



## FIRST CAPITAL EQUITIES LIMITED

### CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED

SEPTEMBER 30, 2016  
(UN-AUDITED)

## MISSION

Our mission is to strive to become the **Leading Brokerage and its Related Business Company and Best Employer** in each market that we operate. We will adhere to the following principles and provide execution to direct our future. We shall experience growth through building quality relationships, knowledge, service and innovation.

### *Dedicated to Make it Happen*

- CLIENTS:** We will offer every Client: Fast & Friendly Service, Commitment, Cleanliness, Dedication, Excellence, & Trust.
- ASSOCIATES:** We will offer every associate: Development, Loyalty, Opportunities, Open-Door, Teamwork, Training, & Benefits.
- IMAGE:** We will operate every facility: Professionally, Helpful, Positive, Bright, Clean, & Consistent.
- COMMUNITY:** We will offer every community: Involvement, Support, Stability, Respect, Assistance & Environmental Awareness.
- STANDARDS:** We will operate our business: Ethically, Competitively, Safely, Innovative, with High Expectations, & Quality Products.

## VISION

Our Vision is linked with our Mission to be the **Leading Brokerage and its Related Business Company and Best Employer** in each market we operate. Our Vision will guide and direct us towards our mission, and communicates what we believe in as an operations group.

### *We Believe In*

- Obligation to serve the *Shareholders' Interest*
- Providing Clients with *Consistent Outstanding Services*
- Showing and encouraging *Teamwork*
- Maintaining and developing high standards of *Image*
- Treating people with *Respect*
- Creating and developing a *Positive Environment*
- Building a *Reputation For Success*
- Providing services with the *Highest Quality*
- Operating with the highest *Integrity & Honesty*
- Exploring and encouraging *New & Innovative Ideas*
- Providing positive *Recognition & Reinforcement*
- Becoming a dependant fiber in every *Community*
- Continue to focus our associates with *Development & Training*
- Building and consistently growing overall *Revenues*
- Provide every Client with a *Pleasant Experience*
- Stay focused on our business by *Listening Intently*

# Contents

***Page Five***

Company Information

***Page Seven***

Directors' Review

***Page Eleven***

Condensed Interim Balance Sheet

***Page Twelve***

Condensed Interim Profit & Loss Account

***Page Thirteen***

Condensed Interim Statement of Comprehensive Income

***Page Fourteen***

Condensed Interim Cash Flow Statement

***Page Fifteen***

Condensed Interim Statement of Changes in Equity

***Page Sixteen***

Notes to the Condensed Interim Financial Statements

## COMPANY INFORMATION

### Board of Directors

Mian Ehsan ul Haq <i>Chairman &amp; CEO</i>	Executive
Ahsan Zia	Executive
Waseem ul Hassan	Executive
Abdul Samad	Executive
Farooq Bin Habib	Non-Executive
Muhammad Junaid	Non-Executive
Mazhar Abbas	Independent

### Chief Financial Officer

Waseem ul Hassan

### Audit Committee

Mazhar Abbas (Chairman)  
Farooq Bin Habib  
Ahsan Zia

### Human Resource and Remuneration (HR&R) Committee

Waseem ul Hasan (Chairman)  
Mian Ehsan Ul Haq  
Abdul Samad

### Company Secretary

Tariq Majeed

### Auditors

Nasir Javaid Maqsood Imran  
Chartered Accountants

### Legal Advisers

Muhammad Aamir  
Advocates, Karachi

### Bankers

Askari Bank Limited  
Bank Alfalah Limited  
Bank Al Habib Limited  
Bank Islami Limited  
Faysal Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB Bank Limited  
NIB Bank Limited  
Silk Bank Limited  
Soneri Bank Limited  
Summit Bank Limited  
United Bank Limited

### Registered Office

2nd Floor, Pace Shopping Mall,  
Fortress Stadium, Lahore Cantt.  
Lahore, Pakistan.  
Tel: (042) 36623000-3, 5/6/8  
Fax: (042) 36623121-36623122

### Corporate Office

4<sup>th</sup> Floor, Block B, C & D  
Lakson Square Building No.1  
Sarwar Shaheed Road, Karachi  
Tel: (021) 111 226 226  
Fax: (021) 35656710, 35656725

### Registrar and Shares Transfer Office

Corplink (Pvt.) Limited  
Wings Arcade, 1-K,  
Commercial Model Town, Lahore.  
Tel: (042) 35839182

## DIRECTORS' REVIEW

The Directors of First Capital Equities Limited are pleased to present the un-audited condensed interim financial statements of the Company for the three months ended September 30, 2016.

