

**CRESCENT COTTON MILLS
LIMITED**



CONDENSED INTERIM FINANCIAL STATEMENTS
WITH ACCOMPANYING INFORMATION
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015
(UN-AUDITED)

COMPANY PROFILE

BOARD OF DIRECTORS

Mr. Khalid Bashir
(Chairman)

Mr. Muhammad Arshad
(Chief Executive Officer)

DIRECTORS (In alphabetical order)

Mr. Abid Mehmood
Mr. Adnan Amjad
Mr. Humayun Mazhar
Mr. Imtiaz Rashid Siddiqui
Mr. Muhammad Anwar
Mr. Naveed Gulzar

AUDIT COMMITTEE

Mr. Muhammad Anwar (Chairman)
Mr. Khalid Bashir (Member)
Mr. Adnan Amjad (Member)

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Abid Mehmood (Chairman)
Mr. Humayun Mazhar (Member)
Mr. Khalid Bashir (Member)

COMPANY SECRETARY

Mr. Sami Ullah Chaudhry

BANKERS

National Bank of Pakistan
Habib Metropolitan Bank Limited

AUDITORS

Riaz Ahmad & Company
Chartered Accountants

COMPANY REGISTRAR

Yaqub Associates (Pvt) Ltd.
2-Asad Arcade, Circular Road
Faisalabad
Ph: 041-2634956,2610565

URL

www.crescentcotton.com

DIRECTORS' REVIEW TO THE SHAREHOLDERS

Dear Members,

The directors of your company present to you the condensed interim financial information for the first quarter ended September 30, 2015. During the period under review, your company has incurred a pre-tax loss of Rs. 2.101 Million as compared to pre-tax profit of Rs. 9.001 Million earned in the comparative period of last year. The loss after taxation in first quarter of this year is Rs. 7.256 Million whereas the company reported post tax profit of Rs. 2.051 Million in the corresponding period of last year.

Total sales revenue of the company for the first quarter stood at Rs. 863.145 Million, whereas, the turnover figures during the same period in year 2014 was Rs. 1,139.753 Million hence depicting a fall of almost twenty four percent and accordingly raw material consumed also decreased as compared to corresponding period. Similarly cost of sales in the period under review stood at 93.86% whereas, up to September 30, 2014 it was around 94.23%.

In spite of the hardships faced during the period under review, the management of the company is continuously striving hard for better results.

Future Prospectus

In addition to the past challenges being faced by Pakistan's economy the cotton crop for the season 2015-2016 is expected to be less than the previous year. Spinning Mills in Pakistan have started worrying about a short cotton crop (August 2015 / July 2016) in Pakistan due to earlier rains and floods in Pakistan and reported infestation of pests in certain areas of both Sindh and Punjab. Whitefly, Pink bollworms and a few other afflictions are said to have damaged considerable portions of the domestic crop. Due to pest damage, the Pakistan cotton crop during the current cotton season (2015/2016) is expected to provide only 11 to 12 million domestic size bales instead of 14 million or more bales as envisaged early in the season. The rise in price of cotton is not expected to be reflected in the prices of end products.

The performance of the company in next quarter will be determined by the supply of power to the industry, cotton prices and most of all end product prices, we hope we will be able to present better results.

Acknowledgement

We would take this opportunity to thank all our shareholders and bankers for their valued support and our employees for their dedication. We would also like to thank the Board of Directors for their valuable insight and guidance.

For and on behalf of
the Board of Directors



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER

FAISALABAD
October 29, 2015

UNCONSOLIDATED CONDENSED INTERIM

(RUPEES IN THOUSAND)

	UN-AUDITED	AUDITED
NOTE	30 September 2015	30 June 2015

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized share capital

30 000 000 (30 June 2015: 30 000 000)
ordinary shares of Rupees 10 each

300,000	300,000
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Issued, subscribed and paid up share capital

213,775	213,775
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Reserves

376,138	384,549
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Total equity

589,913	598,324
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Surplus on revaluation of land and investment properties

2,543,373	2,543,373
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LIABILITIES

NON-CURRENT LIABILITIES

Employees' retirement benefits

60,045	59,000
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CURRENT LIABILITIES

Trade and other payables

360,230	330,448
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Accrued markup

3,409	5,168
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Short term borrowings

417,477	328,436
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Provision for taxation

47,852	38,731
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828,968	702,783
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TOTAL LIABILITIES

889,013	761,783
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CONTINGENCIES AND COMMITMENTS

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TOTAL EQUITY AND LIABILITIES

4,022,299	3,903,480
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The annexed notes form an integral part of this condensed interim financial information.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER

BALANCE SHEET AS AT 30 SEPTEMBER 2015

(RUPEES IN THOUSAND)

	UN-AUDITED	AUDITED
NOTE	30 September 2015	30 June 2015

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment

6	2,916,398	2,922,513
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Investment properties

111,680	111,680
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Long term investments

7	28,012	25,252
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Long term deposits

