

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**

**CONDENSED INTERIM  
FINANCIAL INFORMATION  
FOR THE NINE MONTHS PERIOD ENDED  
31 MARCH 2014  
(Un-Audited)**

**VISION**

First Capital Securities Corporation Limited aspires to become a well-diversified and successful conglomerate and develop its image as a premier media, real estate 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.

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Consolidated accounts

# FIRST CAPITAL SECURITIES CORPORATION LIMITED

## COMPANY'S INFORMATION

<b>Board of Directors</b>	Aamna Taseer (Chairman & Chief Executive Officer) Shehryar Ali Taseer Maheen Ghani Taseer Shehrbano Taseer Kanwar Latafat Ali Khan Sulaiman Ahmed Saeed Al-Hoqani Jamal Said Al-Ojaili	Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Independent
<b>Chief Financial Officer</b>	Saeed Iqbal	
<b>Audit Committee</b>	Shehryar Ali Taseer (Chairman) Maheen Ghani Taseer Shehrbano Taseer	
<b>Human Resource and Remuneration (HR&amp;R) Committee</b>	Shehryar Ali Taseer (Chairman) Aamna Taseer Shehrbano Taseer	
<b>Company Secretary</b>	Sajjad Ahmad	
<b>Auditors</b>	KPMG Taseer Hadi & Co. Chartered Accountants	
<b>Legal Advisers</b>	Mazhar Law Associates Advocates & Solicitors	
<b>Bankers</b>	Allied Bank Limited Bank Al-Falah Limited Faysal Bank Limited KASB Bank Limited MCB Bank Limited Standard Chartered Bank (Pakistan) Limited Soneri Bank Limited	
<b>Registrar and Shares Transfer Office</b>	THK Associates (Pvt.) Limited Ground Floor, State Life Building No. 3 Dr. Ziauddin Ahmed Road, Karachi. ☎ (021) 111 000 322	
<b>Registered Office/Head Office</b>	2nd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt. Lahore, Pakistan ☎ (042) 36623005/6/8 Fax: (042) 36623121-36623122	

## 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 to present the un-audited condensed interim financial information of the Company for the quarter and nine months period ended 31 March 2014.

#### Operational Results

The operating results of the Company are summarized as follows:

	31 March 2014	31 March 2013
	Rupees	Rupees
Revenue	17,803,262	16,244,525
Operating Expenses	16,845,605	16,960,901
Impairment loss on available-for-sale investments	113,307,062	2,927,631,630
Finance and other costs	5,329,919	3,341,101
Loss after Taxation	116,928,359	2,901,307,458
(Loss)/Earnings per Share (basic and diluted)	(0.37)	(9.16)

The company has reported revenue of Rs. 17.80 million as compared to Rs. 16.24 million last year for the same period. Operating expenses stood at Rs. 16.85 million as compared to Rs. 16.96 million during the corresponding period. Impairment loss was Rs. 113.31 million as compared to Rs. 2.93 billion in the corresponding period. The company has reported after tax loss of Rs. 116.93 million and per share loss was Rs. 0.37 in comparison with after tax loss of Rs. 2.90 billion and per share loss Rs. 9.16 last year for the same period.

The subsidiaries of FCSC the following results during the nine months under review. First Capital Equities Limited (FCEL) reported revenue of Rs. 140.24 million, operating expenses were reported Rs. 107.63 million in comparison with Rs. 73.71 million. Loss per share stood at Rs. 1.91 as compared to earning of Rs. 0.13 per share in the corresponding period. Lanka Securities (Pvt.) Limited ("LSL") generated a gross revenue of Rs. 30.39 million and loss of Rs. 14.28 million during the period while Loss per share stood at Rs. 0.82. First Capital Investments Limited (FCIL) has reported an after tax profit of Rs. 28.20 million as compared to Rs. 5.55 million last year. Another subsidiary of your Company namely World Press (Pvt.) Limited earned revenue of Rs. 32.03 million while showed an after tax profit of Rs. 0.95 million as compared to a loss of Rs. 2.04 million for the same period last year. Falcon commodities (Pvt.) Limited (FCL) generated revenue of Rs. 1.36 as compared to Rs. 3.7 million for the same period last year.

#### Future Outlook

During the period under review KSE-100 index posted an increase of 16.49%. Although the period started with a negative trend due to certain geo political circumstances like U.S.- Syria conflict, Pak Govt.-Taliban talks and Army's surgical strikes. Later the government of Pakistan's announcement of privatization of state owned entities, improved foreign exchange

reserves due to vigorous inflows, improved PKR/USD parity and subdued inflationary pressures had catalyzed the positive performance of market.

The latest trade data by Pakistan Bureau of Statistics (PBS) reveals contraction in the country's trade deficit to decline to US\$13.9bn in 9MFY14 versus US\$14.7bn in the same period last year. During the period, exports have witnessed a growth of 6.1 % to US\$ 19.1bn whereas imports have remained stagnant around US\$33.0 bn. To highlight, Pakistan's exports in 3QFY14 stood at US\$6.5bn depicting a significant increase of 9%.

It has been reported that fiscal deficit during 9MFY14 stood at 3.1% of GDP versus 4.4% of GDP in the same period last year. This translated into restriction of 3QFY14 fiscal deficit to 1% of GDP against 2.2% of GDP reported in the same period last year. The worker' remittances depicted a growth of 12% YoY to US\$11.6bn in 9MFY14 as compared to US\$10.3 bn in 9MFY13. Amongst the major contributors U.K and Saudi Arabia are showing a growth of 14% each, while USA and UAE have depicted a growth of 11% and 10%. These 4 countries cumulatively contribute approx 80% of total remittances. In Mar-14 overseas Pakistanis remitted US\$1.3bn and US\$1.2bn in Feb-14.

Therefore, increased investors confidence in Pakistan's economic recovery has also induced significant re-rating at the local bourse. We believe the improved multiples manifest higher investors' confidences in the reform of the government. The reform process is expected to significantly improve the dynamics of energy sector, banking, textiles and cement sectors.

#### Election of Directors

Securities and Exchange Commission of Pakistan ("SECP") vide its order no. EMD/233/14/02-534 dated 21 December 2012 has accepted the matter of pending succession of late Mr. Salmaan Taseer as a valid impediment in holding of election of directors. SECP also advised the Company to take steps to remove the impediment and file a report of its actions taken to remove the impediment. Consequent to above order the Company has filed a report on the actions taken for removal of impediment.

