

MEDIA TIMES LIMITED

**CONDENSED INTERIM
FINANCIAL INFORMATION**

**FOR THE PERIOD ENDED
30 SEPTEMBER 2013**

(Un-Audited)

MEDIA TIMES LIMITED

VISION

To be a dynamic and liberal media company with the aim to inform and entertain our target market, keeping in view the truth and authenticity element.

MISSION

As a leading & diversified media company, our mission is to set new standards of customer satisfaction by gaining the higher market share and at the same time fulfilling our obligations towards our employees, vendors, investors and most important our readers and viewers.

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COMPANY INFORMATION

Board of Directors	Aamna Taseer (Chairman) Shehryar Ali Taseer (CEO) Maheen Ghani Taseer Shehrbano Taseer Kanwar Latafat Ali Khan Imran Hafeez Maimanat Mohsin	Non-Executive Executive Non-Executive Executive Non-Executive Non-Executive Independent
Chief Financial Officer	Jawad Saleem	
Audit Committee	Maheen Ghani Taseer (Chairman) Aamna Taseer Imran Hafeez	
Human Resource and Remuneration (HR&R) Committee	Aamna Taseer (Chairman) Shehryar Ali Taseer Maheen Ghani Taseer	
Company Secretary	Tariq Majeed	
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants	
Legal Advisers	Ebrahim Hosain Advocates & Corporate Counsel	
Bankers	Allied Bank Limited Bank Alfalah Limited Faysal Bank Limited Habib Metropolitan Bank Limited NIB Bank Limited Standard Chartered Bank (Pakistan) Limited	
Registrar and Shares Transfer Office	THK Associates (Pvt.) Limited Ground Floor State Life Building No.3, Dr. Zia-ud-Din Ahmed Road Karachi (021) 111-000-322	
Head Office	3rd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cannt. Lahore, Pakistan. Tel: (042) 36623005/6/8 Fax: (042) 36623121-36623122	
Registered & Main Project Office	41-N, Industrial Area, Gulberg-II, Lahore Tel: (042) 35878614-9 Fax: (042) 35878620, 35878626	

DIRECTORS' REVIEW

The Directors of **Media Times Limited** ("MTL" or the "Company") are pleased to present the un-audited financial statements of the Company for the Quarter ended 30th of September 2013.

Operating Results

The operating results of the Company are summarized as follows:

	30 September 2013	30 September 2012
	(Rupees)	
Revenue	76,543,654	69,614,727
Gross loss	(14,701,797)	(20,184,308)
Operating cost	32,597,227	32,141,523
Operating loss	(47,299,024)	(52,325,831)
Loss after taxation	(53,327,933)	(56,886,899)
Earnings / (loss) per share -		
Basic & diluted	(0.30)	(0.32)

During the period under review, the Company reported net revenues of Rs. 76.543 million as compared to Rs. 69.614 million in the corresponding period last year, while the loss after tax was Rs. 53.328 million. The EPS of the Company was Rs. (0.30) as compared to Rs. (0.32) in the corresponding period.

Board of Directors

There is no change in the composition of Board of Directors of the Company, since the annual report.

General

The Board of Directors wishes to express its pleasure and gratefulness to the shareholders for their continued support and to all the employees for their ongoing dedication and commitment to the Company.

