



Jubilee Spinning & Weaving Mills Ltd.

**Condensed Interim Financial Information
First Quarter Ended (Un-audited)
September 30, 2014**

BOOK POST

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Jubilee Spinning & Weaving Mills Ltd.
45-A, Off Zafar Ali Road, Gulberg-V,
Lahore-Pakistan.



Jubilee Spinning & Weaving Mills Ltd.

First Quarter Ended September 30, 2014

Company Information

Board of Directors

Mr. ShaukatShafi (Chief Executive)
Mr. Tariq Shafi
Mr. JahanzebShafi
Mr. UsmanShafi
Mr. Aurangzeb Shafi
Mr. Umer Shafi
Mr. Masood A. Sheikh

Audit Committee

Mr. UsmanShafi (Chairman)
Mr. JahanzebShafi (Member)
Mr. Masood A. Sheikh (Member)

Company Secretary

Mr. Masood A. Sheikh

Auditors

Riaz Ahmed & Company
Chartered Accountants

Legal Advisor

Ghani Law Associate
Mr. AnserMukhtar

Bankers

Habib Bank Limited
National Bank of Pakistan
Bank Al-Habib Limited
Standard Chartered Bank (Pakistan) Limited
Habib Metropolitan Bank Limited
NIB Bank Limited
Emirates Global Islamic Bank Limited
Faysal Bank Limited
United Bank Limited
Allied Bank Limited
Registered Office

45-A, Zafar Ali Road, Gulberg-V
Lahore, Pakistan

Mills

B-28, Manghopir Road, S.I.T.E.
Karachi



Jubilee Spinning & Weaving Mills Ltd.

First Quarter Ended September 30, 2014

Directors' Report To The Share Holders

Dear Shareholders,

The Directors of your Company feel pleasure in presenting the results for the First Quarter ended September 30, 2014.

Net Profit/(Loss)

Due to energy crises, marketing problems and high inflation costs, the Company has suspended its production process from March 2014.

During the year, the company suffered net loss of Rs. 12,359,936 after charging costs, expenses and provisions for the year as compared to previous year's net loss of Rs. 14,806,304.

Financial Results

The financial results of the company are summarized as follows:

Year ended on	September 30, 2014 Rupees	September 30, 2013 Rupees
Sales	1,045,688	72,478,869
Cost of sales	(11,178,420)	(79,849,536)
Gross loss	(10,132,732)	(7,370,667)
Gross loss rate %	(969)%	(10.17)%
Selling, admin and other operating cost	(8,968,800)	(5,595,383)
Other income	6,836,643	1,343,513
Finance Charges	(95,046)	(769,956)
Provision for tax	-	(724,789)
Loss after tax	(12,359,936)	(14,806,304)
Basic loss per share	(0.38)	(0.46)

However the Management is confident that we will meet these challenges head-on and improve results for the remaining period of this year.

In closing, I would like to thank our stakeholders for their continued support.

For and on behalf of the Board of Directors

Shaukat Shafi
Chief Executive

Karachi
November 29, 2014



Jubilee Spinning & Weaving Mills Ltd.

First Quarter Ended September 30, 2014

Balance Sheet - Un Audited

Note	September 30, 2014 Rupees	June 30, 2014 Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized 34,000,000 (June 30, 2014: 34,000,000) ordinary shares of Rs. 10 each	340,000,000	340,000,000
Issued, subscribed and paid up share capital	324,912,050	324,912,050
Reserves	(409,051,634)	(396,691,698)
Shareholders' equity	(84,139,584)	(71,779,648)
Surplus on revaluation of Property, Plant & Equipment-net of tax	588,195,344	588,195,344
Surplus on revaluation of Investment Property-net of tax	19,664,538	19,664,538
NON-CURRENT LIABILITIES		
Long term financing	63,529,994	63,529,994
Deferred income tax	18,529,063	18,529,063
Employees' retirement benefits	41,334,911	43,381,029
Total non-current liabilities	123,393,968	125,440,086
CURRENT LIABILITIES		
Trade and other payables	211,645,271	218,172,139
Accrued mark-up	24,517,429	24,517,429
Short term borrowing	78,560	-
Current and overdue portion of long term liabilities	-	-
Provisions	9,928,940	9,928,940
Provision for taxation	29,641	29,641
Total current liabilities	246,199,841	252,648,149
Contingencies and commitments	-	-
Total equity and liabilities	893,314,107	914,168,469


Shaukat Shafi
Chief Executive



Jubilee Spinning & Weaving Mills Ltd.

