

First Capital Securities Corporation Limited

CONDENSED INTERIM UN-CONSOLIDATED

FINANCIAL INFORMATION

FOR THE NINE MONTHS PERIOD ENDED

31 MARCH 2018

(Un-Audited)

First Capital Securities Corporation Limited

First Capital Securities Corporation Limited

VISION

First Capital Securities Corporation Limited aspires to become a well-diversified and successful conglomerate and develop its image as a premier telecom and financial services group.

MISSION

At First Capital Securities Corporation Limited we are committed to provide high quality services in a positive environment that encourages innovation, creativity and teamwork, promotes ethical and efficient behavior and enables shareholders to maximize the returns on their investments.

First Capital Securities Corporation Limited

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First Capital Securities Corporation Limited

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COMPANY INFORMATION

Board of Directors

Shehrbano Taseer (Chairman/Director)	Non-Executive
Aamna Taseer (Chief Executive Officer)	Executive
Shehryar Ali Taseer	Non-Executive
Shahbaz Ali Taseer	Non-Executive
Maheen Taseer	Non-Executive
Kanwar Latafat Ali Khan	Non-Executive
Sikandar Laeeq	Independent
Chief Financial Officer	Saeed Iqbal
Audit Committee	Sikandar Laeeq (Chairman) Maheen Taseer (Member) Shehrbano Taseer (Member)
Human Resource and Remuneration (HR&R) Committee	Sikandar Laeeq (Chairman) Aamna Taseer (Member) Shehrbano Taseer (Member)
Company Secretary	Sajjad Ahmad
Auditors	Nasir Javaid Maqsood Imran Chartered Accountants
Legal Advisers	Mazhar Law Associates Advocates & Solicitors
Bankers	Allied Bank Limited Bank Alfalah Limited Faysal Bank Limited Bank Islami MCB Bank Limited Standard Chartered Bank (Pakistan) Limited Soneri Bank Limited
Registrar and Shares Transfer Office	THK Associates (Pvt.) Limited 1st Floor, 40-C, Block-6 P.E.C.H.S. Karqchi-75400 Tel: ?(021) 111-000-322
Registered Office/Head Office	2nd Floor, Pace Shopping Mall Fortress Stadium, Lahore Cantt Lahore, Pakistan Tel: (042)36623005/6/8 Fax: (042)36623121-36612122

First Capital Securities Corporation Limited

First Capital Securities Corporation Limited

DIRECTORS' REVIEW

We on behalf of the Board of Directors of First Capital Securities Corporation Limited (the "Company" or "FCSC") feel immense pleasure in presenting the un-audited condensed interim financial information of the Company for the nine months ended 31 March 2018.

Operational Results

The operating results of the Company, for the period under review, are summarized as follows:

Financial Overview	31 March 2018 Rupees	31 March 2017 Rupees
Revenue	5,941,082	14,578,203
Loss on Disposal of Investment Properties	(46,029,400)	-
Unrealized (loss)/Gain on re-measurement of "investments at Fair Value through Profit & Loss"	(24,853,108) (64,941,426)	25,677,022 40,255,225
Operating Expenses	28,725,211	30,743,982
Impairment loss on available-for-sale investments	-	1,992,263,350
Finance and other costs	14,364	19,702
Loss after Taxation	85,809,178	1,974,801,383
(Loss)/Earnings per Share (basic and diluted)	(0.27)	(6.24)

The company has reported revenue of -ve Rs.64.9 million as compared to Rs. 40.2 million last year for the same period on account of Money Market services, loss on disposal of properties and revaluation loss on equity investments. Operating expenses stood at Rs.28.7 million as compared to Rs. 30.7 million during the corresponding period. The company has reported after tax loss of Rs. 85.8 million and per share loss was Rs.0.27 in comparison with after tax loss of Rs. 1,974.8 million and per share loss Rs. 6.24 last year for the same period.

The subsidiaries of FCSC reported the following results during the nine months under review. First Capital Equities Limited (FCEL) reported revenue of Rs. 33.058 million, operating expenses were reported Rs. 90.63 million in comparison with Rs. 84.26 million. Earnings per share stood at Rs.1.34 as compared to Rs. 0.07 in the corresponding period. Lanka Securities (Pvt.) Limited ("LSL") generated a gross revenue of Rs. 58.39 million and profit after tax Rs.16.046 million during the period while Earning per share stood at Rs.0.92. First Capital Investments Limited (FCIL) has reported an after tax loss of Rs.26.847 million as compared to after tax profit of Rs. 25.591 million last year. Falcon commodities (Pvt.) Limited (FCL) became inactive and no revenue as compared to Rs. 0.09 million for the same period last year.

Outlook

IMF has recently clipped Pakistan growth for 2019 to 4.7% as compared to expected 5.6% growth in 2018 on the back of troubles emanating from external account deficit. Pakistan's external account have deteriorated with current account deficit at USD12bn in 9MFY18 vs. USD8bn in the corresponding period last year. However, currency devaluation (10.3%FY18TD) having an impact on Real Effective Exchange Rate (REER: 113.3 in Feb'18 vs. 124.9 in Jun'17) has improved external account prospects with current account deficit falling 8.62%. Moreover, the recently announced amnesty scheme is expected to help Pakistan in supporting its foreign exchange reserve and address fiscal deficit. That said, currency devaluation would have negative impact on inflation which consequently would push SBP towards interest rate hikes.

The company has shown its commitment to utilizing the resources efficiently and effectively by putting in effort to capitalize on the ongoing economic activity. In order to secure maximum benefit for its shareholders the company has been making concrete efforts and utilizing all of its resources. This involves optimizing revenue generation from core operations, treasury management whilst rationalizing the cost base.

First Capital Securities Corporation Limited

Composition of Board

Total number of Directors		07
a) Male		04
b) female		03

Composition:

Independent Directors		01
Other Non-Executive Directors		05
Executive Directors		01

Committee of the board

Audit Committee Mr. Sikander Laeeq (Chairman)
 Ms. Maheen Taseer (Member)
 Ms. Shehrbano Taseer (Member)

Human Resource Mr. Sikander Laeeq (Chairman)
and Remuneration Mrs. Aamna Taseer (Member)
(HR&R) Committee Ms. Shehrbano Taseer (Member)

The composition of the Board of Directors and sub committees shall be changed in due course of time as per deadlines provided in new code of Corporate Governance.

Acknowledgement

The directors place on record their sincere appreciation for the assistance and co-operation provided by financial institutions, government authorities and other stake holders in attaining such commendable performance. The directors also appreciate the committed services of the employees of the Company.