#### 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 2014

Aamna Taseer  
Chairman and Chief Executive Officer

**FIRST CAPITAL SECURITIES CORPORATION LIMITED  
CONDENSED INTERIM UNCONSOLIDATED BALANCE SHEET  
AS AT 31 MARCH 2014**

Note	(UN-AUDITED)	(AUDITED)
	31 March 2014 Rupees	30 June 2013 Rupees (Re-stated)
<b>NON CURRENT ASSETS</b>		
Property and equipment	5 139,345,412	139,574,926
Investment property	6 284,934,600	284,934,600
Long term investments	7 4,294,509,564	4,474,875,122
Long term deposits	37,500	37,500
	<b>4,718,827,076</b>	<b>4,899,422,148</b>
<b>Current assets</b>		
Trade debts	1,971,290	2,007,784
Loans and advances	8 5,348,045	154,500
Prepayments	-	5,728
Short term investments	9 202,040,340	182,316,334
Tax refunds due from the Government	30,698,269	30,468,166
Cash and bank balances	2,037,806	1,116,306
	<b>242,095,750</b>	<b>216,068,818</b>
<b>Current liabilities</b>		
Trade and other payables	33,283,061	34,993,390
Current portion of long term loan	10 22,428,000	18,346,400
	<b>55,711,061</b>	<b>53,339,790</b>
<b>Working capital employed</b>	<b>186,384,689</b>	<b>162,729,028</b>
	<b>4,905,211,765</b>	<b>5,062,151,176</b>
<b>Non-current liabilities</b>		
Deferred liabilities	6,504,313	5,665,735
Long term loan	10 3,933,245	21,985,739
	<b>10,437,558</b>	<b>27,651,474</b>
Contingencies and commitments	11	
<b>Net capital employed</b>	<b>4,894,774,207</b>	<b>5,034,499,702</b>
<b>Represented by:</b>		
<b>Share capital and reserves</b>		
Issued, subscribed and paid-up capital	3,166,101,120	3,166,101,120
Reserves	-	22,797,136
Retained earnings	1,728,673,087	1,845,601,446
	<b>4,894,774,207</b>	<b>5,034,499,702</b>

The annexed notes 1 to 17 form an integral part of this condensed interim unconsolidated financial information.

LAHORE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

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**FIRST CAPITAL SECURITIES CORPORATION LIMITED  
CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS  
ACCOUNT (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014**

Note	Nine months ended		Three months ended	
	31 March 2014 Rupees	31 March 2013 Rupees	31 March 2014 Rupees	31 March 2013 Rupees
<b>Revenue</b>				
Operating revenue / (loss)	12 17,803,262	16,244,525	32,971,820	(26,734,178)
Gain on Investment property- net	-	16,496,500	-	-
	<b>17,803,262</b>	<b>32,741,025</b>	<b>32,971,820</b>	<b>(26,734,178)</b>
<b>Expenses</b>				
Impairment loss on 'available-for-sale' investments	(113,307,062)	(2,927,631,630)	-	(764,371,278)
Operating and administrative expenses	(16,485,605)	(16,960,901)	(5,236,359)	(4,641,685)
Other income	1,232,408	14,140,028	326,439	6,594,761
Finance costs	(5,329,919)	(3,341,101)	(1,457,048)	(3,845)
	<b>(116,086,916)</b>	<b>(2,901,052,579)</b>	<b>26,604,852</b>	<b>(789,156,225)</b>
<b>(Loss) / profit before taxation</b>	<b>(116,086,916)</b>	<b>(2,901,052,579)</b>	<b>26,604,852</b>	<b>(789,156,225)</b>
Taxation	(841,443)	(254,879)	(30,590)	(29,853)
	<b>(116,928,359)</b>	<b>(2,901,307,458)</b>	<b>26,574,262</b>	<b>(789,186,078)</b>
<b>(Loss) / profit after taxation</b>	<b>(116,928,359)</b>	<b>(2,901,307,458)</b>	<b>26,574,262</b>	<b>(789,186,078)</b>
<b>(Loss) / earnings per share - basic and diluted</b>				
	<b>(0.37)</b>	<b>(9.16)</b>	<b>0.08</b>	<b>(2.49)</b>

The annexed notes 1 to 17 form an integral part of this condensed interim unconsolidated financial information.

LAHORE:

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

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**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF**  
**COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014**

	Nine months ended		Three months ended	
	31 March 2014 Rupees	31 March 2013 Rupees (Restated)	31 March 2014 Rupees	31 March 2013 Rupees (Restated)
(Loss) / profit after taxation	(116,928,359)	(2,901,307,458)	5,684,306	(2,156,104,489)
Other comprehensive (loss) / profit for the period				
<b>Items that will never be reclassified to profit or loss:</b>				
Remeasurement of defined benefit plan	-	(385,762)	-	(385,762)
<b>Items that are or may be reclassified to profit or loss:</b>				
Net change in fair value of 'available-for-sale' financial assets reclassified to profit and loss account	(2,818,530)	-	-	113,753,195
Net change in fair value of 'available-for-sale' financial assets	(19,978,606)	57,645,200	-	-
Other comprehensive (Loss) / profit for the period	(22,797,136)	57,645,200	-	113,753,195
<b>Total comprehensive (Loss) / profit for the period</b>	<b>(139,725,495)</b>	<b>(2,844,048,020)</b>	<b>5,684,306</b>	<b>(2,042,737,056)</b>

The annexed notes 1 to 17 form an integral part of this condensed interim unconsolidated financial information.