First Quarter Ended September 30, 2014

As at September 30, 2014

Note	September 30, 2014 Rupees	June 30, 2014 Rupees
ASSETS		
NON-CURRENT ASSETS		
Fixed assets		
Property, plant and equipments	607,448,317	610,919,112
Capital working in progress - plant and machinery	5,000,000	5,000,000
Investment property	24,233,658	24,233,658
Long term investments	769,370	769,370
Long term loans	2,551,778	1,798,751
Long term deposits	710,722	710,722
Total non-current assets	640,713,845	643,431,613
CURRENT ASSETS		
Stores and spares	1,807,920	1,778,935
Stock in trade	-	1,249,856
Trade debtors	166,900,010	181,829,910
Loan and advance	776,865	1,756,457
Short term deposits, prepayments and receivables	500,000	654,109
Other receivables	20,157,622	20,115,067
Advance income tax and refund	7,530,522	7,160,618
Short term investments	53,851,176	53,851,123
Cash and bank balances	1,076,146	2,340,781
Total current assets	252,600,262	270,736,856
Total assets	893,314,107	914,168,469

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


Tariq Shafi
Director



Jubilee Spinning & Weaving Mills Ltd.

First Quarter Ended September 30, 2014

Condensed Interim Profit & Loss Account (Un-audited)
For The Period Ended September 30, 2014

	Note	July 01, 2014 to September 30, 2014 Rupees	July 01, 2013 to September 30, 2013 Rupees
Sales - net		1,045,688	72,478,870
Cost of sales	5	<u>11,178,420</u>	<u>79,849,536</u>
Gross (loss)/profit		(10,132,732)	(7,370,667)
Operating expenses			
Administrative		<u>8,889,990</u>	<u>5,252,692</u>
Distribution		<u>78,810</u>	<u>342,691</u>
		8,968,800	5,595,383
Effect of fair value adjustment of interest free long term financing form directors		<u>-</u>	<u>1,689,024</u>
Operating profit before provisions and write offs		(19,101,533)	(14,655,073)
Other operating income		<u>6,836,643</u>	<u>1,343,513</u>
		(12,264,890)	(13,311,559)
Financial and other charges		95,046	769,956
		<u>(12,359,936)</u>	<u>(14,081,515)</u>
Share of profit/(Loss) in associated company		<u>-</u>	<u>-</u>
Profit / (Loss) before taxation		(12,359,936)	(14,081,515)
Provision for taxation		<u>-</u>	<u>724,789</u>
Profit / (Loss) after taxation		<u>(12,359,936)</u>	<u>(14,806,304)</u>
Earnings per share - Basic and diluted		<u>(0.38)</u>	<u>(0.46)</u>

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

Shaukat Shafi
Chief Executive

Tariq Shafi
Director



Jubilee Spinning & Weaving Mills Ltd.

First Quarter Ended September 30, 2014

Condensed Interim Statement of Comprehensive Income (Un-audited)
For The Period Ended September 30, 2014

	Note	July 01, 2014 to September 30, 2014 Rupees	July 01, 2013 to September 30, 2013 Rupees
Profit after tax		(12,359,936)	(14,806,304)
Other Comprrehensive income			
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax		<u>-</u>	<u>-</u>
Fair value adjustment on available for sale investment		<u>(102,647)</u>	<u>2,868,933</u>
		(102,647)	2,868,933
Total comprehensive income		<u>(12,462,583)</u>	<u>(11,937,371)</u>

The annexed notes form an integral part of this condensed interim financial information.

Shaukat Shafi
Chief Executive

Tariq Shafi
Director



**Condensed Interim Cash Flow Statement (Un-audited)
For The Period Ended September 30, 2014**

	Note	July 01, 2014 to September 30, 2014 Rupees	July 01, 2013 to September 30, 2013 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) operating activities after working capital changes	6	922,685	20,979,311
Financial charges paid		(95,046)	(627,954)
Gratuity paid		(2,046,118)	(533,253)
Income tax paid		(94,694)	(283,647)
Net cash from operating activities		(1,313,173)	19,534,457
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend received		48,538	43,003
Long term loans		-	-
		48,538	43,003
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loans		-	-
Net cash used-in financing activities		-	-
Net increase in cash and cash equivalents		(1,264,635)	19,577,460
Cash and cash equivalents at the beginning of the period		2,340,781	(18,637,963)
Cash and cash equivalents at the end of the quarter		1,076,146	939,497

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


Shaukat Shafi
Chief Executive


Tariq Shafi
Director



**Condensed Interim Statement
of Changes In Equity (Un-audited)
For The Period Ended September 30, 2014**

Share Capital	Fair Value Reserve	Revenue Reserves			Sub Total	Total
		Equity Portion of share holder loan	General Reserve	Accumulated loss		

