



**REVIEW REPORT ON CONDENSED INTERIM FINANCIAL  
INFORMATION TO THE MEMBERS  
For the period ended December 31, 2014**

**INTRODUCTION:**

We have reviewed the accompanying condensed interim balance sheet of **M/S. TAHA SPINNING MILLS LIMITED** ("the Company") as at December 31, 2014 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof (here-in-after referred to as "condensed interim financial information") for the half year then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for condensed interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended 31 December 2014 and 31 December 2013 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 December 2014.

**SCOPE OF REVIEW:**

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**BASIS FOR ADVERSE CONCLUSION:**

The financials statements of the company have been prepared on going concern basis despite of the fact that the company has close down the factory in July 2008 and production activities remained suspended the management has disposed of the entire fixed assets of the company and paid off its major debts. No further business activities have been carried

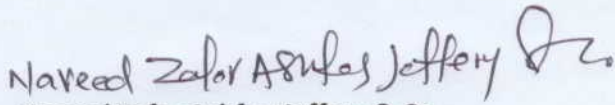
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out by the company. Further more, the company has not prepared any detailed business plan including profit or cash flow projection for an appropriate period subsequent to balance sheet date the forgoing condition indicate material uncertainty which cast a significant doubts on company's ability to continue as a going concern.

The significance of matter discuss in preceding paragraph lead us to believe that going concern assumption used in preparation of the financial statements of the company is inappropriate: consequently the assets and liabilities should have been stated at their realizable value and settlement amount respectively.

**CONCLUSION:**

Based on our review, due to significance of matter described in the preceding paragraph, that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2014; is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

  
**Naveed Zafar Ashfaq Jaffery & Co.**  
Chartered Accountants  
Engagement Partner: **Ahsan Elahi Vohra – FCA**

Karachi

Dated: 26 FEB 2015

**TAHA SPINNING MILLS LIMITED**

CONDENSED INTERIM FINANCIAL STATEMENTS

*FOR THE PERIOD ENDED  
DECEMBER 31, 2014*

**TAHA SPINNING MILLS LIMITED**  
**Condensed Interim Balance Sheet**  
**As at December 31, 2014**

	NOTE	December 2014 Rupees (Un-Audited)	June 2014 Rupees (Audited)
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital 6,100,000 (June 2014 : 6,100,000) ordinary shares of Rs.10 each.		61,000,000	61,000,000
Issued, subscribed and paid up share capital	4	40,500,000	40,500,000
Accumulated (Loss)		(27,812,681)	(27,512,654)
		<b>12,687,319</b>	<b>12,987,346</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		22,500	65,000
<b>CONTINGENCIES AND COMMITMENTS</b>			
	5		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,709,819</b>	<b>13,052,346</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Long term deposits		25,000	25,000
<b>CURRENT ASSETS</b>			
Advance income tax		215,312	155,810
Other receivables		5,481,716	5,950,745
Cash and bank balances		6,987,791	6,920,791
		<b>12,684,819</b>	<b>13,027,346</b>
<b>TOTAL ASSETS</b>		<b>12,709,819</b>	<b>13,052,346</b>

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

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

**TAHA SPINNING MILLS LIMITED**  
**Condensed Interim Profit and Loss Account (Un-audited)**  
**For The Half Year & Quarter Ended December 31, 2014**

	NOTE	Half year ended		Quarter ended	
		December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Administrative expenses		(376,442)	(533,894)	(120,699)	(206,957)
Profit on bank account		20,089	398,990	28,911	398,990
Finance cost		(957)	(4,816)	(812)	(959)
		<b>(357,310)</b>	<b>(139,720)</b>	<b>(92,600)</b>	<b>191,074</b>
Gain on disposal of assets held for sale		-	74,360,785	-	-
<b>(Loss) / Profit before taxation</b>		<b>(357,310)</b>	<b>74,221,065</b>	<b>(92,600)</b>	<b>191,074</b>
Taxation	6	57,283	-	57,283	-
<b>(Loss) / Profit after taxation</b>		<b>(300,027)</b>	<b>74,221,065</b>	<b>(35,317)</b>	<b>191,074</b>
<b>(Loss) / Earnings per share (basic and diluted)</b>		<b>(0.07)</b>	<b>18.33</b>	<b>(0.01)</b>	<b>0.05</b>

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

  
 CHIEF EXECUTIVE

  
 DIRECTOR

**TAHA SPINNING MILLS LIMITED**  
**Condensed Interim Statement of Comprehensive Income (Un-Audited)**  
**For The Half Year & Quarter Ended December 31, 2014**

	Half year ended		Quarter ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
(Loss) / Profit after taxation	(300,027)	74,221,065	(35,317)	191,074
Other comprehensive income	-	-	-	-
<b>Total comprehensive (loss) / profit for the period</b>	<u><u>(300,027)</u></u>	<u><u>74,221,065</u></u>	<u><u>(35,317)</u></u>	<u><u>191,074</u></u>

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

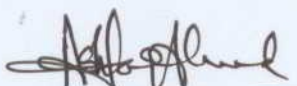
  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

**TAHA SPINNING MILLS LIMITED**  
**Condensed Interim Cash Flow Statement (Un-audited)**  
**For The Half Year Ended December 31, 2014**

