

**Pakistan Papersack Corporation Limited**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED SEPTEMBER 30,2005**  
**(UN-AUDITED)**

	July - Sept ( 2005 )	July - Sept ( 2004 )
	-----Rs.000's-----	
		(Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	36,791	29,969
Adjustment for non-cash charges and other items:		
Depreciation	2,790	2,833
Amortisation	39	-
Share in post acquisition profits of associates after taxation	(22,013)	(16,648)
Profit on bank accounts	(96)	(442)
Financial charges	751	650
Gain on disposal of property, plant and equipment	(745)	(8)
	<u>(19,274)</u>	<u>(13,615)</u>
Operating profit before working capital changes	17,517	16,354
<b>(Increase)/decrease in current assets</b>		
Stores and spares	(303)	322
Stock-in-trade	(115)	(12,632)
Trade debts	(31,375)	(19,037)
Loan and advances	(4,307)	423
Trade deposits and short-term prepayments	(396)	(1,875)
Other receivables	1,421	2,218
	<u>(35,075)</u>	<u>(30,581)</u>
<b>Increase/(decrease) in current liabilities</b>		
Trade and other payables	(32,606)	(8,139)
	<u>(67,681)</u>	<u>(38,720)</u>
Cash (used in)/generated from operations	(50,164)	(22,366)
Interest paid	(1,190)	(755)
Income tax paid	(1,738)	(3,910)
Long-term loans	83	-
Long-term deposits	113	187
	<u>(2,732)</u>	<u>(4,478)</u>
Net cash used in operating activities (A)	(52,896)	(26,844)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure	(4,506)	(4,866)
Sale proceeds from disposal of property, plant and equipment	1,122	251
Interest income received	96	470
Purchase of short-term investment	-	710
Net cash used in investing activities (B)	(3,288)	(3,435)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Liabilities against assets subject to finance lease	1,309	
Repayment of Liability against asset subject to finance lease	(94)	
Dividends paid	(11)	(26)
Net cash (used in)/generated from financing activities (C)	1,204	(26)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(54,980)	(30,305)
Cash and cash equivalents at beginning of the period	18,480	66,480
Cash and cash equivalents at end of the period	<u>(36,500)</u>	<u>36,175</u>
Cash and cash equivalents comprise:		
Cash and bank balances	4,741	88,567
Short-term Investment	4,000	710
Short-term running finances	(45,241)	(53,102)
	<u>(36,500)</u>	<u>36,175</u>

The annexed notes from 1 to 8 form an integral part of these financial statements.

**S. Z. Kazmi**  
**Chief Executive**

**Kersi D. Kapadia**  
**Director**