



**Attock**

# ATTOCK PETROLEUM LIMITED



## Interim Report & Financial Statements

For the Six Months Period Ended December 31, 2015

# CONTENTS

Page No.

**COMPANY INFORMATION** **02**

---

**DIRECTORS' REVIEW** **03**

---

**AUDITOR'S REVIEW REPORT** **05**

---

## **CONDENSED INTERIM FINANCIAL INFORMATION**

---

➤ **Balance Sheet** **06**

---

➤ **Profit and Loss Account** **08**

---

➤ **Statement of Comprehensive Income** **09**

---

➤ **Cash Flow Statement** **10**

---

➤ **Statement of Changes in Equity** **11**

---

➤ **Notes to the Financial Information** **12**

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## COMPANY INFORMATION

### Directors

**Dr. Ghaith R. Pharaon**

*Chairman*

*(Alternate Director - Mr. M. Adil Khattak)*

**Mr. Laith G. Pharaon**

*(Alternate Director - Mr. Iqbal A. Khwaja)*

**Mr. Mofarrih Saeed H. Alghamdi**

*(Alternate Director - Mr. Rehmat Ullah Bardaie)*

**Mr. Abdus Sattar**

**Mr. Babar Bashir Nawaz**

**Mr. Mohammad Raziuddin**

**Mr. Shuaib A. Malik**

*Chief Executive*

### Audit Committee

**Mr. Abdus Sattar**

*Chairman*

**Mr. Babar Bashir Nawaz**

**Mr. Mohammad Raziuddin**

### Human Resource & Remuneration Committee

**Mr. Babar Bashir Nawaz**

*Chairman*

**Mr. Shuaib A. Malik**

**Mr. Iqbal A. Khwaja**

*(Alternate Director to Mr. Laith G. Pharaon)*

### Company Secretary / CFO

**Mr. Rehmat Ullah Bardaie**

### Auditors

**A. F. Ferguson & Co.**

Chartered Accountants

### Bankers

**Allied Bank Limited**

**Askari Bank Limited**

**Bank Alfalah Limited**

**Habib Bank Limited**

**MCB Bank Limited**

**United Bank Limited**

### Share Registrar

**THK Associates (Pvt.) Limited**

2<sup>nd</sup> Floor, State Life Building-3

Dr. Ziauddin Ahmed Road, Karachi

Tel: +92-21-111-000-322

Fax: +92-21-35655595

### Legal Advisor

**Ali Sibtain Fazli & Associates**

### Registered Office

**Attock House, Morgah, Rawalpindi**

Tel: +92-51-5127250-4

Email: [contact@apl.com.pk](mailto:contact@apl.com.pk)

Website: [www.apl.com.pk](http://www.apl.com.pk)

## DIRECTORS' REVIEW

IN THE NAME OF ALLAH, THE MOST BENEVOLENT, THE MOST GRACIOUS

The Board of Directors of Attock Petroleum Limited takes pleasure in presenting the report on the performance of the Company together with the auditor's reviewed financial statements for the six months period ended December 31, 2015.

### Financial Performance

During the period under review, the Company recorded net sales revenue of Rs. 60,842 million as compared to net sales of Rs. 100,153 million during the same period last year reflecting a decrease of 39%. The constant drop in global oil prices has affected the prices of petroleum products within the Country which is the primary reason for diminution in sales revenue. During the period, the Company earned profit after tax of Rs. 1,641 million as compared to Rs. 1,468 million earned during same period last year. The 12% increase in the bottom line has been achieved through dedicated team management by optimum utilization of supply chain including timely import of deficit petroleum products, efficient inventory management by minimizing inventory losses and at the same time ensuring product availability. The results translate into earnings per share of Rs. 19.78 (December 2014: Rs. 17.69).

### Operational Performance

The challenges faced by oil marketing companies are ever increasing. Falling global oil prices, socioeconomic conditions, domestic petroleum regulations and competition from the existing industry players and new entrants within the local market are affecting the business at various levels. Despite these concerns, the management is committed to enhance the market share by adapting to innovative techniques, business expansion, participation in new ventures and business opportunities and capitalizing on the strengths of the Company in terms of ensuring product availability and using imports as an alternate supply source. The Company is catering to the retail, industrial and institutional consumers by providing quality products and premium services to its clientele and contributing towards the economy of the Country.