### CAPITAL MARKET REVIEW

In its opening quarter of FY17, Pakistan stock market witnessed a somewhat choppy trend and concluded the quarter with a positive return of 7% by gaining 2,758 points on net basis. Pakistan's key index, KSE-100, closed the period at 40,542 points versus 37,784 points at the end June 2016. Market capitalization ended the period at PRs8.22tn.

The 1QFY17 remained a positive quarter for the Pakistan market where the benchmark KSE-100 index encountered a number of positive developments that led to the accretion of 2.7k points. During the initial trading days of the quarter, the sentiments at KSE remained upbeat with the benchmark KSE 100 index posting gains of 4.6% in July 2016 as Pakistan's reclassification into MSCI Emerging Market Index was embraced by both foreign and domestic investors. Later on, the momentum took a breather as the index remained flat for quite a while and regained its ascension somewhat towards the end of the quarter. Political instability and exogenous factors such as Indo-Pak tension remain the key influential factors behind market performance.

The trading activity during the quarter remained decent and on average daily basis 338mn shares (PRs12.89bn or US\$123mn) changed hands in ready market. During the same quarter of last year, the average daily shares trading in the same counter was at 312mn shares (PRs12.01bn or US\$117mn).

### FINANCIAL HIGHLIGHTS

Following is the key financial highlights of your Company for the period;

Particulars	July to Sept. 2016	July to Sept. 2015
	Rupees	
Brokerage income	15,730,059	16,174,453
Capital loss - net	44,249	34,420
Other operating income	531,920	1,207,940
Unrealized gain / (loss) on re-measurement of investments at fair value through profit or loss	83,999,931	(17,751,620)
Operating expenses	22,834,367	25,060,541
Finance costs	18,890,334	20,432,274
Profit / (loss) after taxation	58,336,784	(46,058,207)
Earnings / (loss) per share	0.41	(0.33)

Your Company's bottom-line successfully turned positive and earned a profit after tax of Rs 58.33 million in 1QFY17 as against net losses of Rs 46 million incurred in 1QFY16. This translates into EPS of Rs 0.41 for the current quarter versus LPS of Rs 0.33 in the same quarter of last year. The brokerage income of your Company remained almost flat at Rs 15.7 million during the quarter. The Un-realized gain on re-measurement of investments is recorded at Rs 83.99 millions while other income arrived at Rs 0.53 millions during the quarter. The Company booked

a Capital loss of Rs 44 thousand only. On overall basis, the income segment depicted buoyant performance and ended the quarter with an income of Rs 99.68 millions. Operating & Financial expenses registered declines of 9%YoY & 8%YoY, respectively during the quarter under review. That said, the company ended the quarter with net profit of Rs 58.33 million.

### FUTURE OUTLOOK

Going forward, your Company's focused strategy would be based on providing quality service, broadening client base and controlling cost. With the improved regulatory environment and revival in the stock market, the management of your Company is committed to improve the revenue base and recover the losses.

### ACKNOWLEDGEMENT

The Board of Directors wishes to place on record, their thanks and appreciation to all the shareholders and the banks for their continued valuable support. The Board also wishes to place on record its appreciation for the guidance and support extended by the Securities and Exchange Commission of Pakistan (SECP) as well the Pakistan Stock Exchange Limited. Finally, the Board would like to record its appreciation to all the staff members for their continued hard work.

