



Condensed Interim
Financial Statements
(Un-audited)
For the First Quarter
ended 30 September 2022



Pak-Gulf Leasing
Company Limited

Board of Directors

Mr. Sohail Inam Ellahi
Mr. Fawad Salim Malik
Mr. Ismail H. Ahmed
Mr. Jan Ali Khan Junejo
Brig. Naveed Nasar Khan (Retd.)
Mr. Naeem Ali Muhammad Munshi
Ms. Naeen Ahmed
Mr. Pervez Inam
Mr. Mahfuz-ur-Rehman Pasha

Chairman
Director
Director
Director
Director
Director
Director
Director
Chief Executive Officer

Company Secretary

Mr. Suleman Chhagla

Audit Committee

Mr. Ismail H. Ahmed
Mr. Pervez Inam
Mr. Naeem Ali Mohammad Munshi
Brig. Naveed Nasar Khan (Retd.)
Ms. Naeen Ahmed
Ms. Farah Farooq

Chairman
Member
Member
Member
Member
Secretary

Human Resource & Remuneration Committee

Mr. Jan Ali Khan Junejo
Mr. Pervez Inam
Mr. Sohail Inam Ellahi
Mr. Ismail H. Ahmed
Ms. Naeen Ahmed
Mr. Mahfuz-ur-Rehman Pasha
Mr. Suleman Chhagla

Chairman
Member
Member
Member
Member
Member
Secretary

Senior Management

Mr. Mahfuz-ur-Rehman Pasha
Lt. Col. Saleem Ahmed Zafar (Retd.)
Mr. Suleman Chhagla
Ms. Farah Farooq

Chief Executive Officer
Chief Operating Officer
Chief Financial Officer
Head of Audit

Credit Rating Agency

VIS Credit Rating Company Limited

Entity Rating

A-(Single A Minus) for Medium to Long term
A-2(A-Two) for Short term
Outlook: Stable

Auditors

M/s. BDO Ebrahim & Co.
Chartered Accountants
2nd Floor, Block C,
Lakson Square Building No. 1
Sarwar Shaheed Road
Karachi-74200

Legal Advisors

M/s Mohsin Tayebaly & Company
2nd Floor, Dime Centre,
BC-4, Block # 9, Kehkashan, Clifton,
Karachi.
Tel # : (92-21) 111-682-529
Fax # : (92-21) 35870240

Shariah Advisor

M/s. Alhamd Shariah Advisory Services (Pvt) Ltd.

Bankers
Islamic Bank

AlBaraka Bank (Pakistan) Limited
MCB Islamic Bank

Conventional Banks

Askari Commercial Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank of Punjab

Habib Bank Limited

JS Bank Limited

MCB Bank Limited

National Bank of Pakistan

SilkBank Limited

Soneri Bank Limited

Allied Bank Limited

Registered Office

UNIBRO HOUSE
Ground and Mezzanine Floor,
Plot No. 114, 9th East Street, Phase I, DHA
Karachi, P.O.Box # 12215, Karachi-75600.

Tel #: (92-21) 35820301, 35820965-6
35824401, 35275986-7

Fax #: (92-21) 35820302, 35375985

E-mail: pgl@pakgulfleasing.com

Website: www.pakgulfleasing.com

Branch Office

202, 2nd Floor, Divine Mega II,
Opp. Honda Point, New Airport Road, Lahore.

Tel #: (92-42) 35700010

Fax #: (92-42) 35700011

Registrar / Share Transfer Office

THK Associates (Pvt) Limited
Plot No. C-32 Jami Commercial Street 2
DHA, Phase – VII. Karachi.

Tel #: (92-21) 111-000-322

Fax #: (92-21) 35310190

DIRECTORS' REPORT

Dear Shareholders

The Directors of your Company are pleased to present before you the unaudited condensed interim financial Statements of your Company for the three months ended on September 30, 2022 of the current financial year.