For and on behalf of the Board of Directors

Lahore
26 April 2018

Director

Director

First Capital Securities Corporation Limited

ڈائریکٹرز کا تجزیہ

ہم فرسٹ کیپٹل سیکورٹیز کارپوریشن لمیٹڈ ("کمپنی" یا "FCSC") کے بورڈ آف ڈائریکٹرز کی جانب سے 31 مارچ 2018ء کو اختتام پذیر ہونے والے لئے کمپنی کی غیر پڑتال شدہ عبوری مالی معلومات پیش کرنے میں فخر محسوس کرتے ہیں۔

آپریٹنگ نتائج

زیر جائزہ مدت کے لئے کمپنی کے آپریٹنگ نتائج کا خلاصہ حسب ذیل ہے:

2017 مارچ 31	2018 مارچ 31	مالی جائزہ
14,578,203	5,941,082	ریویونیو
-	(46,029,400)	انویسٹمنٹ الماک کی فروخت پر خسارہ
25,677,022	(24,853,108)	بڈریجٹڈ نقصان فیورٹیو لیو پر انویسٹمنٹس کے دوبارہ قیمتیں پر غیر موصول شدہ (خسارہ)
		/ آمدنی
40,255,225	(64,941,426)	
30,743,982	28,725,211	آپریٹنگ اخراجات
1,992,263,350	-	فروخت کے لئے دستیاب انویسٹمنٹس پر امیٹیز منٹ خسارہ
19,702	14,364	قرض اور دیگر لاگتیں
1,974,801,383	85,809,178	نقصان علاوہ ٹیکس
(6.24)	(0.27)	فی شخص (نقصان) / آمدنی (بنیادی اور ڈائریکٹوریٹ)

ممی مارکیٹ، الماک کی فروخت پر نقصان اور ایکویٹی انویسٹمنٹس پر ریویونیو اینڈ خسارہ کی مدد میں گزشتہ سال میں 40.2 ملین روپے کے مقابلہ میں کمپنی نے منفی 64.9 ملین روپے کا ریویونیو رپورٹ کیا۔ گزشتہ سال کے 30.7 ملین روپے کے مقابلہ میں رواں برس 28.7 ملین روپے کے آپریٹنگ اخراجات رپورٹ ہوئے۔ کمپنی نے گزشتہ سال کی اسی مدت میں 6.24 روپے فی شخص نقصان اور 1,974.8 ملین روپے نقصان علاوہ ٹیکس کے مقابلہ میں زیر جائزہ مدت کے دوران 0.27 روپے فی شخص نقصان اور 85.8 ملین روپے نقصان علاوہ ٹیکس درج کیا۔

FCSC کی ذیلی کمپنیوں نے زیر جائزہ فوہامی کے دوران حسب ذیل نتائج رپورٹ کئے:

فرسٹ کیپٹل سیکورٹیز لمیٹڈ (FCFL) نے 84.26 ملین روپے کے مقابلہ میں 90.63 ملین روپے کے آپریٹنگ اخراجات اور 33.058 ملین روپے کا ریویونیو رپورٹ کیا۔ گزشتہ مدت کے 0.07 روپے فی شخص آمدنی کے مقابلہ میں 1.34 روپے فی شخص آمدنی رہی۔ ڈائریکٹوریٹ (پرائیویٹ) لمیٹڈ ("LSL") نے زیر جائزہ مدت کے دوران 58.39 ملین روپے کی مجموعی آمدنی اور 16.046 ملین روپے منافع علاوہ ٹیکس حاصل کیا جب کہ فی شخص آمدنی 0.92 روپے رہی۔ فرسٹ کیپٹل انویسٹمنٹس لمیٹڈ (FCIL) نے گزشتہ سال کے 25.591 ملین روپے منافع علاوہ ٹیکس کے مقابلہ میں 26.847 ملین روپے کا خسارہ علاوہ ٹیکس رپورٹ کیا۔ فائلنگ کوڈ بیجز (پرائیویٹ) لمیٹڈ (FCL) غیر منمؤثر رہی اور گزشتہ سال کے 0.09 ملین روپے کے مقابلہ میں کوئی آمدنی رپورٹ نہ ہوئی۔

تعمیرات نظر

بیرونی قرضوں کی خسارہ کی بنا پر مشکلات کی وجہ سے سال 2018 میں کم آمدنی 5.6 فی صد نمو کے مقابلہ میں IMF نے حال ہی میں سال 2019ء کے لئے پاکستان میں نمو کی شرح 4.7 فی صد جاری کی۔ مالی سال 2018ء کی باوقیاتی میں 12 ملین ڈالر کے کرنٹ اکاؤنٹ خسارہ پاکستان کے بیرونی ذخائر میں کمی واقع ہو چکی ہے جو گزشتہ سال کی اسی مدت میں 8 ملین ڈالر تھا۔ تاہم، حالیہ بے قدری (10.3 فی صد) مالی سال (2018) کے حقیقی منمؤثر آنچھٹے بیٹ (REER): فروری 2018ء میں 113.3، مقابلہ جون 2017 میں 124.9) پر اثر ڈالا ہے۔ جس کی وجہ سے کرنٹ اکاؤنٹ خسارہ میں 8.62 فی صد کی بنا پر بیرونی ذخائر میں بہتری آئی ہے۔ مزید برآں، حالیہ اعلان شدہ ویکس بنسٹھی سکیم پاکستان کو غیر ملکی آنچھٹے ذخائر میں استحکام اور مالی خسارہ میں کمی کے لئے مدد فراہم کرے گی۔ روپے کی حالیہ قدر میں کمی اثرات پر بیرونی شرح اثرات منمؤثر ہوگی جس کی وجہ سے SBP شرح سود میں اضافہ کے لئے مجبور ہوا جائے گی۔

First Capital Securities Corporation Limited

کئی روای معاشی سرگرمی سے فائدہ اٹھانے کے لئے اپنے وسائل کو بہترین انداز میں استعمال کرنے کے لئے پر عزم ہے۔ اپنے حصص داران سے زیادہ مستفید ہونے کی غرض سے کئی ٹھوس کوششیں کر رہی ہے اور اپنے تمام وسائل کو بروئے کار لاری ہے۔ اس میں بنیادی آپریٹنگ اور ریزیٹنٹ کے ذریعے آمدنی کا حصول شامل ہے۔

بورڈ کی ترتیب

07	ڈائریکٹرز کی کل تعداد
04	(a) مرد
03	(b) خواتین

ترتیب

01	آر او ڈائریکٹرز
05	دیگر نان ایگزیکٹو ڈائریکٹرز
01	ایگزیکٹو ڈائریکٹرز

بورڈ کمیٹیاں

آڈٹ کمیٹی

محترم سکندر ربیع (چیئرمین)
 محترمہ ماہین تاثیر (رکن)
 محترمہ شہر بانو تاثیر (رکن)