For and on behalf of the Board

Lahore  
October 24, 2016

  
Mian Ehsan Ul Haq  
Chairman & Chief Executive Officer

## ڈائریکٹرز کا جائزہ

فرسٹ کیپٹل ایکویٹی لیمیٹڈ کے ڈائریکٹرز 30 ستمبر 2016 کو ختم ہونے والی سہ ماہی کے لیے کمپنی ہذا کے غیر محاسب شدہ اجمالی کیفیت نامے پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

### سرمایے کے بازار کا جائزہ

مالیاتی سال 2017 کی افتتاحی سہ ماہی میں پاکستان سٹاک مارکیٹ میں اتار چڑھاؤ رہا اور سہ ماہی کا اختتام مجموعی بنیادوں پر 2,758 پوائنٹس کے ساتھ 7% کے مثبت نفع کے ساتھ ہوا۔ پاکستان کا کلیدی انڈیکس KSE-100 دورانیہ ہذا میں 40,542 پوائنٹس کے ساتھ بند ہوا جبکہ جون 2016 میں 37,784 پوائنٹس پر اختتام ہوا تھا۔ اس دورانیہ کا اختتام مارکیٹ سرمایہ کاری 8.22 ٹریلین روپے کے ساتھ ہوا۔

مالیاتی سال 2017 کی پہلی سہ ماہی پاکستان مارکیٹ کے لیے مثبت رہی جس میں معیاری KSE-100 نے کئی مثبت پیش رفتیں دیکھیں اور 2.7k پوائنٹس تک پہنچ گیا۔ سہ ماہی کے ابتدائی تجارتی دنوں میں KSE میں امید افزا رجحانات رہے اور معیاری KSE-100 میں جولائی 2016 میں 4.6% نفع ہوا کیونکہ MSCI نے دوبارہ درجہ بندی کرتے ہوئے پاکستان کو ابھرتی ہوئی مارکیٹ کے زمرے میں رکھا جسے غیر ملکی اور ملکی سرمایہ کاروں نے سراہا۔ بعد ازاں سرگرمی نسبتاً ہموار رہی اور سہ ماہی کے اختتام کے قریب اس میں دوبارہ تیزی آئی۔ سیاسی عدم استحکام اور بیرونی عوامل مثلاً پاک و ہند تناؤ مارکیٹ کی کارکردگی کے لیے کلیدی عناصر رہے۔

دورانیہ ہذا میں تجارتی سرگرمی بہتر رہی اور روزانہ اوسطاً 338 ملین حصص (12.89bn) کا لین دین ہوا۔ گذشتہ سال کے متعلقہ دورانیہ میں روزانہ اوسطاً 312 ملین حصص (12.01bn) رہا۔

### مالیاتی خلاصہ

آپ کی کمپنی کا کلیدی مالیاتی خلاصہ برائے دورانیہ ہذا درج ذیل ہے:

مندرجات	جولائی تا ستمبر 2016	جولائی تا ستمبر 2015
	(روپوں میں)	(روپوں میں)
بروکرٹج سے آمدن	15,730,059	16,174,453
سرمایہ کا خسارہ۔ خالص	44,249	34,420
غیر حاصل شدہ نفع/ (خسارہ) سرمایہ کاریوں کی نفع یا نقصان کے ذریعے فیئر ویلیو پر از سر نو پیمائش	83,999,931	(17,751,620)
عملیاتی اخراجات	22,834,367	25,060,541

مالیاتی لاگتیں	18,890,334	20,432,274
نفع/ (خسارہ) بعد از ٹیکس	58,336,784	(46,058,207)
کمانی/ (خسارہ) فی حصص	0.41	(0.33)

کمپنی کا مجموعی میزانیہ مثبت رہا اور مالیاتی سال 2017 کی پہلی سہ ماہی میں کمپنی نے 58.33 ملین روپے بعد از ٹیکس نفع کمایا جبکہ مالیاتی سال 2016 کی پہلی سہ ماہی میں خالص خسارہ 46 ملین روپے تھا۔ اس کا مطلب کہ موجودہ دورانیہ میں آمدن فی حصص 0.41 روپے رہی جبکہ گذشتہ سال کے متعلقہ دورانیہ میں 0.33 روپے فی حصص خسارہ تھا۔ موجودہ دورانیہ کے لیے کمپنی ہذا کی بروکرٹج آمدن تقریباً 15.7 ملین روپے کے ساتھ ہموار رہی۔ موجودہ دورانیہ میں سرمایہ کاریوں کی از سر نو پیمائش پر غیر حاصل شدہ نفع 83.99 ملین روپے ہوا جبکہ دیگر آمدن 0.53 ملین روپے تک پہنچ گئی۔ کمپنی نے محض 44 ہزار روپے سرمایہ کا خسارہ بتایا۔ مجموعی طور پر آمدنی کے حصے نے نمایاں بڑھوتری والی کارکردگی دکھائی اور سہ ماہی کے اختتام تک 99.68 ملین روپے کی آمدن ہوئی۔ موجودہ دورانیہ میں عملیاتی اور مالیاتی اخراجات میں بالترتیب 9% اور 8% سال بہ سال کمی ہوئی۔ لہذا کمپنی نے موجودہ دورانیہ کا اختتام 58.33 ملین روپے کے خالص نفع کے ساتھ کیا۔

