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# Company Information

## Board of Directors

Mr. Rashid Abdulla	Chairman
Mr. Asad Abdulla	Chief Executive
Mr. Ayaz Abdulla	Director
Mr. Munis Abdullah	Director
Mr. Zubair Palwala	Director
Syed Nadeem Ahmed	Director
Mr. Hasan Tariq	Director

## Board of Audit Committee

Mr. Hasan Tariq	Chairman
Mr. Zubair Palwala	
Syed Nadeem Ahmed	

## Board of HR & Remuneration Committee

Mr. Zubair Palwala	Chairman
Mr. Asad Abdulla	
Mr. Ayaz Abdulla	

## Chief Financial Officer & Company Secretary

Mr. Muhammad Ali

## External Auditors

Baker Tilly Mehmood Idrees Qamar

## Internal Auditors

BDO Ebrahim & Co.

## Legal Advisors

Raja Qasit Nawaz Khan

## Bankers

Habib Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
Silk Bank Limited  
Meezan Bank Limited

## Registered Office

8th Floor, NIC Building, Abbasi Shaheed Road, Karachi-75530  
Tel: 35683944-6, 35675111-7 Fax: 35635530, 35682772

## Share Registrar

Central Depository Company of Pakistan Ltd. Head Office,  
CDC House, 99-B, Block-B, SMCHS, Main Shahrah-e-Faisal,  
Karachi-74400

# Directors' Report To The Members

The Directors' hereby present the Financial Statements for the 1st Quarter Ended September 30, 2014. These Financial Statements are submitted in accordance with section 245 of the Companies Ordinance, 1984.

## OPERATING RESULTS

The sales for the 1st Quarter Ended September 30, 2014 were Rs. 328 million as compared to Rs. 288 million for the same quarter last year which was 14% higher.

	1st Quarter : 2014-15	1st Quarter : 2013-14
Sales	327,859	287,815
Gross Profit	41,159	35,889
GP %	12.6%	12.5%
Operating expenses	29,427	30,038
Operating profit	11,732	5,851
Profit after tax	5,763	1,888

## FUTURE OUTLOOK

The Management considers that the long term strategy adopted for the increase in the distribution coverage will definitely improve the performance of the company and should lead to enhance stakeholders value.

## ACKNOWLEDGMENT

We wish to thank our principals for their extended support and our customers. We also take this opportunity to thank our bankers, suppliers for providing us with their valuable support throughout the period.

Finally, we wish to thank our staff who remained committed to deliver towards the growth of your Company.

For and on behalf of the Board,

Karachi  
Dated: October 28, 2014

Asad Abdulla  
Chief Executive

# Condensed Interim Balance Sheet

As at September 30, 2014

	Un-Audited September 2014 (Rupees)	Audited June 2014 (Rupees)
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Authorised Share Capital 12,000,000 ( June-2014 : 12,000,000) ordinary shares of Rs. 10/- each	<u>120,000,000</u>	<u>120,000,000</u>
Issued , subscribed and paid-up share capital 10,800,000 ( June 30, 2014: 10,800,000) ordinary shares of Rs. 10/- each	108,000,000	108,000,000
Accumulated (loss)	(36,992,174)	(31,954,815)
	71,007,826	76,045,185
<b>CURRENT LIABILITIES</b>		
Trade and other payables	460,073,587	400,766,716
Domestic Supplier Finance	111,238,168	96,434,846
	571,311,755	497,201,562
<b>CONTINGENCIES AND COMMITMENTS</b>		
<b>TOTAL</b>	<u>642,319,581</u>	<u>573,246,747</u>
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	2,547,441	2,708,591
<b>CURRENT ASSETS</b>		
Stock in trade	330,401,361	316,671,350
Trade debts unsecured- considered good	44,043,407	52,267,734
Taxation - Net	97,600	2,048,965
Loan and advances	1,812,410	1,238,195
Trade deposits and prepayments	941,382	52,000
Other receivables	153,850,294	88,726,333
Cash and bank balances	108,820,886	109,533,579
	639,772,140	570,538,156
<b>TOTAL</b>	<u>642,319,581</u>	<u>573,246,747</u>