During the period, 21 new retail outlets have been established and successfully commissioned; bringing the total number of retail outlets to 537 as at December 31, 2015. The management has envisioned the strategy to strengthen its dealers' base by working collaboratively with its business partners to improve and enhance the Company's image, increase customer

satisfaction and establish brand loyalty through consumer engagement activities. The dealers have also been adequately trained to improve housekeeping and other standards so as to bring the retail outlets up to the level of quality filling stations.

### **Future Outlook**

Sustainable economic development is the key to maintain competitive edge and continue a growth-oriented profitable business. For this purpose, considerable investments are being made by the Company to establish bulk oil terminals / storage depots at various locations across the Country keeping in view the operational dynamics of the oil marketing business. Development of infrastructure shall lead to strengthening of the Company's foot-hold in the industry.

The Company is focusing to improve its lubricants brand and in this relation, sales of international grade lubricant has been started which shall yield strategic and financial benefits to the Company.

### **Acknowledgement**

The Board would like to thank and appreciate its employees, customers and strategic partners for their dedication, commitment and contributions in these challenging times. The Board also extends its gratitude to Government authorities, suppliers and shareholders for their unwavering support and cooperation.

On behalf of the Board



**SHUAIB A. MALIK**  
Chief Executive

Beirut, Lebanon.  
February 09, 2016

*A. F. FERGUSON & CO.*

## AUDITOR'S REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

### *Introduction*

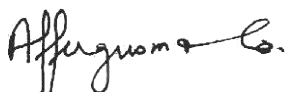
We have reviewed the accompanying condensed interim balance sheet of Attock Petroleum Limited as at December 31, 2015 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the financial information for the six-month period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this 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 three months period ended December 31, 2015 and 2014 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2015.

### *Scope of Review*

We conducted our review in accordance with 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.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the six months period ended December 31, 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



Chartered Accountants  
Islamabad  
Date : February 09, 2016

Engagement partner: Asim Masood Iqbal

**CONDENSED INTERIM BALANCE SHEET (UNAUDITED)**

AS AT DECEMBER 31, 2015

	<b>Note</b>	<b>December 31, 2015</b>	June 30, 2015
		Rupees ('000)	
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorised capital</b>			
150,000,000 (June 30, 2015: 150,000,000) ordinary shares of Rs 10 each		<b>1,500,000</b>	1,500,000
<b>Issued, subscribed and paid up capital</b>			
82,944,000 (June 30, 2015: 82,944,000) ordinary shares of Rs 10 each	4	<b>829,440</b>	829,440
<b>Reserves</b>			
Special reserves		<b>110,818</b>	2,826
Revenue reserve			
Unappropriated profit		<b>12,430,956</b>	12,727,539
		<b>13,371,214</b>	13,559,805
<b>NON CURRENT LIABILITIES</b>			
Long term deposits		<b>599,723</b>	604,814
<b>CURRENT LIABILITIES</b>			
Trade and other payables	5	<b>15,451,575</b>	15,747,035
<b>CONTINGENCIES AND COMMITMENTS</b>	7		
		<b>29,422,512</b>	29,911,654

	<b>Note</b>	<b>December 31, 2015</b>	June 30, 2015
		Rupees ('000)	
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	8	<b>2,413,296</b>	2,444,164
Long term investments in associated companies	9	<b>886,109</b>	892,123
Other long term investments	10	<b>402,573</b>	403,266
Deferred tax asset		<b>69,524</b>	48,524
		<b>3,771,502</b>	3,788,077
<b>CURRENT ASSETS</b>			
Stores and spares		<b>43,746</b>	37,198
Stock in trade	11	<b>4,409,176</b>	5,572,867
Trade debts	12	<b>7,561,095</b>	9,674,833
Income tax refundable		<b>69,699</b>	1,261
Advances, deposits, prepayments and other receivables	13	<b>590,706</b>	534,100
Short term investments	14	<b>6,448,864</b>	5,437,504
Cash and bank balances	15	<b>6,527,724</b>	4,865,814
		<b>25,651,010</b>	26,123,577
		<b>29,422,512</b>	29,911,654