### مستقبل کا منظر نامہ

مستقبل پر نظر ڈالتے ہوئے آپ کی کمپنی کی حکمت عملی معیاری خدمت، گاہکوں کی تعداد میں وسعت اور لاگتوں کو کنٹرول کرنے پر مرکوز ہونی چاہیے۔ بہتر انضباطی ماحول اور سٹاک مارکیٹ میں بحالی کے ساتھ آپ کی کمپنی کی انتظامیہ آمدن کا دائرہ بڑھانے اور خساروں سے نکلنے کے لیے پرعزم ہے۔

### اقرار نامہ

بورڈ آف ڈائریکٹرز تمام حصص کنندگان اور بینکوں کی مسلسل قابل قدر حمایت پر ان کا مشکور و ممنون ہے۔ بورڈ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج لیمیٹڈ کی رہنمائی اور وسیع تر معاونت پر ان کا مشکور ہے۔ آخر میں بورڈ تمام سٹاف ممبران کی مسلسل محنت کو سراہتا ہے۔

بورڈ کی جانب سے

میاں احسان الحق

چیئرمین اور چیف ایگزیکٹو آفیسر

24 اکتوبر 2016

لاہور

**FIRST CAPITAL EQUITIES LIMITED  
CONDENSED INTERIM BALANCE SHEET  
AS AT SEPTEMBER 30, 2016**

	Note	Un-Audited SEPTEMBER 2016 Rupees	Audited June 2016 Rupees
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property plant and equipment		47,715,721	49,085,029
Intangible assets		12,500,000	12,500,000
Long term investments	5	54,371,783	34,288,815
Long term deposits, receivables and prepayments	6	5,512,559	5,512,559
		<u>120,100,063</u>	<u>101,386,403</u>
<b>CURRENT ASSETS</b>			
Trade debts	7	1,969,885,671	1,990,328,119
Short term investments	8	168,440,150	84,440,219
Advances, deposits, prepayments and other receivables		8,335,831	7,766,551
Advance income tax		37,805,355	37,707,271
Interest accrued		-	319,972
Cash and bank balances		102,478,844	52,114,391
		<u>2,286,945,851</u>	<u>2,172,676,523</u>
<b>ASSETS HELD FOR SALE</b>			
Investments property		1,608,469,500	1,608,469,500
		<u>1,608,469,500</u>	<u>1,608,469,500</u>
<b>TOTAL ASSETS</b>		<u>4,015,515,414</u>	<u>3,882,532,426</u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised Share Capital		1,520,000,000	1,520,000,000
Issued, subscribed and paid up capital		1,413,355,000	1,413,355,000
Other reserves		(28,209,466)	(48,292,434)
Unappropriated loss		(1,231,181,431)	(1,289,518,215)
		<u>153,964,103</u>	<u>75,544,351</u>
<b>TOTAL EQUITY</b>			
		<u>153,964,103</u>	<u>75,544,351</u>
<b>NON - CURRENT LIABILITIES</b>			
Long term financing	9	1,725,101,017	1,914,925,617
Interest Accrued		375,688,789	371,670,346
Deferred liabilities		33,197,579	32,284,579
		<u>2,133,987,385</u>	<u>2,318,880,542</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	200,731,541	165,988,912
Short term borrowings		634,157,148	634,157,148
Current portion of long term financing		444,702,358	246,506,008
Interest accrued		441,359,126	434,999,013
Provision for taxation		6,613,753	6,456,452
		<u>1,727,563,926</u>	<u>1,488,107,533</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>4,015,515,414</u>	<u>3,882,532,426</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statement.


