

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

H.R Committee

Mr. Haji Moosa Haji Kassam
Mr. Shams-ul-Haque
Mr. Sham-uz-Zoha

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

GOODLUCK INDUSTRIES LIMITED

DIRECTORS REPORTS TO THE SHAREHOLDERS

The Board of Directors of Goodluck Industries Limited, Karachi presents hereunder, the Audited Annual Accounts and Financial Statements of the Company for the financial year ended June 30, 2014. Auditors reports to the members, auditors review reports on statements of compliance with best practices of code of corporate governance and directors report to the shareholders on the working of the Company for the financial year ended 30th June 2014 and statement of compliance with the code of corporate governance for the said period is reported here-under.

Investment on Fixed Assets

A sum of Rs.362,700 was added to the fixed assets during the year ended June 2014.

Review on working and Profit & Loss Account

Profit & Loss Account for the year ended 30th June 2013 and 30th June 2014
Compared as under:-

	2014	2013
	Rupees	Rupees
Sales	693,031,833	471,977,106
Cost of sales	(682,623,944)	(467,580,803)
Gross profit	10,407,889	4,396,303
Administrative expenses	(7,588,613)	(6,718,211)
Selling expenses	(135,819)	(16,562)
Other income	6,696,791	31,172
Other operating expenses	(646,429)	(20,994)
	(1,683,380)	(6,824,595)
Operating profit / (loss)	8,724,510	(2,428,293)
Financial charges	(11,717)	(40,609)
Profit / (Loss) before taxation	8,712,793	(2,468,902)

Appropriation of Profit

The Board of Directors of the Company proposed appropriation of profit for the year as ended June 2014 as under:

Profit / (Loss) before taxation	8,712,793	(2,468,902)
Less; taxation	(3,122,743)	3,634,204
Profit after taxation	5,590,049	1,165,302
Un-appropriated profit brought forward	19,011,214	11,149,909
	24,601,263	22,011,214
Less: Dividend declared @ 20% (Rs.2 per share)	600,000	600,000
Add: Adjustment of incremental depreciation	3,864,162	6,498,505
Add: Other comprehensive income	(27,773)	1,226,920
Un-appropriated profit balance carried forward	27,837,651	19,011,214

GOODLUCK INDUSTRIES LIMITED

Basic Earning Per Share

Basic earning per share during the year ended June 2013 as under:

	2014	2013
Profit after taxation	5,590,049	1,165,302
No. of shares	300,000	300,000
	=====	=====
Basic earning per share	18.63	3.88

Proposed dividend

The Board of Directors of the Company proposed to declare payment of cash dividend @ 20% i.e. Rs. 2 per share amounting to Rs. 600,000 for the year ended June 30, 2013.

Changes in Equity as on 30th June 2014

	Share capital	Unappropriated profit	Surplus on revaluation of fixed assets	Total
	<----- Amount in Rupees ----->			
Balance as at July 01, 2012	3,000,000	11,149,909		14,149,909
Surplus arisen on revaluation of fixed assets (Note 13)			225,892,372	225,892,372
Profit after taxation for the year ended June 30,2013		1,165,302		1,165,302
Other Comprehensive Income				
- Remeasurements of defined benefit liability - net of tax (Restated)		797,498		797,498
- Surplus arisen on revaluation of fixed assets - net of tax			(23,062,330)	(23,062,330)
- Transfer from surplus on revaluation of fixed assets on account of: incremental depreciation for the year		6,498,505	(6,498,505)	
Transactions with owners:				
Dividend for the year June 30 2012 @ Rs.2 per share		(600,000)		(600,000)
Balance as at July 01, 2013	3,000,000	19,011,214	196,331,537	218,342,751
Profit for the year ended 30 June 2014		5,590,049		5,590,049
Other Comprehensive Income				
- Remeasurements of defined benefit liability - net of tax		(27,773)		(27,773)
- Transfer from surplus on revaluation of fixed assets on account of: incremental depreciation for the year - net of tax		3,864,162	(3,864,162)	
Transactions with owners:				
Dividend for the year June 30 2013 @ Rs.2 per share		(600,000)		(600,000)
Balance as at July 01, 2014	3,000,000	27,837,651	192,467,375	223,305,027

Running Finance Facility – Secured

Habib Metropolitan Bank Ltd.

This represents finance availed from Habib Metropolitan Bank Limited with sanctioned limit of Rs. 10.00 million. The finance is secured against hypothecation of stock and personal guarantee of all the directors and carries mark-up rate @ 3 Months KIBOR + 0.75% p.a

GOODLUCK INDUSTRIES LIMITED

Gratuity

The Board of Directors specifically approved the provision for gratuity by Rs.1,046,680 and payment to outgoing / retired staff of the company by Rs. 133,900 during the financial year June 2013.

Director remunerations

In order to improve the financial position of the Company the Chief Executive and the Board of Directors of Company have decided to forgo fees, remuneration and other perquisites for the financial year ended June 2014.

Future Program

Considering the prevailing situation in the country the Board of Directors of the company has decided to run the business of the factory as usual and that no major changes or new investment whatsoever is proposed during the forthcoming year.

Appointment of auditors

The present auditors M/s. Muniff Ziauddin & Co, Chartered Accountants retire and being eligible, offer themselves for re-appointment and as required by the code of corporate governance the Audit Committee have recommended appointment of M/s. Muniff Ziauddin & Co, Chartered Accountants, as auditors of the Company for the financial year ending June 2015.

Compliance to the provision of the Code of Corporate Governance

The directors of the company are pleased to inform you that your company has taken necessary steps to comply with the provision of the Code of Corporate Governance as incorporated in the Listing Regulation of the Karachi Stock Exchange Limited.

- ◆ The financial statements for the year ended June 30, 2014 have been prepared and are presented in accordance with Companies Ordinance, 1984.
- ◆ The company has maintained proper books of accounts as required by the law.
- ◆ The Accounting policies and disclosures are in accordance with the International Accounting Standards applicable in Pakistan.

- ◆ There are no significant doubts upon the Company's ability to continue as a going concern.
- ◆ The Company has paid all taxes, duties and there are no unpaid disputed balances.
- ◆ There has been no material deviation in observing the code of corporate governance.
- ◆ Specified pattern of shareholding is included in this report.
- ◆ Past seven years key operating and financial data is attached.