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



Chief Executive



Director



**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)**


FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2015

	Note	Three months period ended		Six months period ended	
		December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
		Rupees ('000)		Rupees ('000)	
<b>Sales</b>		<b>39,327,766</b>	52,564,939	<b>79,244,160</b>	117,435,063
Sales tax		<b>(9,887,286)</b>	(7,759,157)	<b>(18,402,210)</b>	(17,282,133)
<b>NET SALES</b>		<b>29,440,480</b>	44,805,782	<b>60,841,950</b>	100,152,930
Cost of products sold		<b>(28,085,119)</b>	(44,865,151)	<b>(58,460,445)</b>	(98,274,802)
<b>GROSS PROFIT / (LOSS)</b>		<b>1,355,361</b>	(59,369)	<b>2,381,505</b>	1,878,128
Other income	16	<b>241,888</b>	307,743	<b>455,116</b>	649,555
Operating expenses		<b>(386,695)</b>	(384,638)	<b>(862,987)</b>	(1,005,623)
<b>OPERATING PROFIT / (LOSS)</b>		<b>1,210,554</b>	(136,264)	<b>1,973,634</b>	1,522,060
Finance income	17	<b>282,714</b>	258,137	<b>585,856</b>	582,079
Finance costs	17	<b>(46,192)</b>	(54,999)	<b>(83,494)</b>	(96,790)
Net finance income		<b>236,522</b>	203,138	<b>502,362</b>	485,289
Share of profit / (loss) of associated companies		<b>4,547</b>	(13,422)	<b>13,882</b>	(3,775)
Other charges	18	<b>(100,350)</b>	(4,588)	<b>(170,962)</b>	(137,758)
<b>PROFIT BEFORE TAXATION</b>		<b>1,351,273</b>	48,864	<b>2,318,916</b>	1,865,816
Provision for income tax	19	<b>(402,000)</b>	160,217	<b>(678,000)</b>	(398,200)
<b>PROFIT FOR THE PERIOD</b>		<b>949,273</b>	209,081	<b>1,640,916</b>	1,467,616
Earnings per share - Basic and diluted (Rupees)		<b>11.44</b>	2.52	<b>19.78</b>	17.69

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



Chief Executive



Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2015

	<b>Three months period ended</b>		<b>Six months period ended</b>	
	<b>December 31, 2015</b>	December 31, 2014	<b>December 31, 2015</b>	December 31, 2014
	Rupees ('000)		Rupees ('000)	
<b>PROFIT FOR THE PERIOD</b>	<b>949,273</b>	209,081	<b>1,640,916</b>	1,467,616
<b>Items that will not be reclassified to profit or loss:</b>				
Share of other comprehensive income / (loss) of associated companies - net of tax	<b>(1,532)</b>	(201)	<b>(4,739)</b>	749
Other comprehensive income / (loss) for the period	<b>(1,532)</b>	(201)	<b>(4,739)</b>	749
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>947,741</b>	208,880	<b>1,636,177</b>	1,468,365

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



Chief Executive



Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2015

**Six months period ended**

<b>December 31, 2015</b>	December 31, 2014
Rupees ('000)	

**CASH FLOW FROM OPERATING ACTIVITIES**

Cash receipts from customers	<b>63,441,135</b>	103,133,786
Payments for purchase of products and operating expenses	<b>(58,613,049)</b>	(103,299,373)
Other charges received	<b>46,643</b>	33,419
Long term deposits (repaid) / received	<b>(5,091)</b>	44,019
Income tax paid	<b>(767,438)</b>	(921,369)
Cash flow from operating activities	<b>4,102,200</b>	(1,009,518)

**CASH FLOW FROM INVESTING ACTIVITIES**

Addition to property, plant and equipment	<b>(124,180)</b>	(202,599)
Proceeds from sale of property, plant and equipment	<b>1,862</b>	5,089
Other long term investments	<b>-</b>	(384,961)
(Purchase) / encashment of short term investments	<b>(768,536)</b>	1,217,174
Income received on bank deposits, short term and other long term investments	<b>255,685</b>	385,182
Dividend received from associated companies	<b>15,157</b>	-
Cash flow from investing activities	<b>(620,012)</b>	1,019,885