2,612	2,612
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Deferred income tax asset

22,321	22,321
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3,081,023	3,084,378
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CURRENT ASSETS

Stores, spare parts and loose tools

44,938	40,935
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Stock in trade

496,702	395,340
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Trade debts

62,984	56,154
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Loans and advances

35,549	26,439
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Short term deposits, prepayments and
balances with statutory authorities

118,860	115,273
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Other receivables

32,112	32,044
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Short term investments

8	140,582	135,376
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Cash and bank balances

9,549	16,628
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941,276	818,189
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Non-current assets held for sale

-	913
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941,276	819,102
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TOTAL ASSETS

4,022,299	3,903,480
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ABID MEHMOOD
DIRECTOR

UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015 (UN-AUDITED)

		(RUPEES IN THOUSAND)	
NOTE	30 September 2015	30 September 2014	
SALES		863,145	1,139,753
COST OF SALES	9	(810,147)	(1,074,036)
GROSS PROFIT		52,998	65,717
DISTRIBUTION COST		(19,848)	(26,728)
ADMINISTRATIVE EXPENSES		(38,519)	(33,980)
OTHER OPERATING EXPENSES		(5)	(234)
		(58,372)	(60,942)
		(5,374)	4,775
OTHER OPERATING INCOME	10	3,273	4,226
(LOSS)/PROFIT FROM OPERATIONS		(2,101)	9,001
FINANCE COST		(5,155)	(6,950)
(LOSS)/PROFIT BEFORE TAXATION		(7,256)	2,051
TAXATION		(9,121)	(11,901)
LOSS AFTER TAXATION		(16,377)	(9,850)
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED (RUPEES):		(0.77)	(0.46)

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


MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER


ABID MEHMOOD
DIRECTOR

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF
PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015 (UN-AUDITED)

		(RUPEES IN THOUSAND)	
	30 September 2015	30 September 2014	
PROFIT/(LOSS) AFTER TAXATION	(16,377)	(9,850)	
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss	-	-	
Items that may be reclassified subsequently to profit or loss:			
Surplus on remeasurement of available for sale investments	7,966	14,248	
Other comprehensive income for the period	7,966	14,248	
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	(8,411)	4,398	

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


MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER


ABID MEHMOOD
DIRECTOR

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015 (UN-AUDITED)

		(RUPEES IN THOUSAND)	
NOTE	30 September 2015	30 September 2014	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (utilized in) / generated from operations	11	(73,608)	(110,673)
Finance cost paid		(6,914)	(9,946)
Staff retirement gratuity paid		(4,085)	(3,293)
Income tax paid		(8,570)	(12,565)
Dividend paid		(2,285)	-
Net cash (utilized in) / generated from operating activities		(95,462)	(136,477)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(658)	(5,034)
Proceeds from sale of property, plant and equipment		-	24
Net cash from investing activities		(658)	(5,010)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		-	-
Short term borrowings - net		89,041	137,624
Net cash (used in) / from financing activities		89,041	137,624
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(7,079)	(3,863)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		16,628	119,929
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		9,549	116,066

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


MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER


ABID MEHMOOD
DIRECTOR

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015 (UN-AUDITED)**

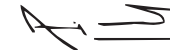
(RUPEES IN THOUSAND)

	SHARE CAPITAL	CAPITAL RESERVES			Sub Total	REVENUE RESERVES			Sub Total	TOTAL EQUITY
		Premium on issue of shares	Plant Moderni- sation	Fair value		General	Dividend equalization	(Accumulated loss) / unappropriated profit		
Balance as at 30 June 2014 - Audited	213,775	5,496	12,000	93,121	110,617	96,988	4,000	191,421	292,409	616,801
Loss for the first quarter ended 30 September 2014	-	-	-	-	-	-	-	(9,850)	(9,850)	(9,850)
Other comprehensive income for the first quarter ended 30 September 2014	-	-	-	14,248	14,248	-	-	-	-	14,248
Total comprehensive income for the first quarter ended 30 September 2014	-	-	-	14,248	14,248	-	-	(9,850)	(9,850)	4,398
Balance as at 30 September 2014 - Un-audited	213,775	5,496	12,000	107,369	124,865	96,988	4,000	181,571	282,559	621,199
Profit for the next three quarters ended 30 June 2015	-	-	-	-	-	-	-	(13,697)	(13,697)	(13,697)
Other comprehensive income for the next three quarters ended 30 June 2015	-	-	-	(9,178)	(9,178)	-	-	-	-	(9,178)
Total comprehensive income for the next three quarters ended 30 June 2015	-	-	-	(9,178)	(9,178)	-	-	(13,697)	(13,697)	(22,875)
Balance as at 30 June 2015 - Audited	213,775	5,496	12,000	98,191	115,687	96,988	4,000	167,874	268,862	598,324
Loss for the first quarter ended 30 September 2015	-	-	-	-	-	-	-	(16,377)	(16,377)	(16,377)
Other comprehensive income for the first quarter ended 30 September 2015	-	-	-	7,966	7,966	-	-	-	-	7,966
Total comprehensive income for the first quarter ended 30 September 2015	-	-	-	7,966	7,966	-	-	(16,377)	(16,377)	(8,411)
Balance as at 30 September 2015 - Un-audited	213,775	5,496	12,000	106,157	123,653	96,988	4,000	151,497	252,485	589,913