- ◆ In accordance with the requirement of the code, an audit committee has been formed and following are its members:

Muhammad Abbas Memon	Chairman
Saleem Rehmatullah Dada	Member
Mohammed Hanif	Member
Nafees Shams Qureshi	Secretary

GOODLUCK INDUSTRIES LIMITED

- ◆ During the year (4) meetings of the Board of Directors were held. Attendance by each Directors is as follows:

<u>Name of the Directors</u>	<u>No. of meeting attended</u>
Ashfaq Haji Hasham	4
Shams-ul-Haque	3
Mohammed Abbas Memon	4
Shams-uz-Zoha	4
Salim Rehmatullah Dada	4
Haji Moosa Haji Kassam	4
Muhammad Hanif	4
Hoor Bano	4

Appreciation

The Board of Directors offered sincere thanks for the co-operation extended by the management of Habib Metropolitan Bank Limited for advance of short term finance. The Chief Executive of the Company also offers sincere thanks to all the directors and staff members of the Company for their devotion and co-operation extended to the management of the Company.



Karachi dated 25th September 2014.

Chairman / Chief Executive Officer

GOODLUCK INDUSTRIES LIMITED

Statement of Compliance with the Code of Corporate Governance

This statement is being presented to comply with the Code of Corporate Governance contained in the listing regulations of Karachi Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

1. The company encourages representation of independent non-executive directors and directors representing minority interests on its board of directors. At present the board includes:

Category	Names
Independent Directors	Not appointed
Executive Directors	Ashfaq Haji Hasham
Non-Executive Directors	Muhammad Abbas Memon Shamsh-ul-Haque Shamsh-uz-Zoha Hoor Bano Salim Rehmatullah Dada Haji Moosa Haji Kassam Muhammad Hanif

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company:

3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

4. No casual vacancy occurred in the Board during the year.

5. The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

6. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

7. All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the board/shareholders.

8. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose and the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9. The board did not arrange any orientation course / training program for its directors during the year. Same will be conduct in the next financial year.

GOODLUCK INDUSTRIES LIMITED

10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment.
11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the board.
13. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting requirements of the CCG.
15. The board has formed an Audit Committee. It comprises 4 members; of whom 3 are non-executive directors and one is company secretary. The chairman of the Audit Committee is a non-executive director.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The board has formed an HR and Remuneration Committee. It comprises of 3 members, of whom 2 are non-executive directors.
18. The board has set up an effective internal audit function
19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange(s).
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).
23. We confirm that all other material principles enshrined in the CCG have been complied with [2] except for the following, toward which reasonable progress is being made by the company to seek compliance by the end of next accounting year.

Karachi: 25th September, 2014



Chairman / Chief Executive Officer

GOODLUCK INDUSTRIES LIMITED

Comparative statements of key operations for last seven years

	Jun-2014 Rupees	Jun-2013 Rupees	Jun-2012 Rupees	Jun-2011 Rupees	Jun-2010 Rupees	Jun-2009 Rupees	Jun-2008 Rupees	Jun-2007 Rupees
Balance Sheet								
Paid up Capital	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Reserve and surplus/(deficit)	27,837,651	19,011,214	11,149,909	10,002,969	9,922,677	9,157,150	7,384,239	6,090,337
Shareholders equity	30,837,651	22,011,214	14,149,909	13,002,969	12,922,677	12,157,150	10,384,239	9,090,337
Long term & Deferred liabilities	22,857,543	24,111,095	6,427,679	7,106,025	7,601,926	6,806,832	5,865,297	5,356,901
Current Liabilities	6,540,626	2,008,581	1,898,272	2,104,912	2,658,345	1,587,097	1,335,785	4,118,228
Operating Assets	216,188,213	222,330,407	2,971,489	2,588,417	2,628,514	3,034,010	3,447,220	2,440,429
Current Assets	36,165,701	22,132,020	19,203,588	19,324,709	20,268,952	17,231,586	13,872,619	15,819,556
Long Term Deposits	349,282	313,282	300,782	300,782	285,482	285,482	285,482	305,482
Trading Results								
Turn over / Sales	693,031,833	471,977,106	415,325,716	381,582,157	488,276,553	428,267,753	301,696,414	238,908,349
Gross Profit	10,407,889	4,396,303	9,283,727	8,795,230	10,905,732	11,080,626	9,136,282	8,367,424
Other Income	6,696,791	31,172	0	0	0	0	0	0
Operating Profit (Loss)	8,724,510	(2,459,465)	2,549,566	1,750,744	4,122,916	4,790,173	3,538,812	2,838,735
Financial charges	11,717	40,609	17,668	146,829	113,959	223,812	91,862	16,278
Profit before tax	8,712,793	(2,468,902)	2,531,668	1,601,915	4,008,957	4,566,361	3,446,950	2,822,457
Profit after tax	5,560,049	1,165,302	1,746,940	680,282	1,365,527	2,372,810	1,893,903	1,634,268
Dividend declared	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000

GOODLUCK INDUSTRIES LIMITED

Comparative statements of key operations for last seven years

	Jun-2014 Rupees	Jun-2013 Rupees	Jun-2012 Rupees	Jun-2011 Rupees	Jun-2010 Rupees	Jun-2009 Rupees	Jun-2008 Rupees	Jun-2007 Rupees
Basic earning per share	18.63	3.88	5.82	2.27	4.55	7.91	6.31	5.45
Break up value of shares of Rs. 10/= each	102.79	73.37	47.17	43.34	43.08	40.52	34.61	30.30
Earning per share (pretax)	29.04	(8.23)	8.44	5.34	13.36	15.22	11.49	9.41
Earning per share (Aftertax)	18.63	3.88	5.82	2.27	4.55	7.91	6.31	5.45
<u>Percentage</u>								
Gross Profit	1.50	0.93	2.24	2.30	2.23	2.59	3.03	3.50
Profit before tax	1.26	(0.52)	0.81	0.42	0.82	1.07	1.14	1.18
Profit after tax	0.81	0.25	0.42	0.18	0.28	0.55	0.63	0.68
Dividend declared %	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00

GOODLUCK INDUSTRIES LIMITED

NOTICE OF THE MEETING

Notice is hereby given that the Forty-fourth (44th) Annual General Meeting of the members of Goodluck Industries Limited (the "Company") will be held on Monday, the October 20th, 2014 at 10.00 a.m. at registered office S-49/A, S.I.T.E., Mauripur Road, Karachi to transact the following business: -

1. To read and confirm the minutes of the Forty-third (43rd) Annual General Meeting of the Company held on October 22, 2013.
2. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended June 30, 2014 and reports of the Directors' and Auditors' thereon.
3. To approve the payment of dividend to the shareholders of the Company @ 20% for the financial year ended 30th June 2014 as proposed by the Board of Directors of the Company.
4. To appoint auditors of the company for the year ending June 30, 2015 till the conclusion of next AGM for the year 2015 and fix their remuneration. The present auditors M/S. Muniff Ziauddin & Co, Chartered Accountants retired and being eligible offered themselves for re-appointment.
5. To transact any other business with the permission of the chair.