**CASH FLOW FROM FINANCING ACTIVITIES**

Dividends paid	<b>(1,821,026)</b>	(2,484,708)
Cash used in financing activities	<b>(1,821,026)</b>	(2,484,708)
Effect of exchange rate changes	<b>748</b>	939
<b>INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,661,910</b>	(2,473,402)
<b>CASH AND CASH EQUIVALENTS AT JULY 1</b>	<b>4,865,814</b>	7,650,452
<b>CASH AND CASH EQUIVALENTS AT DECEMBER 31</b>	<b>6,527,724</b>	5,177,050

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



Chief Executive



Director

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2015

	Share capital	Special reserves	Unappropriated profit	Total
	Rupees ('000)			
<b>BALANCE AS AT JUNE 30, 2014</b>	<b>829,440</b>	<b>96,774</b>	<b>12,873,508</b>	<b>13,799,722</b>
Total comprehensive income for the six months period ended December 31, 2014:				
Profit for the period	-	-	1,467,616	1,467,616
Other comprehensive income	-	-	749	749
Total comprehensive income	-	-	1,468,365	1,468,365
Transfer to special reserves by associated companies	-	9,524	(9,524)	-
Transaction with owners:				
Final cash dividend @ 300% relating to year ended June 30, 2014	-	-	(2,488,320)	(2,488,320)
Total transactions with owners	-	-	(2,488,320)	(2,488,320)
<b>BALANCE AS AT DECEMBER 31, 2014</b>	<b>829,440</b>	<b>106,298</b>	<b>11,844,029</b>	<b>12,779,767</b>
Profit for the period	-	-	1,818,768	1,818,768
Other comprehensive income / (loss)	-	-	(1,930)	(1,930)
Total comprehensive income	-	-	1,816,838	1,816,838
Transfer from special reserves by associated companies	-	(103,472)	103,472	-
Transaction with owners:				
Interim cash dividend @ 125% relating to year ended June 30, 2015	-	-	(1,036,800)	(1,036,800)
Total transactions with owners	-	-	(1,036,800)	(1,036,800)
<b>BALANCE AS AT JUNE 30, 2015</b>	<b>829,440</b>	<b>2,826</b>	<b>12,727,539</b>	<b>13,559,805</b>
Total comprehensive income for the six months period ended December 31, 2015:				
Profit for the period	-	-	1,640,916	1,640,916
Other comprehensive income / (loss)	-	-	(4,739)	(4,739)
Total comprehensive income	-	-	1,636,177	1,636,177
Transfer to special reserves by associated companies	-	107,992	(107,992)	-
Transaction with owners:				
Final cash dividend @ 220% relating to the year ended June 30, 2015	-	-	(1,824,768)	(1,824,768)
Total transactions with owners	-	-	(1,824,768)	(1,824,768)
<b>BALANCE AS AT DECEMBER 31, 2015</b>	<b>829,440</b>	<b>110,818</b>	<b>12,430,956</b>	<b>13,371,214</b>

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



Chief Executive



Director

## SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2015

### 1. LEGAL STATUS AND OPERATIONS

Attock Petroleum Limited (the Company) was incorporated in Pakistan as a public limited company on December 3, 1995 and it commenced its operations in 1998. The Company is listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Attock House, Morgah, Rawalpindi, Pakistan. The Company is domiciled in Rawalpindi. The principal activity of the Company is procurement, storage and marketing of petroleum and related products. Pharaon Investment Group Limited Holding s.a.l holds 34.38% (June 30, 2015: 34.38%) shares of the Company.

### 2. STATEMENT OF COMPLIANCE

The condensed interim financial information of the Company for the six month period ended December 31, 2015 has been prepared in accordance with the requirements of the International Accounting Standard 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. The condensed interim financial information should be read in conjunction with the financial statements for the year ended June 30, 2015, which have been prepared in accordance with approved accounting standards as applicable in Pakistan.

### 3. ACCOUNTING POLICIES

The accounting policies, significant judgements made in the application of accounting policies, key sources of estimations, the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended June 30, 2015.