For and on behalf of the Board of Directors

Lahore
30 October 2013

Shehryar Ali Taseer
Chief Executive Officer

MEDIA TIMES LIMITED

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2013**

	Note	(Un-audited) 30 September 2013 (Rupees)	(Audited) 30 June 2013
ASSETS			
NON CURRENT ASSETS			
Plant and equipment	4	796,549,865	833,344,358
Intangible assets	5	152,306,870	152,373,570
Long term deposits		10,862,627	10,862,627
Deferred taxation		170,328,653	170,328,653
		<u>1,130,048,015</u>	<u>1,166,909,208</u>
CURRENT ASSETS			
Inventories		2,258,098	3,366,939
Trade debts		130,704,332	126,691,036
Loans and advances		9,321,318	9,325,928
Deposit & prepayments		6,419,179	6,689,349
Other receivables		45,570,779	42,252,120
Cash and bank balances		304,054	1,781,805
		<u>194,577,760</u>	<u>190,107,177</u>
TOTAL ASSETS		<u><u>1,324,625,775</u></u>	<u><u>1,357,016,385</u></u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital 180,000,000 (2013: 180,000,000) ordinary shares of Rs. 10 each.		<u>1,800,000,000</u>	<u>1,800,000,000</u>
Issued, subscribed and paid up capital		1,788,510,100	1,788,510,100
Share premium		76,223,440	76,223,440
Unappropriated (loss)		(1,157,334,817)	(1,104,006,884)
Total Equity		<u>707,398,723</u>	<u>760,726,656</u>
NON CURRENT LIABILITIES			
Long term finances	6	107,318,742	103,843,742
Staff Retirement benefits		62,986,253	61,516,058
		<u>170,304,995</u>	<u>165,359,800</u>
CURRENT LIABILITIES			
Trade and other payables		330,754,243	320,928,706
Interest and mark-up accrued		41,685,271	36,084,116
Short term borrowings	7	50,000,000	50,000,000
Provision of income tax		10,905,223	10,139,787
Current maturities of long term liabilities		13,577,320	13,777,320
		<u>446,922,057</u>	<u>430,929,929</u>
Contingencies and commitments	8	-	-
TOTAL EQUITY AND LIABILITIES		<u><u>1,324,625,775</u></u>	<u><u>1,357,016,385</u></u>

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

LAHORE:

CHIEF EXECUTIVE

DIRECTOR

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MEDIA TIMES LIMITED

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

	Note	30 September 2013 (Rupees)	30 September 2012
Revenue -Net		76,543,654	69,614,727
Direct cost		(91,245,451)	(89,799,035)
Gross loss		<u>(14,701,797)</u>	<u>(20,184,308)</u>
Operating cost		(32,597,227)	(32,141,523)
Operating loss		<u>(47,299,024)</u>	<u>(52,325,831)</u>
Finance cost		(5,643,918)	(4,741,718)
		<u>(52,942,942)</u>	<u>(57,067,549)</u>
Other operating Income		380,445	528,724
Loss before taxation		<u>(52,562,497)</u>	<u>(56,538,825)</u>
Taxation		(765,436)	(348,074)
Loss after taxation		<u><u>(53,327,933)</u></u>	<u><u>(56,886,899)</u></u>
Loss per share - basic and diluted	13	<u><u>(0.30)</u></u>	<u><u>(0.32)</u></u>

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

LAHORE:

CHIEF EXECUTIVE

DIRECTOR

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MEDIA TIMES LIMITED

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE
INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

	30 September 2013	30 September 2012
	(Rupees)	
Loss after taxation	(53,327,933)	(56,886,899)
Other comprehensive income/ (loss) for the period	-	-
Total comprehensive loss for the period	(53,327,933)	(56,886,899)

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

LAHORE:

CHIEF EXECUTIVE

DIRECTOR

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MEDIA TIMES LIMITED

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

		30 September 2013	30 September 2012
	Note	(Rupees)	
Cash flow from operating activities			
Cash generated from operations	9	(9,922,634)	(16,903,983)
Decrease in Long term deposits		-	(11,500)
Retirement benefits paid		(218,000)	-
Finance cost paid		(42,763)	(37,483)
Taxes paid		(545,280)	(474,091)
Net cash used in operating activities		(10,728,676)	(17,427,057)
Cash flow from investing activities			
Fixed capital expenditure		(507,000)	(29,250)
Sale proceeds of operating fixed assets		6,482,925	-
Net cash generated from/(used in) investing activities		5,975,925	(29,250)
Cash flow from financing activities			
Repayment of long term finances-Net		3,275,000	16,475,000
Advance for issue of shares		-	-
Net cash generated from financing activities		3,275,000	16,475,000
Net decrease in cash and cash equivalents		(1,477,751)	(981,307)
Cash and cash equivalents at the beginning of the period		1,781,805	4,675,804
Cash and cash equivalents at the end of the period		304,054	3,694,497