On behalf of the Board of Directors
ASHFAQ HAJI HASHAM
Chief Executive

Karachi dated: 25th September 2014.

Notes:

1. The share transfer book of the Company will remain closed from 13th October 2014 to 20th October 2014 (both days inclusive). No application for transfer of shares will be entertained during the period.
2. A member eligible to attend and vote at this meeting may appoint another member as his / her proxy to attend and vote instead of him / her. Proxies in order to be effective must reach the Company's Registered Office not later than 48 hours before the time for holding the meeting. Proxies of the Members through CDS shall be accompanied with attested copies of their CNIC.
3. Shareholders are requested to notify change of address immediately, if any

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Goodluck Industries Limited** ("the Company") as at June 30, 2014 and the related profit and loss account, statement of comprehensive income, cash flow statement and 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 account have been kept by the company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - (i) the balance sheet and profit and loss 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 account 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, profit and loss account, statement of comprehensive income, 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 give a true and fair view of the state of the Company's affairs as at June 30, 2014 and of the profit, its comprehensive income, cash flows and changes in equity for the year then ended; and
- (d) in our opinion Zakat deductible at source under the Zakat and Ushr Ordinance 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

MZ

KARACHI: September 25, 2014


MUNIFF ZIAUDDIN & CO.
CHARTERED ACCOUNTANTS
(Salim Sadruddin)

REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of **Goodluck Industries Limited (the Company)** for the year ended June 30, 2014, to comply with Listing Regulation No. 35 of Karachi Stock Exchange Limited.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Director's statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended June 30, 2014.

Further, we highlight below instances of non-compliance with the requirements of the Code as reflected in the note reference where these are stated in the Statement of Compliance:

Note reference	Description
1	The Board of directors does not have an independent director as required by the Code.
9	The Board has not made arrangements to carry out orientation courses on the Code of Corporate Governance for its directors. Furthermore, the directors (excluding exempted directors) have not acquired the mandatory certification of directors training program from the Institute specified by the SECP.
15	The Chairman of the Audit Committee is not an independent director.

KARACHI: September 25, 2014


Muniff Ziauddin & Co.
CHARTERED ACCOUNTANTS
(Salim Saddaruddin)

GOODLUCK INDUSTRIES LIMITED
BALANCE SHEET
AS AT JUNE 30, 2014

	2014	2013
Note	<-----Rupees----->	
ASSETS		
Non-current assets		
Property, plant & equipment	7 216,188,213	222,017,125
Long term deposits	8 349,282	313,282
	<u>216,537,495</u>	<u>222,330,407</u>
Current assets		
Stock in trade	9 20,521,804	12,182,114
Trade debtors	10 3,494,499	2,186,507
Income tax refundable	-	493,302
Advances, deposits & other receivables	11 585,392	485,392
Cash & bank balances	12 11,564,006	6,784,706
	<u>36,165,701</u>	<u>22,132,020</u>
TOTAL ASSETS	<u><u>252,703,196</u></u>	<u><u>244,462,427</u></u>
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorised capital	<u>10,000,000</u>	<u>10,000,000</u>
1,000,000 ordinary shares of Rs. 10 each		
Issued, subscribed & 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>27,837,651</u>	<u>19,011,214</u>
	<u>30,837,651</u>	<u>22,011,214</u>
Surplus on revaluation of fixed assets	13 192,467,375	196,331,537
	<u>223,305,027</u>	<u>218,342,751</u>
LIABILITIES		
Non-current liabilities		
Deferred liabilities	14 22,857,543	24,111,095
Current liabilities		
Short term running finance	15 -	-
Creditors, accrued & other liabilities	16 2,131,965	875,836
Dividends payable	17 1,245,224	1,112,765
Income tax payable	<u>3,163,438</u>	<u>19,980</u>
	<u>6,540,626</u>	<u>2,008,581</u>
Total liabilities	<u>29,398,170</u>	<u>26,119,676</u>
Contingencies and commitments	18	
TOTAL EQUITY AND LIABILITIES	<u><u>252,703,196</u></u>	<u><u>244,462,427</u></u>

The annexed notes 1 to 37 form an integral part of these financial statements.

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GOODLUCK INDUSTRIES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2014

		2014	2013 Restated
	Note	<-----Rupees----->	
Sales	19	693,031,833	471,977,106
Cost of sales	20	<u>(682,623,944)</u>	<u>(467,580,803)</u>
Gross profit		10,407,889	4,396,303
Administrative expenses	21	<u>(7,598,613)</u>	<u>(6,718,211)</u>
Selling expenses		<u>(135,819)</u>	<u>(116,562)</u>
Other income	22	<u>6,696,791</u>	<u>31,172</u>
Other operating expenses	23	<u>(645,739)</u>	<u>(20,994)</u>
		<u>(1,683,380)</u>	<u>(6,824,595)</u>
Operating profit / (loss)		8,724,510	(2,428,293)
Financial charges	24	<u>(11,717)</u>	<u>(40,609)</u>
Profit/(loss) before taxation		8,712,793	(2,468,902)
Taxation	25	<u>(3,122,743)</u>	<u>3,634,204</u>
Profit after taxation		<u>5,590,049</u>	<u>1,165,302</u>
Earnings per share - basic	26	<u>18.63</u>	<u>3.88</u>

The annexed notes 1 to 37 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

GOODLUCK INDUSTRIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2014

	2014	2013 Restated
	<-----Rupees----->	
Profit for the year	5,590,049	1,165,302
Other comprehensive income		
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax	3,864,162	6,498,505
Items that will never be classified to profit or loss		
Remeasurements of defined benefit liability	(42,081)	1,226,920
Related deferred tax	14,308	(429,422)
	(27,773)	797,498
	3,836,388	7,296,003
Total comprehensive income for the year	<u>9,426,437</u>	<u>8,461,305</u>

