

SALMAN NOMAN ENTERPRISES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31,2015

1 THE COMPANY AND ITS OPERATIONS

The company is limited by shares, incorporated in Pakistan and is quoted on the Karachi and Lahore Stock Exchanges. The principal business of the company is manufacture and sale of yarn. The registered office and mills of the company are situated at 3 kilometer Bahi Pheru, Tehsil Chunian, District Kasur in the province of Punjab.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Financial Reporting Standard (IFRS) IAS 34, "Interim Financial Reporting" as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the company as at and for the year ended June 30, 2014.

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi, Lahore and Islamabad Stock Exchanges and section 245 of the Companies Ordinance, 1984.

These condensed interim financial statements comprise of condensed interim balance sheet, 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 for the nine months period ended March 31, 2015 which have been unaudited. These condensed interim financial statements also include the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended March 31, 2015.

3 ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation which have been used in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the preceding year ended June 30, 2014.

3.2 Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the company's operations or did not have any impact on the accounting policies of the company.

4 CONTINGENCIES AND COMMITMENTS

There is no major changes in contingencies as have been disclosed in the audited financial statements for the year ended June 30, 2014. The change in commitments is as follows :

	Quarter ended		Nine months period ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	-----Rupees-----		-----Rupees-----	
5 COST OF GOODS SOLD				
Raw material consumed	187,714,324	265,201,464	645,083,005	750,506,603
Cost of raw material sold	6,964,813	-	10,893,348	-
Packing material consumed	6,692,451	5,502,535	20,077,352	16,335,904
Stores and spares consumed	10,599,332	9,453,712	31,797,996	31,323,537
Salaries, wages and benefits	30,650,043	31,175,472	91,950,128	94,316,746
Fuel and power	51,427,383	54,887,156	154,282,149	175,517,717
Insurance	1,177,463	1,309,098	3,532,389	4,250,726
Depreciation	9,697,611	9,183,723	27,553,168	27,238,792
Repairs and maintenance	1,756,052	1,843,922	5,268,156	5,905,864
Other manufacturing overheads	2,368,949	2,423,681	7,106,846	6,744,678
	<u>309,048,419</u>	<u>380,980,763</u>	<u>997,544,535</u>	<u>1,112,140,567</u>
Work in process				
Opening stock	12,229,023	12,229,023	17,993,934	11,184,349
Closing stock	(15,926,213)	(15,672,102)	(15,926,213)	(15,672,102)
	<u>(3,697,190)</u>	<u>(3,443,079)</u>	<u>2,067,721</u>	<u>(4,487,753)</u>
Cost of goods manufactured	<u>305,351,229</u>	<u>377,537,684</u>	<u>999,612,256</u>	<u>1,107,652,814</u>
Finished goods				
Opening stock	10,336,045	10,336,045	20,516,933	19,442,226
Closing stock	(12,850,325)	(46,431,114)	(12,850,325)	(46,431,114)
	<u>(2,514,280)</u>	<u>(36,095,069)</u>	<u>7,666,608</u>	<u>(26,988,888)</u>
	<u>302,836,949</u>	<u>341,442,615</u>	<u>1,007,278,864</u>	<u>1,080,663,926</u>

6 CORRESPONDING FIGURES

Figures have been rearranged whenever necessary for the purpose of comparison. However, no significant reclassification is made during the period.

7 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on 30th April,2015 by the board of directors of the company.

8 GENERAL

Figures have been rounded off to the nearest rupees.