انسانی وسائل اور مشاہیرہ (HR&R) کمیٹی

محترم سکندر ربیع (چیئرمین)
 محترمہ آمنہ تاثیر (رکن)
 محترمہ شہر بانو تاثیر (رکن)

بورڈ آف ڈائریکٹرز اور ڈپٹی کمیٹیوں کی ترتیب نئے کوڈ آف کارپورٹ گورننس میں فراہم کردہ مقررہ مدت کے تحت مناسب وقت میں تبدیل کی جائے گی۔

امتزافات

ڈائریکٹرز اس محکمہ کارکردگی کے حصول کے لئے مالی اداروں، حکومتی تنظیموں اور دیگر سٹیک ہولڈرز کے تہدول سے شکرگزار ہیں۔ ڈائریکٹرز ملازمین کی پر عزم خدمات کو بھی قدر کی نگاہ سے دیکھتے ہیں۔

بجانب/الطرف بورڈ آف ڈائریکٹرز

لاہور

ڈائریکٹر

ڈائریکٹر

26 اپریل، 2018ء

First Capital Securities Corporation Limited

CONDENSED INTERIM BALANCE SHEET AS AT 31 MARCH 2018

		(Un-Audited) 31 March 2018	(Audited) 30 June 2017
		Rupees	
NON-CURRENT ASSETS			
Property, plant and equipment	6	155,402,278	147,356,780
Investment properties		6,468,000	163,092,400
Long term investments	7	2,058,372,676	1,873,748,445
Long term deposits		37,500	37,500
		<u>2,220,280,454</u>	<u>2,184,235,125</u>
CURRENT ASSETS			
Trade debts - unsecured, considered good		2,039,939	2,673,997
Loans, advances, prepayments and other receivables	8	161,455,456	68,524,173
Short term investments	7	42,061,067	69,421,355
Income tax receivable		31,783,941	31,009,439
Cash and bank balances		506,909	1,159,924
		<u>237,847,312</u>	<u>172,788,888</u>
CURRENT LIABILITIES			
Trade and other payables	9	34,321,628	32,231,722
NET CURRENT ASSETS		<u>203,525,684</u>	<u>140,557,166</u>
NON-CURRENT LIABILITIES			
Staff retirement benefits payable		11,457,143	10,367,949
Long term payable		-	890,400
		<u>11,457,143</u>	<u>11,258,349</u>
Contingencies and commitments	10	<u>2,412,348,995</u>	<u>2,313,533,942</u>
REPRESENTED BY			
EQUITY			
SHARE CAPITAL AND RESERVES			
Authorized share capital: 320,000,000 (30 June 2017: 320,000,000) ordinary shares of Rs 10 each		<u>3,200,000,000</u>	<u>3,200,000,000</u>
Issued, subscribed and paid-up capital		3,166,101,120	3,166,101,120
Reserves		248,447,557	63,823,326
Retained earnings		(1,002,199,682)	(916,390,504)
		<u>2,412,348,995</u>	<u>2,313,533,942</u>

The annexed notes 1 to 15 form an integral part of these condensed interim un-consolidated financial information.

Chief Finance Officer

Director

Director

First Capital Securities Corporation Limited

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 MARCH 2018

Note	Nine Months ended 31 March 2018 Rupees	Nine Months ended 31 March 2017 Rupees	Quarter ended 31 March 2018 Rupees	Quarter ended 31 March 2017 Rupees
Revenue				
Money market services	8,769,387	9,353,993	2,146,530	3,252,704
Dividend income	-	339,848	-	-
Investment property rentals	192,000	288,000	-	96,000
(Loss)/gain on disposal of short term investments	(276,305)	4,596,362	(231,325)	3,722,212
Loss on disposal of investment properties	(46,029,400)	-	-	-
Unrealized (loss)/gain on re-measurement of 'investments at fair value through profit and loss'	7 (24,853,108)	25,677,022	(2,065,761)	(18,984,770)
Change in fair value of investment properties	(2,744,000)	-	-	-
	(64,941,426)	40,255,225	(150,556)	(11,913,854)
Expenses				
Impairment loss on 'available-for- sale' investments - net	7 -	(1,992,263,350)	-	(879,700,700)
Operating and administrative expenses	(28,725,211)	(30,743,982)	(8,797,791)	(10,310,389)
Operating loss	(93,666,637)	(1,982,752,107)	(8,948,347)	(901,924,943)
Other income	8,571,489	8,752,730	2,865,452	2,911,412
Finance cost	(14,364)	(19,702)	(3,435)	(6,527)
Loss before taxation	(85,109,512)	(1,974,019,079)	(6,086,330)	(899,020,058)
Taxation	(699,666)	(782,304)	(169,837)	(258,091)
Loss after taxation	(85,809,178)	(1,974,801,383)	(6,256,167)	(899,278,149)
Loss per share				
- basic and diluted	(0.27)	(6.24)	(0.02)	(2.84)

The annexed notes 1 to 15 form an integral part of these condensed interim un-consolidated financial information.

Chief Finance Officer

Director

Director

First Capital Securities Corporation Limited

CONDENSED INTERIM COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 MARCH 2018

	Nine Months Ended		Quarter Ended	
	31 March 2018 Rupees	31 March 2017 Rupees	31 March 2018 Rupees	31 March 2017 Rupees
Loss after taxation	(85,809,178)	(1,974,801,383)	(6,256,167)	(899,278,149)
Other comprehensive (loss)/income for the year:				
Items that will not be reclassified to profit and loss:				
Remeasurement of post retirement benefit obligation	-	-	-	-
Items that may subsequently reclassified to profit and loss:				
Change in fair value of available-for-sale financial assets	(53,412,429)	105,919,562	9,052,954	(42,548,884)
Change in fair value of available-for-sale financial assets	238,036,660	-	103,494,200	
Other comprehensive income / (Loss) for the year - net of tax	184,624,231	105,919,562	9,052,954	(42,548,884)
Total comprehensive (loss) for the year - net of tax	98,815,053	(1,868,881,821)	2,796,787	(941,827,033)

The annexed notes 1 to 15 form an integral part of these condensed interim un-consolidated financial information.

Chief Finance Officer

Director

Director

First Capital Securities Corporation Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2018

	Share Capital	Capital reserve Fair value reserve	Revenue reserve Retained earnings	Total
Rupees				
Balance as at 30 June 2016	3,166,101,120	-	1,023,493,202	4,189,594,322
Loss for the year	-	-	(1,974,801,383)	(1,974,801,383)
Other comprehensive income for the year - net of tax	-	105,919,562	-	105,919,562
Total comprehensive loss for the year - net of tax	-	105,919,562	(1,974,801,383)	(1,868,881,821)
Balance at 31 March 2017	3,166,101,120	105,919,562	(951,308,181)	2,320,712,501
Balance as at 30 June 2017	3,166,101,120	63,823,326	(916,390,504)	2,313,533,942
Loss for the year	-	-	(85,809,178)	(85,809,178)
Other comprehensive income for the year - net of tax	-	184,624,231	-	184,624,231
Total comprehensive income / (Loss) for the year - net of tax	-	184,624,231	(85,809,178)	98,815,053
Balance at 31 March 2018	3,166,101,120	248,447,557	(1,002,199,682)	2,412,348,995

The annexed notes 1 to 15 form an integral part of these condensed interim un-consolidated financial information.