LAHORE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT**  
**(UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014**

	31 March 2014 Rupees	31 March 2013 Rupees
<b>Cash flows from operating activities</b>		
Loss before taxation	(116,086,916)	(2,901,052,579)
Adjustments for:		
Finance costs	5,329,919	3,302,332
Dividend income	(48,615)	(1,824,225)
Unrealized loss / (gain) on re-measurement of investments at 'fair value through profit or loss'	4,326,838	(49,293,408)
Impairment loss on 'available-for-sale' investments	113,307,062	2,927,631,630
Gain on investment property	-	(16,496,500)
Depreciation	276,389	557,058
Gain on disposal of property and equipment	-	(400,000)
(Gain) / loss on disposal of investment	(3,276,380)	46,850,000
Interest income	(1,065,815)	(13,582,182)
Provision for staff retirement benefits	970,733	1,760,987
	<b>119,820,131</b>	<b>2,898,505,692</b>
<b>Profit / (loss) before working capital changes</b>	<b>3,733,215</b>	<b>(2,546,887)</b>
<b>Changes in working capital</b>		
Trade debts	36,494	(1,456,530)
Loans and advances	(5,193,545)	13,897
Prepayments	5,728	92,230
Trade and other payables	(1,407,290)	(1,414,034)
	<b>(6,558,613)</b>	<b>(2,764,437)</b>
<b>Net cash used in operations</b>	<b>(2,825,398)</b>	<b>(5,311,324)</b>
Staff retirement benefits paid	(435,194)	(508,750)
Finance cost paid	(5,329,919)	-
Taxes paid	(1,071,546)	(1,107,379)
	<b>(6,836,659)</b>	<b>(1,616,129)</b>
<b>Net cash used in operating activities</b>	<b>(9,662,057)</b>	<b>(6,927,453)</b>
<b>Cash flows from investing activities</b>		
Dividend received	48,615	1,824,225
Capital expenditure incurred	(46,875)	(54,500)
Proceeds from disposal of property and equipment	-	400,000
Long term loans and advances -net	-	(107,010,002)
Proceeds from disposal of long term investments	47,537,740	100,000,000
Short term investments - net	(24,050,844)	(8,805,307)
Interest received	1,065,815	7,294,651
<b>Net cash generated/(used) investing activities</b>	<b>24,554,451</b>	<b>(6,350,933)</b>
<b>Cash flows from financing activities</b>		
Long term loan repaid	(13,970,894)	(5,000,000)
<b>Net cash used in financing activities</b>	<b>(13,970,894)</b>	<b>(5,000,000)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>921,500</b>	<b>(18,278,386)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,116,306</b>	<b>18,880,959</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>2,037,806</b>	<b>602,573</b>

The annexed notes 1 to 17 form an integral part of this condensed interim unconsolidated financial information.

LAHORE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF**  
**CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014**

	Share capital	Capital reserve Fair value reserve	Revenue reserve Retained earnings	Total
----- Rupees -----				
<b>Balance at 01 July 2012- as previously reported</b>	3,166,101,120	305,478,367	4,412,696,360	7,884,275,847
Change in accounting policy for recognition of actuarial gains	-	-	579,106	579,106
<b>Balance at 1 July 2012 - as (Restated)</b>	3,166,101,120	305,478,367	4,413,275,466	7,884,854,953
<b><u>Comprehensive loss for the period</u></b>				
Loss for the period	-	-	(2,901,307,458)	(2,901,307,458)
Other comprehensive income	-	57,645,200	-	57,645,200
Total comprehensive loss for the period	-	57,645,200	(2,901,307,458)	(2,843,662,258)
<b>Balance at 31 March 2013</b>	3,166,101,120	363,123,567	1,511,968,008	5,041,192,695
<b><u>Comprehensive loss for the year</u></b>				
Profit for the period	-	-	333,247,676	333,247,676
Other comprehensive loss	-	(340,326,431)	-	(340,326,431)
Total comprehensive (Loss) / profit for the period	-	(340,326,431)	333,247,676	(7,078,755)
<b>Balance at 30 June 2013</b>	3,166,101,120	22,797,136	1,845,215,684	5,034,113,940
Change in accounting policy for recognition of actuarial gains	-	-	385,762	385,762
<b>Balance at 30 June 2013 - (Restated)</b>	3,166,101,120	22,797,136	1,845,601,446	5,034,499,702
<b><u>Comprehensive loss for the period</u></b>				
Loss for the period	-	-	(116,928,359)	(116,928,359)
Other comprehensive loss	-	(22,797,136)	-	(22,797,136)
Total comprehensive loss for the period	-	(22,797,136)	(116,928,359)	(139,725,495)
<b>Balance at 31 March 2014</b>	3,166,101,120	-	1,728,673,087	4,894,774,207

The annexed notes 1 to 17 form an integral part of this condensed interim unconsolidated financial information.

LAHORE:

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED**  
**FINANCIAL INFORMATION (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014**

**1 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 Karachi, Lahore and Islamabad stock exchanges. 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 Statement of compliance**

These unconsolidated condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions of and directives of the Companies Ordinance, 1984 shall prevail.

The unconsolidated condensed interim financial statements has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - Interim Financial Reporting and is being submitted to the shareholders as required by section 245 of the Companies Ordinance 1984. This condensed interim financial statements does 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 30 June 2013.

**3 Accounting policies**

The preparation of these unconsolidated 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 financial statements for the year ended 30 June 2013.

**4 Estimates**

The accounting policies and the methods of computation adopted in the preparation of this unconsolidated condensed interim financial report are the same as those applied in the preparation of the financial statements for the year ended 30 June 2013, except as described below.

Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Company's operations and did not have any impact on the accounting policies of the Company.

As a result of the amendments in IAS 19 (2011) Employee benefits, the Company has changed its accounting policy with respect to the base for determining the income or expense related to its post employment defined benefit plans. The amended IAS 19 includes the amendments that require

actuarial gains and losses to be recognized immediately in other comprehensive income; this change will remove the corridor method and eliminate the ability for entities to recognize all changes in the defined benefit obligation and in plan assets in profit or loss, which currently is allowed under IAS 19 and that the expected return on plan assets recognized in profit or loss is calculated based on the rate used to discount the defined benefit obligation. Previously actuarial gains and losses in excess of the corridor limit were recognized in profit or loss account over the remaining service life of employee. The change in accounting policy has been accounted for retrospectively and comparative figures have been restated accordingly.

Cumulative effect upto 30 June 2013	Effect for the year ended 30 June 2013	Cumulative effect upto 30 June 2012
----- Rupees -----		

#### Statement of changes in equity

Actuarial gains on retirement benefit plans included in other comprehensive income	964,868	385,762	579,106
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#### Balance sheet

Decrease in deferred liabilities	964,868	385,762	579,106
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The effect on the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the nine months period ended 31 March 2014 has not been disclosed separately since the actuarial valuation is carried out on annual basis. There is no impact on condensed interim statement of cash flows.