### 4. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

	<b>December 31, 2015</b>	June 30, 2015
	Rupees ('000)	
Shares issued for cash		
5,000,000 ordinary shares of Rs 10 each (June 30, 2015: 5,000,000 ordinary shares of Rs 10 each)	<b>50,000</b>	50,000
Shares issued as fully paid bonus shares		
77,944,000 (June 30, 2015: 77,944,000) ordinary shares of Rs 10 each	<b>779,440</b>	779,440
82,944,000 (June 30, 2015: 82,944,000) ordinary shares of Rs 10 each	<b>829,440</b>	829,440

### 5. TRADE AND OTHER PAYABLES

Creditors	<b>1,122,965</b>	400,648
Due to related parties (unsecured) - note 5.1	<b>8,572,532</b>	10,162,235
Accrued liabilities	<b>3,320,886</b>	2,887,778
Advance from customers	<b>1,757,544</b>	1,669,985
Retention money	<b>48,468</b>	47,355
Workers' welfare fund	<b>597,499</b>	551,095
Unclaimed dividend	<b>31,681</b>	27,939
	<b>15,451,575</b>	15,747,035

**5.1 Due to related parties**

National Refinery Limited
Attock Refinery Limited
Pakistan Oilfields Limited
The Attock Oil Company Limited
Attock Sahara Foundation
Workers' Profit Participation Fund
APL Gratuity Fund

**December 31,**  
**2015**                      June 30,  
2015

Rupees ('000)

<b>3,475,192</b>	5,379,834
<b>4,946,817</b>	4,758,156
<b>7,421</b>	7,552
<b>3,075</b>	1,331
<b>147</b>	40
<b>124,558</b>	-
<b>15,322</b>	15,322
<b>8,572,532</b>	<b>10,162,235</b>

**6. LETTER OF CREDIT FACILITY**

The Company has entered into arrangements with banks for obtaining letter of credit facility to import petroleum products, spare parts and materials upto a maximum of Rs 8,900 million (June 2015: Rs. 8,900 million). The facility is secured against first pari passu charge of Rs 11,867 million (June 2015: Rs. 11,867 million) on all present and future current and fixed assets of the Company (excluding land and building). The unavailed facility at December 31, 2015 was Rs. 7,566 million (June 2015: Rs. 8,897 million). The facility will expire on October 31, 2016.

**December 31,**  
**2015**                      June 30,  
2015

Rupees ('000)

**7. CONTINGENCIES AND COMMITMENTS**
**(a) CONTINGENCIES**

- (i) Corporate guarantees and indemnity bonds issued by the Company to the Collector of Customs.
- (ii) Guarantees issued by bank on behalf of the Company.
- (iii) The Company's share of contingencies of associated companies based on financial information of associated companies as at September 30, 2015 (June 30, 2015: March 31, 2015)

<b>2,017,456</b>	1,604,562
<b>2,005,839</b>	805,839
<b>100,025</b>	93,805

**(b) COMMITMENTS**

- (i) Capital expenditure commitments
- (ii) Commitments for import of petroleum products against letter of credit facility
- (iii) Commitments for rentals of assets under operating lease agreements
- (iv) The Company's share of commitments of associated companies based on financial information of associated companies as at September 30, 2015 (June 30, 2015: March 31, 2015)
  - Capital expenditure commitments
  - Outstanding letters of credit

<b>242,724</b>	234,254
<b>1,319,579</b>	2,844
<b>1,609,727</b>	1,553,308
<b>319,582</b>	286,416
<b>126,377</b>	128,192

**Six months to  
December 31,  
2015**      Year ended  
June 30,  
2015  
Rupees ('000)

**8. PROPERTY, PLANT AND EQUIPMENT**

Opening net book value	<b>2,156,799</b>	1,672,658
Additions	<b>152,361</b>	779,483
Disposals		
Cost	<b>(4,731)</b>	(14,130)
Depreciation	<b>4,589</b>	9,835
	<b>(142)</b>	(4,295)
Depreciation charge	<b>154,906</b>	291,047
Closing net book value	<b>2,154,112</b>	2,156,799
Capital work in progress	<b>259,184</b>	287,365
	<b>2,413,296</b>	2,444,164