Chief Finance Officer

Director

Director

First Capital Securities Corporation Limited

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2018

	Note	Nine Months Ended 31 March 2018	Nine Months Ended 31 March 2017
		Rupees	Rupees
Cash generated/(used) from (in) operations	11	(16,474,593)	3,011,649
Increase in non-current liabilities:			
Long term payable		(890,400)	-
Staff retirement benefits paid		(21,593)	(210,000)
Finance cost paid		(14,364)	(19,702)
Taxes paid-net		(1,474,168)	(1,588,186)
		(2,400,525)	(1,817,888)
Net cash inflow/ (outflow) from operating activities		<u>(18,875,118)</u>	<u>1,193,761</u>
Cash flows from investing activities			
Dividend received		-	339,848
Purchase of investment property		37,095,000	-
Purchase of capital work in progress-net		(20,309,013)	-
Transfer from current assets to vehicles		(1,085,250)	-
Short term investments - net		2,507,180	4,511,912
Long term deposits		-	-
Interest received		14,186	49,568
Net cash (outflow)/ inflow from investing activities		<u>18,222,103</u>	<u>4,901,328</u>
Cash flows from financing activities			
Repayment of long term loan		-	(6,000,000)
Net cash outflow from financing activities		<u>-</u>	<u>(6,000,000)</u>
Net increase/(decrease) in cash and cash equivalents		(653,015)	95,089
Cash and cash equivalents at the beginning of the year		1,159,924	749,569
Cash and cash equivalents at the end of the year		<u>506,909</u>	<u>844,658</u>

The annexed notes 1 to 15 form an integral part of these condensed interim un-consolidated financial information.

Chief Finance Officer

Director

Director

First Capital Securities Corporation Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 MARCH 2018

1 Legal status and nature of business

First Capital Securities Corporation Limited ("the Company") was incorporated in Pakistan on 11 April 1994 as a public limited company under the Companies Ordinance, 1984 and is listed on the Pakistan Stock Exchange. The registered office of the Company is situated at 2nd floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt, Lahore. The Company is involved in making long and short term investments, money market operations and financial consultancy services.

2 Basis of preparation

"2.1 This condensed interim unconsolidated Financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim Financial reporting. As per the requirements of circular No. CLD/CCD/PR(11)/2017 dated July 20, 2017 and circular No. 23 of 2017 dated October 4, 2017 issued by the Securities & Exchange Commission of Pakistan (SECP), the Company has prepared these Financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). Accordingly, approved accounting standards for interim Financial reporting comprise of International Accounting Standard 34, 'Interim Financial Reporting' and provisions of and directives issued under the Ordinance. In case requirements differ, the provisions of or directives issued under the Ordinance prevail."

The Figures included in the unconsolidated condensed interim profit and loss account for the quarters ended March 31, 2018 and 2017 and in the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated Figures for the quarter ended March 31, 2018 and 2017.

3 Significant accounting policies

3.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended 30 June 2017.

4 Significant accounting judgments and estimates

The preparation of condensed interim financial information in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates, associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. In preparing this condensed interim unconsolidated financial information, the significant judgments made by management in applying accounting policies and the key sources of estimation were the same as those that were applied to the financial statements for the year ended 30 June 2017.

5 Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

First Capital Securities Corporation Limited

		(Un-Audited) 31 March 2018	(Audited) 30 June 2017
	Note	Rupees	
6	Property, plant and equipment		
	Property, plant and equipment	6.1 22,977,172	35,240,687
	Capital work in progress	6.2 132,425,106	112,116,093
		<u>155,402,278</u>	<u>147,356,780</u>
6.1	Opening book value	35,240,687	53,565,520
	Net (Disposal)/Additions for the period/year	1,085,250	(423,359)
		<u>36,325,937</u>	53,142,161
	Depreciation expense for the period/year	13,348,765	17,901,474
		<u>22,977,172</u>	<u>35,240,687</u>
6.2	Opening balance	112,116,093	112,116,093
	Additions for the period/year	25,334,248	-
	Disposal for the period/year	(5,025,235)	-
	Closing balance	<u>132,425,106</u>	<u>112,116,093</u>
6.3	During the period company purchased property of Rs. 25,334,248 from Pace Barka Properties Limited (associated company) and as consideration transferred property of Rs. 5,025,235 and adjusted receivable balance of Rs. 20,309,013.		
6.4	This represents property in Pace Tower Gulberg, Lahore and Pace Circle, Lahore amounting to Rs 107,090,858 (June 2017: Rs 107,090,858) and Rs. 25,334,248 (June 2017: Rs 5,025,235) respectively.		

		(Un-Audited) 31 March 2018	(Audited) 30 June 2017
		Rupees	
6.5	Investment properties		
	Opening balance	163,092,400	163,170,000
	Disposal during the period/year	(153,880,400)	-
	Fair value adjustment	(2,744,000)	(77,600.00)
		<u>6,468,000</u>	<u>163,092,400</u>

6.6 These investment properties are measured using level 2 inputs (observable comparable data) as described in IFRS 13 fair value measurement. Level 2 fair value of investment properties has been derived using the sales comparison approach. Sale prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as location, size, nature and condition of the property. The most significant input into this valuation approach is price per square foot.

		(Un-Audited) 31 March 2018	(Audited) 30 June 2017
	Note	Rupees	
7	Investments		
	Carrying value of investments at the beginning of the period / year	1,943,169,800	3,814,728,466
	Impairment loss during the period / year on Available for sale investments	-	(1,940,523,843)
	Unrealized (loss) / gain on re-measurement of investments at fair value through profit or loss	7.1 (24,853,108)	10,198,763
	Change in fair value of available-for-sale financial assets	7.2 (53,412,429)	63,823,326
	Change in fair value of available-for-sale financial assets	7.3 238,036,660	-
		<u>159,771,123</u>	(1,866,501,754)
	Investments disposed off during the period/year	(2,507,180)	(5,056,912)
	Carrying value at the end of the period / year	<u>2,100,433,743</u>	1,943,169,800
	Investments classified in current assets	42,061,067	69,421,355
	Closing book value	<u>2,058,372,676</u>	<u>1,873,748,445</u>

First Capital Securities Corporation Limited

7.1 This includes un-realized loss on remeasurement of Company's investment in Pace (Pakistan) Limited, a related party (associated undertaking) amounting to Rs. 21,168,826 due to decrease in market value per share as at the reporting date. Also un-realized loss on remeasurement of Company's investment in First Capital Mutual Fund, a related party amounting to Rs. 627,564 due to decrease in market value per unit of the fund at the reporting date.