Certain amendments to approved accounting standards have been published and are mandatory for the Company's accounting period beginning on or after 1 July 2013. None of those amendments are expected to have significant impact on this condensed interim financial information.

	Notes	Un-Audited	Audited
		31 March 2014	30 June 2013
		Rupees	Rupees
<b>5 Property and Equipment</b>			
Property and equipment		<b>685,662</b>	915,176
Capital work in progress	5.1	<b>138,659,750</b>	138,659,750
		<b>139,345,412</b>	139,574,926

**5.1** This represents advance against purchase of property in Pace Tower Gulberg, Lahore and Pace Barka Lahore amounting to Rs. 133,634,515 (June 2013: Rs. 133,634,515) and Rs. 5,025,235 (June 2013: Rs. 5,025,235) respectively. Construction work on the said properties is in progress at 31 December 2013.

		(Un-audited) 31 March 2014	(Audited) 30 June 2013
		Rupees	Rupees
<b>6 Investment property</b>	Note		
Balance at 1 July	6.1	<b>284,934,600</b>	144,269,000
Acquisitions during the year		-	135,299,600
Change in fair value		-	5,366,000
Balance at 30 June		<b>284,934,600</b>	284,934,600

**6.1** Investment property comprises of fifteen commercial properties, out of which nine properties are leased to third parties for rental income.

		(Un-audited) 31 March 2014	(Audited) 30 June 2013
		Rupees	Rupees
<b>7 Long term investments - available-for-sale</b>	Note		
<u>Investment in related parties</u>			
Subsidiary companies - at cost	7.1	<b>186,060,738</b>	186,060,738
Associated companies - at cost	7.2	<b>547,313,110</b>	547,313,110
Associated company - at fair value	7.3	<b>202,534,646</b>	-
Subsidiary company - at fair value	7.4	<b>3,358,601,070</b>	3,741,501,274
		<b>4,294,509,564</b>	4,474,875,122

#### **7.1 Subsidiary companies - at cost**

##### Unquoted

	31 March 2014	30 June 2013		(Un-audited) 31 March 2014	(Audited) 30 June 2013
			Number of shares	Rupees	
<b>11,124,634</b>	11,124,634	76.39% equity	First Capital Investments Limited	<b>101,681,450</b>	101,681,450
<b>1,949,041</b>	1,949,041	65% equity	World Press (Private) Limited	<b>19,490,410</b>	19,490,410
<b>10,455,000</b>	10,455,000	51.00% equity	Trident Construct (Private) Limited	<b>10,200,000</b>	10,200,000
<b>3,150,000</b>	3,150,000	100% equity	Falcon Commodities Limited	<b>8,451,602</b>	8,451,602
<b>8,912,250</b>	8,912,250	51.00% equity	Lanka Securities (Private) Limited	<b>46,229,683</b>	46,229,683
<b>1,000</b>	1,000	100% equity	Ozer Investments Limited	<b>7,593</b>	7,593
				<b>186,060,738</b>	186,060,738

All subsidiary companies have been incorporated in Pakistan except for Lanka Securities (Private) Limited and Ozer Investments Limited, which are incorporated in Sri Lanka.



7.2 Associated companies - at cost

Unquoted

31 March 2014	30 June 2013		(Un-audited) 31 March 2014	Audited 30 June 2013
-----Number of shares-----				
11,250	11,250	Pace Super Mall (Private) 0.07% equity	112,500	112,500
54,790,561	54,790,561	Pace Barka Properties 17.95% equity	547,200,610	547,200,610
			<b>547,313,110</b>	<b>547,313,110</b>

7.3 Associated company - at fair value

Quoted

31 March 2014	30 June 2013		(Un-audited) 31 March 2014	Audited 30 June 2013
-----Number of shares-----				
74,461,267	84,900,267	Media Times Limited 41.63% equity	202,534,646	382,900,204

7.4 Subsidiary company - at fair value

Quoted

31 March 2014	30 June 2013		(Un-audited) 31 March 2014	Audited 30 June 2013
-----Number of shares-----				
70,190,200	70,190,200	First Capital Equities 64.97% equity	3,358,601,070	3,358,601,070

8 Loans and advances

**5,348,045**      154,500

This includes Rs.5 million paid to First Capital Investments Limited against issue of shares.

9 Short term investments

Notes	Un-Audited 31 March 2014	Audited 30 June 2013
	<b>Rupees</b>	<b>Rupees</b>
Investments at fair value through profit or loss	193,337,239	173,230,759
Market treasury bills - Held to maturity	8,703,101	9,085,575
	<b>202,040,340</b>	<b>182,316,334</b>

9.1 Investments at 'fair value through profit or loss'

Held for trading

Related parties	164,357,842	74,380,454
Others	33,306,235	38,845,603
	<b>197,664,077</b>	<b>113,226,057</b>

Unrealized (loss) / gain on remeasurement to fair value	(4,326,838)	60,004,702
	<b>193,337,239</b>	<b>173,230,759</b>

Notes	Un-Audited 31 March 2014	Audited 30 June 2013
	<b>Rupees</b>	<b>Rupees</b>

10 Long term loan

From banking company - secured

Long term loan	40,332,139	47,332,139
Payment made during the year	(13,970,894)	(7,000,000)
	<b>26,361,245</b>	<b>40,332,139</b>
Current portion	(22,428,000)	(18,346,400)
	<b>3,933,245</b>	<b>21,985,739</b>

11 Contingencies and commitments

There is no change in contingencies and commitments from those disclosed in the published financial statements of the Company for the year ended 30 June 2013.