The annexed notes 1 to 37 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

GOODLUCK INDUSTRIES LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2014

	2014	2013
	<-----Rupees----->	
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit/(loss) before taxation	8,712,793	(2,468,902)
Adjustment for:		
Depreciation	6,191,612	6,860,908
Gain on disposal of fixed assets	-	(31,172)
Provision for gratuity	1,046,680	887,930
CASH FLOW FROM OPERATING ACTIVITIES - BEFORE WORKING CAPITAL CHANGES	15,951,084	5,248,764
(Increase) / Decrease in current assets:		
Stock in trade	(8,339,690)	520,365
Trade debtors	(1,307,992)	(963,765)
Advances, deposits and other receivables	(100,000)	-
	(9,747,682)	(443,400)
Increase/(decrease) in creditors, accrued & other liabilities		
Creditors, accrued & other liabilities	1,256,129	(7,487)
	(8,491,553)	(450,887)
CASH INFLOW FROM OPERATING ACTIVITIES	7,459,531	4,797,877
Income tax paid	(1,680,090)	(1,003,413)
Gratuity paid	(133,900)	(200,440)
NET CASH GENERATED FROM OPERATING ACTIVITIES	5,645,541	3,594,024
CASH FLOW FROM INVESTING ACTIVITIES		
Long term deposits	(36,000)	(12,500)
Disposal of fixed assets	-	55,000
Addition to fixed assets	(362,700)	(38,000)
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	(398,700)	4,500
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(467,541)	(502,184)
NET CASH USED IN FINANCING ACTIVITIES	(467,541)	(502,184)
NET INCREASE IN CASH AND CASH EQUIVALENT	4,779,300	3,096,341
CASH AND CASH EQUIVALENTS - at the beginning of the year	6,784,706	3,688,365
CASH AND CASH EQUIVALENTS - at the end of the year	11,564,006	6,784,706

The annexed notes 1 to 37 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

**GOODLUCK INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED JUNE 30, 2014**

	Share capital	Unappropriated profit	Surplus on revaluation of fixed assets	Total
	3,000,000	11,149,909		14,149,909
Balance as at July 01, 2012				
Surplus arisen on revaluation of fixed assets (Note 13)			225,892,372	225,892,372
Profit after taxation for the year ended June 30,2013		1,165,302		1,165,302
Other Comprehensive Income		797,498		797,498
- Remeasurements of defined benefit liability - net of tax (Restated)			(23,062,330)	(23,062,330)
- Surplus arisen on revaluation of fixed assets - net of tax		6,498,505	(6,498,505)	-
- Transfer from surplus on revaluation of fixed assets on account of: incremental depreciation for the year				-
Transactions with owners:		(600,000)		(600,000)
Dividend for the year June 30 2012 @ Rs.2 per share		19,011,214	196,331,537	218,342,751
Balance as at July 01, 2013	3,000,000	19,011,214	196,331,537	218,342,751
Profit for the year ended 30 June 2014		5,590,049		5,590,049
Other Comprehensive Income				
- Remeasurements of defined benefit liability - net of tax				(27,773)
- Transfer from surplus on revaluation of fixed assets on account of: incremental depreciation for the year - net of tax		3,864,162	(3,864,162)	-
Transactions with owners:				
Dividend for the year June 30 2013 @ Rs.2 per share		(600,000)		(600,000)
Balance as at July 01, 2014	3,000,000	27,837,651	192,467,375	223,305,027

The annexed notes 1 to 37 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

GOODLUCK INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

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 the factory premises of the company is located at S-49/A S.I.T.E., Mauripur Road, Karachi.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved Accounting Standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the provisions of the Companies Ordinance, 1984 (the Ordinance) and the requirements of the Ordinance and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Where the requirements of the Ordinance or the directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Ordinance or the directives issued by the SECP shall prevail.

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies.

3.2 Accrual basis accounting

These financial statements except cash flow information, have been prepared under the accrual basis of accounting.

3.3 Functional and presentation accuracy

These financial statements are presented in Pakistani Rupee which is the company's functional currency.

4. NEW AND REVISED STANDARDS AND INTERPRETATIONS

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

	Effective date (annual reporting periods beginning on or after)
IFRS 2 Share-based Payments (Amendments)	July 1, 2014
IFRS 3 Business Combinations (Amendments)	July 1, 2014
IFRS 8 Operating Segments (Amendments)	July 1, 2014

GOODLUCK INDUSTRIES LIMITED

	Effective date (annual reporting periods beginning on or after)
IFRS 10 Consolidated Financial Statements (Amendments)	January 1, 2014
IFRS 12 Disclosure of Interests in Other Entities (Amendments)	January 1, 2014
IFRS 13 Fair Value Measurements (Amendments)	July 1, 2014
IFRS 14 Regulatory Deferral Accounts	January 1, 2016
IFRS 15 Revenue from Contracts with Customers	January 1, 2017
IAS 16 Property, Plant and Equipment (Amendments)	July 1, 2014 & January 1, 2016
IAS 19 Employee Benefits (Amendments)	July 1, 2014
IAS 24 Related Party Disclosures (Amendments)	July 1, 2014
IAS 27 Separate Financial Statements (Amendments)	January 1, 2014
IAS 32 Financial instruments: Presentation (Amendments)	January 1, 2014
IAS 36 Impairment of assets (Amendments)	January 1, 2014
IAS 38 Intangible Assets (Amendments)	January 1, 2016
IAS 39 Financial instruments: Recognition and measurement (Amendments)	January 1, 2014
IAS 40 Investment Property (Amendments)	July 1, 2014
IAS 41 Agriculture (Amendments)	January 1, 2016
IFRIC 21 Levies	January 1, 2014

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than the impact on presentation/disclosures. The Company is yet to assess the full impact of the amendments.

Further, The following new standards have been issued by the IASB, and notified by the SECP for application in Pakistan but their applicability start from the annual period beginning on or after January 01, 2015.

IFRS 10 Consolidated financial statements
IFRS 11 Joint arrangements
IFRS 12 Disclosure of interests in other entities
IFRS 13 Fair value measurement

The following interpretations issued by the IASB have been waived of by SECP effective January 16, 2012:

IFRIC 4 Determining whether an arrangement contains lease
IFRIC 12 Service concession arrangements

GOODLUCK INDUSTRIES LIMITED

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Operating Fixed Asset

- a Operating fixed assets are stated at historical cost less accumulated depreciation except lease hold land, building, plant and machinery which is stated at revalued amount less the accumulated depreciation.
- b Depreciation is charged to income applying diminishing balance method at the rates specified in note 7.
- c Depreciation is charged on assets from the month of purchase or from the month of commercial production for additions in respect of additions made during the year while proportionate depreciation is charged on assets disposed off during the year till the month of disposal.
- d Major renewals and replacement are capitalized.
- e Assets residual values, if significant and their useful lives are reviewed and adjusted if appropriate, at each balance sheet date.
- f Profit or loss on disposal of fixed asset are reflected in the Profit and Loss account.

5.2 Stock In Trade

- a Stock of Raw and Packing material are valued at lower of cost and net realizable value. The inventory is valued using the weighted average method of valuation.
- b Finished goods are valued at lower of cost and net realizable value. Finished goods represents manufacturing cost which consist of prime cost and appropriate manufacturing over heads.
- c Stock in transit are stated at cost comprising invoice value plus other charges incurred thereon.