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

LAHORE:

CHIEF EXECUTIVE

DIRECTOR

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**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

	Share Capital	Capital reserves		Revenue reserve		Total
		Share Premium	Share	Unappropriated	Profit/(loss)	
Balance as at 30 June 2012	1,788,510,100	76,223,440	76,223,440	(915,035,739)	(56,886,899)	949,697,801
Net loss for the period	-	-	-	(56,886,899)	(56,886,899)	(56,886,899)
Balance as at 30 September 2012	<u>1,788,510,100</u>	<u>76,223,440</u>	<u>76,223,440</u>	<u>(971,922,638)</u>	<u>(56,886,899)</u>	<u>892,810,902</u>
Balance as at 30 June 2013	1,788,510,100	76,223,440	76,223,440	(1,104,006,884)	(53,327,933)	760,726,656
Net loss for the period	-	-	-	(53,327,933)	(53,327,933)	(53,327,933)
Balance as at 30 Septemehr 2013	<u>1,788,510,100</u>	<u>76,223,440</u>	<u>76,223,440</u>	<u>(1,157,334,817)</u>	<u>(53,327,933)</u>	<u>707,398,723</u>

MEDIA TIMES LIMITED

(Rupees)

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

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LAHORE

CHIEF EXECUTIVE

DIRECTOR

MEDIA TIMES LIMITED

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
(UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

1 The Company and its operations

Media Times Limited (the "MTL" and or "Company") was incorporated in Pakistan on 26 June 2001 as a Private Limited Company under the Companies Ordinance, 1984 and was converted into Public Limited Company on 06 March 2007. The Company is listed on Karachi and Lahore Stock Exchanges. The registered office of the Company is located at 41-N, Industrial Area, Gulberg II, Lahore and is engaged in printing and publishing daily English and Urdu news papers by the name of "Daily Times" and "AajKa" respectively and also engaged in production, promotion, advertisement, distribution and broadcasting of television programs through satellite channels by the name of "Business Plus" and "Zaiqa" (formerly Wikkid Plus) respectively. The principal places of the business for "Business Plus" and "Zaiqa" is situated at F-49, Block-8, KDA Scheme 5, Clifton Karachi and for Newspapers is at 41-N, Industrial Area, Gulberg II, Lahore. The company has also applied to (PEMRA) for grant of license for entertainment channel which is under the process of approval.

2 Basis of preparation

This condensed interim financial information has been prepared in accordance with 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. Wherever the requirements or directives issued by Securities and Exchange Commission of Pakistan differ with the requirements of IFRS, the requirements of the Companies Ordinance, 1984 or the requirements of the said directives prevail.

The disclosures made in these condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34, Interim Financial Reporting.

3 Significant accounting judgments and estimates

The preparation of condensed interim financial information 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. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by the management in applying accounting policies and the key sources of estimation were the same as those that were applied to the financial statements as at and for the year ended 30 June 2013.

	Note	30 September 2013	30 June 2013
(Rupees)			
4 Property, plant and equipment			
Operating assets	4.1	796,549,865	833,344,358
		<u>796,549,865</u>	<u>833,344,358</u>
4.1 Operating assets			
Owned and leased assets:			
Opening net book value		833,344,358	944,673,378
Additions / transfers during the period	4.1.1	507,000	1,256,755
		<u>833,851,358</u>	<u>945,930,133</u>
Disposal during the period -NBV	4.1.2	(8,180,383)	(3,299)
Depreciation for the period		(29,121,110)	(112,582,475)
		<u>796,549,865</u>	<u>833,344,358</u>
Closing net book value		<u>796,549,865</u>	<u>833,344,358</u>