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

Asad Abdulla  
Chief Executive

Zubair Palwala  
Director



# Condensed Interim Profit & Loss Account

For the quarter ended September 30, 2014

	Note	Un-Audited	
		September 2014 (Rupees)	September 2013 (Rupees)
Sales		385,653,622	337,475,838
Sales Tax		(57,795,039)	(49,660,657)
		<u>327,858,583</u>	<u>287,815,181</u>
Cost of goods Sold		(286,700,109)	(251,925,740)
Gross Profit		<u>41,158,474</u>	<u>35,889,441</u>
Distribution Cost		(21,783,337)	(20,146,533)
Administrative Expenses		(7,643,253)	(9,891,766)
		<u>(29,426,590)</u>	<u>(30,038,299)</u>
Operating Profit		<u>11,731,884</u>	<u>5,851,142</u>
Financial Charges		(2,979,228)	(2,946,493)
Other Charges - Worker's Welfare Fund		(175,530)	-
		<u>(3,154,758)</u>	<u>(2,946,493)</u>
Other Income		23,831	-
Profit before taxation		<u>8,600,957</u>	<u>2,904,649</u>
- Current		(2,838,316)	(1,016,627)
- Deffered		-	-
		<u>(2,838,316)</u>	<u>(1,016,627)</u>
Profit after taxation		<u>5,762,641</u>	<u>1,888,022</u>
Earnings per share		<u>0.53</u>	<u>0.17</u>

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

Asad Abdulla  
Chief Executive

Zubair Palwala  
Director

# Condensed Interim Cash Flow Statement

For the quarter ended September 30, 2014

	September 2014 (Rupees)	June 2014 (Rupees)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	8,600,957	21,411,209
<b>Adjustment for non cash items</b>	-	
Depreciation	298,966	3,008,675
(Gain) on property, plant and equipment		(3,053,060)
Financial Charges	2,979,228	12,462,294
	3,278,194	12,417,909
	11,879,151	33,829,118
<b>Working Capital Changes</b>		
<b>(Increase) / Decrease in current assets</b>		
Stock in trade	(13,730,011)	(77,652,010)
Trade debts	8,224,327	(13,570,907)
Loans and advances	(574,215)	(929,768)
Prepayments and deposits	(889,382)	90,402
Other Receivables	(65,123,961)	(32,623,089)
	(72,093,241)	(124,685,372)
<b>Increase / (Decrease) in current liabilities</b>		
Trade and other payables	51,024,792	150,203,528
Domestic supplier finance	14,803,322	40,638,224
	65,828,114	190,841,752
	5,614,024	99,985,498
Financial Charges paid	(2,979,228)	(12,462,294)
Income tax paid	(3,281,968)	(8,512,097)
<b>Net cash (used in) / generated from operating activities</b>	<b>(647,172)</b>	<b>79,011,107</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(65,520)	(448,169)
<b>Net cash (used in) investing activities</b>	<b>(65,520)</b>	<b>(448,169)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Liabilities against assets subject to finance lease	-	(763,973)
Sales proceeds on property, plant and equipment	-	3,759,887
Dividend Paid	-	(10,791,746)
Net Cash (used in) financing activities	-	(7,795,832)
Net (Decrease) / Increase in cash and cash equivalents	(712,692)	70,767,106
Cash and cash equivalents at the beginning of the period	109,533,579	38,766,473
<b>Cash and cash equivalents at the end of the period</b>	<b>108,820,886</b>	<b>109,533,579</b>