Nine months period ended	
31 March 2014	31 March 2013
<b>Rupees</b>	<b>Rupees</b>

12 Operating revenue

Money market services	7,337,323	10,516,972
Dividend income	48,615	1,824,225
Investment property rentals	4,129,500	1,459,920
Gain on sale of investments	10,614,662	(46,850,000)
Unrealized (loss)/ gain on remeasurement of 'investments at fair value through profit and loss'	(4,326,838)	49,293,408
	<b>17,803,262</b>	<b>16,244,525</b>

13 Transactions and balances 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:

Nine months period ended	
31 March 2014	31 March 2013
<b>Rupees</b>	<b>Rupees</b>

13.1 Transaction during the period

Subsidiary companies

<b>First Capital Equities Limited</b>		
Long term loan given	-	110,367,381
Mark up income	-	12,865,412
Brokerage commission	724,230	-

**First Capital Investments Limited**

Advance for purchase of shares	5,000,000	34,073,500
--------------------------------	-----------	------------

	<u>Nine months period ended</u>	
	<u>31 March 2014</u>	<u>31 March 2013</u>
	<u>Rupees</u>	<u>Rupees</u>
<b>World Press (Private) Limited</b>		
Purchase of goods / services	<b>653,982</b>	606,470
<b>Media Times Limited</b>		
Mark up Income	-	389,002
Long term loan given	-	257,836
Purchase of goods / services	<b>26,000</b>	13,000
<b><u>Associated companies</u></b>		
<b>Pace Pakistan Limited</b>		
Service charges	<b>1,541,368</b>	385,356
<b>First Capital Mutual Fund</b>		
Dividend income received	<b>15,495</b>	1,824,225
	<b>Un-Audited 31 March 2014</b>	<b>Audited 30 June 2013</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>13.2 Amount Outstanding at period end</b>		
<b><u>Subsidiary companies</u></b>		
<b>World Press (Private) Limited</b>		
Payable against services	<b>654,862</b>	362,172
<b>Media Times Limited</b>		
Payable against services	<b>26,000</b>	111,800
<b><u>Associated companies</u></b>		
<b>Pace (Pakistan) Limited</b>		
Payable against purchase of investment property	<b>6,681,123</b>	6,681,123

#### 14 Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual separate financial statements of the Company as at and for the year ended 30 June 2013.

#### 15 Capital management

The Company's capital management objectives and policies are consistent with those disclosed in the audited annual separate financial statements of the Company as at and for the year ended 30 June 2013.

#### 16 Date of authorization for issue

These un-audited condensed interim financial information for the nine months ended 31 March 2014 were authorized for issue on 26 April 2014 by the Board of Directors of the Company.

#### 17 GENERAL

Figures have been rounded off to the nearest rupee.

LAHORE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**

**CONDENSED INTERIM CONSOLIDATED  
FINANCIAL INFORMATION  
FOR THE NINE MONTHS PERIOD ENDED  
31 MARCH 2014  
(Un-Audited)**

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
CONDENSED INTERIM CONSOLIDATED BALANCE SHEET  
AS AT 31 MARCH 2014**

	Un-audited 31 March 2014	Audited 30 June 2013
Note	Rupees	Rupees (Restated)
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	435,946,961	1,286,048,664
Intangible assets	19,043,680	177,373,570
Investment property	1,748,686,100	1,748,686,100
Investment in equity - accounted investees	6 762,142,881	522,985,114
Long term investments	7 24,156,320	40,073,830
Long term deposits and advances	14,539,751	26,920,861
Deferred tax assets	3,408,873	173,632,991
	<b>3,007,924,566</b>	<b>3,975,721,130</b>
<b>Current assets</b>		
Stock in trade	9,284,644	12,795,823
Trade debts	2,772,917,696	3,109,601,160
Loans and advances	215,272,196	230,831,491
Prepayments	1,470,183	1,640,608
Interest accrued	-	337,079
Deposits and other receivables	60,895,502	63,364,413
Short term investments	8 214,195,831	214,984,370
Tax refund due from Government	74,726,645	71,423,680
Cash and bank balances	360,795,035	284,333,261
	<b>3,709,557,732</b>	<b>3,989,311,885</b>
<b>Current liabilities</b>		
Trade and other payables	689,176,725	901,136,538
Mark-up accrued	98,440,816	142,279,019
Short term borrowings	180,054,812	250,409,378
Current portion of long term loan	185,858,000	169,908,220
Liability against repurchase agreement	-	48,111,520
Current portion of liabilities against assets subject to finance lease	9,262,318	19,396,885
	<b>1,162,792,671</b>	<b>1,531,241,560</b>
<b>Working capital employed</b>		
	<b>2,546,765,061</b>	<b>2,458,070,325</b>
	<b>5,554,689,627</b>	<b>6,433,791,455</b>
<b>Non-current liabilities</b>		
Deferred liabilities	72,126,226	129,441,600
Long term loan	9 3,071,035,909	3,230,594,001
Liabilities against assets subject to finance lease	7,894,024	15,489,830
	<b>3,151,056,159</b>	<b>3,375,525,431</b>
<b>Contingencies and commitments</b>		
	<b>10</b>	
<b>Net capital employed</b>		
	<b>2,403,633,468</b>	<b>3,058,266,024</b>
<b>Represented by:</b>		
<b>Share capital and reserves</b>		
Issued, subscribed and paid-up capital	3,166,101,120	3,166,101,120
Exchange translation reserve	27,452,622	28,672,594
Reserves capitalised	572,590,308	572,590,308
Retained earnings	(1,879,758,903)	(1,575,342,672)
<b>Equity attributable to owners of the Company</b>	<b>1,886,385,147</b>	<b>2,192,021,350</b>
<b>Non-controlling interests</b>		
	517,248,321	866,244,674
	<b>2,403,633,468</b>	<b>3,058,266,024</b>

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

LAHORE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS  
ACCOUNT (UN-AUDITED)**

**FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014**

	Nine months ended		Three months ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	Rupees	Rupees	Rupees	Rupees
Operating revenue	187,551,782	329,833,518	63,919,968	70,617,583
Direct costs	(28,542,993)	(284,797,347)	(7,785,491)	(89,033,960)
<b>Gross profit</b>	<b>159,008,789</b>	<b>45,036,171</b>	<b>56,134,477</b>	<b>(18,416,377)</b>
Loss on disposal of subsidiary	(13,223,237)	-	-	-
Unrealized gain on remeasurement of short term	4,342,395	61,132,370	27,995,933	7,055,082
Operating and administrative expenses	(203,896,676)	(277,201,272)	(59,809,240)	(78,539,816)
Other income	105,584,901	414,030,447	5,254,823	7,258,292
	<b>51,816,172</b>	<b>242,997,716</b>	<b>29,575,993</b>	<b>(82,642,819)</b>
Finance costs	(245,139,279)	(374,660,246)	(71,487,104)	(106,151,404)
	<b>(193,323,107)</b>	<b>(131,662,530)</b>	<b>(41,911,111)</b>	<b>(188,794,223)</b>
Share of (loss) / profit of equity-accounted investee (net of tax)	(103,315,563)	11,473,308	11,249,229	2,673,725
<b>(Loss)/profit before taxation</b>	<b>(296,638,670)</b>	<b>(120,189,222)</b>	<b>(30,661,882)</b>	<b>(186,120,498)</b>
Taxation	3,403,776	(3,125,711)	(5,581,719)	(1,685,672)
<b>Loss after taxation</b>	<b>(293,234,894)</b>	<b>(123,314,933)</b>	<b>(36,243,601)</b>	<b>(187,806,170)</b>
<b>Loss attributable to:</b>				
-Equity holders of the parent	(222,058,459)	(50,134,173)	(11,732,060)	(129,072,507)
-Non-controlling interest	(71,176,435)	(73,180,760)	(24,511,541)	(58,733,663)
<b>Loss for the period</b>	<b>(293,234,894)</b>	<b>(123,314,933)</b>	<b>(36,243,601)</b>	<b>(187,806,170)</b>
<b>Loss per share attributable to Ordinary share holders - basic and diluted</b>				
	<b>(0.70)</b>	<b>(0.16)</b>	<b>(0.04)</b>	<b>(0.41)</b>

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

LAHORE:

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
CONDENSED INTERIM CONSOLIDATED STATEMENT OF  
COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014**

	Nine months ended		Three months ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	Rupees	Rupees (Restated)	Rupees	Rupees (Restated)
Loss after taxation	(293,234,894)	(123,314,933)	(36,243,601)	(187,806,170)
<b>Other comprehensive income for the period</b>				
<b><u>Items that will never be reclassified to profit or loss:</u></b>				
Remeasurement of defined benefit plan		(13,069,839)		(13,069,839)
<b><u>Items that are or may be reclassified to profit or loss:</u></b>				
Foreign currency translation difference recognized as :				
- Currency translation reserve	(1,219,972)	13,089,902	(9,386,840)	2,041,318
- Non controlling interest	(1,172,128)	12,576,572	(9,018,727)	1,961,265
<b>Total comprehensive Loss for the period</b>	<b>(295,626,994)</b>	<b>(110,718,298)</b>	<b>(54,649,168)</b>	<b>(196,873,426)</b>
<b>Total Comprehensive Loss attributable to:</b>				
-Equity holders of the parent	(223,278,431)	(50,114,110)	(21,118,900)	(140,101,028)
-Non-controlling interest	(72,348,563)	(60,604,188)	(33,530,268)	(56,772,398)
	<b>(295,626,994)</b>	<b>(110,718,298)</b>	<b>(54,649,168)</b>	<b>(196,873,426)</b>

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

LAHORE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT  
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014  
(UN-AUDITED)**

	31 March 2014	31 March 2013
	Rupees	Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(296,638,670)	(120,189,222)
Adjustments for:		
Depreciation	17,733,745	110,239,016
Finance cost	144,520,905	384,596,379
Gain on remeasurement of short term investments	(4,342,395)	(61,132,370)
Dividend income	(1,399,550)	(4,657,939)
Amortization of intangible assets	-	410,100
Gain on disposal of property, plant and equipment	(937,000)	(2,272,682)
Currency translation difference	(1,219,972)	25,666,474
Deferred notional income	-	(174,023,919)
Retirement benefits	4,901,452	12,340,670
Loss on sale of investment	13,223,237	46,850,000
Share of loss / (profit) of equity-accounted investee	103,315,563	(11,473,308)
Mark up income	(2,450,559)	(10,792,288)
	<b>273,345,426</b>	<b>315,750,133</b>
<b>Profit before working capital changes</b>	<b>(23,293,244)</b>	<b>195,560,911</b>
Effect on cash flow due to working capital changes: (Increase)/decrease in:		
Inventories	3,511,179	(1,219,120)
Trade debts	336,683,464	(82,872,581)
Loans and advances	15,559,295	13,299,504
Short term prepayments	170,425	(2,349,793)
Deposits and other receivables	(7,995,839)	(30,000,840)
Mark-up received	-	495,053
Increase/(decrease) in:		
Trade and other payables	(211,959,813)	(80,860,331)
Liability against repurchase agreement	(48,111,520)	-
Short term borrowings - net	(70,354,566)	(47,905,678)
	<b>17,502,625</b>	<b>(231,413,786)</b>
Cash used in operations	(5,790,619)	(35,852,875)
Long term deposits and advances	12,381,110	(840,500)
Retirement benefits paid	(1,003,806)	(2,383,521)
Finance costs paid	(8,534,432)	(323,639,047)
Taxes paid	163,517,377	(920,572)
<b>Net cash generated/(used in) from operating activities</b>	<b>160,569,630</b>	<b>(363,636,515)</b>
<b>Cash flows from investing activities</b>		
Fixed capital expenditure	(976,401)	(8,639,629)
Short term investments - net	5,130,934	53,789,910
Proceeds of property and equipment	937,000	1,690,110
Proceeds from disposal of investments	-	100,000,000
Disposal of subsidiary	82,673,918	-
Dividend received	11,864,300	4,657,939
Investments - net	(25,186,560)	3,946,243
Investment property	-	(16,493,100)
Mark up received	2,787,638	10,792,288
<b>Net cash generated from investing activities</b>	<b>77,230,829</b>	<b>149,743,761</b>
<b>Cash flows from financing activities</b>		
Repayment of liabilities against assets subject to finance lease - net	(17,730,373)	(14,561,580)
<b>Net cash (used in)/generated from financing activities</b>	<b>(161,338,685)</b>	<b>165,314,591</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>76,461,774</b>	<b>(48,578,163)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>284,333,261</b>	<b>329,052,967</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>360,795,035</b>	<b>280,474,804</b>