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



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR



Crescent Cotton Mills Limited

Accounts for First Quarter Ended 31 September 2015

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015 (UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

Crescent Cotton Mills Limited 'the Company' is a public limited company incorporated in March 1959 in Pakistan under the provisions of Companies Act, 1913 (Now Companies Ordinance, 1984). Shares of the Company are quoted on all the stock exchanges of Pakistan. The Company is engaged in manufacturing and sale of yarn and hosiery items along with buying, selling and otherwise dealing in cloth. The Company also operates an embroidery unit. The registered office of the Company is situated at New Lahore Road, Nishatabad, Faisalabad.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This condensed interim financial information of the Company for the first quarter ended 30 September 2015 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information should be read in conjunction with the audited annual published financial statements of the Company for the year ended 30 June 2015.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2015.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2015.

5. CONTINGENCIES AND COMMITMENTS

Contingencies:

Certain additions have been made by the assessing officer in different assessment years on various grounds and has created demand of Rupees 10.787 million (30 June 2015: Rupees 10.787 million). The Company, being aggrieved, has filed appeals with the Honourable High Court which are still pending.

No provision has been made in the books of account against the aforesaid demand as the management is hopeful for positive outcome of the appeals filed by the Company.

The Company filed a suit against Crescent Fibres Limited for the recovery of Rupees 23.000 million (30 June 2015: Rupees 23.000 million) along with mark-up in Civil Court, Lahore. No provision against doubtful receivables has been made in this condensed interim financial information as the management is hopeful that the case will be decided in favour of the Company and all the outstanding dues will be recovered.

Letters of guarantee of Rupees 35.993 million (30 June 2015: Rupees 35.993 million) are given by the banks of the Company to Sui Northern Gas Pipeline Limited against gas connections.

Commitments:

Letters of credit for capital expenditure are of Rs. 42.415 million (30 June 2015: Rupees 8.189 million).

Letters of credit for other than capital expenditure are of Rupees Nil (30 June 2015: Rupees 4.110 million).

6. PROPERTY, PLANT AND EQUIPMENT

	(RUPEES IN THOUSAND)	
	UN-AUDITED 30 September 2015	AUDITED 30 June 2015
Operating fixed assets (Note 6.1)	2,724,733	2,730,848
Capital work-in-progress	191,665	191,665
	<u>2,916,398</u>	<u>2,922,513</u>

6.1 Operating fixed assets

Opening book value	2,730,848	2,757,104
Add : Cost of additions during the period / year (Note 6.1.1)	658	25,542
Add : Effect of surplus on revaluation as at 30 June 2015	-	20,850
Add : Transferred from non-current assets held for sale	913	-
	2,732,419	2,803,496

Less:

Book value of deletions during the period / year (Note 6.1.2)	-	325
Transferred to investment properties	-	42,008
Depreciation charged during the period / year	7,686	30,315
	7,686	72,648
Book value at the end of the period / year	<u>2,724,733</u>	<u>2,730,848</u>

6.1.1 Cost of additions during the period / year

Plant and machinery	402	18,033
Electric installations	14	3,638
Furniture and fixtures	2	283
Vehicles	-	3,502
Office equipment	-	86
Service equipment	240	-
	658	25,542



(RUPEES IN THOUSAND)

UN-AUDITED	AUDITED
30 September 2015	30 June 2015

6.1.2 Book value of deletions during the period / year

Plant and machinery	-	44
Vehicles	-	281
	-	325

7. LONG TERM INVESTMENTS - Available for sale

Unquoted - Subsidiary company	10,511	10,511
Quoted - Associated companies	175	175
Quoted - Others	1,043	1,043
Unquoted - Others	3,164	3,164
	14,893	14,893
Less: Impairment loss charged to profit and loss account	-	-
Add: Fair value adjustment	13,119	10,359
	28,012	25,252

8. SHORT TERM INVESTMENTS – Available for sale

Quoted - Associated companies	39,802	39,802
Quoted - Others	7,742	7,742
	47,544	47,544
Add: Fair value adjustment	93,038	87,832
	140,582	135,376

(RUPEES IN THOUSAND)

30 September 2015	30 September 2014
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9. COST OF SALES

Raw material consumed	542,020	598,484
Salaries, wages and other benefits	83,852	69,962
Stores, spare parts and loose tools consumed	27,366	25,478
Fuel and power	129,608	126,054
Outside weaving charges	89,517	173,073
Other manufacturing overheads	2,158	2,615
Insurance	1,433	1,660
Repair and maintenance	803	422
Depreciation	6,408	6,494
	883,165	1,004,242