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

Asad Abdulla  
Chief Executive

Zubair Palwala  
Director



# Condensed Interim Statement of Changes in Equity

For the quarter ended September 30, 2014

	Issed, Subscribed and Paid-up Capital	Accumulated Profit / (Loss)	Total
	----- Rupees -----		
<b>Balance as at June 30, 2013</b>	108,000,000	(34,451,604)	73,548,396
Proposed Dividend 10%		(10,800,000)	(10,800,000)
Profit for the year ended June 30, 2014	-	13,296,789	13,296,789
<b>Balance as at June 30, 2014</b>	108,000,000	(31,954,815)	76,045,185
Proposed Dividend 10%		(10,800,000)	(10,800,000)
Profit for the quarter ended September 30, 2014		5,762,641	5,762,641
	108,000,000	(36,992,174)	71,007,826

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

Asad Abdulla  
Chief Executive

Zubair Palwala  
Director

# Notes to and Forming Part of the Condensed Interim Financial Information

For the quarter ended September 30, 2014

## 1. STATUS AND NATURE OF BUSINESS

- 1.1 The Company was incorporated in Pakistan in 1965 as a Public Limited Company under the Companies Ordinance, 1984. The shares of the Company are quoted on Karachi Stock Exchange. The registered office of the Company is situated at 8th Floor, NIC Building, Abbasi Shaheed Road, Karachi. The principal activities of the Company are trading and distribution of consumer goods, pharmaceutical and allied products.
- 1.2 This condensed interim financial information is un-audited, however balances for the year ended June 30, 2014 in the comparative information, wherever disclosed, has been audited by the statutory auditors.

## 2. BASIS OF PRESENTATION

- 2.1 This condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard No. 34, "Interim Financial Reporting" and is being submitted to the shareholders as required by the Listing Regulations of Karachi Stock Exchange and under section 245 of the Companies ordinance 1984.
- 2.2 This condensed interim financial information comprises of the condensed interim balance sheet as at September 30, 2014, condensed interim profit and loss account, condensed interim statement of change in Equity and the condensed interim statement of cash flow for the period ended September 30, 2014.

## 3. ACCOUNTING POLICIES

- 3.1 The accounting policies adopted in the preparation of these condensed interim financial information are the same as those applied in the preparation of the statement of financial information of the Company for the year ended June 30, 2014.
- 3.2 There are no IFRSs or IFRIC interpretations becoming effective during the period that would be expected to have a material impact on the company's condensed interim financial information.

## 4. SHARE CAPITAL

			(Un-Audited) September 2014 Rupees	(Audited) June 2014 Rupees
Authorised share capital				
	Number of Shares			
	September 2014	June 2014		
	12,000,000	12,000,000	120,000,000	120,000,000
Issued, subscribed and paid-up share capital				
	Number of Shares			
	September 2014	June 2014		
	10,800,000	10,800,000	108,000,000	108,000,000

# Notes to and Forming Part of the Condensed Interim Financial Information

For the quarter ended September 30, 2014

	(Un-Audited) September 2014 Rupees	(Audited) June 2014 Rupees
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>		
Tangible assets	<u>2,547,441</u>	<u>2,708,591</u>
<b>5.1 Additions (at cost):</b>		
- Computers	65,520	335,500
- Office Equipment	-	92,340
- Furniture & Fixture	-	20,329
	<u>65,520</u>	<u>448,169</u>
<b>6. CASH AND BANK BALANCES</b>		
Cash in hand	478,000	478,000
<b>Balances with banks</b>		
- Current accounts	108,207,047	108,919,740
- Dividend accounts	135,839	135,839
	<u>108,820,886</u>	<u>109,533,579</u>
	(Un-Audited) September 2014	(Un-Audited) September 2014
<b>7. EARNINGS PER SHARE</b>		
Profit for the period (Rupees)	5,762,641	1,888,022
Number of ordinary shares	10,800,000	10,800,000
	<u>0.53</u>	<u>0.17</u>
<b>8. DATE OF AUTHORIZATION FOR ISSUE</b>		
This condensed interim financial information was approved by the board of directors of the Company and authorized for issue on October 28, 2014		
<b>9. GENERAL</b>		
Figures have been rounded off to the nearest rupees.		

Asad Abdulla  
Chief Executive

Zubair Palwala  
Director











**United Brands  
Limited**

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