Lahore:   
Chief Executive

  
Director

**FIRST CAPITAL EQUITIES LIMITED  
CONDENSED INTERIM PROFIT & LOSS ACCOUNT - (Un-Audited)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	Note	July - Sep 2016 Rupees	July - Sep 2015 Rupees
<b>INCOME</b>			
Brokerage income		15,730,059	16,174,453
Capital loss - net		(44,249)	(34,420)
Dividend income		1,125	-
Gain / (loss) on re-measurement of investments at fair value through profit or loss - net	8	83,999,931	(17,751,620)
		<u>99,686,866</u>	<u>(1,611,587)</u>
<b>EXPENDITURE</b>			
Operating and administrative expenses		22,834,367	25,060,541
Finance cost		18,890,334	20,432,274
		<u>41,724,701</u>	<u>45,492,815</u>
<b>OPERATING INCOME / (LOSS)</b>		<u>57,962,165</u>	<u>(47,104,402)</u>
<b>OTHER INCOME</b>			
		531,920	1,207,940
<b>NET PROFIT / (LOSS) BEFORE TAXATION</b>		<u>58,494,085</u>	<u>(45,896,462)</u>
Taxation		157,301	161,745
<b>PROFIT / (LOSS) AFTER TAXATION</b>		<u>58,336,784</u>	<u>(46,058,207)</u>
<b>EARNING / (LOSS) PER SHARE - BASIC AND DILUTED</b>	13	<u>0.41</u>	<u>(0.33)</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statement.

Lahore:   
Chief Executive

  
Director

**FIRST CAPITAL EQUITIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE**  
**INCOME - (Un-Audited)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	Jul - Sep 2016 Rupees	Jul - Sep 2015 Rupees
<b>Profit / (loss) after taxation for the year</b>	<b>58,336,784</b>	<b>(46,058,207)</b>
<b>Other comprehensive (loss) / income for the year</b>		
<b><u>Items that will never be reclassified to profit or loss:</u></b>		
Remeasurement of defined benefit plan	-	-
<b><u>Items that are or may be reclassified to profit or loss:</u></b>		
Unrealised gain / (loss) on remeasurement of investment available for sale	<b>20,082,968</b>	<b>(1,577,514)</b>
<b>Total other comprehensive income / (loss)</b>	<b>20,082,968</b>	<b>(1,577,514)</b>
<b>Total comprehensive income / (loss)</b>	<b>78,419,752</b>	<b>(47,635,721)</b>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statement.

Lahore:

  
**Chief Executive**

13

  
**Director**

**FIRST CAPITAL EQUITIES LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT -(Un-audited)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

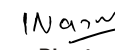
	Note	Jul - Sep 2016 Rupees	Jul - Sep 2015 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit / (loss) before taxation		58,494,085	(45,896,462)
<b>Add: Items not involved in movement of funds</b>			
Depreciation		1,401,309	1,410,198
(Gain)/ Loss on re-measurement of investments at fair value through profit or loss - net		(83,999,931)	17,751,620
Dividend income		(1,125)	-
Interest accrued		(122,420)	(348,440)
Interest expense		18,890,334	20,432,274
Gain on sale of property and equipment	6.2	-	(450,000)
Provision for gratuity		1,100,000	2,150,000
		<b>(62,731,834)</b>	<b>40,945,651</b>
<b>Decrease / (Increase) in current assets</b>		<b>(4,237,749)</b>	<b>(4,950,812)</b>
Investments at fair value through profit or loss		-	(109,158,923)
Trade debts - unsecured		20,442,448	170,327,056
Advances, deposits, prepayments and other receivables		(569,280)	4,248,915
		<b>19,873,168</b>	<b>65,417,047</b>
<b>(Increase) / decrease in current liabilities in trade and other payables</b>		<b>34,742,629</b>	<b>3,231,567</b>
<b>Cash generated in operations</b>		<b>50,378,048</b>	<b>63,697,802</b>
Interest received		442,392	760,208
Dividend received		1,125	-
Finance cost paid		(11,028)	(38,947)
Gratuity paid		(187,000)	(814,000)
Taxes paid		(98,084)	(1,483,055)
<b>Net cash generated in operating activities</b>		<b>50,525,453</b>	<b>62,122,008</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property and equipment		(32,000)	-
Proceeds from sale of property and equipment		-	450,000
Long term deposits and advances		-	(100,000)
<b>Net cash (used in) / generated in investing activities</b>		<b>(32,000)</b>	<b>350,000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long term finance paid		(129,000)	(39,924,340)
Short term borrowings		-	-
<b>Net cash (used in) financing activities</b>		<b>(129,000)</b>	<b>(39,924,340)</b>
<b>Effects of exchange rate changes in cash and cash equivalents</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>50,364,453</b>	<b>22,547,668</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>52,114,391</b>	<b>10,077,092</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>102,478,844</b>	<b>32,624,760</b>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statement.