7.2 This represents a loss on account of change in fair value of Company's available for sale investment in Media Times Limited a related party (associated company) due to decrease in market value per share as at the reporting date. The related loss has been recognized in condensed interim un-consolidated statement of comprehensive income for the period.

7.3 This represents a gain on account of change in fair value of Company's available for sale investment in First Capital Equities Limited a related party (subsidiary) due to increase in market value per share as at the reporting date. The related gain has been recognized in condensed interim un-consolidated statement of comprehensive income for the period.

	(Un-Audited) 31 March 2018	(Audited) 30 June 2017
Note	Rupees	
8 Loans, advances, prepayments and other receivables		
Loans and advances		
Advances to staff - secured, considered good	133,500	148,500
Due from related parties - unsecured, considered good	<u>35,350,000</u>	<u>48,422,022</u>
	35,483,500	48,570,522
Short term deposits and prepayments		
Prepayments	-	39,445
Ijarah deposit	-	<u>1,085,250</u>
	-	1,124,695
Other receivables		
Receivable against sale of capital work in progress	18,695,000	18,695,000
Receivable against sale of investment properties	70,756,000	-
Advance against purchase of investment property	36,195,000	36,194,600
Rent receivable	<u>325,956</u>	<u>133,956</u>
	125,971,956	18,828,956
	161,455,456	68,524,173

9 Trade and other payables

Creditors	9.1	4,949,741	4,289,752
Accrued liabilities		6,056,086	5,041,865
Security deposit from tenants		486,660	486,660
Payable against purchase of investment property	9.2	6,181,523	6,681,123
Final settlements payable		11,607,362	11,607,269
Withholding income tax payable		2,566,800	1,739,290
Withholding sales tax payable		464,285	292,347
Other liabilities		<u>2,009,171</u>	<u>2,093,416</u>
		34,321,628	32,231,722

9.1 This include amount payable to Media Times Limited (associated company) Rs. 233,100(June,2017: Rs. 168,600) and to World Press (Pvt.) Limited (subsidiary) Rs. 1,001,442(June, 2017: Rs. 1,001,442)

9.2 This include amount payable to Pace Pakistan Limited (associated company) Rs. 6,181,123(June,2017: 6,681,123)

10 Contingencies and commitments

There are no significant changes in contingencies and commitments from those disclosed in the preceding annual financial statements of the Company for the year ended 30 June 2017.

First Capital Securities Corporation Limited

	(Un-Audited) Nine Months 31 March 2018	(Un-Audited) Nine Months 31 March 2017
	----- Rupees -----	
11 Cash generated from/(used in) operations		
Profit/(loss) before taxation	(85,109,512)	(1,974,019,079)
Adjustments for:		
Finance cost	14,364	19,702
Dividend income	-	(339,848)
Unrealized loss/(gain) on re-measurement of investments at 'fair value through profit or loss'	24,853,108	(25,677,022)
Change in value of investment properties	2,744,000	-
Impairment loss on 'available-for-sale' investments	-	1,992,263,350
Loss on sale of investment property	46,029,400	-
Depreciation	13,348,765	13,449,320
Interest income	(14,186)	(49,568)
Provision for staff retirement benefits	1,110,787	1,142,594
	<u>88,086,238</u>	<u>1,980,808,528</u>
Profit before working capital changes	2,976,726	6,789,449

	(Un-Audited) Nine Months 31 March 2018	(Un-Audited) Nine Months 31 March 2017
	----- Rupees -----	

Effect on cash flow due to working capital changes

(Increase)/decrease in current assets:		
Loans, advances, prepayments and other receivables	(22,175,283)	(3,761,563)
Trade debts	634,058	(1,795,210)
(Decrease)/increase in current liabilities:		
Trade and other payables	2,089,906	1,778,973
	<u>(19,451,319)</u>	<u>(3,777,800)</u>
Cash generated from operations	(16,474,593)	3,011,649

12 Transactions and balances with related parties

The related parties comprise the subsidiaries and associates of the Company, associated undertakings other related companies, directors and key management personnel of the Company. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties other than those disclosed elsewhere in the condensed interim un-consolidated financial information are as follows:

Relationship with the related party	Nature of transactions	Nine Months ended 31 March 2018 (Un-Audited)	Nine Months ended 31 March 2017 (Un-Audited)
		----- Rupees -----	
Subsidiary companies	Rental income earned	8,550,000	-
	Brokerage commission paid	-	23,916
Associated companies	Dividend income received	-	254,840
	Purchase of goods / services	-	97,500
Key management personnel	Salaries and other employee benefits	4,947,039	5,323,449

12.1 The amount due o / due from related parties are disclosed in respective notes to condensed interim un-consolidated financial information.

First Capital Securities Corporation Limited

Period / year end balances	(Un-Audited) 31 March 2018	(Audited) 30 June 2017
 Rupees	
Receivables from related parties	35,350,000	48,422,022
Payables to related parties	7,415,665	7,851,165

13 Financial risk management

13.1 Financial risk factors

The Company's activities expose it to a variety of financial risks market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim un-consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 30 June 2017.

There have been no changes in the risk management policies since year ended 30 June 2017.

13.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed completely to perform as contracted. The Company's credit risk arises from deposits with banks, trade debts, loans and advances and credit exposure arising as a result of dividends from equity securities and other receivable.

13.2.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the balance sheet date was:

	(Un-Audited) 31 March 2018	(Audited) 30 June 2017
 Rupees	
Other receivables	125,260,456	67,399,478
Long term deposits	37,500	37,500
Trade debts	2,039,939	2,673,997
Bank balances	506,909	1,159,924

13.3 Liquidity risk

Compared to year end 30 June 2017, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

13.4 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Company's assets and liabilities that are measured at fair value at 31 March 2018.

First Capital Securities Corporation Limited

	Level 1	Level 2	Level 3	Total
	Rupees			
Assets				
Available-for-sale investments	1,255,487,523	-	-	1,255,487,523
Investments at fair value through profit and loss	42,061,067	-	-	42,061,067
Total assets	1,297,548,590	-	-	1,297,548,590
Liabilities				
	-	-	-	-

The following table presents the Company's assets and liabilities that are measured at fair value at 30 June 2017.

