

ATTOCK PETROLEUM LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2007

1. LEGAL STATUS AND OPERATIONS

Attock Petroleum Limited was incorporated in Pakistan as a public limited company on December 3, 1995 and it commenced its operations in 1998. The Company was listed on Karachi Stock Exchange on March 7, 2005. The principal activity of the Company is procurement, storage and marketing of petroleum and related products. Pharaon Investment Group Limited Holding s.a.l (formerly Pharaon Commercial Investment Group Limited) holds 34.38% (2006: 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'.
- 2.2 All accounting policies 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 for the year ended June 30, 2007.

September 30, June 30,
2007 2007
Rupees ('000)

3. TRADE AND OTHER PAYABLES

Creditors	72,932	66,519
Due to related parties - unsecured - note 3.1	1,888,849	3,922,563
Accrued liabilities	434,654	426,657
Advance from customers	802,786	866,481
Retention money	11,630	10,756
Workers' profit participation fund	39,843	-
Unclaimed dividend	2,536	2,638
Staff Provident fund	268	-
Staff pension fund	277	569
	<u>3,253,775</u>	<u>5,296,183</u>

3.1 Due to related parties:

National Refinery Limited	1,238,956	2,829,940
Attock Refinery Limited	634,907	1,080,679
Pakistan Oilfields Limited	10,768	8,836
The Attock Oil Company	4,070	1,680
Attock Cement Pakistan Limited	89	1,369
Attock Hospital (Private) Limited	59	59
	<u>1,888,849</u>	<u>3,922,563</u>

(2)

September 30,
2007 June 30,
2007
Rupees ('000)

4. CONTINGENCIES AND COMMITMENTS

(i) Claims of Government levies not accepted by the Company and currently under appeal	23,064	23,064
(ii) Corporate guarantees issued by the Company to the Collector Sales Tax and Federal Excise, Islamabad	2,067,104	1,116,091
(iii) Capital expenditure commitments	201,930	123,250

Three months to
September 30,
2007 Year ended
June 30,
2007
Rupees ('000)

5. PROPERTY, PLANT AND EQUIPMENT

Cost

Opening balance	706,217	642,314
Additions during the period/ year	13,394	64,828
Disposals during the period/ year	(8)	(925)
Closing balance	<u>719,603</u>	<u>706,217</u>

Accumulated depreciation

Opening balance	215,111	152,089
Charge for the period/ year	15,487	63,428
Relating to disposals	(3)	(406)
Closing balance	<u>230,595</u>	<u>215,111</u>

Net book value

<u>489,008</u>	<u>491,106</u>
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6. LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES

Balance at beginning of the period / year	387,246	353,257
Share of profit	5,552	42,319
Dividend received	(13,328)	(8,330)
Balance at end of the period / year	<u>379,470</u>	<u>387,246</u>

This represents 1% shareholding in National Refinery Limited and 10% shareholding in Attock Information Technology Services (Private) Limited.

(3)

	September 30, 2007	June 30, 2007
	Rupees ('000)	
7. TRADE DEBTS		
Secured	972,771	2,089,864
Unsecured	105,605	407,453
Due from related parties - (unsecured) - note 7.1	26,714	5,681
	<u>1,105,090</u>	<u>2,502,998</u>
7.1 Due from related parties		
Pakistan Oilfields Limited	13,982	3,153
Attock Cement Pakistan Limited	12,309	2,441
Attock Refinery Limited	393	87
National Refinery Limited	30	-
	<u>26,714</u>	<u>5,681</u>
8. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Advances - considered good	115,404	38,359
Trade deposits and short-term prepayments	10,586	4,983
Current account balances with statutory authorities	415,719	433,415
Accrued income	112,117	88,435
Price differential claim receivable from the Government	555,061	288,616
Receivable from oil marketing companies under freight pool	-	11,831
Claims receivable	2,565	4,882
Due from related party - unsecured		
Attock Information Technology Services	2,486	2,034
Workers' profit participation fund	-	5,599
Other receivables	13,672	344
	<u>1,227,610</u>	<u>878,498</u>
9. CASH AND BANK BALANCES		
Cash in hand	1,543	616
Bank balances		
On short term deposits	2,443,517	3,131,122
On interest/markup bearing saving accounts	745,715	932,428
On current accounts	183,288	2,643
	<u>3,374,063</u>	<u>4,066,809</u>
9.1. Deposits of Rs 31,516 thousand (2007: Rs 39,226 thousand) were under lien with banks against letters of guarantees and letters of credits.		
	Three months to September 30, 2007	September 30, 2006
	Rupees ('000)	
10. OTHER OPERATING INCOME		
Commission and handling income	152,768	77,154
Tender and joining fee	525	675
Exchange gain	-	2,221
Other income	2,265	3,023
	<u>155,558</u>	<u>83,073</u>

11. TRANSACTIONS WITH RELATED PARTIES

	Three months to	
	September 30,	September 30,
	2007	2006
	Rupees ('000)	
Purchase of petroleum products	9,792,820	10,419,428
Sale of petroleum products	114,243	109,264
Commission and handling income	135,339	78,621
Administrative services expenses	2,828	386
Key management employees compensation	3,559	3,578

12. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on October 25, 2007.

S/O-
Chief Executive

S/O-
Director