Rupees

Balance as at June 30, 2013 (Restated)
Changes in equity for the period ended September 30, 2013

Profit/loss after tax for the period ended September 30, 2013	-	-	-	-	(14,806,304)	(14,806,304)	(14,806,304)
Other comprehensive income							
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax	-	-	-	-	1,100,860	1,100,860	1,100,860
Fair value adjustment on available for sale investment	-	(2,868,933)	-	-	-	(2,868,933)	(2,868,933)
Total other comprehensive income	-	(2,868,933)	-	-	1,100,860	(1,768,073)	(1,768,073)
Total comprehensive income	-	(2,868,933)	-	-	(13,705,444)	(16,574,377)	(16,574,377)
Balance as at September 30, 2013	324,912,050	28,859,316	27,243,282	51,012,000	(487,296,496)	(380,181,898)	(55,269,848)

Changes in equity from October 01, 2013 to June 30, 2014

Profit/loss after tax for the period ended June 30, 2014	-	-	-	-	(37,512,216)	(37,512,216)	(37,512,216)
Other comprehensive income							
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax	-	-	-	-	4,234,974	4,234,974	4,234,974
Fair value adjustment on available for sale investment	-	6,949,159	-	-	-	6,949,159	6,949,159
Fair value adjustment on interest free loans from directors	-	6,949,159	(6,756,094)	-	-	(6,756,094)	(6,756,094)
Total other comprehensive income	-	6,949,159	(6,756,094)	-	4,234,974	4,428,039	4,428,039
Total comprehensive income	-	6,949,159	(6,756,094)	-	(33,277,242)	(33,084,177)	(33,084,177)
Balance as at June 30, 2014	324,912,050	38,677,408	20,487,188	51,012,000	(506,868,294)	(396,691,698)	(71,779,648)

Changes in equity for the period ended September 30, 2014

Profit/loss after tax for the period ended September 30, 2014	-	-	-	-	(12,359,936)	(12,359,936)	(12,359,936)
Other comprehensive income							
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax	-	-	-	-	3,284,259	3,284,259	3,284,259
Fair value adjustment on available for sale investment	-	102,647	-	-	-	102,647	102,647
Fair value adjustment on interest free loans from directors	-	102,647	-	-	-	-	-
Total other comprehensive income	-	102,647	-	-	3,284,259	3,386,906	3,386,906
Total comprehensive income	-	102,647	-	-	(9,075,677)	(8,973,030)	(8,973,030)
Balance as at September 30, 2014	324,912,050	38,574,761	20,487,188	51,012,000	(497,792,617)	(387,718,668)	(62,806,618)

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


Shaukat Shafi
Chief Executive


Tariq Shafi
Director



**Selected Notes To The Condensed
Interim Financial Information (Un-audited)
For The Period Ended September 30, 2014**

1. STATUS AND NATURE OF BUSINESS

The company was incorporated in Pakistan as a public limited company on December 12, 1973. The company obtained certificate of commencement of business in January 1974. Shares of the company are listed in Karachi, Lahore and Islamabad stock exchanges. The company is engaged in the business of manufacturing and selling of yarn, buying, selling and otherwise dealing in yarn and raw cotton. The company also generates electricity for its own requirement. The registered office is located at 45-A, Off: Zafer Ali Road, Gulberg - V, Lahore whereas factory is located at B-28, Manghopir Road, S.I.T.E, Karachi.

2. BASIS OF PREPARATION

These unaudited financial statements are being presented and submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of the International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies adopted for the preparation of these financial statements are consistent with those used in the preparation of annual accounts for the year ended June 30, 2014.

4. CONTINGENCIES AND COMMITMENTS

Contingencies

None

Commitments

None

5. COST OF SALES

		July 01, 2014 to September 30, 2014 Rupees	July 01, 2013 to September 30, 2013 Rupees
Finished stock - opening		1,019,548	1,234,651
Add: Cost of goods manufactured	5.1	9,139,324	79,821,756
		10,158,872	81,056,407
Less: Finished stock - closing		-	(1,206,871)
		10,158,872	79,849,536