	December 31, 2014 Rupees	December 31, 2013 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) / profit before taxation	(357,310)	74,221,065
<b>Adjustments for:</b>		
Gain on disposal of assets held for sale	-	(74,360,785)
Finance cost	957	4,816
	957	(74,355,969)
Loss before working capital changes	(356,353)	(134,904)
<b>(Increase)/Decrease in current assets</b>		
Other receivable	469,029	(3,750,000)
	469,029	(3,750,000)
<b>Increase/(Decrease) in current liabilities</b>		
Trade and other payables	(42,500)	(927,500)
Cash used in operations	70,176	(4,812,404)
Finance cost paid	(957)	(4,816)
Taxes paid/adjustment	(2,219)	(46,436)
	(3,176)	(51,252)
<b>Net cash generated from / (used in) operating activities</b>	<b>67,000</b>	<b>(4,863,656)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of assets held for sale	-	117,379,000
<b>Net cash generated from investing activities</b>	-	117,379,000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term financing	-	(95,631,185)
<b>Net cash used in financing activities</b>	-	(95,631,185)
<b>Net increase in cash and cash equivalents</b>	67,000	16,884,159
<b>Cash and cash equivalents at the start of the period</b>	6,920,791	4,185,344
<b>Cash and cash equivalents at the end of the period</b>	<b>6,987,791</b>	<b>21,069,503</b>

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

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

**TAHA SPINNING MILLS LIMITED**  
**Condensed Interim Statement of Changes in Equity (Un-audited)**  
**For The Half Year Ended December 31, 2014**

	PAID-UP SHARE CAPITAL	ACCUMULATED (LOSS)	RESERVE FOR ASSETS CLASSIFIED AS HELD FOR SALE	TOTAL
	-----Rupees-----			
Balance as at July 01, 2013	40,500,000	(100,193,766)	50,378,295	(9,315,471)
Total comprehensive profit for the period ended December 31, 2013	-	74,221,065	-	74,221,065
Realized gain on assets classified as held for sale	-	-	(50,378,295)	(50,378,295)
<b>Balance as at December 31, 2013</b>	<b>40,500,000</b>	<b>(25,972,701)</b>	<b>-</b>	<b>14,527,299</b>
Balance as at July 01, 2014	40,500,000	(27,512,654)	-	12,987,346
Total comprehensive (loss) for the period ended December 31, 2014	-	(300,027)	-	(300,027)
<b>Balance as at December 31, 2014</b>	<b>40,500,000</b>	<b>(27,812,681)</b>	<b>-</b>	<b>12,687,319</b>

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

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**



**TAHA SPINNING MILLS LIMITED**  
**Selected Notes to the Condensed Interim Financial Information (Un-Audited)**  
**For the Half Year Ended December 31, 2014**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

Taha Spinning Mills Limited (the "Company") was incorporated in Pakistan as a Private Limited Company under The Companies Ordinance, 1984 in 1991 and subsequently converted to a Public Limited company on June 16, 1991. Shares of the company were listed on the Karachi Stock Exchange in Pakistan on February 01, 1994. The principal business of the company is to manufacture and sale of yarn. Mill is located at Sheikhpura in the Province of Punjab.

- 1.1 The Management has been able to settle the liabilities of its creditors and all financial institutions amicably. Clearance of CIB report is in process. Management is focusing to set up a small spinning unit if financial assistance is provided by the banks. Negotiation with banks/financial institution are continue. Pending the arrangement of finance facilities, future business plan with a small capital in hand is not feasible.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

These condensed interim financial information have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standard (IFRS) issued by International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the provision of and directive issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

These condensed interim financial information have been prepared in compliance with the International Accounting Standard (IAS) 34 Interim financial reporting and in compliance with the requirements of section 245 of the Companies Ordinance 1984.

The disclosures made in these condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting. These condensed interim financial information are unaudited but a limited scope review have been performed by the external auditors of the company in accordance with the requirements of the Code of Corporate Governance and they have issued their report thereon.

**2.2 Accounting convention**

These condensed interim financial information have been prepared under "Historical Cost Convention" except as disclosed in the company's accounting policies.

**3 ACCOUNTING POLICIES**

The accounting policies adopted in preparation of these condensed interim financial information are the same as those applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2014

**4 ISSUED, SUBSCRIBED AND PAID UP CAPITAL**

2014	2013	(Un-Audited) DECEMBER 30, 2014	(Audited) JUNE 30, 2013
Number of shares		Rupees	Rupees
4,050,000	4,050,000	40,500,000	40,500,000
Ordinary shares of Rs. 10 each fully paid in cash			
<u>4,050,000</u>	<u>4,050,000</u>	<u>40,500,000</u>	<u>40,500,000</u>

- 4.1 The shareholders are entitled to receive all distribution to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the company. All shares carry "one vote" per share without

- 4.2 There is no movement in share capital during the year.

**5 CONTINGENCIES AND COMMITMENTS**

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

	December 2014 Rupees	December 2013 Rupees
<b>6 TAXATION</b>		
- Current	-	-
- Prior	57,283	-
	<u>57,283</u>	<u>-</u>

**7 DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial information have been authorized for issue on  
directors of the company.

26 FEB 2015

by the board of

**8 GENERAL**

Figures have been rounded off to the nearest rupees.

Corresponding figures have been re-arranged, where ever necessary, for the purpose of comparison.

  
CHIEF EXECUTIVE

  
DIRECTOR