Work-in-process:

Opening stock	18,251	19,335
Closing stock	(15,354)	(17,475)
	2,897	1,860
Cost of goods manufactured	886,062	1,006,102

Finished goods:

Opening stock	235,716	256,116
Closing stock	(311,631)	(216,754)
	(75,915)	39,362
	810,147	1,045,464
	-	28,572
Cost of goods - purchased for resale	810,147	1,074,036



(RUPEES IN THOUSAND)

30 September 2015	30 September 2014
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10. OTHER OPERATING INCOME

Profit on deposits with banks	21	2,613
Dividend income	3	-
Rental income	3,249	1,613
	3,273	4,226

11. CASH UTILIZED IN OPERATIONS

Profit before taxation	(7,256)	2,051
Adjustments for non-cash charges and other items:		
Depreciation	7,686	7,417
Provision for staff retirement gratuity	5,130	6,377
Loss on sale of property, plant and equipment	-	26
Credit balances written back	-	-
Finance cost	5,155	6,950
Working capital changes (Note 11.1)	(84,323)	(133,494)
	(73,608)	(110,673)

11.1 Working capital changes

(Increase) / decrease in current assets

Stores, spare parts and loose tools	(4,003)	(8,923)
Stock in trade	(101,362)	(266,860)
Trade debts	(6,830)	(6,499)
Loans and advances	(9,110)	(1,037)
Prepayments and balances with statutory authorities	4,983	14,244
Other receivables	(68)	240
	(116,390)	(268,835)

(Decrease) / increase in trade and other payables

	32,067	135,341
	(84,323)	(133,494)

12. SEGMENT INFORMATION - UNCONSOLIDATED

	Textiles		Trading		Elimination of Inter-segment transactions		TOTAL	
	First Quarter Ended		First Quarter Ended		First Quarter Ended		First Quarter Ended	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014	30 September 2015	30 September 2014	30 September 2015	30 September 2014
	(UN-AUDITED)							
	(RUPEES IN THOUSAND)							
Sales	792,644	776,168	468,295	898,480	(397,794)	(534,895)	863,145	1,139,753
Cost of sales	(763,347)	(741,372)	(444,594)	(867,559)	397,794	534,895	(810,147)	(1,074,036)
Gross profit	29,297	34,796	23,701	30,921	-	-	52,998	65,717
Distribution cost	(6,965)	(8,300)	(12,883)	(18,428)	-	-	(19,848)	(26,728)
Administrative expenses	(36,231)	(31,870)	(2,288)	(2,110)	-	-	(38,519)	(33,980)
Other operating expenses	(5)	(234)	-	-	-	-	(5)	(234)
	(43,201)	(40,404)	(15,171)	(20,538)	-	-	(58,372)	(60,942)
	(13,904)	(5,608)	8,530	10,383	-	-	(5,374)	4,775
Other operating income	3,273	4,226	-	-	-	-	3,273	4,226
Profit/(loss) from operations	(10,631)	(1,382)	8,530	10,383	-	-	(2,101)	9,001
Finance cost	(3,747)	(4,814)	(1,408)	(2,136)	-	-	(5,155)	(6,950)
Profit/(loss) before taxation	(14,378)	(6,196)	7,122	8,247	-	-	(7,256)	2,051
Taxation							(9,121)	(11,901)
Profit/(loss) after taxation							(16,377)	(9,850)



Crescent Cotton Mills Limited

Accounts for First Quarter Ended 31 September 2015

13. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise subsidiary company, associated companies, other related parties and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions and balances with related parties are as follows:

DESCRIPTION	UN-AUDITED	
	QUARTER ENDED	
	30 September 2015	30 September 2014
(RUPEES IN THOUSAND)		

i) Transactions

Subsidiary company

Rental expense	1,125	1,050
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Associated companies

Service charges	7,661	5,423
Mark-up expense	-	18

14. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2015.

15. DATE OF AUTHORIZATION

This condensed interim financial information was approved and authorized for issue on October 29, 2015 by the Board of Directors of the Company.

16. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim statement of profit or loss and other comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.

17. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR

CONSOLIDATED CONDENSED
INTERIM FINANCIAL STATEMENTS
WITH ACCOMPANYING INFORMATION
FOR THE FIRST QUARTER
ENDED 30 SEPTEMBER 2015
(UN-AUDITED)

CONSOLIDATED CONDENSED INTERIM

(RUPEES IN THOUSAND)	
UN-AUDITED	AUDITED
30 September 2015	30 June 2015
NOTE	

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized share capital 30 000 000 (30 June 2015: 30 000 000) ordinary shares of Rupees 10 each	<u>300,000</u>	300,000
Issued, subscribed and paid up share capital	<u>213,775</u>	213,775
Reserves	<u>451,779</u>	443,465
Total equity	<u>665,554</u>	657,240
Surplus on revaluation of land and investment properties	<u>2,552,526</u>	2,552,526

