

ATTOCK PETROLEUM LIMITED
SELECTED NOTES TO AND FORMING PART OF THE
CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2009

1. LEGAL STATUS AND OPERATIONS

Attock Petroleum Limited (the Company) was incorporated in Pakistan as a public limited company on December 3, 1995, commenced its operations in 1998 and was listed on Karachi Stock Exchange on March 7, 2005. The Company is engaged in marketing of petroleum products. Pharaon Investment Group Limited Holding s.a.l holds 34.38% (June 30, 2009: 34.38%) shares of the Company.

2. BASIS OF PREPARATION

2.1 These financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 'Interim Financial Reporting'.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 All accounting policies as adopted for the preparation of these financial statements are the same as those applied in preparation of the preceding annual published financial statements of the Company.

	December 31, 2009	June 30, 2009
	Rs ('000)	
4. TRADE AND OTHER PAYABLES		
Creditors	9,582	88,994
Due to related parties (note 4.1)	6,317,050	8,647,369
Accrued liabilities	458,624	625,080
Advance from customers	1,169,869	1,329,180
Retention money	22,373	31,814
Unclaimed dividend	7,702	6,119
Workers' welfare fund	41,855	-
	<u>8,027,055</u>	<u>10,728,556</u>
4.1 Due to related parties		
National Refinery Limited	2,322,708	4,788,411
Attock Refinery Limited	3,874,863	3,849,134
Pakistan Oilfields Limited	8,940	11,612
Attock Cement Pakistan Limited	102	141
Attock Hospital (Private) Limited	139	100
Attock Sahara Foundation	-	48
Staff Pension Fund payable/(receivable)	-	(2,077)
Workers' profit participation fund	110,298	-
	<u>6,317,050</u>	<u>8,647,369</u>
5. CONTINGENCIES AND COMMITMENTS		
(i) Claims of Government levies not accepted by the Company and currently under appeal	310	310
(ii) Corporate guarantees and indemnity bonds issued by the Company to the Collector Sales Tax and Federal Excise, Islamabad	5,405,651	4,844,886
(iii) Guarantees issued by bank on behalf of the Company	43,287	43,287
(iv) Capital expenditure commitments	79,599	95,901

	Six months to December 31, 2009	Year ended June 30, 2009
	Rs ('000)	
6. PROPERTY, PLANT AND EQUIPMENT		
Opening net book value	939,780	532,512
Additions	124,380	492,046
Disposals		
Cost	(27,112)	(19,832)
Depreciation	25,667	17,688
	(1,445)	(2,144)
Depreciation charge	60,527	82,634
Closing net book value	1,002,188	939,780
Capital work in progress	188,837	191,095
	<u>1,191,025</u>	<u>1,130,875</u>
7. LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES		
Balance at beginning of the period / year	733,397	709,081
Investment in associated companies	-	22,679
Share of profit of associated companies	7,058	25,562
Impairment reversal of investment in National Refinery Limited	-	948
	7,058	26,510
Dividend from associated companies	(9,995)	(24,873)
Balance at end of the period / year	<u>730,460</u>	<u>733,397</u>

	December 31, 2009		June 30, 2009	
	Holding %	Amount Rs ('000)	Holding %	Amount Rs ('000)
7.1 The Company's interest in associated companies is as follows:				
Quoted				
National Refinery Limited	1	425,173	1	421,599
Attock Refinery Limited	1.56	344,774	1.56	352,024
Unquoted				
Attock Information Technology Services (Private) Limited	10	6,381	10	5,642
Carrying value on equity method		776,328		779,265
Less: Impairment loss - National Refinery Limited (note 7.2)		(45,868)		(45,868)
		<u>730,460</u>		<u>733,397</u>

7.2 Impairment loss is based on a valuation analysis carried out as at June 30, 2009 by an external investment advisor engaged by the Company. The recoverable amount has been estimated on a value in use calculation.