	Level 1	Level 2	Level 3	Total
	Rupees			
Assets				
Available-for-sale investments	1,070,863,292	-	-	1,070,863,292
Investments at fair value through profit and loss	69,421,355	-	-	69,421,355
Total assets	1,140,284,647	-	-	1,140,284,647
Liabilities				
	-	-	-	-

There were no transfers between levels 1, 2 or 3 for recurring fair value measurements during the period.

14 Date of authorization for issue

This condensed interim financial information was authorized for issue on April 26, 2018 by the Board of Directors.

15 Corresponding figures

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison. However, no significant re-classifications have been made.

Chief Finance Officer

Director

Director

First Capital Securities Corporation Limited

First Capital Securities Corporation Limited

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED
31 MARCH 2018
(Un-Audited)**

First Capital Securities Corporation Limited

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2018

	Note	Un-Audited 31 March 2018 Rupees	Audited 30 June 2017 Rupees
Non-current assets			
Property, plant and equipment	6	281,233,209	313,863,462
Intangible assets		7,875,013	15,562,519
Investment properties		947,184,500	1,765,542,000
Investments accounted for using the equity method	7	541,314,992	542,851,260
Long term investments		41,532,512	41,163,833
Long term deposits and advances - considered good		43,085,936	43,377,181
Deferred taxation		-	292,619
		1,862,226,162	2,722,652,874
Current assets			
Stock in trade		10,087,814	10,077,444
Trade debts		1,002,899,084	1,676,155,606
Loans, advances and other receivables		286,904,966	226,759,921
Prepayments		283,521	403,256
Interest accrued		9,298	86,447
Deposits and other receivables		94,205,041	25,159,697
Short term investments	7	316,622,539	331,144,302
Tax refund due from Government		36,390,501	17,994,235
Cash and bank balances		144,499,530	124,516,280
		1,891,902,294	2,412,297,188
Current liabilities			
Trade and other payables		366,575,129	368,568,017
Short term borrowings - secured		1,467,411	9,148,723
Current portion of long term loans - secured		11,030,000	2,206,000
Current portion of liabilities against assets subject to finance lease		434,554	434,554
		379,507,094	380,357,294
Net current assets		1,512,395,200	2,031,939,894
		3,374,621,362	4,754,592,768
Non-current liabilities			
Deferred liabilities		70,481,115	62,541,530
Long term loans - secured		1,378,586,080	2,902,580,552
Deferred tax liability		972,032	-
		1,450,039,227	2,965,122,082
Contingencies and commitments	8	1,924,582,135	1,789,470,686
Represented by			
Equity			
Share Capital and Reserves			
Authorized share capital: 320,000,000 (2017: 320,000,000) ordinary shares of Rs 10 each		3,200,000,000	3,200,000,000
Issued, subscribed and paid-up share capital		3,166,101,120	3,166,101,120
Exchange translation reserve		26,721,879	17,990,368
Reserves capitalised		480,054,923	480,054,923
Retained earnings		(2,079,252,110)	(2,143,982,701)
Equity attributable to owners of the Parent Company		1,593,625,812	1,520,163,710
Non-controlling interests (NCI)		330,956,323	269,306,976
		1,924,582,135	1,789,470,686

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial information.

First Capital Securities Corporation Limited

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT - (Un-Audited) FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 MARCH 2018

	Nine Months ended 31 March 2018 Rupees	Nine Months ended 31 March 2017 Rupees	Quarter ended 31 March 2018 Rupees	Quarter ended 31 March 2017 Rupees
Operating revenue	108,529,004	325,438,160	37,987,326	123,506,872
Direct costs	<u>(63,072,971)</u>	<u>(152,763,182)</u>	<u>(24,351,259)</u>	<u>(41,267,409)</u>
Gross profit	45,456,033	172,674,978	13,636,067	82,239,463
Change in fair value of investment properties	(2,744,000)	-	-	-
Unrealized (loss)/gain on re-measurement of 'investments at fair value through profit or loss'	(51,426,041)	73,017,443	1,553,414	(42,567,618)
Operating and administrative expenses	<u>(194,927,702)</u>	<u>(178,816,264)</u>	<u>(69,995,566)</u>	<u>(65,514,603)</u>
	(203,641,710)	66,876,157	(54,806,085)	(25,842,758)
Other income	336,970,992	13,087,373	158,054,787	4,365,470
Finance cost	<u>(20,243,859)</u>	<u>(57,432,835)</u>	<u>(4,579,571)</u>	<u>(18,094,259)</u>
	113,085,423	22,530,695	98,669,131	(39,571,547)
Share of (loss)/gain of equity accounted investees (net of tax)	1,149,384	2,898,897	1,583,122	(7,146,700)
Profit/(loss) before taxation	114,234,807	25,429,592	100,252,253	(46,718,247)
Taxation	2,563,448	(2,125,994)	134,857	3,305,902
Profit/(loss) after taxation from operations for the period	<u>116,798,255</u>	<u>23,303,598</u>	<u>100,387,110</u>	<u>(43,412,345)</u>
Basic and diluted (loss)/earnings per share	<u>0.20</u>	<u>0.06</u>	<u>0.23</u>	<u>(0.12)</u>
Profit/(loss) attributable to:				
- Owners of the Parent Company	63,636,702	19,967,038	72,220,799	(37,384,226)
- Non-controlling interest	<u>53,161,553</u>	<u>3,336,560</u>	<u>28,166,311</u>	<u>(6,028,119)</u>
Profit/(loss) for the period	<u>116,798,255</u>	<u>23,303,598</u>	<u>100,387,110</u>	<u>(43,412,345)</u>

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial information.

First Capital Securities Corporation Limited

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME - (Un-Audited) FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 31 MARCH 2018

	Nine Months ended 31 March 2018 Rupees	Nine Months ended 31 March 2017 Rupees	Quarter ended 31 March 2018 Rupees	Quarter ended 31 March 2017 Rupees
Profit / (loss) after taxation	116,798,255	23,303,598	100,387,110	(43,412,345)
Other comprehensive income for the period				
Items that may be subsequently reclassified to profit or loss:				
Share of other comprehensive income of investments accounted for using the equity method - net of tax	823,905	-	274,635	-
Unrealized loss on remeasurement of investment available for sale				
- Change in fair value of available-for-sale financial assets	269,984	38,478,418	4,120,187	38,478,418
- Non-controlling interests	98,696	-	1,506,178	-
	368,680	38,478,418	5,626,365	38,478,418
Exchange differences on translation of foreign operations recognised as:				
- Exchange translation reserve	8,731,511	(3,862,938)	3,117,784	(1,487,878)
- Non-controlling interests	8,389,098	10,354,743	2,995,518	12,636,663
Other comprehensive income for the period	17,120,609	6,491,805	6,113,302	11,148,785
Total comprehensive income for the period	135,111,449	68,273,821	112,401,412	6,214,858
Total comprehensive income/(loss) attributable to :				
- Owners of the Parent Company	73,462,102	54,582,518	79,733,405	(393,686)
- Non-controlling interests	61,649,347	13,691,303	32,668,007	6,608,544
	135,111,449	68,273,821	112,401,412	6,214,858

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial information.