5.3 Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment losses are charged to income currently.

GOODLUCK INDUSTRIES LIMITED

5.4 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of a past event, and it is probable that the outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

5.5 Taxation

Current

Provision for current taxation is the higher of the amount computed on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, and tax paid on presumptive basis, minimum tax and alternate corporate tax u/s 113C.

Deferred

The company accounts for deferred taxation using liability method on all taxable temporary differences between the amounts attributed to assets and liabilities for financial reporting purposes and amounts used for taxation purposes. This is recognized on the basis or expected manner of settlement of the carrying amounts of the assets and liabilities using the tax rates enacted or substantially enacted at the balance sheet date. Deferred tax assets, if any, are recognized to the extent that it is probable that future taxable profits will be available against such deductible temporary differences can be utilized. However, any impact of final tax regime is ignored because a reasonable estimate of future turnover under this regime is not possible.

5.6 Staff retirement benefits

The Company operates an unfunded gratuity scheme covering all employees. Provision is made annually based on management estimates which are adjusted periodically to agree with actuarial estimates. Actuarial gains and losses (accumulated at the beginning of the year and those arising during the year) has been charged immediately to Other Comprehensive Income as per the provisions of the revised version of IAS-19. As per actuarial valuation carried out as at 30 June 2013, the Project Unit Credit Method of valuation was used to generate actuarial values. The annual provision during the year are charged to income currently.

5.7 Financial assets and liabilities

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost, as the case may be.

A financial asset and a financial liability is set-off and the net amount is reported in the balance sheet if the Company has a legal right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

GOODLUCK INDUSTRIES LIMITED

5.8 Revenue recognition

Revenue from sales is recorded on dispatch of goods to customers.

5.9 Borrowing cost

Borrowing cost incurred on finance obtained for acquisition of fixed assets are capitalized upto the date of commissioning of the respective assets. All other borrowing costs are taken to profit and loss account.

5.10 Cash and cash equivalent

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of the cash flow statement, cash and cash equivalents comprise of cash in hand and cash at bank.

5.11 Related party transactions

The transactions between the company and the related parties if any, are carried out on arm's length basis.

5.12 Dividend

Dividend declared subsequent to the balance sheet date is recognized as a liability in the period in which it is approved by the directors/ shareholders as appropriate.

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimate and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates is revised and in any future periods affected.

In the process of applying the company's accounting policies, management has made the following estimates and judgements which are significant to the financial statements:

- i Estimated useful life of property, plant and equipment - note 7
- ii Revaluation surplus on freehold land - note 13
- iv Provision for employees' defined benefit plans - note 14.1.1 to 14.1.6
- v Deferred taxation - note 14.2

7. PROPERTY, PLANT AND EQUIPMENT

Particulars	COST				DEPRECIATION				Book Value	
	As At June 30, 2013	Revaluation	Additions	Deletions	As At June 30, 2014	Rate %	As At June 30, 2013	Adjustment on deletions	As At June 30, 2014	As At June 30, 2014
	Amount in Rupees				Amount in Rupees				Amount in Rupees	
Lease hold land:										
Cost	320,000	-	-	-	320,000	-	-	-	-	320,000
Revaluation	159,680,000	-	-	-	159,680,000	-	-	-	-	159,680,000
	160,000,000	-	-	-	160,000,000	-	-	-	-	160,000,000
Factory building										
Cost	606,906	-	-	-	606,906	10	597,688	-	922	598,610
Revaluation	26,408,944	-	-	-	26,408,944	10	2,640,895	-	2,376,805	5,017,700
	27,015,850	-	-	-	27,015,850	-	3,238,583	-	2,377,727	5,616,310
Non-factory building										
Cost	860,639	-	-	-	860,639	5	743,134	-	5,875	749,009
Revaluation	2,454,661	-	-	-	2,454,661	5	122,734	-	116,596	239,330
	3,315,300	-	-	-	3,315,300	-	865,868	-	122,471	988,339
Plant and Machinery										
Cost	8,211,233	-	320,500	-	8,531,733	10	7,492,220	-	100,789	7,593,009
Revaluation	37,348,767	-	-	-	37,348,767	10	3,734,877	-	3,361,389	7,096,266
	45,560,000	-	320,500	-	45,880,500	-	11,227,097	-	3,462,178	14,689,275
Electric Installation and Equipment										
Cost	522,738	-	-	-	522,738	10	451,336	-	7,140	458,476
Office Equipment										
Cost	76,105	-	12,500	-	88,605	10	75,093	-	830	75,923
Furniture & fixtures										
Cost	247,832	-	29,700	-	277,532	10	167,626	-	9,762	177,388
Vehicles										
Cost	4,215,381	-	-	-	4,215,381	20	3,497,331	-	143,610	3,640,941
Tarpaulins										
Cost	178,981	-	-	-	178,981	25	120,519	-	15,054	135,573
Other Assets										
Cost	6,671	-	-	-	6,671	10	6,282	-	39	6,321
Pager										
Cost	11,499	-	-	-	11,499	10	9,945	-	155	10,100
Telephone Systems										
Cost	121,238	-	-	-	121,238	10	86,468	-	3,477	89,945
Computers										
Cost	280,411	-	-	-	280,411	10	182,736	-	9,768	192,504
Weightbridge										
Cost	996,716	-	-	-	996,716	10	715,213	-	28,150	743,363
Fortified Flour Microfeeder										
Cost	150,000	-	-	-	150,000	10	37,500	-	11,250	48,750
	242,698,722	-	362,700	-	243,061,422	-	20,661,597	-	336,821	26,873,209
	242,698,722	-	362,700	-	243,061,422	-	20,661,597	-	5,854,790	216,188,213
As at June 30, 2014									6,191,612	216,188,213

GOODLUCK INDUSTRIES LIMITED

	Note	2014	2013
		←-----Rupees-----→	
8. LONG TERM DEPOSITS			
Karachi Electric Supply Corporation Limited		211,132	211,132
Pakistan Telecommunication Corporation Limited		8,450	8,450
Sui Southern Gas Company Limited		23,500	23,500
Mobilink		1,500	1,500
Warid Communication		20,000	20,000
Cellular Services - Ufone		23,700	23,700
Central Depository Company of Pakistan Limited		25,000	25,000
Euro Track skygate International (Private) Limited		36,000	-
		349,282	313,282
9. STOCK IN TRADE			
Raw Material		10,372,310	6,180,795
Finished goods		4,061,900	1,402,090
Packing material		6,087,594	4,599,229
		20,521,804	12,182,114
10. TRADE DEBTORS			
Unsecured - considered good		3,236,187	1,928,195
Receivable against transportation	10.1	258,312	258,312
		3,494,499	2,186,507
10.1	This amount is receivable from Government of Sindh (GoS) in lieu of transportation charges paid by the company for purchases of wheat from GoS. As per arrangements, transportation charges are refundable from GoS.		
11. ADVANCES, DEPOSITS & OTHER RECEIVABLES			
Deposit with Pakistan Flour Mills Association		585,392	485,392
12. CASH AND BANK BALANCES			
Cash in hand		1,103,533	439,084
Cash with banks - current accounts		10,460,473	6,073,307
		11,564,006	6,512,391
13. SURPLUS ON REVALUATION OF FIXED ASSETS			