**9. LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES**

**Movement during the period / year**

Balance at beginning of the period / year	<b>892,123</b>	887,042
Share of profit of associated companies	<b>33,973</b>	33,530
Impairment loss of investment in National Refinery Limited	<b>(20,091)</b>	(28,794)
	<b>13,882</b>	4,736
Share of other comprehensive income / (loss) of associated companies	<b>(4,739)</b>	345
Dividend from associated companies	<b>(15,157)</b>	-
Balance at end of the period / year	<b>886,109</b>	892,123

**December 31, 2015**

**June 30, 2015**

Holding %	Amount Rs ('000)	Holding %	Amount Rs ('000)
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**9.1 The Company's interest in associated companies is as follows:**

National Refinery Limited - Quoted	<b>1</b>	<b>551,874</b>	1	531,782
Attock Refinery Limited - Quoted	<b>1.68</b>	<b>510,504</b>	1.68	517,781
Attock Information Technology Services (Private) Limited - Unquoted	<b>10</b>	<b>15,212</b>	10	13,949
Carrying value on equity method		<b>1,077,590</b>		1,063,512
Less: Impairment loss - National Refinery Limited (note 9.2)		<b>(191,481)</b>		(171,389)
		<b>886,109</b>		892,123

**9.2** Impairment loss is based on a valuation analysis carried out as at June 30, 2015 by an external investment advisor engaged by the Company. The recoverable amount has been estimated based on a value in use calculation.

<b>December 31, 2015</b>	June 30, 2015
Rupees ('000)	

**10. OTHER LONG TERM INVESTMENTS**

Held to maturity investments in Pakistan Investment Bonds (PIBs) - at amortized cost (note 10.1)

<b>402,573</b>	403,266
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**10.1** This represents amount invested in Pakistan Investment Bonds at interest rate of 11.25% to 11.50% per annum having maturity of 3 to 5 years and are due for maturity in the year 2017 to 2019.

**11. STOCK IN TRADE**

**11.1** Stock in trade includes items costing Rs 3,195,488 thousand (June 30, 2015: Nil) which have been valued at net realisable value amounting to Rs 3,051,606 thousand (June 30, 2015: Nil) as a result of decline in the selling prices of certain petroleum products with effect from January 1, 2016.

**11.2** Stock in trade includes the Company's share of pipeline stock amounting to Rs 2,081,871 thousand (June 30, 2015: Rs 3,916,065 thousand) and Rs 546,229 thousand (June 30, 2015: Rs 205,855 thousand) held by Pak-Arab Pipeline Company Limited and Pak-Arab Refinery Limited respectively.

<b>December 31, 2015</b>	June 30, 2015
Rupees ('000)	

**12. TRADE DEBTS**

Trade debts include following balances due from related parties (unsecured):

Attock Gen Limited	<b>4,614,247</b>	4,816,682
Pakistan Oilfields Limited	<b>18,604</b>	20,171
Attock Cement Pakistan Limited	<b>11,544</b>	14,063
National Refinery Limited	<b>3,218</b>	-
	<b>4,647,613</b>	4,850,916



December 31, 2015      June 30, 2015

Rupees ('000)

**13. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**

Advances to suppliers and employees	<b>47,924</b>	35,919
Trade deposits and short term prepayments	<b>67,373</b>	83,004
Current account balances with statutory authorities	<b>26,560</b>	26,682
Accrued income on bank deposits	<b>50,384</b>	56,761
Price differential claim receivable from the Government	<b>28,528</b>	28,528
Receivable from oil marketing companies under freight pool	<b>397,191</b>	284,992
Due from related parties - unsecured		
Attock Information Technology Services (Private) Limited	<b>776</b>	-
Attock Cement Pakistan Limited	<b>498</b>	99
Workers' Profit Participation Fund	-	46,643
Less: Provision for doubtful receivables	<b>(28,528)</b>	(28,528)
	<b>590,706</b>	534,100

**14. SHORT TERM INVESTMENTS**

Held to maturity investment in treasury bills - at amortized cost	<b>6,091,006</b>	5,437,504
Investment in mutual funds - at fair value through profit or loss	<b>357,858</b>	-
	<b>6,448,864</b>	5,437,504