LIABILITIES

NON-CURRENT LIABILITIES

Deferred income tax liability	<u>3,701</u>	-
Employees' retirement benefits	<u>60,045</u>	59,000
	<u>63,746</u>	59,000

CURRENT LIABILITIES

Trade and other payables	<u>364,994</u>	335,085
Accrued markup	<u>15,361</u>	16,970
Short term borrowings	<u>422,477</u>	333,436
Provision for taxation	<u>48,651</u>	39,361
	<u>851,483</u>	724,852
TOTAL LIABILITIES	<u>915,229</u>	783,852

CONTINGENCIES AND COMMITMENTS 5

TOTAL EQUITY AND LIABILITIES	<u>4,133,309</u>	<u>3,993,618</u>
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The annexed notes form an integral part of this condensed interim financial information.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER

BALANCE SHEET AS AT 30 SEPTEMBER 2015

(RUPEES IN THOUSAND)	
UN-AUDITED	AUDITED
30 September 2015	30 June 2015
NOTE	

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment	6	<u>2,929,762</u>	2,936,528
Investment properties		<u>111,680</u>	111,680
Long term investments	7	<u>235,670</u>	213,786
Long term deposits		<u>3,134</u>	3,134
Deferred income tax - asset		<u>22,321</u>	18,620
		<u>3,302,567</u>	3,283,748

CURRENT ASSETS

Stores, spare parts and loose tools		<u>48,992</u>	45,086
Stock in trade		<u>496,702</u>	395,340
Trade debts		<u>62,984</u>	56,154
Loans and advances		<u>35,549</u>	26,439
Short term deposits, prepayments and balances with statutory authorities		<u>119,349</u>	115,435
Other receivables		<u>34,757</u>	34,689
Short term investments	8	<u>19,429</u>	15,755
Cash and bank balances		<u>12,980</u>	20,059
		<u>830,742</u>	708,957
Non-current assets held for sale		-	913
		<u>830,742</u>	709,870

TOTAL ASSETS		<u>4,133,309</u>	<u>3,993,618</u>
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ABID MEHMOOD
DIRECTOR

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015 (UN-AUDITED)

	NOTE	(RUPEES IN THOUSAND)	
		30 September 2015	30 September 2014
SALES		863,145	1,139,753
COST OF SALES	9	(810,147)	(1,074,036)
GROSS PROFIT		52,998	65,717
DISTRIBUTION COST		(19,848)	(26,728)
ADMINISTRATIVE EXPENSES		(39,066)	(33,578)
OTHER OPERATING EXPENSES		(5)	(234)
		(58,919)	(60,540)
		(5,921)	5,177
OTHER OPERATING INCOME	10	3,273	4,226
PROFIT FROM OPERATIONS		(2,648)	9,403
FINANCE COST		(5,305)	(7,100)
		(7,953)	2,303
SHARE OF PROFIT / (LOSS) FROM ASSOCIATED COMPANIES		20,480	(28,547)
PROFIT/(LOSS) BEFORE TAXATION		12,527	(26,244)
TAXATION		(9,290)	(11,901)
PROFIT / (LOSS) AFTER TAXATION		3,237	(38,145)
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED (RUPEES):		0.15	(1.78)

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


MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER


ABID MEHMOOD
DIRECTOR

CONSOLIDATED CONDENSED INTERIM STATEMENT OF
PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015 (UN-AUDITED)

	(RUPEES IN THOUSAND)	
	30 September 2015	30 September 2014
PROFIT/(LOSS) AFTER TAXATION	3,237	(38,145)
OTHER COMPREHENSIVE INCOME / (LOSS)		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss:		
Surplus / (deficit) on remeasurement of available for sale investments	5,077	16,393
Other comprehensive income / (loss) for the period	5,077	16,393
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	8,314	(21,752)

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


MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER


ABID MEHMOOD
DIRECTOR



**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015 (UN-AUDITED)**

(RUPEES IN THOUSAND)

NOTE	30 September 2015	30 September 2014
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CASH FLOWS FROM OPERATING ACTIVITIES

Cash (utilized in) / generated from operations	11	(73,280)	(110,655)
Finance cost paid		(6,914)	(9,946)
Staff retirement gratuity paid		(4,085)	(3,293)
Income tax paid		(8,898)	(12,583)
Dividend paid		(2,285)	-
		(22,182)	(25,822)
Net cash (utilized in) / generated from operating activities		(95,462)	(136,477)

CASH FLOWS FROM INVESTING ACTIVITIES

Capital expenditure on property, plant and equipment		(658)	(5,034)
Proceeds from sale of property, plant and equipment		-	24
Net cash from investing activities		(658)	(5,010)

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of long term financing		-	-
Short term borrowings - net		89,041	137,624
Net cash (used in) / from financing activities		89,041	137,624

NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS

(7,079)	(3,863)
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CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD

20,059	123,313
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CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD

12,980	119,450
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The annexed noted form an integral part of this condensed interim financial information.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015 (UN-AUDITED)**

(RUPEES IN THOUSAND)

	CAPITAL RESERVES				REVENUE RESERVES				TOTAL EQUITY	
	SHARE CAPITAL	Premium on issue of shares	Plant Modernisation	Fair value	Sub Total	General	Dividend equalization	(Accumulated loss) / unappropriated profit		Sub Total
Balance as at 30 June 2014 - Audited	213,775	5,496	12,000	13,119	30,615	44,975	4,000	394,146	443,121	687,511
Loss for the first quarter ended 30 September 2014	-	-	-	-	-	-	-	(38,145)	(38,145)	(38,145)
Other comprehensive income for the first quarter ended 30 September 2014	-	-	-	16,393	16,393	-	-	-	-	16,393
Total comprehensive income for the first quarter ended 30 September 2014	-	-	-	16,393	16,393	-	-	(38,145)	(38,145)	(21,752)
Balance as at 30 September 2014 - Unaudited	213,775	5,496	12,000	29,512	47,008	44,975	4,000	356,001	404,976	665,759
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	-	-	-	1,374	1,374	1,374
Loss for the next three quarters ended 30 June 2015	-	-	-	-	-	-	-	7,452	7,452	7,452
Other comprehensive income for the next three quarters ended 30 June 2015	-	-	-	(17,345)	(17,345)	-	-	-	-	(17,345)
Total comprehensive income for the next two quarters ended 30 June 2015	-	-	-	(17,345)	(17,345)	-	-	7,452	7,452	(9,893)
Balance as at 30 June 2015 - Audited	213,775	5,496	12,000	12,167	29,663	44,975	4,000	364,827	413,802	657,240
Loss for the first quarter ended 30 September 2015	-	-	-	-	-	-	-	3,237	3,237	3,237
Other comprehensive income for the first quarter ended 30 September 2015	-	-	-	5,077	5,077	-	-	-	-	5,077
Total comprehensive income for the first quarter ended 30 September 2015	-	-	-	5,077	5,077	-	-	3,237	3,237	8,314
Balance as at 30 September 2015 - Un-audited	213,775	5,496	12,000	17,244	34,740	44,975	4,000	368,064	417,039	665,554

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



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR



Crescent Cotton Mills Limited & its Subsidiary

Accounts for First Quarter Ended 31 March 2015

**SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015 (UN-AUDITED)**

I. THE GROUP AND ITS OPERATIONS

The Group consists of:

Holding Company

Crescent Cotton Mills Limited

Subsidiary Company

Crescot Mills Limited

Crescent Cotton Mills Limited

Crescent Cotton Mills Limited (formerly Crescent Sugar Mills and Distillery Limited) 'the Company' is a public limited company incorporated in March 1959 in Pakistan under the provisions of Companies Act, 1913 (Now Companies Ordinance, 1984). Shares of the Company are quoted on all the stock exchanges in Pakistan. The Company is engaged in manufacturing and sale of yarn and hosiery items along with buying, selling and otherwise dealing in cloth. The Company also operates an embroidery unit. The registered office of the Company is located at New Lahore Road, Nishatabad, Faisalabad.

Crescot Mills Limited

Crescot Mills Limited (CML) is a public limited Company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Ordinance, 1984). CCML holds 66.15% equity of the CML. Principal business of CML was manufacturing and sale of yarn. The mills is located at Sindh Industrial and Trading Estate, Kotri in the Province of Sindh. A special resolution was passed in the general meeting of the members on 28 September 1998 authorizing the Board of Directors to dispose of the plant and machinery of CML.

CML has ceased all production activities since August 1998 and has disposed of major part of the plant and machinery. The Company has leased out its buildings and other facilities to the Holding Company.

2. BASIS OF PREPARATION

This consolidated condensed interim financial information is un-audited and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984 and the listing regulations of the Islamabad, Karachi and Lahore stock exchanges. This consolidated condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard-34 "Interim Financial Reporting" and International Accounting Standard-27 "Consolidated and Separate Financial Statements" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of and directives issued under the Companies Ordinance, 1984 have been followed. This consolidated condensed interim financial information should be read in conjunction with the preceding audited annual published consolidated financial statements of the Group for the year ended 30 June 2015.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

3.1 The accounting policies and methods of computations adopted for the preparation of this consolidated condensed interim financial information are the same as applied in the preparation of preceding audited annual published consolidated financial statements of the Group for the year ended 30 June 2015.

3.2 Basis of consolidation

a) Subsidiary

Subsidiary Company is that entity in which Holding Company directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors. The condensed interim financial information of the Subsidiary Company is included in the consolidated consolidated condensed interim financial information from the date control commences until the date that control ceases.

The assets and liabilities of Subsidiary Company have been consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against Holding Company's share in paid up capital of the Subsidiary Company.

Intragroup balances and transactions have been eliminated.