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

LAHORE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014**

Attributable to equity holders of the Parent company  
Revenue reserve

	Share capital Rupees	Currency translation reserve Rupees	Reserves capitalised Rupees	Unappropriated profit/(loss) Rupees	Total Rupees	Non-controlling interest Rupees	Total Equity Rupees
Balance as at 01 July 2012	3,166,101,120	19,041,956	564,735,308	(1,491,331,691)	2,258,546,693	983,585,725	3,241,932,418
Change in accounting policy for recognition of actuarial gains	-	-	-	13,069,839	13,069,839	-	13,069,839
Balance at 1 July 2012 - as (Restated)	3,166,101,120	19,041,956	564,735,308	(1,478,461,852)	2,271,416,532	983,585,725	3,255,002,257
<b>Comprehensive income (loss) for the period</b>							
Less for the period	-	(13,089,902)	-	(50,134,173)	(50,134,173)	(73,180,760)	(123,314,933)
Total other comprehensive income	-	13,089,902	-	(50,134,173)	(37,044,271)	(60,804,188)	(97,648,458)
<b>Total comprehensive income / (loss) for the period</b>							
Changes in ownership interests in subsidiary	-	-	7,855,000	(7,855,000)	-	-	-
Issue of bonus share by subsidiary	-	-	572,590,308	(1,536,451,025)	2,234,372,261	922,981,537	3,157,353,798
Balance at 31 March 2013	3,166,101,120	32,131,858	572,590,308	(1,536,451,025)	2,234,372,261	922,981,537	3,157,353,798
<b>Comprehensive loss for the period</b>							
Less for the period	-	(3,459,264)	-	(135,736,010)	(135,736,010)	(91,734,571)	(227,470,581)
Total other comprehensive loss	-	(3,459,264)	-	(135,736,010)	(139,195,274)	(3,323,605)	(6,782,869)
<b>Total comprehensive loss for the period</b>							
Changes in ownership interests in subsidiaries	-	(3,459,264)	-	(135,736,010)	(139,195,274)	(95,056,176)	(234,253,450)
Disposal of subsidiary without losing control - FCEL	-	-	88,166,923	88,166,923	88,166,923	11,833,077	100,000,000
Disposal of subsidiary without losing control - MTL	-	-	9,950,765	9,950,765	9,950,765	18,289,663	28,240,428
Increase in NCI of FCIL	-	-	(268,476)	(268,476)	(268,476)	8,198,573	7,930,097
Balance at 30 June 2013	3,166,101,120	28,672,594	572,590,308	(1,574,337,823)	2,193,026,199	866,244,674	3,059,270,873
<b>Balance at 01 July 2013</b>	3,166,101,120	28,672,594	572,590,308	(1,574,337,823)	2,193,026,199	866,244,674	3,059,270,873
Change in accounting policy for recognition of actuarial gains	-	-	-	(1,004,849)	(1,004,849)	-	(1,004,849)
Balance at 01 July 2013 - as (Restated)	3,166,101,120	28,672,594	572,590,308	(1,575,342,672)	2,192,021,350	866,244,674	3,058,266,024
<b>Total comprehensive income / (loss) for the period</b>							
Less for the period	-	(1,219,972)	-	(222,058,459)	(1,219,972)	(71,176,435)	(293,234,894)
Total other comprehensive loss	-	(1,219,972)	-	(222,058,459)	(223,278,431)	(72,948,563)	(296,226,994)
<b>Total comprehensive loss for the period</b>							
Disposal of investment in subsidiary	-	-	-	(62,357,772)	(62,357,772)	(276,647,790)	(339,005,562)
Balance at 31 March 2014	3,166,101,120	27,452,622	572,590,308	(1,879,758,903)	1,886,385,147	517,248,321	2,403,633,468

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

LAHORE  
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

DIRECTOR

**FIRST CAPITAL SECURITIES CORPORATION LIMITED - GROUP  
NOTES TO THE CONDENSED INTERIM CONSOLIDATED  
FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014**

**1. 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 Karachi, Lahore and Islamabad stock exchanges. 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**

These consolidated condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions of and directives of the Companies Ordinance, 1984 shall prevail.

The consolidated condensed interim financial statements has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - Interim Financial Reporting and is being submitted to the shareholders as required by section 245 of the Companies Ordinance 1984. This condensed interim financial statements does 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 30 June 2013.

**2.2 Functional and presentation currency**

This condensed interim consolidated 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 condensed interim consolidated financial information 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 2013.

Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Group operations and did not have any impact on the accounting policies of the Group.

As a result of the amendments in IAS 19 (2011) Employee benefits, the Company has changed its accounting policy with respect to the base for determining the income or expense related to its post employment defined benefit plans. The amended IAS 19 includes the amendments that require actuarial gains and losses to be recognized immediately in other comprehensive income; this change will remove the corridor method and eliminate the ability for entities to recognize all changes in the defined benefit obligation and in plan assets in profit or loss, which currently is allowed under IAS 19 and that the expected return on plan assets recognized in profit or loss is calculated based on the rate used to discount the defined benefit obligation. Previously actuarial gains and losses in excess of the corridor limit were recognized in profit or loss account over the remaining service life of employee. The

change in accounting policy has been accounted for retrospectively and comparative figures have been restated accordingly.

	Cumulative effect upto 30 June 2013	Effect for the year ended 30 June 2013	Cumulative effect upto 30 June 2012
----- Rupees -----			

#### Statement of changes in equity

Actuarial gains on retirement benefit plans included in other comprehensive income	12,064,990	(1,004,849)	13,069,839
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#### Balance sheet

Decrease in deferred liabilities	12,064,990	(1,004,849)	13,069,839
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The effect on the consolidated condensed interim profit and loss account and the consolidated condensed interim statement of comprehensive income for the nine months period ended 31 March 2014 has not been disclosed separately since the actuarial valuation is carried out on annual basis. There is no impact on consolidated condensed interim statement of cash flows.

Certain amendments to approved accounting standards have been published and are mandatory for the Company's accounting period beginning on or after 1 July 2013. None of those amendments are expected to have significant impact on this consolidated 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 2013.

#### 5. Subsidiary companies

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

	Percentage of Holding	
	31 March 2014	30 June 2013
First Capital Investments Limited (FCIL)	76.39	76.39
Lanka Securities (Pvt.) Limited, Sri Lanka	51	51
World Press (Pvt.) Limited	65	65
First Capital Equities Limited (FCEL)	64.97	67.97
Trident Construct (Pvt.) Limited (TCL)	51	51
Ever Green Water Valley (Pvt.) Limited	51	51
Falcon commodities (Pvt.) Limited (FCL)	100	100
Ozer Investments Limited	100	100

- 5.1 During the period the company has disposed off shares of MDTL due to which it has not been consolidated and treated as an equity-accounted investee.