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MEDIA TIMES LIMITED

	30 September 2013	30 June 2013
	(Rupees)	
4.1.1 Break-up of additions/transfers		
Plant and equipment	-	220,359
Office equipment	17,000	128,750
Computers	-	879,647
Furniture and fixtures	490,000	27,999
	<u>507,000</u>	<u>1,256,755</u>
4.1.2 Break-up of Disposals		
Plant and equipment	8,180,383	-
Vehicles	-	3,299
	<u>8,180,383</u>	<u>3,299</u>

5 Intangible Assets

This represents goodwill arised on merger of Total Media Limited with Media Times Limited and licenses cost.

	30 September 2013	30 June 2013
	(Rupees)	

6 Long term finances

Banking companies and other financial institutions

First National Bank Modarba - Secured	781,820	981,820
Others - Unsecured	107,318,742	103,843,742
	<u>108,100,562</u>	<u>104,825,562</u>

Less: current portion shown under current liabilities

	(781,820)	(981,820)
	<u>107,318,742</u>	<u>103,843,742</u>

7 Short term borrowing-secured

Running Finance facility available from commercial bank under mark up arrangements amounts to Rs. 50 million (June 2012: Rs. 50 million). Mark up is charged at 3 months KIBOR plus 3.5 % per annum, payable on quarterly basis. It is secured by way of exclusive charge on present and future current and fixed assets of the Company.

8 Contingencies and commitments

There is no change in contingencies and commitments disclosed in the annual financial statements for the year ended 30 June 2013.

	30 September 2013	30 June 2013
	(Rupees)	

8.1 Commitments in respect of capital expenditure	-	-
8.2 Commitments in respect of content/programs	-	-

MEDIA TIMES LIMITED

	30 September 2013	30 September 2012
	(Rupees)	
9 Cash flow from operating activities		
Loss before taxation	(52,562,497)	(56,538,825)
Adjustment for non-cash charges and other items:		
Depreciation	29,121,110	30,656,110
Amortization of intangible assets	66,700	66,700
Gain on disposal of operating fixed assets	1,697,458	-
Retirement benefits	1,688,195	1,639,952
Finance cost	5,643,918	4,741,718
Profit/(loss) before working capital changes	<u>(14,345,116)</u>	<u>(19,434,345)</u>
Effect on cash flow due to working capital changes:		
Inventories	1,108,841	1,631,610
Trade debts	(4,013,296)	(11,992,298)
Loans and advances	4,610	(550,707)
Deposit & prepayments	270,170	(14,855)
Other receivables	(2,773,379)	3,668,284
Trade and other payables	9,825,537	9,788,328
	<u>4,422,483</u>	<u>2,530,362</u>
	<u>(9,922,634)</u>	<u>(16,903,983)</u>
10 Related party transactions		
The related parties comprise associated companies, related group companies, directors of the Company, companies where directors also hold directorship, and key management employees. Significant transactions with related parties are as follows:		
	30 September 2013	30 September 2012
Associated Companies	(Rupees)	
First Capital Securities Corporation Limited		
Interest on loan	-	127,638
Pace Pakistan Limited		
Building Rent	2,196,150	1,996,500
Sale of goods and services	12,779,036	-
Pace Baraka Properties Limited		
Building Rent	907,500	2,821,500
Advance against advertisement	6,000,000	-
First Capital Investments Limited		
Sale of goods and services	-	19,500
Worldcall Telecom Limited		
Sale of goods and services	2,229,598	-
Rent charged	577,230	524,814
Purchase of Goods & Services	297,015	297,015

MEDIA TIMES LIMITED

30 September 30 September
2013 2012
(Rupees)

World Press (Pvt.) Limited

Purchase/Sales of Goods & Services 7,148,369 3,566,825

All transactions with related parties have been carried out on commercial terms and conditions.