Financial Highlight and Business Review

Total Revenue earned of Rs. 60.79. million by your Company for the three ended on September 30, 2022 was higher than the total revenue of Rs. 45.31 million, earned by your Company in the similar period of the Financial Year 2021-22. Other Operating income, included in total revenue above, for the period was Rs 5.1 million compared to Rs 3.2 million in the previous period. Administrative expense decreased from Rs 15.3 million to Rs 14.95 million, mainly due reduction of salaries, and lower level of business activity. During the three months ended September 30, 2022 the Company made additional provision of Rs. 3.6 for lease and financing based on IFRS 9.

The Shareholders Equity of your Company amounts to Rs. 811.11 million, as at September 30, 2022 while Earnings per Share for the three months ended September 30, 2022 stands at Rs. 0.64 per share.

Your Directors, in their capacity as your representatives for overseeing the performance of your Company, would like to place on record their appreciation for the services rendered and the dedicated efforts made by the Management Team and all the staff members of your Company, towards obtaining the positive results placed before you, notwithstanding the testing market conditions. We expect the management and staff of PGL, not only to maintain, but to further enhance their marketing skills and make all-out effort towards improving upon the quality of their services to your Company's clients so as to project a positive image of your Company in the leasing sector of Pakistan.

The Directors also take the opportunity to acknowledge, with thanks, the cooperation and guidance extended to your Company by the Securities and Exchange Commission of Pakistan (SECP), Pakistan Institute of Corporate Governance (PICG) and other regulatory authorities. Their role is critical in developing the leasing sector and it is hoped that these agencies would continue to strengthen the leasing sector, by taking appropriate measures for its betterment.

In the end, we would like to thank you, our valued Shareholders, as well as PGL's customers and bankers, for the valuable support given by them to PGL. We look forward to reinforcing and building further a mutually beneficial and cordial relationship between PGL and all its stakeholders.

Chairman

Karachi,
November 29, 2022


Chief Executive Officer

PAK-GULF LEASING COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2022

		(Un-audited) September 30, 2022	(Audited) June 30, 2022
		-----Rupees-----	
ASSETS	Note		
CURRENT ASSETS			
Cash and bank balances	6	29,556,833	26,040,004
Short term investments	7	64,770,811	55,205,847
Other receivables	8	58,452,267	58,452,267
Advance to employees		56,938	56,939
Prepayments		1,207,722	569,430
Current portion of net investment in finance lease	9	523,904,728	481,967,960
Current portion of long-term loans	10	92,586,491	88,418,588
		<u>770,535,790</u>	<u>710,711,035</u>
NON-CURRENT ASSETS			
Net investment in finance lease	9	1,534,049,579	1,870,969,785
Long-term loans	10	128,247,411	147,442,165
Long-term security deposits		118,500	118,500
Investment property		164,736,000	164,736,000
Property, plant and equipment	11	3,291,856	3,505,151
Right to use assets		3,338,162	4,401,695
		<u>1,833,781,508</u>	<u>2,191,173,296</u>
		<u>2,604,317,298</u>	<u>2,901,884,331</u>
TOTAL ASSETS			
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		89,032,803	114,394,748
Taxation - net		91,677,348	68,662,934
Unclaimed dividend		1,431,636	1,431,636
Accrued mark-up		17,684,500	20,353,808
Short term borrowings	12	66,542,096	251,625,391
Current portion of certificates of investment	13	267,908	267,908
Current portion of long-term loan	14	66,666,672	66,666,672
Current portion of lease liabilities	15	1,010,647	5,251,117
Current portion of long-term deposits	16	91,858,552	155,254,885
		<u>426,172,162</u>	<u>683,909,099</u>
NON-CURRENT LIABILITIES			
Certificates of investment	13	345,883,371	336,799,557
Long-term loan	14	99,999,985	66,666,652
Lease liabilities	15	-	567,961
Long-term deposits	16	694,081,513	780,344,665
Deferred taxation	17	134,496,181	145,754,010
		<u>1,274,461,050</u>	<u>1,330,132,845</u>
		<u>1,700,633,212</u>	<u>2,014,041,944</u>
TOTAL LIABILITIES			
NET ASSETS		<u>903,684,086</u>	<u>887,842,387</u>
NET ASSETS FINANCED BY:			
Authorised share capital		<u>500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and paid-up capital		253,698,000	253,698,000
Capital reserves			
Statutory reserve		145,621,654	142,398,443
Reserve for issue of bonus shares		4,402,000	4,402,000
Surplus on revaluation of property, plant and equipment		90,504,204	90,504,204
Surplus on revaluation of available for sale investments		2,060,542	2,334,900
		<u>242,588,400</u>	<u>239,639,547</u>
Revenue reserve			
Unappropriated profit		<u>407,397,686</u>	<u>394,504,840</u>
		<u>903,684,086</u>	<u>887,842,387</u>
CONTINGENCIES AND COMMITMENTS	18		