Lahore:

  
**Chief Executive**

14

  
**Director**

**FIRST CAPITAL EQUITIES LIMITED  
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - (Un-audited)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

	Issued, subscribed and paid up capital	Capital Reserve		Revenue Reserve		Total
		Share Premium	Reserve for issue of bonus shares	Other Reserve	Unappropriate d Loss	
Rupees						
<b>Balance as at June 30, 2015</b>	<b>1,413,355,000</b>	-	-	(43,559,896)	(1,320,227,022)	<b>49,568,082</b>
Loss for the period after taxation	-	-	-	-	(46,058,207)	(46,058,207)
<b>Other comprehensive income for the period</b>						
Fair value reserve realised	-	-	-	-	-	-
Remeasurement of defined benefit plan	-	-	-	-	-	-
Deficit on remeasurement of investment available for sale to fair value	-	-	-	(1,577,514)	-	(1,577,514)
Total other comprehensive income for the period - net of tax	-	-	-	(1,577,514)	-	(1,577,514)
Total comprehensive loss for the period	-	-	-	(1,577,514)	(46,058,207)	(47,635,721)
<b>Balance as at September 30, 2015</b>	<b>1,413,355,000</b>	-	-	(45,137,410)	(1,366,285,229)	<b>1,932,361</b>
Profit for the period after taxation	-	-	-	-	77,217,119	77,217,119
<b>Other comprehensive income for the period</b>						
Fair value reserve realised	-	-	-	-	-	-
Remeasurement of defined benefit plan	-	-	-	-	(450,105)	(450,105)
Deficit on remeasurement of investment available for sale to fair value	-	-	-	(3,155,024)	-	(3,155,024)
Total other comprehensive loss for the period - net of tax	-	-	-	(3,155,024)	(450,105)	(3,605,129)
Total comprehensive income for the period	-	-	-	(3,155,024)	76,767,014	73,611,990
<b>Balance as at June 30, 2016</b>	<b>1,413,355,000</b>	-	-	(48,292,434)	(1,289,518,215)	<b>75,544,351</b>
Profit for period after taxation	-	-	-	-	58,336,784	58,336,784
<b>Other comprehensive income for the period</b>						
Fair value reserve realised	-	-	-	-	-	-
Remeasurement of defined benefit plan	-	-	-	-	-	-
Surplus on remeasurement of investment available for sale to fair value	-	-	-	20,082,968	-	20,082,968
Total other comprehensive income for the period - net of tax	-	-	-	20,082,968	-	20,082,968
Total comprehensive income for the period	-	-	-	20,082,968	58,336,784	78,419,752
<b>Balance as at September 30, 2016</b>	<b>1,413,355,000</b>	-	-	(28,209,466)	(1,231,181,431)	<b>153,964,103</b>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statement.

Lahore:

  
Chief Executive

  
Director

**FIRST CAPITAL EQUITIES LIMITED  
NOTES TO THE CONDENSED INTERIM FINANCIAL  
STATEMENTS - (Un-audited)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

**1 THE COMPANY AND ITS OPERATION**

First Capital Equities Limited, (the "Company") was incorporated on January 26, 1995 as private limited company, under the Companies Ordinance, 1984. The Company was converted into Public Limited Company on June 18, 1997 and is listed on Pakistan Stock Exchange. The principal activities of the Company include share brokerage and conducting / publishing business research.

