

# Sharp volumes growth drive Turnall's performance

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Harare – Buildings and associated industries concern, Turnall Holdings Limited's revenue for the half year ended June 30 increased by 77 percent to \$13.5 million compared to \$7.7 million in the comparative period.

Gross profit margin of 39 percent was realised compared to 29 percent in the prior year.

The increase in margin is attributed to significant improvement of capacity utilization, consistent raw materials and spares supply, procurement efficiencies and cost control.

Finance Director, Samson Mavende said profit from operations improved during the period under review.

“Profit from operations improved to \$2.5 million compared to a loss of \$0.25 million in the previous comparable period.

“Finance costs were at \$0.38 million compared to \$0.56 million last year. Profit before tax stood at \$2.1 million compared to loss of \$0.31 million last year.”

He said the company will not pay any taxes as it will be utilising assessed losses from previous years.

In the period under review net current liabilities were \$5.8 million compared to \$11.8 million as at 31 December 2017.

“Improvement is due to debt restructuring and profitability recorded in the first half. The business has managed to adhere to all payments plans agreed upon with key creditors and lenders, when they fell due,” said Mavende.

Cash generated from operating activities before working capital changes was \$3.1 million compared to \$0.97 million last year.

A total of \$2.4 million was reinvested in working capital in the six months to June 2018.

Net cash used utilised in investing activities was \$0.31 million compared \$0.07 million.

A total of \$268 000 compared to \$81 000 last year was spend on financing activities.

During the period under review the Company recorded a decrease in cash and cash equivalents of \$310 000 compared to an increase of \$219 000 last year.

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