The annexed notes from 1 to 24 form an integral part of this condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

PAK-GULF LEASING COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Three months period ended	
	September 30,	
	2022	2021
	------(Rupees)-----	
INCOME		
Income from financing operations	60,796,922	45,308,170
OTHER OPERATING INCOME		
Return on investments	2,224,252	611,881
Other income	2,896,521	2,633,202
	5,120,773	3,245,083
	65,917,695	48,553,253
OPERATING EXPENSES		
Administrative and operating expenses	14,953,264	15,287,961
Finance cost	23,113,061	12,216,551
	38,066,325	27,504,512
Operating profit before provision	27,851,370	21,048,741
(Provision)/Reversal for potential lease losses - net	(3,602,233)	(19,323,920)
(Provision)/Reversal for lease receivables held under litigation - net	-	7,067,529
	(3,602,233)	(12,256,391)
Profit before taxation	24,249,137	8,792,350
Taxation		
Current	(23,014,413)	(29,676,790)
Deferred	14,881,334	23,294,012
	(8,133,079)	(6,382,778)
Profit after taxation	16,116,058	2,409,572
Earnings per share - basic and diluted	0.64	0.09

The annexed notes from 1 to 24 form an integral part of this condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

PAK-GULF LEASING COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Three months period ended September 30,	
	2022	2021
	------(Rupees)-----	
Profit after taxation	16,116,058	2,409,572
Other comprehensive income		
<i>Items that may be reclassified subsequently to statement of profit or loss in subsequent periods:</i>		
Surplus / (deficit) of revaluation of available for sale investment	(274,358)	(307,881)
Total comprehensive income for the period	<u>15,841,700</u>	<u>2,101,691</u>

The annexed notes from 1 to 24 form an integral part of this condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

PAK-GULF LEASING COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Reserves						Total reserves	Total equity
	Capital			Revenue				
	Statutory reserve	Reserve for issue of bonus shares	Surplus on revaluation of property, plant and equipment net of tax	Surplus / (deficit) on revaluation of available for sale investments	Unappropriated profit	-		
	(Rupees)							
Balance as at July 1, 2021	253,698,000	113,002,637	4,402,000	90,504,204	2,896,362	304,372,819	515,178,022	768,876,022
Impact of initial application of IFRS 9						(27,451,201)	(27,451,201)	(27,451,201)
Profit after taxation						146,979,027	146,979,027	146,979,201
Other comprehensive income / (loss)					(561,462)	(561,462)	(561,462)	(561,462)
Total comprehensive income/ (loss) for the period					(561,462)	(561,462)	(561,462)	(561,462)
Transfer to statutory reserve		29,395,805				(29,395,805)		
Balance as at June 30, 2022	253,698,000	142,398,442	4,402,000	90,504,204	2,334,900	394,504,840	634,144,386	887,842,560
Balance as at July 1, 2022	253,698,000	142,398,442	4,402,000	90,504,204	2,334,900	394,504,840	634,144,386	887,842,560
Profit after taxation						16,116,058	16,116,058	16,116,058
Other comprehensive income					(274,358)	(274,358)	(274,358)	(274,358)
Total comprehensive income for the period					(274,358)	(274,358)	(274,358)	(274,358)
Transfer to statutory reserve		3,223,212				(3,223,212)		
Balance as at September 30, 2022	253,698,000	145,621,654	4,402,000	90,504,204	2,060,542	407,397,686	649,986,086	903,684,260