Proportionate share of accumulated losses relating to the non-controlling interest is more than their respective share capital. Therefore, losses in excess of share capital of non-controlling interest are absorbed by the Group.

b) Associates

Associates are the entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights or by way of common directorship. Investments in these associates are accounted for using the equity method of accounting and are initially recognized at cost. The Group's investment in associate includes goodwill identified on acquisition, net of accumulated impairment loss, if any.

The Group's share of its associate's post-acquisition profits or losses, movement in other comprehensive income, and its share of post-acquisition movements in reserves is recognized in the consolidated profit and loss account, consolidated statement of comprehensive income and reserves respectively. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Distributions received from an associate reduce the carrying amount of the investment.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this consolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this consolidated condensed interim financial information, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published consolidated financial statements of the Group for the year ended 30 June 2015.

5. CONTINGENCIES AND COMMITMENTS

Contingencies:

Holding Company

- Certain additions have been made by the assessing officer in different assessment years on various grounds and has created demand of Rupees 10.787 million (30 June 2015: Rupees 10.787 million). The Company, being aggrieved, has filed appeals with the Honourable High Court which are still pending. No provision has been made in the books of account against the aforesaid demand as the management is hopeful for positive outcome of the appeals filed by the Company.

- The Holding Company filed a suit against Crescent Fibres Limited for the recovery of Rupees 23.000 million (30 June 2015: Rupees 23.000 million) along with mark-up in Civil Court, Lahore. No provision against doubtful receivables has been made in this condensed interim financial information as the management is hopeful that the case will be decided in favour of the Company and all the outstanding dues will be recovered.

- Letters of guarantee of Rupees 35.993 million (30 June 2015: Rupees 35.993 million) are given by the banks of the Company to Sui Northern Gas Pipeline Limited against gas connections.

Subsidiary Company

- The Subsidiary Company is contingently liable for claim of Rs. 0.215 million (30 June 2015: Rupees 0.215 million) not acknowledged by the Subsidiary Company in respect of card clothing machine demanded by Custom Authorities in 1987 against which a letter of guarantee has been issued by bank in favour of Collector.

Commitments:

- Letters of credit for capital expenditure are of Rs. 42.415 million (30 June 2015: Rupees 8.189 million).

- Letters of credit for other than capital expenditure are of Rupees Nil (30 June 2015: Rupees 4.110 million).

6. PROPERTY, PLANT AND EQUIPMENT

	(RUPEES IN THOUSAND)	
	UN-AUDITED	AUDITED
	30 September 2015	30 June 2015
Operating fixed assets (Note 6.1)	2,738,097	2,744,863
Capital work-in-progress	191,665	191,665
	2,929,762	2,936,528

6.1 Operating fixed assets

Opening book value	2,744,863	2,782,021
Add : Cost of additions during the period / year (Note 6.1.1)	658	25,542
Add : Effect of surplus on revaluation as at 30 June 2015	-	20,850
Add : Transferred from non-current assets held for sale	913	-
	2,746,434	2,828,413

Less:

Book value of deletions during the period / year (Note 6.1.2)	-	325
Net decrease in revaluation	-	8,633
Transferred to investment properties	-	42,008
Depreciation charged during the period / year	8,337	32,584

	8,337	83,550
Book value at the end of the period / year	2,738,097	2,744,863

(RUPEES IN THOUSAND)

UN-AUDITED	AUDITED
30 September 2015	30 June 2015

6.1.1 Cost of additions during the period / year

Buildings on freehold land	-	-
Plant and machinery	402	18,033
Electric installations	14	3,638
Furniture and fixtures	2	283
Vehicles	-	3,502
Office equipment	-	86
Service equipment	240	-
	658	25,542

6.1.2 Book value of deletions during the period / year

Plant and machinery	-	44
Vehicles	-	281
	-	325

7. LONG TERM INVESTMENTS

In associates:

Cost	52,537	52,537
Share of post acquisition profit:		
At the beginning of the period / year	151,290	154,343
Share of profit/(loss) during the period / year	20,481	(3,053)
	171,771	151,290
	224,308	203,827

Available for sale:

Quoted - Others	2,641	2,988
Unquoted - Others	3,164	3,164
	5,805	6,152

Less: Impairment loss charged to profit and loss account

Add: Fair value adjustment	-	(347)
	5,557	4,154
	11,362	9,959

	235,670	213,786
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7.1 The investments in associates were not acquired for disposal purposes, therefore equity method of accounting has been applied and as per the requirement of IAS 28 the same have been shown under long term investments. In addition paragraph 2 (B)(d) of Part II of the Fourth Schedule to the Companies Ordinance, 1984 requires that the investments accounted for under equity method should be classified as long term investments.

