

ATTOCK PETROLEUM LIMITED
SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2008

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 has controlling interest in 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.

	September 30, 2008	June 30, 2008
	Rupees ('000)	
3. TRADE AND OTHER PAYABLES		
Creditors	152,658	190,476
Due to related parties - unsecured - note 3.1	9,489,913	8,087,993
Accrued liabilities	691,789	562,221
Advance from customers	701,481	951,526
Retention money	24,455	18,955
Payable to oil marketing companies under freight pool	31,259	-
Workers' profit participation fund	57,369	-
Unclaimed dividend	3,449	3,523
	<u>11,152,373</u>	<u>9,814,694</u>

3.1 Due to related parties

National Refinery Limited	7,617,562	5,567,988
Attock Refinery Limited	1,863,339	2,512,462
Pakistan Oilfields Limited	8,925	6,988
The Attock Oil Company Limited	-	365
Attock Cement Pakistan Limited	87	190
	<u>9,489,913</u>	<u>8,087,993</u>

(2)

September 30,
2008
June 30,
2008
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 and indemnity bonds issued by the Company to the Collector Sales Tax and Federal Excise, Islamabad	4,058,245	3,078,111
(iii) Guarantees issued by bank on behalf of the Company	40,052	34,392
(iv) Capital expenditure commitments	116,617	102,678

Three months to
September 30,
2008
Year ended
June 30,
2008
Rupees ('000)

5. PROPERTY, PLANT AND EQUIPMENT

Cost

Opening balance	822,138	706,217
Additions during the period/ year	52,892	119,309
Disposals during the period/ year	(54)	(3,388)
Closing balance	874,976	822,138

Accumulated depreciation

Opening balance	289,626	215,111
Charge for the period/ year	18,368	77,187
Relating to disposals	(22)	(2,672)
Closing balance	307,972	289,626

Operating assets-Written down value

Capital Work in Progress	567,004	532,512
	415,302	390,109
	982,306	922,621

6. LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES

Balance at beginning of the period / year	709,081	387,246
Investment in associated companies during the period / year	22,679	276,245
Share of (loss)/profit	(13,994)	105,734
Impairment loss-National Refinery Limited	-	(46,816)
Dividend received	-	(13,328)
Balance at end of the period / year	717,766	709,081

These represent 1% shareholding in National Refinery Limited, 1.56% shareholding in Attock Refinery Limited and 10% shareholding in Attock Information Technology Services (Private) Limited.

(3)

	September 30, 2008	June 30, 2008
	Rupees ('000)	
7. TRADE DEBTS		
Considered goods		
Secured	7,544,726	4,845,529
Unsecured	696,501	946,180
Due from related parties - (unsecured) - note 7.1	64,584	34,160
	<u>8,305,811</u>	<u>5,825,869</u>
Unsecured- Considered Doubtful	31,000	31,000
Provision for doubtful debts	(31,000)	(31,000)
	<u>8,305,811</u>	<u>5,825,869</u>
7.1 Due from related parties		
Pakistan Oilfields Limited	52,996	30,030
Attock Cement Pakistan Limited	10,656	3,778
Attock Refinery Limited	523	352
National Refinery Limited	409	-
	<u>64,584</u>	<u>34,160</u>
8. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Advances - considered good	23,635	71,386
Trade deposits and short-term prepayments	17,988	10,955
Current account balances with statutory authorities	229,867	308,415
Accrued income	22,754	16,833
Price differential claim receivable from the Government	1,761,808	872,542
Receivable from oil marketing companies under freight pool	-	16,581
Claims receivable	11,623	515
Due from related party - unsecured		
Attock Information Technology Services	4,791	4,044
The Attock Oil Company Limited	162	-
Workers' profit participation fund	-	1,634
Staff pension fund	765	765
Other receivables	351	344
	<u>2,073,744</u>	<u>1,304,014</u>
9. CASH AND BANK BALANCES		
Cash in hand	1,901	904
Bank balances		
On short term deposits	4,354,752	3,359,689
On interest/markup bearing saving accounts	1,078,745	2,753,771
On current accounts	3,454	3,527
	<u>5,438,852</u>	<u>6,117,891</u>

9.1. Deposits of Rs 53,406 thousand (June 2008: Rs 47,986 thousand) were under lien with banks against letters of guarantees and letters of credits.

(4)

Three months to
September 30, September 30,
2008 2007
Rupees ('000)

10. OTHER OPERATING INCOME

Commission and handling income	297,192	152,768
Other income	2,672	2,790
	<u>299,864</u>	<u>155,558</u>

11. OTHER OPERATING EXPENSE

This includes exchange loss of Rs 79,424 thousand (September 2007: Rs 1,104 thousand).

Three months to
September 30, September 30,
2008 2007
Rupees ('000)

12. TRANSACTIONS WITH RELATED PARTIES

Purchase of petroleum products	19,179,715	9,792,820
Sale of petroleum products	306,668	114,243
Commission and handling income	297,192	135,339
Administrative services expenses	7,789	2,828

Other related parties

Remuneration of Chief Executive and key management personnel including benefits and perquisites	4,437	3,559
Contribution to staff retirement benefits plans		
Staff Pension fund trust	1,617	1,191
Staff Provident fund trust	808	562
Contribution to workers' profit participation fund	59,002	39,851

13. NON-ADJUSTING EVENT AFTER BALANCE SHEET DATE

The Board of Directors in their meeting held on October 08, 2008 have proposed a final cash dividend for the year ended June 30, 2008 @ Rs 20 per share, amounting to Rs 960,000 thousand and bonus issue @ 20% i.e. one share for every five shares held for approval of the members in the Annual General Meeting to be held on October 31, 2008.

14. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on October 30, 2008.

S/-
Chief Executive

S/-
Director