The annexed notes from 1 to 24 form an integral part of this condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

PAK-GULF LEASING COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	September 30, 2022	September 30, 2021
Note	------(Rupees)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	24,249,137	8,792,350
Adjustments for:		
Depreciation	257,291	1,331,158
Amortisation of intangible assets	-	10,889
Finance cost	23,113,061	12,216,551
Provision/(Reversal) for lease receivables held under litigation - net	-	(7,067,529)
Provision/(Reversal) for potential lease losses - net	3,602,233	19,323,920
	<u>26,972,585</u>	<u>25,814,989</u>
Operating profit before working capital changes	51,221,722	34,607,339
Movement in working capital		
(Increase) / decrease in current assets		
Other receivables	-	6,213,868
Advance to employees	1	84,668
Prepayments	(638,292)	(753,851)
	<u>(638,291)</u>	<u>5,544,685</u>
Increase / (decrease) in current liabilities		
Trade and other payables	(25,361,945)	4,439,362
Cash (used in) / generated from operating activities	<u>25,221,486</u>	<u>44,591,386</u>
Finance cost paid	(25,782,369)	(8,861,059)
Tax (paid)/refunded - net	(165,392)	(784,973)
Net investment in finance lease	292,365,296	(23,301,547)
Long-term loans	15,026,851	(24,953,204)
Deposits received from lessees - net	(149,659,482)	30,139,377
Net cash generated from operating activities	<u>157,006,390</u>	<u>16,829,980</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in property, plant and equipment	-	(45,000)
Short term investments - net	(9,839,322)	(15,436,456)
Long-term investments - net	-	-
Net cash generated from / (used in) investing activities	<u>(9,839,322)</u>	<u>(15,481,456)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from certificates of investment - net	9,083,814	90,000,000
Lease liabilities	(984,091)	(4,245,658)
Long-term loan - net	33,333,333	(12,500,001)
Net cash (used in) / generated from financing activities	<u>41,433,056</u>	<u>73,254,341</u>
Net increase in cash and cash equivalents	188,600,124	74,602,865
Cash and cash equivalents at the beginning of the period	<u>(225,585,387)</u>	<u>(317,859,449)</u>
Cash and cash equivalents at the end of the period	<u><u>(36,985,263)</u></u>	<u><u>(243,256,584)</u></u>

The annexed notes from 1 to 24 form an integral part of this condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

1. STATUS AND NATURE OF BUSINESS

- 1.1** Pak-Gulf Leasing Company Limited ("the Company") was incorporated in Pakistan on December 27, 1994 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and commenced its operations on September 16, 1996. The Company is principally engaged in the business of leasing and is listed on Pakistan Stock Exchange Limited.
- 1.2** Regulation 4 of Non-Banking Finance Companies and Notified Entities Regulations, 2008 requires an existing deposit taking leasing company to maintain, at all times, minimum equity of Rs. 500 million. The equity of the Company as at September 30, 2022 is Rs. 811.119 million which is Rs. 311.119 million in excess of the minimum equity requirement.
- 1.3** VIS Credit Rating Company Limited has re-affirmed A- and A-2 ratings to the Company for long term and short term, respectively on May 16, 2022.

2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is located at UNIBRO House, Ground and Mezzanine Floor, Plot No. 114, 9th East Street, Phase-1, Defense Housing Authority, Karachi and a branch office is located at Office No. 202, 2nd Floor, Divine Mega II, Opp Honda Point, New Airport Road, Lahore.

3. BASIS OF PREPARATION

3.1 Statement of compliance

These condensed financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim reporting comprising of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with Part VIII A of the repealed Companies Ordinance, 1984;
- Islamic Financial Accounting Standard - 2 Ijarah (IFAS-2) issued by the Institute of Chartered Accountants of Pakistan; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IAS-34 and IFAS-2, the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that investment property is stated at fair value and certain investments which have been classified as fair value through OCI.