8. SHORT TERM INVESTMENTS – Available for sale

Quoted - Others	7,742	7,742
Add: Fair value adjustment	11,687	8,017
	19,429	15,755

	(RUPEES IN THOUSAND)	
	30 September 2015	30 September 2014
9. COST OF SALES		
Raw material consumed		
Salaries, wages and other benefits	542,020	598,484
Stores, spare parts and loose tools consumed	83,852	69,962
Fuel and power	27,366	25,478
Outside weaving charges	129,608	126,054
Other manufacturing overheads	89,517	173,073
Insurance	2,158	2,615
Repair and maintenance	1,433	1,660
Depreciation	803	422
	6,408	6,494
Work-in-process:	883,165	1,004,242
Opening stock		
Closing stock	18,251	19,335
	(15,354)	(17,475)
Cost of goods manufactured	2,897	1,860
	886,062	1,006,102
Finished goods:		
Opening stock		
Closing stock	235,716	256,116
	(311,631)	(216,754)
	(75,915)	39,362
Cost of goods purchased	810,147	1,045,464
	-	28,572
	810,147	1,074,036
10. OTHER OPERATING INCOME		
Profit on deposits with banks		
Dividend income	21	2,613
Rental income	3	-
	3,249	1,613
	3,273	4,226

	(RUPEES IN THOUSAND)	
	30 September 2015	30 September 2014
11. CASH UTILIZED IN OPERATIONS		
Profit before taxation	12,527	(26,244)
Adjustments for non-cash charges and other items:		
Depreciation	8,337	7,977
Provision for staff retirement gratuity	5,130	6,377
Loss on sale of property, plant and equipment	-	26
Credit balances written back	-	-
Share of (profit) / loss from associated companies	(20,481)	28,546
Finance cost	5,305	7,100
Working capital changes (Note 11.1)	(84,098)	(134,437)
	(73,280)	(110,655)
11.1 Working capital changes		
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(3,906)	(8,909)
Stock in trade	(101,362)	(266,860)
Trade debts	(6,830)	(6,499)
Loans and advances	(9,110)	(1,037)
Prepayments and balances with statutory authorities	4,984	14,245
Other receivables	(68)	240
	(116,292)	(268,820)
(Decrease) / increase in trade and other payables	32,194	134,383
	(84,098)	(134,437)

12. SEGMENT INFORMATION - CONSOLIDATED

	Textiles		Trading		Elimination of Inter-segment transactions		TOTAL	
	First Quarter Ended		First Quarter Ended		First Quarter Ended		First Quarter Ended	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014	30 September 2015	30 September 2014	30 September 2015	30 September 2014
	(RUPEES IN THOUSAND)							
Sales	792,644	776,168	468,295	898,480	(397,794)	(534,895)	863,145	1,139,753
Cost of sales	(763,347)	(741,372)	(444,594)	(867,559)	397,794	534,895	(810,147)	(1,074,036)
Gross profit	29,297	34,796	23,701	30,921	-	-	52,998	65,717
Distribution cost	(6,965)	(8,300)	(12,883)	(18,428)	-	-	(19,848)	(26,728)
Administrative expenses	(36,778)	(31,468)	(2,288)	(2,110)	-	-	(39,066)	(33,578)
Other operating expenses	(5)	(234)	-	-	-	-	(5)	(234)
	(43,748)	(40,002)	(15,171)	(20,538)	-	-	(58,919)	(60,540)
	(14,451)	(5,206)	8,530	10,383	-	-	(5,921)	5,177
Other operating income	3,273	4,226	-	-	-	-	3,273	4,226
Profit from operations	(11,178)	(980)	8,530	10,383	-	-	(2,648)	9,403
Finance cost	(3,897)	(4,964)	(1,408)	(2,136)	-	-	(5,305)	(7,100)
Profit/(loss) before taxation and unallocated income and expenses	(15,075)	(5,944)	7,122	8,247	-	-	(7,953)	2,303
Unallocated income and expenses:								
Share of profit / (loss) from associated companies							20,480	(28,547)
Taxation							(9,290)	(11,901)
Profit/(loss) after taxation							3,237	(38,145)



Crescent Cotton Mills Limited & its Subsidiary

Accounts for First Quarter Ended 31 March 2015

13. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, other related parties and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions and balances with related parties are as follows:

DESCRIPTION	UN-AUDITED	
	QUARTER ENDED	
	30 September 2015	30 September 2014
(RUPEES IN THOUSAND)		

i) Transactions

Associated companies

Service charges	7,661	5,423
Mark-up expense	-	18

14. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published consolidated financial statements of the Group for the year ended 30 June 2015.

15. DATE OF AUTHORIZATION

This consolidated condensed interim financial information was approved and authorized for issue on October 29, 2015 by the Board of Directors of the Group.

16. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the consolidated condensed interim balance sheet and consolidated condensed interim statement of changes in equity have been compared with the balances of annual audited consolidated financial statements of preceding financial year; whereas, the consolidated condensed interim profit and loss account, consolidated condensed interim statement of profit or loss and other comprehensive income and consolidated condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

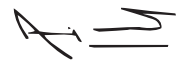
Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.

17. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR

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