

**MURREE BREWERY COMPANY LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE NINE MONTHS ENDED 31 MARCH 2009**

**1 STATUS AND NATURE OF OPERATIONS**

Murree Brewery Company Limited ("the Company") was incorporated under the repealed Indian Companies Act (now the Companies Ordinance, 1984) in February 1861 as a public limited Company in Pakistan. The shares of the Company are listed on the Karachi, Lahore and Islamabad Stock Exchanges. The registered office of the Company is situated in Rawalpindi. The Company is principally engaged in the manufacturing of alcoholic beer, non alcoholic beer, Pakistan Made Foreign Liquor

**2 BASIS OF PREPARATION**

- 2.1** This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard No. 34 "Interim Financial Reporting" as applicable in Pakistan
- 2.2** This condensed interim financial information is unaudited and is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984.
- 2.3** This condensed interim financial information should be read in conjunction with annual audited financial statements for the year ended 30 June 2008. Comparative balance sheet is extracted from the annual audited financial statements for the year ended 30 June 2008 whereas comparative profit and loss account, statement of changes in equity and cash flow statement are stated from unaudited condensed interim financial information for the year ended 30 June 2008.
- 2.4** Accounting policies, related judgments, estimates and assumptions adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements for the preceding year ended 30 June 2008.

**3 SHARE CAPITAL**

During the period, the Company has issued 1,192,843 ordinary shares (nine months ended 31 March 2008: 1,084,402 ordinary shares) of Rs. 10 each representing 10% bonus shares. 01 share for every 10

**4 SHORT TERM RUNNING FINANCE**

This represents running finance facility amounting to Rs. 200 million from Askari Bank Limited, Rawalpindi. This facility carries mark up at the rate of 03 months KIBOR plus 0.95 % per annum. It is secured against first hypothecation charge on current assets Rs. 20.0 million and Rs. 272.0 million on fixed assets of the Company.

**5 CONTINGENCIES AND COMMITMENTS**

There is no change in the contingencies and commitments of the Company as disclosed in the financial statements for the year ended 30 June 2008 except for the following:

- 5.1** The Company is contingently liable in respect of guarantees amounting to Rs 36.354 million (30 June 2008 Rs.35.678 million) issued by the banks on behalf of the Company in normal course of business.
- 5.2** The Company has opened Letters of Credit for the import of machinery and inventory items valuing Rs 81.519 million (30 June 2008: Rs. 104.593 million).

**5.3** The Company's capital commitment outstanding at the period end amounts to Rs. 2.500 million (30 June 2008: Rs 11.89 million)

6 PROPERTY, PLANT AND EQUIPMENT	Note	Nine months ended	
		31 March 09 (Rs. '000)	31 March 08 (Rs. '000)
Opening balance		2,906,058	743,801
Add: Additions during the period	6.1	231,471	45,736
		<u>3,137,529</u>	<u>789,537</u>
Less: Disposals during the period at book value		(12,841)	(1,471)
Depreciation charged during the period		(61,603)	(59,683)
		<u>3,063,085</u>	<u>728,383</u>

**6.1 Additions during the period:**

Buildings	9,344	3,021
Plant and machinery	17,732	23,743
Furniture and fixtures	851	374
Vehicles - owned	2,066	5,278
Vehicles - leased	-	124
Capital work in progress	201,478	13,196
	<u>231,471</u>	<u>45,736</u>