**15. CASH AND BANK BALANCES**

Cash in hand	<b>5,499</b>	4,638
Bank balances		
On short term deposits	<b>5,000,000</b>	2,900,000
On interest / mark-up bearing saving accounts (includes US \$ 102 thousand; June 30, 2015: US \$ 102 thousand)	<b>1,473,559</b>	1,835,141
On current accounts (includes US \$ 155 thousand; June 30, 2015: US \$ 158 thousand)	<b>48,666</b>	126,035
	<b>6,522,225</b>	4,861,176
	<b>6,527,724</b>	4,865,814

**Three months period ended**

December 31, 2015      December 31, 2014

Rupees ('000)

**Six months period ended**

December 31, 2015      December 31, 2014

Rupees ('000)

**16. OTHER INCOME**

Commission and handling income	<b>187,413</b>	269,980	<b>361,980</b>	581,495
Other income	<b>54,475</b>	37,763	<b>93,136</b>	68,060
	<b>241,888</b>	307,743	<b>455,116</b>	649,555

	Three months period ended		Six months period ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	Rupees ('000)		Rupees ('000)	
<b>17. FINANCE INCOME AND COSTS</b>				
<b>Finance income</b>				
Income on bank deposits and short term investments	<b>241,112</b>	175,677	<b>491,439</b>	434,392
Mark-up on delayed payments	<b>41,602</b>	82,460	<b>94,417</b>	147,687
	<b>282,714</b>	258,137	<b>585,856</b>	582,079
<b>Finance cost</b>				
Bank charges	<b>6,928</b>	9,274	<b>13,194</b>	17,249
Mark-up on delayed payments	<b>39,264</b>	45,725	<b>70,300</b>	79,541
	<b>46,192</b>	54,999	<b>83,494</b>	96,790
Net finance income	<b>236,522</b>	203,138	<b>502,362</b>	485,289
<b>18. OTHER CHARGES</b>				
Workers' profit participation fund	<b>73,112</b>	3,342	<b>124,558</b>	100,366
Workers' welfare fund	<b>27,238</b>	1,246	<b>46,404</b>	37,392
	<b>100,350</b>	4,588	<b>170,962</b>	137,758
<b>19. PROVISION FOR TAXATION</b>				
Current				
- For the period	<b>409,000</b>	(38,000)	<b>699,000</b>	505,000
- For prior periods	-	(82,736)	-	(82,736)
	<b>409,000</b>	(120,736)	<b>699,000</b>	422,264
Deferred	<b>(7,000)</b>	(39,481)	<b>(21,000)</b>	(24,064)
	<b>402,000</b>	(160,217)	<b>678,000</b>	398,200

**20. FAIR VALUE MEASUREMENT**

The carrying values of financial assets and liabilities approximate their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method.

The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs ; and
- Level 3 : Unobservable inputs

The company held the following financial assets at fair value;

	Level 1	Level 2	Level 3	Total
	Rupees ('000)			
<b>December 31, 2015</b>				
Short term investments:				
Investment in mutual funds at Fair Value through Profit or Loss	<b>357,858</b>	-	-	<b>357,858</b>
	<b>357,858</b>	-	-	<b>357,858</b>

**21. TRANSACTIONS WITH RELATED PARTIES**

**Associated companies**

	<b>Three months period ended</b>		<b>Six months period ended</b>	
	<b>December 31, 2015</b>	December 31, 2014	<b>December 31, 2015</b>	December 31, 2014
	Rupees ('000)		Rupees ('000)	
Purchase of petroleum products	<b>19,771,660</b>	28,694,723	<b>40,223,448</b>	67,840,834
Sale of petroleum products	<b>2,053,466</b>	3,992,725	<b>4,403,061</b>	9,060,618
Commission and handling income	<b>187,414</b>	272,024	<b>361,980</b>	583,539
Mark-up earned on delayed payments	<b>40,971</b>	81,858	<b>93,091</b>	146,503
Late payment charges	<b>41,978</b>	45,725	<b>70,300</b>	79,541
Administrative services expense	<b>50,223</b>	51,138	<b>105,534</b>	91,069