8. STOCK IN TRADE

It includes Company's share of pipeline stock of Rs 1,584,006 thousand (June 30, 2009: Rs nil) filled in accordance with the terms of White Oil Pipeline throughput agreement and Mehmoodkot-Faisalabad-Machike transportation agreement implemented during half year ended December 31, 2009.

9. TRADE DEBTS

Trade debts include Rs 2,900,952 thousand (June 30, 2009: Rs 2,414,992 thousand) due from related parties.

10. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	December 31, 2009	June 30, 2009
	Rs ('000)	
Loans and advances	19,119	16,832
Trade deposits and short term prepayments	23,090	15,048
Current account balances with statutory authorities	217,330	141,183
Accrued income	60,497	61,268
Price differential claim receivable from the Government	229,848	719,848
Receivable from oil marketing companies under freight pool	49,768	20,466
Claims receivable	1,524	5,202
Due from related parties		
Attock Information Technology Services (Private) Limited	196	1,252
The Attock Oil Company Limited	146	63
Workers' profit participation fund	-	9,801
Other	355	355
	<u>601,873</u>	<u>991,318</u>

11. CASH AND BANK BALANCES

Cash in hand	1,787	814
Bank balances on		
Short term deposits	4,994,000	6,571,287
Interest/mark-up bearing saving accounts	1,019,046	856,686
Current account	417,052	6,123
	<u>6,430,098</u>	<u>7,434,096</u>
	<u>6,431,885</u>	<u>7,434,910</u>

11.1 Short term deposits of Rs 43,287 thousand (June 30, 2009: Rs 45,916 thousand) were under lien with banks against letters of guarantees and letters of credits.

	Quarter ended		Half year ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	Rs ('000)		Rs ('000)	
12. OTHER OPERATING INCOME				
Commission and handling income	213,730	141,370	393,313	438,562
Other income	7,962	4,464	13,938	7,136
	<u>221,692</u>	<u>145,834</u>	<u>407,251</u>	<u>445,698</u>
13. OTHER CHARGES				
Workers' profit participation fund	56,962	50,427	110,298	109,429
Worker's welfare fund - for the period	41,855	-	41,855	-
- for prior year	85,608	-	85,608	-
	127,463	-	127,463	-
	<u>184,425</u>	<u>50,427</u>	<u>237,761</u>	<u>109,429</u>
14. PROVISION FOR TAXATION				
Current - for the period	221,500	232,083	502,500	550,000
- for prior year	(30,000)	-	(30,000)	-
	<u>191,500</u>	<u>232,083</u>	<u>472,500</u>	<u>550,000</u>
Deferred - for the period	(1,500)	1,000	3,500	5,000
	<u>190,000</u>	<u>233,083</u>	<u>476,000</u>	<u>555,000</u>
15. TRANSACTIONS WITH RELATED PARTIES				
Associated companies				
Purchase of petroleum products	16,120,018	10,782,444	30,073,702	29,962,159
Sale of petroleum products	2,806,632	267,351	5,684,549	574,019
Commission, handling and other income	215,410	141,369	394,993	438,561
Administrative services expense	7,941	3,551	13,808	11,340
Other related parties				
Remuneration of Chief Executive and key management personnel including benefits and perquisites	18,615	12,230	27,060	16,667
Contribution to staff retirement benefits plans				
Staff Pension fund trust	-	646	1,647	2,263
Staff Provident fund trust	-	722	838	1,530
Contribution to workers' profit participation fund	56,962	50,427	110,298	109,429

16. EARNINGS PER SHARE

A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at December 31, 2009 and 2008 which would have any effect on the earnings per share if the option to convert is exercised.

17. GENERAL

17.1 Non-adjusting event after the balance sheet date

The Board of Directors in their meeting held on February 9, 2010 have declared an interim cash dividend @ Rs 10/- per share, amounting to Rs 576 million for the year ending June 30, 2010.

17.2 Date of authorisation for issue of financial statements

These condensed interim financial statements were authorised for circulation to the shareholders by the Board of Directors of the Company on February 9, 2010.

Sd/-
Chief Executive

Sd/-
Director