During the financial year ended June 30, 2013 the company revalued its leaseholdland, buildings on leasehold land and plant & machinery to replace the carrying amounts of these assets with their market values / depreciated market values. The revaluation was carried-out on on August 30, 2012 by an independent valuers namely M/s. Yunus Mirza & Co. The appraisal surplus arisen on these revaluations aggregates to Rs. 225,892,372.

The appraisal surplus arisen on this revaluation was credited to "Surplus on Revaluation Account" to comply with the requirements of Section 235 of the Companies Ordinance 1984. The year-end balance has been arrived at as follows:

GOODLUCK INDUSTRIES LIMITED

	Note	2014	2013
		<-----Rupees----->	
Opening balance		196,331,537	-
Surplus arising on revaluation		-	225,892,372
Less: Transferred to unappropriated profit on account of incremental depreciation for the year - net of tax		(3,864,162)	(6,498,505)
		<u>192,467,375</u>	<u>219,393,867</u>
Less: Deferred tax on revaluation surplus		-	(23,062,330)
Closing balance		<u>192,467,375</u>	<u>196,331,537</u>
14. DEFERRED LIABILITIES			
Staff gratuity	14.1	<u>6,965,942</u>	6,011,081
Deferred taxation	14.2	<u>15,891,601</u>	18,100,014
		<u>22,857,543</u>	<u>24,111,095</u>
14.1 Staff gratuity			
Defined benefit plan - (staff retirement gratuity) - unfunded	14.1.4	<u>6,965,942</u>	6,011,081
14.1.1 As stated in 5.6, the company operates a defined benefit plan i.e an unapproved gratuity scheme for all its permanent employees subject to completion of first year of service. Actuarial valuation of the plan is carried out every year and the latest actuarial valuation was carried out as at June 30, 2014. The disclosures made in notes 14.1.2 to 14.1.11 are based on the information included in that actuarial report.			
14.1.2 The projected unit credit method using the following significant assumptions was used for this valuation:			
		2014	2013
- Discount rate - per annum compound		13.25%	12.00%
- Expected rate of increase in salaries - per annum		12.25%	11.00%
- Expected remaining working lifetime of members		7 years	7 years
14.1.3 Mortality Rate			
- The rates assumed were based on		EFU (61-66) Mortality Table	SLIC (2001-05) Mortality Table
14.1.4 Balance sheet reconciliation	Note	2014	2013
		<-----Rupees----->	
Present value of defined benefit obligation	14.1.5	6,965,942	6,011,081
Fair value of plan assets		-	-
Net liability in the balance sheet		<u>6,965,942</u>	<u>6,011,081</u>
14.1.5 Movement in defined benefit obligation			
Present value of defined benefit obligation as at July 1		6,011,081	6,550,511
Current service cost		333,384	343,166
Interest cost		713,296	544,764
Remeasurement on obligation		42,081	(1,226,920)
Benefits paid during the year		(133,900)	(200,440)
Present value as at June 30		<u>6,965,942</u>	<u>6,011,081</u>

GOODLUCK INDUSTRIES LIMITED

	Note	2014	2013
<-----Rupees----->			
14.1.6 Movement in net liability in the balance sheet is as follows:			
Opening balance of net liability		6,011,081	3,891,172
Charge for the year	14.1.7	1,046,680	887,932
Net remeasurement for the year	14.1.9	42,081	1,432,419
Benefits paid during the year		(133,900)	(200,400)
Closing balance of net liability		6,965,942	6,011,123

14.1.7 Charge for the year has been allocated as under:

Cost of sales	20	643,504	306,037
Administrative expenses	21	403,176	581,895
		1,046,680	887,932

14.1.8 The following amounts have been recognised in the profit and loss account in respect of the staff retirement gratuity:

Current service cost	333,384	343,166
Net Interest cost	713,296	544,766
Expenses	1,046,680	887,932

14.1.9 Net remeasurement for the year comprises of the following:

Actuarial gains due to changes in demographic assumptions	(1,072)	-
Actuarial losses due to experience adjustments	43,153	1,432,419
Amount chargeable to other comprehensive income	42,081	1,432,419

14.1.10 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumptions	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
<-----Rupees----->			
Discount rate	1%	6,638,493	7,338,249
Salary growth rate	1%	7,338,249	6,632,970

14.1.11 The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the staff retirement gratuity recognised within the balance sheet.

14.2 Deferred taxation

Deferred tax comprises temporary differences relating to:

Accelerated tax depreciation	18,260,022	20,537,093
Gratuity	(2,368,420)	(2,437,078)
	15,891,601	18,100,014

GOODLUCK INDUSTRIES LIMITED

	Note	2014	2013
<-----Rupees----->			
15. SHORT TERM RUNNING FINANCE - SECURED			
Habib Metropolitan Bank Limited		-	-
This represents short-term running finance facility from Habib Metropolitan Bank Limited with sanctioned limit of Rs. 10 million. The finance is secured against hypothecation charge over stocks and receivables duly insured in bank's favor and carried mark-up rate @ 3 months KIBOR + 0.75% per annum.			
16. CREDITORS, ACCRUED & OTHER LIABILITIES			
Accrued expenses		513,366	455,259
Other liabilities		560	-
Other creditors		972,300	300,000
Workers profit participation fund	16.1	467,927	-
Interest on WPPF		-	99,583
Workers welfare fund	16.2	177,812	20,994
		2,131,965	875,836
16.1 Workers' Profit Participation Fund			
Balance at the beginning of the year		-	135,912
Provision for the year		467,927	-
		467,927	135,912
Less: Payments during the year		-	(135,912)
Balance at end of the year		467,927	-
16.2 Workers' Welfare Fund			
Balance at the beginning of the year		20,994	50,634
Provision for the year		177,812	20,994
		198,806	71,628
Less: Payments during the year		(20,994)	(50,634)
Balance at end of the year		177,812	20,994
17. DIVIDENDS PAYABLE			
Unclaimed dividend		1,245,224	1,112,765
18. CONTINGENCIES AND COMMITMENTS			
There are no contingencies and commitments as at balance sheet date. (2013 : Nil)			
19. SALES			
Maida I		233,585,019	194,714,380
Maida II		43,837,562	40,072,809
Atta		183,068,707	75,372,664
Katta packings		176,649,277	109,252,682
Bran		55,426,573	52,208,246
Refraction		464,695	356,325
		693,031,833	471,977,106