**Other related parties**

Remuneration of Chief Executive and key management personnel including benefits and perquisites	<b>29,527</b>	23,522	<b>40,865</b>	33,651
Contribution to staff retirement benefits plans				
APL Employees provident fund	<b>2,355</b>	2,324	<b>4,832</b>	4,596
APL Gratuity fund	<b>2,031</b>	1,924	<b>4,130</b>	3,812
Contribution to workers' profit participation fund	<b>73,112</b>	3,342	<b>124,558</b>	100,366

**22. SEGMENT REPORTING**

22.1 As described in note 1 to this condensed interim financial information the Company markets petroleum products. Revenue from external customers for products of the Company are as follows:

	<b>Three months period ended</b>		<b>Six months period ended</b>	
	<b>December 31, 2015</b>	December 31, 2014	<b>December 31, 2015</b>	December 31, 2014
	Rupees ('000)		Rupees ('000)	
<b>Product</b>				
High Speed Diesel	<b>18,496,015</b>	19,406,718	<b>36,774,371</b>	45,438,368
Furnace Fuel Oil	<b>6,133,355</b>	18,724,636	<b>13,771,649</b>	41,803,125
Premier Motor Gasoline	<b>9,389,198</b>	9,489,537	<b>18,206,354</b>	19,798,562
Bitumen	<b>3,906,581</b>	3,160,919	<b>7,626,967</b>	6,778,054
Others	<b>1,402,617</b>	1,783,129	<b>2,864,819</b>	3,616,954
	<b>39,327,766</b>	52,564,939	<b>79,244,160</b>	117,435,063

**22.2** There is no single external customer of the Company whose revenue amounts to 10% or more of the Company's total revenue during the six months period ended December 31, 2015.

**23. FINANCIAL RISK MANAGEMENT**

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

**24. DATE OF AUTHORISATION FOR ISSUE**


**24.1** Non-adjusting event after the balance sheet date

The Board of Directors in its meeting held on February 09, 2016 has declared an interim cash dividend @ Rs 15 per share, amounting to Rs 1,244,160 thousand for the year ending June 30, 2016.

**24.2** This condensed interim financial information was authorised for issue by the Board of Directors of the Company on February 09, 2016.

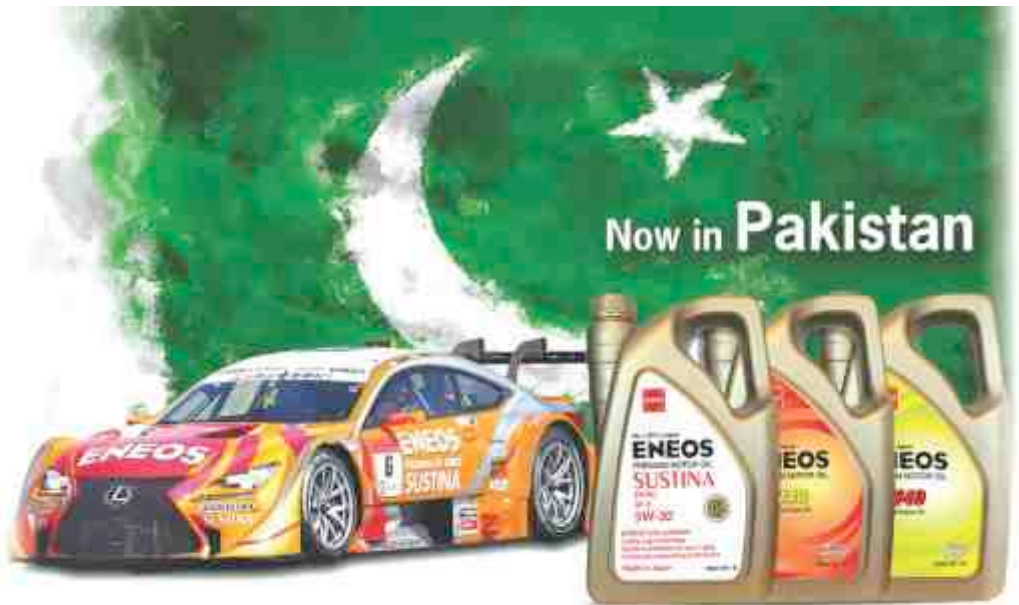


Chief Executive



Director

Blank



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