have been no significant change in the contingencies and commitments since the last audited financial statements.

### 5 ACQUISITION AND DISPOSAL OF FIXED ASSETS

	UN-AUDITED		AUDITED		
FIXED ASSETS	September 30	, 2010	June 30, 2010		
	Additions	Disposal	Additions	Disposal	
Factory building (on leasehold land)	-	-	-	-	
Plant and machinery	1,803,017	-	14,331,634	-	
Office equipment	84,000	-	297,840		
Factory tools and equipment	-	-	7,500	-	
Furniture and fixture	-	-	77,700	-	
Motor Vehicle	-	-	-	2,704,135	
Electric and pipe fitting	-	-		-	
Total	1,887,017	-	14,714,674	2,704,135	

# 6 TRANSACTION WITH SUBSIDIARY ;

	UN-AUDITED September-2010	AUDITED June-2010	
	RUPEES	RUPEES	
Electric Purchased	48,251,440	201,816,751	

Transactions with subsidiary are made under normal commercial terms and conditions.

## 7 EVENTS AFTER THE BALANCE SHEET DATE :

There were no significant event since the balance sheet date.

#### 8 DATE OF AUTHORISATION FOR ISSUE :

This condensed financial statement was authorised for issue on October 30, 2010 by the board of directors of the company.

#### 9 GENERAL:

Figure have been rounded off to the nearest rupees.

CHIEF EXECUTIVE Karachi: 30th October, 2010