	July 01, 2014 to September 30, 2014 Rupees	July 01, 2013 to September 30, 2013 Rupees
5.1 Cost of goods manufactured		
Raw material consumed	-	48,673,199
Stores and spares	230,308	1,814,115
Salaries, wages and other benefits	-	13,759,617
Power and fuel	4,734,944	7,916,027
Depreciation	3,314,625	3,320,906
Other manufacturing expenses	859,447	1,578,679
Work-in-process		
Opening	-	6,517,653
Closing	-	(3,758,439)
	-	2,759,214
	9,139,324	79,821,756
6. CASH (USED IN) OPERATING ACTIVITIES AFTER WORKING CAPITAL CHANGES		
Profit before taxation	(12,359,936)	(14,081,515)
Add / (less) adjustments for:		
Depreciation	2,981,114	3,478,113
Provision for gratuity	100,000	1,462,180
Share of profit/(Loss) from associate	-	-
Dividend income	(48,538)	(43,003)
Provision for write off and write back	-	-
Imputed interest expense / (income) under IAS-39	-	1,689,024
Unrealized gain/(loss) on remeasurement of investment	-	(81,865)
Financial charges	(95,046)	769,956
	2,937,530	7,274,404
Net cash flow from operating activities before working capital changes	(9,422,406)	(6,807,111)
Working capital changes		
(Increase) / Decrease in current assets		
Stores and spares	(28,985)	13,414
Stock in trade	1,249,856	36,103,713
Trade debtors	14,929,900	(24,422,586)



	July 01, 2014 to September 30, 2014 Rupees	July 01, 2013 to September 30, 2013 Rupees
Loan and advance	979,592	(1,534,472)
Short term deposits, prepayments and receivables	154,109	12,788,445
Other receivables	(42,555)	-
Advance income tax and refund	(369,904)	-
Short term investments	(54)	4,837,909
Trade and other payables	(6,526,868)	-
	10,345,091	27,786,422
Cash flows from operating activities after working capital changes	922,685	20,979,311

7 TRANSACTIONS WITH RELATED PARTIES

Sale of yarn	796,100	64,138,850
Insurance premium	-	653,276
Rental income	-	1,196,325

8 SEGMENT INFORMATION

8.1 The company has 02 reportable business segments. The following summary describes the operation in each of the company's reportable segments:

Spinning:	Production of different quality of yarn using natural and artificial fibers.
Power Generation:	Generation and distribution of power.

Transactions among the business segments are recorded at arm's length prices using admissible valuation methods. Inter segment sales and purchases have been eliminated from the total.

8.2 Segment Results

	Spinning (Un-audited)		Power Generation (Un-audited)		Elimination of Inter-segment transactions (Un-audited)		Total Company (Un-audited)	
	30 September 2014	30 September 2013	30 September 2014	30 September 2013	30 September 2014	30 September 2013	30 September 2014	30 September 2013
	Sales	1,045,688	72,478,870	4,613,105	12,711,672	(4,613,105)	(12,711,672)	1,045,688
Cost of sales	(10,432,544)	(84,264,057)	(5,358,981)	(8,297,151)	4,613,105	12,711,672	(11,178,420)	(79,849,536)
Gross profit	(9,386,856)	(7,370,667)	(745,876)	4,414,521	-	-	(10,132,732)	(7,370,667)
Distribution cost	(78,810)	(342,691)	-	-	-	-	(78,810)	(342,691)
Administrative expenses	(8,818,509)	(5,210,457)	(71,481)	(42,235)	-	-	(8,889,990)	(5,252,692)
(8,897,319)	(5,553,148)	(71,481)	(42,235)	-	-	(8,968,800)	(5,595,383)	
Profit before taxation and unallocated expenses and income	(18,284,175)	(12,923,815)	(817,357)	4,372,286	-	-	(19,101,532)	(12,966,049)
Unallocated income and expenses:								
Finance cost							(95,046)	(769,956)
Fair value adjustment of interest free loan							-	(1,689,024)
Other operating income							6,836,643	1,343,513
Share of profit in associated companies							-	-
Taxation							-	(724,789)
Profit after taxation							(12,359,935)	(14,806,304)

8.2.1 The sales of yarn to a single customer amounts to Rupees 0.79 million (2013: Rupees 64.14 million) out of the total revenue/sales of the company. All the reported segments operate in same geographical location.

8.3 Segment Assets

	Spinning		Power Generation		Total Company	
	30 September 2014 Rupees	30 September 2013 Rupees	30 September 2014 Rupees	30 September 2013 Rupees	30 September 2014 Rupees	30 September 2013 Rupees
	Segment assets	579,573,590	579,321,919	13,874,727	13,541,596	607,448,317
Unallocated assets					285,865,790	314,706,926
					893,314,107	907,570,441



9. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on November 29, 2014 by the Board of Directors of the company.

10. GENERAL

10.1 Corresponding figures have been rearranged or reclassified, wherever necessary, for the purpose of comparison.

10.2 Figures in these financial statements have been rounded off to the nearest rupee.

Shaukat Shafi
Chief Executive

Tariq Shafi
Director