31 March 2014	30 June 2013
Rupees	Rupees

#### 6. Investment in equity - accounted investees

Opening balance	522,985,114	588,043,276
Add: Acquisition of additional shares	25,186,560	3,674,437
Add effect of conversion of subsidiary into associate	327,751,520	-
	<u>875,923,194</u>	591,717,713
Share of loss for the period	(103,315,563)	(64,487,124)
Less Dividends	(10,464,750)	(4,245,475)
	<u>762,142,881</u>	<u>522,985,114</u>
Closing balance	<u>762,142,881</u>	<u>522,985,114</u>

#### 7 Long term investments

##### Unquoted Shares

Karachi Stock Exchange Limited			
4,007,383 shares of KSE (June 2013 : 4,007,383 shares)	7.1	<u>24,156,320</u>	<u>40,073,830</u>

- 7.1 During the year 2012-13, the demutualization of the Karachi Stock Exchange Limited (KSE), the ownership rights in the Stock Exchange were segregated from the right to trade on an exchange. As a result of such demutualization, the FCEL received shares and TREC from Karachi Stock Exchange against its membership card. The FCEL has also recorded a gain on exchange of intangible asset Rs. 21,873,830/-

The Karachi Stock Exchange Limited (KSE) vide its notice # KSE/N-5639 dated October 10, 2013 to its TREC holders states that, "Nature and value of the asset given up (membership card) is similar to the nature and value of the asset acquired (shares and TREC). Therefore, exchange of asset will not result in any gain or loss. Further, it can be argued that de-recognition of the membership card has not accrued because the rights of the card holders were not lost any point during the exchange"

In this connection, paragraph 45 of IAS 38, Inter-alla states that where the fair value of neither the asset received nor the asset given up can be really measured, the cost of asset received should be measured at the carrying amount of the asset given up, and no gain or loss arise.

KSE is therefore of the view that there will not be any gain or loss recorded in the accounts of TREC holder on conversion of membership card at the time of acquisition of shares and TREC of KSE, after its demutualization.

Keeping in view the above guide lines of KSE, the management of the FCEL has decided to reverse the gain on exchange of intangible asset Rs. 21,873,820/- and it has been routed through statement of changes in equity.

The 4,007,383 shares of KSE to its members including the FCEL has been determined on the basis of the fair valuation of the underlying asset and liabilities of the Stock exchange in accordance with requirements of the demutualization Act. In other words, shares of Rs. 40,073,830/- received by the FCEL represents its share in the fair value of the net assets of the KSE. Under these circumstances where active market is not available for such shares, this net asset value based valuation has been considered as the closest estimate of the fair value of the shares.

Further, the KSE has also introduced a minimum capital regime for the brokers, and for this purpose have valued TREC at Rs. 15 million as per the decision of the BOD of the KSE. This face indicates an acceptable level of value for TREC which is also used by the Stock Exchange for risk management and safeguard the investor's interest. In the absence of an active market of TREC,



this assigned value of Rs. 15 million has been considered as the closest estimate of the fair value of the TREC.

Therefore, based on the above estimates of fair value of KSE shares (Rs. 40,073,830/-) and TREC (Rs. 15,000,000), the FCEL has allocated its carrying value in the ratio of 0.7276 to shares and 0.2724 to TREC.

	<b>Un-Audited 31 March 2014 Rupees</b>	<b>Audited 30 June 2013 Rupees</b>
<b>8 Short term investments</b>		
Investments measured at fair value through profit and loss account		
Carrying value of investments	<b>209,853,436</b>	205,898,795
Un-realised loss on remeasurement of investments	<b>4,342,395</b>	9,085,575
	<b><u>214,195,831</u></b>	<u>214,984,370</u>
<b>9 Long term loan</b>		
Term finance facility	<b>3,256,893,909</b>	2,692,420,411
Accrued mark-up classified as long term	-	708,081,810
	<b><u>3,256,893,909</u></b>	<u>3,400,502,221</u>
Less: Current portion	<b>185,858,000</b>	169,908,220
	<b><u>3,071,035,909</u></b>	<u>3,230,594,001</u>

This includes agreements with different commercial banks with a mark up rate ranging from 8% to 20% and 3 months kibar plus 3% to 4% p.a (June 2013 : 8% to 20% 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.

#### 10. 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, 2013 except for the following :

	<b>31 March 2014 Rupees</b>	<b>30 June 2013 Rupees</b>
<b>Commitments</b>		
Sale of Shares	<b>796,012,715</b>	410,322,357
Purchase of shares	<b>793,781,153</b>	419,558,295

#### 11. 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, associated companies, directors and key management personnel. The significant transactions with related parties are as follows:

	<b>31 March 2014 Rupees</b>	<b>31 March 2013 Rupees</b>
<b>11.1 Transaction during the period</b>		
<b><u>Associated companies</u></b>		
<b>First Capital Mutual Fund</b>		
Income from financial consultancy services	<b>6,262,807</b>	4,377,137
<b>Pace Pakistan Limited</b>		
Service charges	<b>1,541,368</b>	656,396
Building rent	-	8,464,500
<b>Worldcall Telecom Limited</b>		
Building Rent	-	1,574,442
Purchase of goods & services	-	891,045
Sale of goods and services	-	4,687,031
	<b><u>31 March 2014 Rupees</u></b>	<b><u>30 June 2013 Rupees</u></b>

#### 11.2 Amount Outstanding at period end

##### Associated companies

<b>First Capital Mutual Fund</b>		
Income from financial consultancy services	<b>2,465,111</b>	645,845
<b>Pace Pakistan Limited</b>		
Payable against purchase of investment property	<b>6,681,123</b>	6,681,123

#### 12. Financial risk management

The Group financial risk management objectives and policies are consistent with those disclosed in the audited annual consolidated financial statements of the Group as at and for the year ended 30 June 2013.

#### 13. Capital management

The Group capital management objectives and policies are consistent with those disclosed in the audited annual consolidated financial statements of the Group as at and for the year ended 30 June 2013.

#### 14. Date of authorization for issue

This un-audited condensed interim consolidated financial information for the nine months period ended 31 March 2014 were authorized for issue on 26 April 2014 by the Board of Directors.

#### 15. General

Figures have been rounded off to the nearest rupee.