The Company is subsidiary of First Capital Securities Corporation Limited - a listed company which holds 103,494,200 (73.23%) ordinary shares of the Company. The registered office of the Company is located at 2nd floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt. Lahore.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

This condensed interim financial statement is un-audited and are prepared in accordance with the requirements of International Accounting Standards (IAS) 34 "Interim Financial Reporting" and are being presented to share holders under section 245 of Companies Ordinance, 1984. The disclosures in the condensed interim financial statements do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended June 30, 2016.

This condensed interim financial statement comprises of condensed interim balance sheet as at September 30, 2016 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes thereto, for the quarter ended September 30, 2016.

**3 ACCOUNTING POLICIES**

Accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2016.

**4 ESTIMATES**

The preparation of the condensed interim financial statements requires management to make adjustments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by the management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended June 30, 2016.

**5 LONG TERM INVESTMENTS**

	Note	Un-audited	Audited
		September 2016	June 2016
		Rupees	Rupees
<b>Investment in related parties</b>			
<b>Available for sale</b>			
Media Times Limited - quoted shares	5.1	30,215,463	10,132,495
<b>Other Investments</b>			
<b>Available for sale</b>			
Pakistan Stock Exchange Limited - unquoted shares 4,007,383 shares of PSX (June 2016 : 4,007,383 shares)		24,156,320	24,156,320
		<b>54,371,783</b>	<b>34,288,815</b>



	Note	Un-audited	Audited
		September	June
		2016	2016
		Rupees	Rupees
5.1 6,067,362 (June 2016 : 6,067,362) Fully paid ordinary shares of Rs. 10 each Equity Held 3.56% (June 2016 : 3.56%)		10,132,495	14,865,033
Gain / (loss) on remeasurement of investment available for sale for the period / year		20,082,968	(4,732,538)
		<b>30,215,463</b>	<b>10,132,495</b>
<b>6 LONG TERM DEPOSITS, RECEIVABLES AND PREPAYMENTS</b>			
Karachi Stock Exchange Limited		3,653,159	3,653,159
Central Depository Company of Pakistan Limited		100,000	100,000
National Clearing Company of Pakistan Limited		400,000	400,000
Other deposits and receivables	6.1	1,359,400	1,359,400
		<b>5,512,559</b>	<b>5,512,559</b>
6.1 This includes balance receivable from First Capital Securities Corporation Limited (Parent Company) Rs. 890,400/- (June 2016 : Rs 890,400/-).			
	Note	Un-audited	Audited
		September	June
		2016	2016
		Rupees	Rupees
<b>7 TRADE DEBTS - UNSECURED</b>			
Trade debts against purchase of shares:			
Considered good - unsecured			
Clients			
Related parties	7.1	182,210,403	182,477,610
Others		1,787,053,859	1,807,229,100
Members		621,409	621,409
		<b>1,969,885,671</b>	<b>1,990,328,119</b>
Considered doubtful:			
7.2			
Clients		1,092,901,226	1,092,901,226
Members		3,911,979	3,911,979
		<b>1,096,813,205</b>	<b>1,096,813,205</b>
Less: Provision for doubtful debts		(1,096,813,205)	(1,096,813,205)
		<b>1,969,885,671</b>	<b>1,990,328,119</b>
<b>7.1 Related Parties</b>			
Salmaan Taseer		13,571,120	13,571,120
Aaman Taseer		271,389	263,808
Shehyar Ali Taseer		414,778	682,743
Suleman Al Houqani		167,944,259	167,944,259
Pace Barka Properties Limited		5,000	5,000
First Capital Mutual Fund Limited		3,857	10,680
		<b>182,210,403</b>	<b>182,477,610</b>
<b>7.2 Provision for doubtful debts</b>			
Opening balance		1,096,813,205	1,096,813,205
Provision for doubtful debts written back for the period / year		-	-
Charge for the period / year		-	-
Closing Balance		<b>1,096,813,205</b>	<b>1,096,813,205</b>