GOODLUCK INDUSTRIES LIMITED

		2014	2013
		<-----Rupees----->	
20.	COST OF SALES		
	Raw material consumed	20.1 645,422,275	436,748,454
	Packing material consumed	20.2 9,290,848	7,513,986
	Power charges	20,192,327	12,438,263
	Salaries and benefits	2,614,072	1,902,661
	Labor charges	1,363,101	836,211
	Machinery repair and maintenance	317,267	291,816
	Oil and lubricant	66,905	106,286
	Depreciation	7.1 6,016,959	6,676,704
		<u>685,283,754</u>	<u>466,514,381</u>
	Opening stock (Finished Goods)	1,402,090	2,468,512
	Less: Closing stock (Finished Goods)	<u>(4,061,900)</u>	<u>(1,402,090)</u>
		<u>(2,659,810)</u>	<u>1,066,422</u>
		<u>682,623,944</u>	<u>467,580,803</u>
20.1	Raw material consumed		
	Opening stock	6,180,795	1,992,790
	Wheat purchases	649,613,790	440,936,459
	Less: Closing stock	<u>(10,372,310)</u>	<u>(6,180,795)</u>
		<u>645,422,275</u>	<u>436,748,454</u>
20.2	Packing material consumed		
	Opening stock	4,599,229	8,241,177
	Purchases	10,779,213	3,872,038
	Less: Closing stock	<u>(6,087,594)</u>	<u>(4,599,229)</u>
		<u>9,290,848</u>	<u>7,513,986</u>
21.	ADMINISTRATIVE EXPENSES		
	Salaries and benefits	5,024,200	4,328,959
	Printing and stationery	255,563	152,409
	Fees and subscriptions	334,188	355,890
	Rates and taxes	170,625	164,425
	Telephone, Internet & Postage Exps	192,651	119,033
	Conveyance expenses	24,160	74,310
	Motor cycle exps	77,099	-
	Entertainment	1,615	23,487
	Legal and professional charges	83,200	66,000
	Repairs and Maintance	155,207	92,839
	Water charges	560,543	631,526
	Insurance expenses	64,310	64,313
	Gas charges	115,420	105,070
	Cleaning expenses	14,324	8,941
	Auditors' remuneration	21.1 347,400	325,000
	Misc. Expenses	2,180	2,850
	Computer expenses	1,275	18,955
	Depreciation	7.1 174,653	184,204
		<u>7,598,613</u>	<u>6,718,211</u>

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	2014	2013
	<-----Rupees----->	
21.1 AUDITORS' REMUNERATION		
Audit fee	285,000	275,000
Review of half yearly accounts	62,400	50,000
	<u>347,400</u>	<u>325,000</u>
22. OTHER INCOME		
Import cancellation claim	6,696,791	-
Gain on disposal of fixed assets	-	31,172
	<u>6,696,791</u>	<u>31,172</u>
23. Other operating expenses		
Workers Profit Participation Fund	467,927	-
Workers Welfare Fund	177,812	20,994
	<u>645,739</u>	<u>20,994</u>
24. FINANCIAL CHARGES		
Mark-up on loans	-	9,421
Bank charges	11,717	31,188
	<u>11,717</u>	<u>40,609</u>
		Restated
25. TAXATION		
- Current	5,201,637	1,614,722
- Prior	115,212	19,980
- Deferred	(2,194,105)	(5,268,906)
	<u>3,122,743</u>	<u>(3,634,204)</u>
25.1 Reconciliation between tax expense and accounting profit		
Accounting profit for the year	8,712,793	(2,468,902)
Tax at the applicable tax rate of 34 % / 35%	2,962,350	(864,116)
Tax effect of amounts / expenses that are inadmissible for tax purpose	416,327	318,124
Tax effect of amounts / expenses that are admissible for tax purpose	(105,982)	(77,502)
Tax effect of depreciation allowance for tax purpose	1,928,942	2,238,216
Effect of prior year current and deferred tax charge	(1,732,245)	(5,248,926)
Effect of change in tax rate	(346,648)	-
	<u>3,122,743</u>	<u>(3,634,204)</u>
26. EARNING PER SHARE - BASIC		
Profit after taxation	5,590,049	1,165,302
	(Number of shares)	
Weighted average number of ordinary shares	300,000	300,000
	(Rupees)	
Earnings per share - basic	18.63	3.88

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

GOODLUCK INDUSTRIES LIMITED

2014 2013
 <-----Rupees----->

27. UNAVAILED CREDIT FACILITY

Short term running finance

10,000,000 10,000,000

Terms and conditions are mentioned in Note 15.

28. REMUNERATION OF CHIEF EXECUTIVE AND DIRECTORS

	2014			2013		
	Chief Executive	Directors	Officers	Chief Executive	Directors	Officers
	Numbers		Rupees	Numbers		Rupees
Meeting fee	-	-	-	-	-	-
Managerial remuneration	-	-	-	-	-	-
Basic Salary	-	-	1,173,894	-	-	1,239,480
House rent	-	-	391,606	-	-	398,424
Utilities	-	-	-	-	-	-
Conveyance	-	-	97,040	-	-	122,185
Others	-	-	46,090	-	-	51,120
	-	-	1,708,630	-	-	1,811,209
Number of person	1	7	6	1	7	6

In order to improve financial position of the company, the Chief Executive and the Directors of the Company have decided to forgo fees, remuneration and other perquisites.

29. CAPACITY AND PRODUCTION

The tentative capacity recognized by the Food Department, Government of Sindh is 257,500 Kgs per day on working of 24 hrs basis.

The actual production was as under:

Products	2014	2013
	<----- Kgs ----->	
Maida I	5,117,550	5,091,900
Maida II	1,105,050	1,118,350
Atta	4,823,750	2,223,550
Katta - Polythene bags	4,514,290	3,583,940
Bran	3,043,204	3,056,090
Refraction - by product	64,530	52,380
	<u>18,668,374</u>	<u>15,126,210</u>

The production Increased by about 846 tons during the period compared to the last year production.