3.3 Functional and presentation currency

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

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

4. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of annual audited financial statements for the year ended June 30, 2022.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements for the year ended June 30, 2022.

		(Un-audited) September 30, 2022	(Audited) June 30, 2022
		-----Rupees-----	
6. CASH AND BANK BALANCES	Note		
Cash in hand		165,000	106,002
Balances with banks:			
- in current accounts		25,319,949	23,123,314
- in saving accounts	6.1	4,071,884	2,810,688
		<u>29,556,833</u>	<u>26,040,004</u>

6.1 Return on these savings accounts is earned at rates ranging from 12.25% to 14.00% (June 30, 2022 : 6.50% to 12.75%) per annum.

		(Un-audited) September 30, 2022	(Audited) June 30, 2022
		-----Rupees-----	
7. SHORT TERM INVESTMENTS			
<i>FVOCI:</i>			
54,300 units of National Investment Unit Trust		3,529,100	4,090,562
Fair value loss		<u>(274,358)</u>	<u>(561,462)</u>
		<u>3,254,742</u>	<u>3,529,100</u>
<i>Amortised Cost:</i>			
Government securities - Market Treasury Bills		<u>61,516,069</u>	<u>51,676,747</u>
		<u>64,770,811</u>	<u>55,767,309</u>

8. OTHER RECEIVABLES - net

Considered good

Insurance premium and other receivables 12,202,267 12,202,267

Considered doubtful

Lease receivables held under litigation 108,825,138 108,825,138

Insurance premium and other receivables 2,592,451 2,592,451

Provision against lease receivables held under litigation (49,895,239) (49,895,239)

Provision against insurance premium and other receivables (2,592,451) (2,592,451)

Mark-up held in suspense against lease receivables held under litigation (12,679,899) (12,679,899)

46,250,000 46,250,000

58,452,267 58,452,267

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	(Un-audited) September 30, 2022	(Audited) June 30, 2022
-----Rupees-----		

9. NET INVESTMENT IN FINANCE LEASE - secured

Net investment in finance lease	2,057,954,307	2,352,937,745
Less: current portion	(523,904,728)	(481,967,960)
	1,534,049,579	1,870,969,785

	September 30, 2022 (Un-audited)		June 30, 2022 (Audited)	
	Not later than one year	Later than one year and less than five years	Total	Not later than one year and less than five years
	----- (Rupees) -----			
Minimum lease payments	665,256,900	997,118,008	1,662,374,908	1,848,129,367
Residual value of leased assets	91,858,552	694,081,516	785,940,068	935,599,550
Gross investment in finance lease	757,115,452	1,691,199,524	2,448,314,976	2,783,728,917
Unearned lease income	(147,755,159)	(157,149,945)	(304,905,104)	(351,755,791)
Mark-up held in suspense	(18,825,021)	-	(18,825,021)	(15,022,979)
	(166,580,180)	(157,149,945)	(323,730,125)	(366,778,770)
Provision for potential lease losses	590,535,272	1,534,049,579	2,124,584,851	2,416,950,147
Net investment in finance lease	(66,630,544)	-	(66,630,544)	(64,012,402)
	523,904,728	1,534,049,579	2,057,954,307	2,352,937,745

9.1

	(Un-audited) September 30, 2022	(Audited) June 30, 2022
-----Rupees-----		

9.1 Allowance for ECL

Balance at beginning of the period / year	64,012,402	29,840,458
Impact of IFRS 9 Transition - adjustment under opening equity	-	25,242,930
Charge for the period / year - net	2,618,142	8,929,014
Balance at end of the period / year	66,630,544	64,012,402