11 Segment reporting

Segment information is presented in respect of the Company's business. The primary format, business segment, is based on the Company's management reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one year.

The Company's operations comprise of the following main business segments:

- Print media which comprises of "Daily Times" and "AajKal" being the Daily English and Urdu newspapers respectively.
- Electronic media comprises of "Business Plus", and "Zaiqa" being the two satellite channels.

Segment revenues and results

Following is an analysis of the company's revenue and results by reportable segment:

	Print Media	Electronic Media	Total
	(Rupees)		
For the period ended 30 September 2013			
Revenue -Net	54,576,848	21,966,806	76,543,654
Direct cost	(61,836,982)	(29,408,469)	(91,245,451)
Gross profit/(loss)	(7,260,134)	(7,441,663)	(14,701,797)
Operating cost	(20,847,694)	(11,749,533)	(32,597,227)
Operating loss	(28,107,828)	(19,191,196)	(47,299,024)
Finance cost	(5,633,018)	(10,900)	(5,643,918)
Other operating income	55,445	325,000	380,445
Loss before taxation	(33,685,401)	(18,877,096)	(52,562,497)
Taxation			(765,436)
Loss after taxation			(53,327,933)

MEDIA TIMES LIMITED

Print Media Electronic Media Total
(Rupees)

For the period ended 30 September 2012

Revenue -Net	52,510,101	17,104,626	69,614,727
Direct cost	(60,472,534)	(29,326,501)	(89,799,035)
Gross profit/(loss)	(7,962,433)	(12,221,875)	(20,184,308)
Operating cost	(22,051,878)	(10,089,645)	(32,141,523)
Operating loss	(30,014,311)	(22,311,520)	(52,325,831)
Finance cost	(4,614,727)	(126,991)	(4,741,718)
Other operating income	528,724	-	528,724
Loss before taxation	(34,100,314)	(22,438,511)	(56,538,825)
Taxation			(348,074)
Loss after taxation			(56,886,899)

Segment assets and liabilities

Reportable segments assets and liabilities are reconciled to total assets and liabilities as follows:

	Print Media	Electronic Media	Total
	(Rupees)		
As at 30 September 2013			
Segment assets for reportable segments	1,154,414,213	(117,090)	1,154,297,122
Unallocated corporate assets			170,328,653
Total assets as per balance sheet			1,324,625,775
Segment liabilities	472,562,830	144,664,223	617,227,053
Consolidated total liabilities			617,227,053
As at 30 September 2012			
Segment assets for reportable segments	1,138,066,722	96,557,756	1,234,624,478
Unallocated corporate assets			170,328,653
Total assets as per balance sheet			1,404,953,131
Segment liabilities	350,092,176	162,050,053	512,142,229
Consolidated total liabilities			512,142,229

Other Segment information

For the period ended 30 September 2013

Segment capital expenditure	-	507,000	507,000
Depreciation and amortization	13,216,919	15,970,890	29,187,809

For the period ended 30 September 2012

Segment capital expenditure	29,250	-	29,250
Depreciation and amortization	15,555,926	15,166,884	30,722,810

12 Taxation

Provision for taxation for the quarter ended 30 September 2013 has been made on an estimated basis.

30 September 2013	30 September 2012
(Rupees)	

13 Loss per share - basic and diluted

There is no dilutive effect on the basic earnings per share of the Company, which is based on;

Loss after taxation attributable to ordinary share holders -Rupees	<u>(53,327,933)</u>	<u>(56,886,899)</u>
Weighted average number of ordinary shares - Numbers	<u>178,851,010</u>	<u>178,851,010</u>
Loss per share - Basic & diluted Rupees	<u>(0.30)</u>	<u>(0.32)</u>

14 Date of authorization for issue

This un-audited condensed interim financial information for the quarter ended 30 September 2013 was authorized for issue on 30 October 2013 by the Board of Directors of the Company.

15 General

15.1 Figures have been rounded off to the nearest of rupee.