First Capital Securities Corporation Limited

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - (Un-Audited) FOR THE NINE MONTHS ENDED 31 MARCH 2018

		Attributable to owners of the Company							
		Share capital	Exchange translation reserve	Reserve capitalised	Fair value Reserve	Retained earnings	Total		
							Non-controlling interests		
							Total equity		
Balance at 30 June 2016 - (Audited)		3,166,101,120	22,516,300	480,054,923	-	(2,313,960,657)	1,354,711,686	210,431,905	1,565,143,591
Total comprehensive income/(loss) for the period		-	-	-	-	19,967,038	19,967,038	3,336,560	23,303,598
Income for the period		-	(3,862,938)	-	38,478,418	38,478,418	73,093,898	10,354,743	83,448,641
Total comprehensive loss/(income) for the period		-	(3,862,938)	-	38,478,418	58,445,456	93,060,936	13,691,303	106,752,239
Balance at 31 March 2017		3,166,101,120	18,653,362	480,054,923	38,478,418	(2,295,515,201)	1,447,772,622	224,123,208	1,671,895,830
Total comprehensive income / (loss) for the period		-	-	-	38,478,418	-	38,478,418	-	38,478,418
Income for the period		3,166,101,120	17,990,368	480,054,923	-	(2,143,982,701)	1,520,163,710	269,306,976	1,789,470,686
Total comprehensive income / (loss) for the period		-	-	-	-	63,636,702	63,636,702	53,161,563	116,798,255
Income for the period		-	8,731,511	-	-	1,093,889	9,825,400	8,487,794	18,313,194
Total comprehensive income for the period		-	8,731,511	-	-	64,730,591	73,462,102	61,649,347	135,111,449
Balance at 31 March 2018		3,166,101,120	26,721,879	480,054,923	-	(2,079,252,110)	1,583,625,812	330,956,323	1,924,582,135

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial information.

Chief Financial Officer

Director

First Capital Securities Corporation Limited

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT - (Un-Audited) FOR THE NINE MONTHS ENDED 31 MARCH 2018

	Note	Nine Months Ended	
		31 March 2018 Rupees	31 March 2017 Rupees
Cash generated from operations	9	681,535,818	309,492,783
Long terms deposits and Advances		291,245	(10,163,880)
Retirement benefits paid - net		91,722	(2,959,364)
Finance costs paid		(20,243,859)	221,814,621
Taxes paid		(14,568,167)	(11,394,375)
Net cash inflow from operating activities		647,106,759	506,789,785
Cash flows from investing activities			
Fixed capital expenditure		(4,886,679)	(4,510,633)
Short term investments - net		(36,904,278)	(41,674,404)
Proceeds from sale of property, plant and equipment		79,886,105	9,882,706
Proceeds from disposal of investment property		797,631,239	-
Investment available for sale - net		-	9,740,890
Dividend received		8,310,351	14,485,516
Interest received		26,889,628	20,103,856
Net cash inflow from investing activities		870,926,366	8,027,931
Cash flows from financing activities			
Repayment of liabilities against assets subject to finance lease - net		-	(2,006,717)
Payment of long term loan		(1,515,170,484)	(445,024,109)
Net cash outflow from financing activities		(1,515,170,484)	(447,030,826)
Net increase in cash and cash equivalents		2,862,641	67,786,890
Cash and cash equivalents at the beginning of the period		124,516,280	124,540,549
Effect of exchange translation reserve		17,120,609	(8,199,408)
Cash and cash equivalents at the end of the period		144,499,530	184,128,031

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial

Chief Finance Officer

Director

Director

First Capital Securities Corporation Limited

Notes to the Condensed Interim Consolidated Financial Statements - (Un-Audited) FOR THE NINE MONTHS ENDED 31 MARCH 2018

1. Legal status and nature of business

First Capital Securities Corporation Limited (FCSC) ("the Parent Company") was incorporated in Pakistan on 11 April 1994 as a public limited company under the Companies Ordinance, 1984 and is listed on the Pakistan stock exchange. The registered office of the Parent Company is situated at 2nd Floor, Pace Shopping Mall Fortress Stadium, Lahore Cantt, Lahore. The Parent Company is involved in making long and short term investments, money market operations and financial consultancy services.

2. Basis of preparation

2.1 Statement of compliance

This condensed interim consolidated Financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim Financial reporting. As per the requirements of circular No. CLD/CCD/PR(11)/2017 dated July 20, 2017 and circular No. 23 of 2017 dated October 4, 2017 issued by the Securities & Exchange Commission of Pakistan (SECP), the Company has prepared these Financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). Accordingly, approved accounting standards for interim Financial reporting comprise of International Accounting Standard 34, 'Interim Financial Reporting' and provisions of and directives issued under the Ordinance. In case requirements differ, the provisions of or directives issued under the Ordinance prevail.

This condensed interim consolidated financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 30 June 2017.

2.2 Functional and presentation currency

This consolidated condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Group. Figures have been rounded off to the nearest rupee.

3. Significant accounting policies

Accounting policies and methods of computation adopted in the preparation of this consolidated condensed interim financial report are the same as those applied in the preparation of audited annual consolidated financial statements of the Group for the preceding year ended 30 June 2017.

3.1 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Company's consolidated financial statements covering annual periods, beginning on or after the following dates:

3.1.1 Standards, amendments and interpretations to approved accounting standards that are effective in the current year

There are certain standards, amendments and interpretations to approved accounting standards that are effective in the current year but are considered not to be relevant or to have any significant effect on the Group operations and are, therefore, not detailed in this condensed interim financial information.

3.1.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments and interpretations to approved accounting standards that are mandatory for the Company's accounting periods beginning on or after 1 July 2018 or later periods, and the Company has not early adopted them therefore, not detailed in this condensed interim financial information.

4. Estimates

The preparation of these consolidated condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The significant judgments made by management is in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements for the year ended 30 June 2017.