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

		(Un-audited) September 30, 2022	(Audited) June 30, 2022
10. LONG-TERM LOANS - secured	Note	-----Rupees-----	
Auto-finance loan		225,904,605	239,947,365
Less: Current portion		(92,586,491)	(88,418,588)
Less: Allowance for ECL		(5,070,703)	(4,086,612)
		<u>128,247,411</u>	<u>147,442,165</u>
10. Provision for Vehicle Finance	Note	2022	2022
		-----Rupees-----	
Balance as at July 01,		4,086,612	-
Impact of IFRS 9 Transition		-	2,208,271
Charge for the year		984,091	1,878,341
		<u>5,070,703</u>	<u>4,086,612</u>
11. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets - Own use		<u>3,291,856</u>	<u>3,505,151</u>
		<u>3,291,856</u>	<u>3,505,151</u>
12. SHORT TERM BORROWINGS - secured			
The Company has arranged short-term running finance facilities from various commercial banks amounting to Rs. 550 million (June 30, 2022: Rs. 550 million). These carry mark-up at the rate ranging from 3 months KIBOR plus 1% to 3 months KIBOR plus 2.5% per annum and are secured by hypothecation charge over leased assets and lease rentals receivable.			
13. CERTIFICATES OF INVESTMENT - secured		(Un-audited) September 30, 2022	(Audited) June 30, 2022
		-----Rupees-----	
Certificates of investment		346,151,279	337,067,465
less: Current portion		(267,908)	(267,908)
		<u>345,883,371</u>	<u>336,799,557</u>
14. LONG-TERM LOAN - secured			
Long-term loan		166,666,657	133,333,324
Less: Current portion		(66,666,672)	(66,666,672)
		<u>99,999,985</u>	<u>66,666,652</u>

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	(Un-audited) September 30, 2022	(Audited) June 30, 2022
15. LEASE LIABILITIES		
Lease liabilities	1,010,647	5,819,078
Less: Current portion	<u>(1,010,647)</u>	<u>(5,251,117)</u>
	<u><u>-</u></u>	<u><u>567,961</u></u>
16. LONG-TERM DEPOSITS		
Deposit held against finance lease	785,940,065	935,599,550
Less: Current portion	<u>(91,858,552)</u>	<u>(155,254,885)</u>
	<u><u>694,081,513</u></u>	<u><u>780,344,665</u></u>
17. DEFERRED TAXATION		
Taxable temporary difference arising in respect of:		
Surplus on revaluation of property, plant and equipment	36,966,506	36,966,507
Un-realised gain on revaluation of investment property	8,957,520	8,957,520
Accelerated tax depreciation	(17,800)	929,085
Net investment in finance lease	128,424,132	140,246,952
	<u>174,330,358</u>	<u>187,100,064</u>
Deductible temporary difference arising in respect of:		
Provision against potential lease losses	(19,322,858)	(19,748,714)
Provision against diminishing musharakah receivable	(5,448,810)	(5,448,810)
Provision against other receivables	(15,221,430)	(15,221,430)
RoU assets and lease liabilities- net	674,979	(411,041)
Provision for leave encashment	(516,058)	(516,058)
	<u>(39,834,177)</u>	<u>(41,346,053)</u>
	<u><u>134,496,181</u></u>	<u><u>145,754,011</u></u>
18. CONTINGENCIES AND COMMITMENTS		
18.1 Contingencies		
The aggregate amount of tax contingencies amounted to Rs. 57.913 million as at September 30, 2022. There were no changes in the status of contingencies during the period.		
18.2 Commitments	(Un-audited) September 30, 2022	(Audited) June 30, 2022
	-----Rupees-----	
Finance lease committed but not executed	-	4,399,999
Vehicle finance loan committed but not executed	<u>-</u>	<u>16,777,000</u>
	<u><u>-</u></u>	<u><u>16,777,000</u></u>

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19. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company as at June 30, 2022.

20. FAIR VALUES OF ASSETS AND LIABILITIES

The carrying values of all financial assets and liabilities are estimated to approximate their fair values. There were no transfers amongst levels during the period.

21. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise associated companies, staff retirement funds, Directors and key management personnel. Transactions with related parties are as under:

21.1 Transactions during the period

Nature of transaction	Relationship	----- (Un-audited) -----	
		Three months ended September 30, 2022	Three months ended September 30, 2021
		----- (Rupees) -----	
<u>Certificates of investment</u>			
Issued/rolled over during the period	Board of Directors and their relatives	345,033,255	-
Repaid during the period	Board of Directors and their relatives	336,341,436	-
Finance cost	Board of Directors and their relatives	10,570,026	5,083,804
<u>Net investment in finance lease</u>			
<i>Rental received</i>			
MACPAC Films Limited	Associated undertaking (Common directorship)	-	7,577,673
<u>Retirement benefit fund</u>			
Contribution for the period	Provident fund	148,403	157,569
<u>Remuneration and other benefits</u>			
Directors' fee	Board of Directors	280,000	240,000
Salary and allowances	Key management personnel	1,519,117	1,562,304

21.2 Balances at period/year end

	(Un-audited) September 30, 2022	(Audited) June 30, 2022
		----- (Rupees) -----
Certificates of investment	345,033,255	336,341,436
Accrued mark-up on Certificates of investment	8,224,082	26,870,685

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22. SEGMENT INFORMATION

The Company has two primary reporting segments namely, "Conventional finance" and "Vehicle finance". Other operations, which are not deemed by management to be sufficiently significant to disclose as separate items and do not fall into the above segment categories, are reported under "Others".

September 30, 2022 (Un-audited)				
(Rupees)				
	Conventional finance	Vehicle finance	Others	Total
Segment revenue	51,753,033	9,043,889	5,120,773	65,917,695
Administrative and operating expenses	12,103,919	1,131,129	640,460	13,875,508
Segment result	39,649,114	7,912,760	4,480,313	52,042,187
Provision for Workers' Welfare Fund				
Unallocated expenses				(4,679,989)
Result from operating activities				47,362,198
Finance cost				(23,113,061)
Provision for taxation				(8,133,079)
Profit for the year				<u>16,116,058</u>
<u>Other Information</u>				
Segment assets	<u>2,116,406,574</u>	<u>220,835,702</u>	<u>267,075,022</u>	2,604,317,298
Unallocated assets				46,500
Total assets				<u>2,604,317,298</u>
Segment liabilities	<u>874,972,868</u>	<u>-</u>	<u>3,404,467</u>	878,377,335
Unallocated liabilities				810,061,191
Total liabilities				<u>1,700,633,212</u>
Capital expenditure	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation	<u>257,291</u>	<u>-</u>	<u>-</u>	<u>257,291</u>
Unallocated capital expenditure				<u>-</u>
Unallocated depreciation				<u>-</u>

September 30, 2021 (Un-audited)				
(Rupees)				
	Conventional finance	Islamic finance	Others	Total
Segment revenue	45,308,170	-	3,244,259	48,552,429
Administrative and operating expenses	25,837,553	-	657,286	26,494,839
Segment result	19,470,617	-	2,586,973	22,057,590
Provision for Workers' Welfare Fund				-
Unallocated expenses				(1,048,688)
Result from operating activities				21,008,902
Finance cost				(12,216,551)
Provision for taxation				(6,382,778)
Profit for the year				<u>2,409,572</u>
<u>Other Information</u>				
Segment assets	<u>2,207,920,640</u>	<u>489,837</u>	<u>233,285,027</u>	2,441,695,504
Unallocated assets				9,541,188
Total assets				<u>2,451,236,692</u>

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Segment liabilities	804,908,697	-	14,394,199	819,302,896
Unallocated liabilities				860,955,982
Total liabilities				1,680,258,878
Capital expenditure	-	-	-	-
Depreciation	1,331,158	-	-	1,331,158
Unallocated capital expenditure				-
Unallocated depreciation				-

23. NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors in its meeting held on November 15, 2022 proposed a final dividend of Rs. 1 (2021: nil) per share for the year ended June 30, 2022, amounting to Rs. 25,369,800 (2021: nil) for approval of members at the Annual General Meeting to be held on December 15, 2022. These financial statements do not reflect the impact of this proposed dividend.

24. GENERAL

These condensed interim financial statements was authorised for issue on November 29, 2022 by the Board of Directors of the Company.

Chief Executive Officer

Chief Financial Officer

Director