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The company could not utilize its full capacity due to:

- a) Non-availability of sufficient quantity of wheat in open market as Govt food department imposed ban on movement of wheat from one province to other and one district to other from time to time.
- b) Fixation of wheat quota by the Food Department.
- c) Shortage of wheat during off season.
- d) Less production of wheat crops in Pakistan and Sindh in particular, which added to the shortage of wheat.

30. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURE

30.1 FINANCIAL INSTRUMENTS BY CATEGORY

	2014	2013
Financial assets	<-----Rupees----->	
Loans and receivables at amortized cost		
Long term deposits	349,282	313,282
Trade debtors	3,494,499	2,186,507
Advances, deposits & other receivables	585,392	485,392
Cash & bank balances	11,564,006	6,784,706
	<u>15,993,179</u>	<u>9,769,887</u>
Financial liabilities		
Financial liabilities at amortized cost		
Short term running finance	-	-
Creditors, accrued & other liabilities	2,131,965	875,836
Dividends payable	3,163,438	19,980
	<u>5,295,402</u>	<u>895,816</u>

30.2 FINANCIAL RISK MANAGEMENT

The company has exposure to the following risks from its use of financial instruments

- Credit Risk
- Liquidity Risk
- Market Risk

The board of directors has overall responsibility for the establishment and oversight of company's risk management framework. There board is also responsible for developing and monitoring the company's risk management policies.

30.3 Credit risk and concentration of credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The company attempts to control credit risk by monitoring credit exposures, limiting transaction with specific counterparties and continuously assessing the credit worthiness of counterparties.

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30.5 Market Risk

Market risk is the risk that changes in market price, such as foreign exchange rate, interest rate and equity prices will affect the company's income or value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The company has short term as well as long term rupee based loans at variable rates. Rates on short term finances are disclosed in relevant notes.

30.6 Yield / mark - up rate exposure

Yield / mark - up rate risk is the risk that the value of financial instrument due to change in market yield / mark - up rates. Sensitivity to yield / mark - up rate risk arises from mismatches of financial assets and financial liabilities that mature or reprice in a given period. The company manages these mismatches through risk managements strategies where significant changes in gap position can be adjusted. The company is exposed to yield / mark - up rate in respect of the following:

	2014	2013	2014	2013
	Effective rate of mark-up / profit		Carrying Amount	
	----- % ----->		-----Rupees----->	
Financial assets				
Cash and bank balances	-	-	11,564,006	6,784,706
Financial liabilities				
Short-term financing	3 months KIBOR+1.5%	3 months KIBOR+0.75%	-	-
Total yield / markup rate risk sensitivity gap			<u>11,564,006</u>	<u>6,784,706</u>

30.7 Exposure to currency risk

Currency risk is the risk that the financial instrument will fluctuate due to changes in foreign exchange rates. In appropriate cases, the management takes out forward contract to mitigate the risk.

31. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying value of all the financial instruments reflected in the financial statements approximates to their fair values.

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32. CAPITAL RISK MANAGEMENT

The company' s prime objective when managing capital structuring is to safe guard its ability to continue as a going concern in order to provide adequate returns for share holders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

33. NUMBER OF EMPLOYEES

Number of employees as at June 30,
Average number of employees during the year

2014 **2013**
<----- **Number** ----->

30	24
25	24

34. NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

The Board of Director have proposed a final dividend for the year ended 30 June 2014 for Rs: 2/- (2013: Rs: 2/-) per share, amounting to Rs.600,000/- at their meeting held on September 25, 2014. The proposed dividend will be approved in the forthcoming annual general meeting to be held on 20th October 2014.

These financials statements do not reflect the proposed dividend, which will be accounted for in the statement of changes of equity as appropriation from unappropriated profit in the year ending June 30, 2015.

35. CORRESPONDING FIGURES

Corresponding figures and balances have been rearranged and reclassified, wherever necessary, for the purpose of comparison, the effects of which are not material.

36. DATE OF AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were authorized for issue on September 25, 2014 by the board of directors of the company.

37. GENERAL

Figures have been rounded off to the nearest rupee.


CHIEF EXECUTIVE


DIRECTOR

GOODLUCK INDUSTRIES LIMITED

**PATTERN OF SHARE HOLDING
as at 30th June 2014**

Number of Shareholders	Share holding		Total Shares held
	From	To	
23	1	100	1,530
17	101	500	5,555
8	501	1,000	6,900
14	1,001	5,000	28,189
7	5,001	10,000	57,500
3	10,001	15,000	35,639
3	15,001	20,000	51,687
0	20,001	25,000	-
2	25,001	30,000	53,000
1	30,001	60,000	60,000
78			300,000

Categories of share holders	Number	Share held	Percentage
<u>Associated Companies Undertakings and related parties</u>	0	0	0
<u>NIT and ICP</u>	1	50	0.02
<u>Directors, CEO, & their Spouse and Minor Children</u>	13		
Ashfaq Haji Hasham		16,000	5.33
Salim Rahemtullah Dada		60,000	20.00
Haji Moosa Haji Kassam		10,000	3.33
Muhammad Hanif Moosa		12,800	4.27
Shamsh-ul-Haque		26,500	8.83
Shams-uz-Zoha		26,500	8.83
Hoor Banu		9,100	3.03
Mohammaed Abbas Memon		200	0.07
Muhammad Usman		8,000	2.67
Muhammad Owais		8,000	2.67
Zahida		1,500	0.50
Afsheen Ashfaq		7,000	2.33
Suraiya Begum		9,000	3.00

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Categories of share holders	Number	Share held	Percentage
<u>Public Sector Companies and Corporations</u>		0	
<u>Bank, Development Finance/Institution Non-Banking Finance Institution Insurance Companies, Modarbas and Mutual Funds</u>		0	
<u>Share holding 10 percent or more voting interest in the Company</u>			
<u>Individuals</u>			
Holding more than 10%	0	0	0
Holding less than 10%	64	105,350	35.12
	<u>78</u>	<u>300,000</u>	<u>100.00</u>


CHIEF EXECUTIVE


DIRECTOR

GOODLUCK INDUSTRIES LIMITED

FORM OF PROXY

I/We _____
of _____ in district of _____
_____ being a member of **GOODLUCK INDUSTRIES LIMITED** here
by appoint _____ of _____
_____ or failing of _____
_____ who is also a
member of **GOODLUCK INDUSTRIES LIMITED** as my/our proxy to attend and vote for
me/us and on my/our behalf at the Forty-fourth (44th) Annual General Meeting of the Company
to be held on the **20th October, 2014** and at any adjournment thereof.

Dated _____ day of _____ 2014
(Signature should agree with the specimen signature registered with the Company).

SIGNATURE



Distinctive Number of Shares held

Folio No. _____