First Capital Securities Corporation Limited

5 Subsidiary companies

Following subsidiary companies have been consolidated in the financial information of the Parent Company:

	Percentage of Holding	
	31 March 2018	30 June 2017
First Capital Investments Limited (FCIL)	78.86	78.86
Lanka Securities (Pvt.) Limited, Sri Lanka (LSL)	51	51
World Press (Pvt.) Limited (WPL)	65	65
First Capital Equities Limited (FCEL)	73.23	73.23
Ever Green Water Valley (Pvt.) Limited	100	100
Falcon Commodities (Pvt.) Limited (FCL)	100	100
Ozer Investments Limited	100	100
First Construction Limited	100	100

Note	31 March 2018 Rupees	30 June 2017 Rupees
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6 Property, plant and equipment

Property, plant and equipment	6.1	62,873,103	115,812,369
Capital work in progress	6.2	218,360,106	198,051,093
		<u>281,233,209</u>	<u>313,863,462</u>

6.1 Opening book value		115,812,369	148,292,513
Additions for the period/year		4,886,674	34,851,298
Effect of movement in exchange rate		3,134,649	(1,446,534)
Disposal for the period/year net book value		(39,254,802)	(37,010,902)
		<u>84,578,890</u>	<u>144,686,375</u>
Depreciation expense for the period/year		18,711,476	30,020,094
Effect of movement in exchange rate		2,994,311	(1,146,088)
Closing book value		<u>62,873,103</u>	<u>115,812,369</u>

6.2 Opening balance		198,051,093	112,116,093
Additions for the period/year	6.3	25,334,248	-
Disposal for the period/year	6.3	(5,025,235)	
Closing balance	6.4	<u>218,360,106</u>	<u>112,116,093</u>

6.3 During the period company purchased property of Rs. 25,334,248 from Pace Barka Properties Limited (associated company) and as consideration transferred property of Rs. 5,025,235 and adjusted receivable balance of Rs. 20,309,013.

6.4 This represents property in Pace Tower Gulberg, Lahore and Pace Circle, Lahore amounting to Rs 107,090,858 (June 2017: Rs 107,090,858) and Rs. 25,334,248 (June 2017: Rs 5,025,235) respectively.

First Capital Securities Corporation Limited

	31 March 2018 Rupees	30 June 2017 Rupees
7 Investments		
Carrying value of investments at the beginning of the period / year	915,159,395	851,543,464
Investments made during the period / year		
- Others	-	(18,496,277)
Share of loss of equity accounted investees (net of tax)	1,149,384	(24,108,618)
Equity accounted investees- share of other comprehensive income	823,905	1,098,540
Unrealized loss on remeasurement of investment available for sale	368,680	31,501,305
Unrealized (loss) / gain on re-measurement of investments at fair value through profit or loss	(51,426,041)	18,463,867
Less Dividends	(3,509,557)	(11,821,650)
	(52,593,629)	15,133,444
Investments disposed off during the period/year	36,904,277	66,978,764
Carrying value at the end of the period / year	899,470,043	915,159,395
Investments classified in current assets	316,622,539	331,144,302
Closing book value	582,847,504	584,015,093

8 Contingencies and commitments

There is no significant change in contingencies and commitments disclosed in the annual audited consolidated financial statements for the year ended June 30, 2017 except for the following commitments:

	31 March 2018 Rupees	30 June 2017 Rupees
Commitments		
Sale of Shares	563,882,017	900,562,615
Purchase of shares	573,184,969	836,092,776
Capital expenditure	21,825,103	21,825,103
Ijarah lease rental	-	2,955,350

	Nine Months Ended	
	31 March 2018 Rupees	31 March 2017 Rupees
9 Cash generated from operations		
Profit / (loss) before taxation	114,234,807	25,429,592
Adjustments for:		
Depreciation	18,711,476	21,229,013
Finance cost	20,243,859	57,432,835
Loss/(Gain) on remeasurement of short term investments	51,426,041	(73,017,443)
Change in value of investment properties	2,744,000	-
Dividend income	(8,310,351)	(2,663,866)
Amortization	7,687,506	-
Gain on disposal of property, plant and equipment	(40,631,303)	6,713,810
Loss on disposal of investment property	21,491,831	-
Retirement benefits	7,847,863	7,942,594
Share of (profit)/loss of equity-accounted investee	(1,149,384)	(2,898,897)
Mark up income	(26,812,479)	(19,783,886)
	53,249,059	(5,045,840)
Profit before working capital changes	167,483,866	20,383,752

First Capital Securities Corporation Limited

	31 March 2018 Rupees	31 March 2017 Rupees
Effect on cash flow due to working capital changes: (Increase)/decrease in:		
Inventories	(10,370)	11,307,345
Trade debts	652,807,176	293,402,357
Loans and advances	(60,145,045)	(65,807,589)
Short term prepayments	119,735	(347,145)
Deposits and other receivables	(69,045,344)	9,569,870
Increase/(decrease) in:		
Trade and other payables	(1,992,888)	60,613,375
Short term borrowings - net	(7,681,312)	(19,629,182)
	514,051,952	289,109,031
Cash generated from operations	681,535,818	309,492,783

10 Transactions with related parties

Related parties comprise of entities over which the directors are able to exercise significant influence, entities with common directors, major shareholders, subsidiary undertakings, associated companies, directors and key management personnel. The significant transactions with related parties are as follows:

	31 March 2018 Rupees	31 March 2017 Rupees
10.1 Transaction during the period		
Associated companies		
Purchase of goods / services	-	97,500
Service charges	503,370	503,820
Dividend income	4,222,148	14,155,987
Asset management fee	2,621,046	3,229,891
Construction revenue	17,529,067	108,812,281
Key management personnel		
Salaries and other employee benefits	49,259,037	38,682,929
	31 March 2018 Rupees	30 June 2017 Rupees
10.2 Period / year end balances		
Associated companies		
Receivables from related parties	5,347,306	31,651,692
Payables to related parties	7,637,518	6,963,286
Retention money	92,925,782	63,985,539

11 Financial risk management

11.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim consolidated financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Company's annual consolidated financial statements as at 30 June 2017.

There have been no changes in the risk management policies since year end.

11.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

First Capital Securities Corporation Limited

11.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group assets and liabilities that are measured at fair value at 30 September 2017.

	Level 1	Level 2	Level 3	Total
	Rupees			
Assets				
Investments at fair value through profit and loss	316,622,539	-	-	316,622,539
Total assets	316,622,539	-	-	316,622,539
Liabilities				
	-	-	-	-

There were no reclassifications of financial assets and there were no changes in valuation techniques during the period.

12 Corresponding figures

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim consolidated balance sheet and condensed interim consolidated statement of changes in equity have been compared with the balances of annual consolidated audited financial statements of preceding financial year, whereas, the condensed interim consolidated profit and loss account, condensed interim consolidated statement of comprehensive income and condensed interim consolidated cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison. However, no significant re-classifications have been made.

13 Date of authorization for issue

This un-audited condensed interim consolidated financial information for the nine months ended 31 March 2018 were authorized for issue on 26 April 2018 by the Board of Directors.

14 General

Figures have been rounded off to the nearest rupee.

Chief Finance Officer

Director

Director