	Note	Un-audited	Audited
		September	June
		2016	2016
		Rupees	Rupees
<b>8 SHORT TERM INVESTMENTS</b>			
<b>At fair value through profit or loss</b>			
Quoted equity securities			
Carrying value / cost of investments		84,440,219	73,408,034
Unrealised gain on remeasurement of investments for the period / year			
		83,999,931	11,032,185
		<b>168,440,150</b>	<b>84,440,219</b>
<b>9 LONG TERM FINANCING</b>			
Secured	9.1	2,221,035,466	2,221,164,466
Deferred notional income	9.2	(51,232,091)	(59,732,841)
		<b>2,169,803,375</b>	<b>2,161,431,625</b>
Less: Current portion shown under current liability		(444,702,358)	(246,506,008)
		<b>1,725,101,017</b>	<b>1,914,925,617</b>
9.1 This includes agreements with different commercial banks with a mark up rate of 8.13% and 3 months kibar plus 3% to 4 % p.a (June 2016 : 8.13% and 3 months kibar plus 3% to 4% ). These facilities are secured against the pledge of shares, charge over trade receivable and equitable mortgage of certain properties. The shares having market value of Rs 280,273,862 (June 2016 : 218,226,666) have been pledged by the Company.			
9.2 This represents the difference between amortized cost and carrying value of restructuring of long term loan. Amortized cost has been determined using effective interest rate of 9.13% to 12.06% (June 2016 : 9.13% to 12.06%) per annum being the 6 month KIBOR rate. Movement is as follows:			
		Un-audited	Audited
		September	June
		2016	2016
		Rupees	Rupees
<b>Deferred notional income</b>			
As at beginning of the period / year		59,732,842	182,336,158
Occurred during the period / year		-	-
Amortized during the period / year		(8,500,750)	(122,603,316)
As at end of the period / year		<b>51,232,092</b>	<b>59,732,842</b>
<b>10 TRADE AND OTHER PAYABLES - UNSECURED</b>			
		<b>184,346,521</b>	<b>181,114,954</b>
This includes balance payable to associated company i.e Falcon Commodities (Pvt) Limited Rs. 3,750,000/- (June 2016 : Rs. 3,750,000/-)			
<b>11 CONTINGENCIES AND COMMITMENTS</b>			
There is no change in contingencies and commitments disclosed in the annual financial statements for the year ended June 30, 2016 except for the following:			

Un-audited September 2016 Rupees	Audited June 2016 Rupees
---	-----------------------------------

### 11.1 COMMITMENTS

Sale of Shares	454,632,633	50,148,207
Purchase of shares	451,573,332	57,630,577

### 12 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise parent company, related group companies, local associated undertakings, directors, key management personnel and their close family members. Transactions with related parties and associated undertakings other than remuneration and benefits to key management personnel under the terms of their employment are as follows:

Three Months Ended September 30, 2016			
Associated Company	Parent Company	Key management personnel of the entity, its parents and their close family members	Other Related Party
Rupees			

Brokerage Income	-	-	-	23,200
Salary and other employee benefit	-	-	3,743,108	-

Three Months Ended September 30, 2015			
Associated Company	Parent Company	Key management personnel of the entity, its parents and their close family members	Other Related Party
Rupees			

Brokerage Income	-	-	-	16,423
Salary and other employee benefit	-	-	3,337,412	-

12.1 The amount due to / due from related parties are disclosed in respective notes to the financial statements.

### 13 EARNING / (LOSS) PER SHARE - BASIC AND DILUTED

	July 01, 2016 to September 30, 2016	July 01, 2015 to September 30, 2015
Profit / (loss) after taxation attributable to ordinary share holders - Rupees	<u>58,336,784</u>	<u>(46,058,207)</u>
Weighted average number of ordinary shares	<u>141,335,500</u>	<u>141,335,500</u>
Earning / (loss) per share - Basic and Diluted (Rupees per share)	<u>0.41</u>	<u>(0.33)</u>

13.1 No figure for diluted earnings per share has been disclosed as the Company has not issued any instrument which would have an impact on earnings per share, when exercised.

### 14 DATE OF AUTHORIZATION

These condensed interim financial statements were authorized for issue by the Board of Directors on October 24, 2016.

### 15 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose for comparison. There have been no significant rearrangement and reclassification in these financial statements

### 16 GENERAL

Figures have been rounded off to the nearest rupee.