



Financial Statements with  
Accompanying Information  
Accounts for the Nine Months  
ended 31 March 2016



416-418, 4th Floor, Continental Trade Centre, Block-8, Clifton, Karachi-Pakistan  
Tel: (92-21) 35302902-06 Fax: (92-21) 35302913



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### Board of Directors

Mr. Aqeel Karim Dhedhi  
(Chairman)  
Mr. Nessar Ahmed  
(Chief Executive Officer)  
Mrs. Yasmeen Aqeel  
Mr. Muhammad Munir  
Mr. Mohammad Sohail  
Mr. Zafar Jaweed Alavi  
Mrs. Mehrunnisa Siddiqui

### Company Secretary

Tanveer Hussain Khan

### Auditors

Riaz Ahmad & Co.  
Chartered Accountants

### Share Registrar

C&K Management Associates  
(Pvt) Limited

### Bankers

MCB Bank Limited  
United Bank Limited  
Bank Al-Habib Limited

### Registered Office

416-418 Continental Trade Center  
Main Clifton Road Clifton  
Karachi-74000, Pakistan  
Tel: (92-21) 35302902 (5 Lines)  
Fax: (92-21) 35302913

### Audit Committee

Mr. Aqeel Karim Dhedhi  
Mr. Muhammad Sohail  
Mrs. Mehrunnisa Siddiqui

## Directors' Report

The Board of Directors of your company hereby presents the un-audited financial statements of your Company for the nine months ended 31 March 2016.

During the period the company sustained a loss after tax of Rupees (1.562) million. Operating results for the nine months are slightly favourable as compared to the loss after tax during the same period of last year. This is due to the reason that the associate company has re-paid the principal amount due from it alongwith markup that was giving the higher return as compared to the current low yield investment. However, the management is exploring regular sources of revenues to meet its current expenditure and improve its profitability.

Pakistan's overall economy is improving and it is expected that the present Government will enhance overall economic activity.

### 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

Chief Executive Officer

Karachi: 29 April 2016

# Condensed Interim Balance Sheet

as at 31 March 2016

	Note	(Rupees)	
		(Unaudited) 31 Mar 2016	(Audited) 30 Jun 2015
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	5	2,297,807	2,501,668
Long term investments		198,000	198,000
Long term deposits		20,000	20,000
Deferred taxation		-	9,145
		<u>2,515,807</u>	<u>2,728,813</u>
<b>CURRENT ASSETS</b>			
Trade debts - considered good		4,000,000	11,500,000
Advances and prepayments		203,033	100,445
Investments		21,852,160	25,289,840
Other receivables		1,010,830	1,443,333
Advance income tax	6	974,574	37,829
Cash and bank balances		3,485,609	72,079
		<u>31,526,206</u>	<u>38,443,526</u>
		<u>34,042,012</u>	<u>41,172,339</u>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital		500,000,000	500,000,000
50,000,000 (2013: 50,000,000) ordinary shares of Rupees 10 each			
Issued, subscribed and paid-up share capital		25,072,733	25,072,733
Reserves		5,405,624	11,419,145
		<u>30,478,357</u>	<u>36,491,878</u>
<b>TOTAL EQUITY</b>			
<b>NON CURRENT LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		2,156,689	3,966,742
Provision for taxation		1,058,154	713,719
		<u>3,214,843</u>	<u>4,680,461</u>
<b>TOTAL LIABILITIES</b>			
Contingencies and commitments	7	3,214,843	4,680,461
		<u>33,693,200</u>	<u>41,172,339</u>
<b>TOTAL EQUITY AND LIABILITIES</b>			

The annexed notes from 1 to 10 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

AKO Capital Limited

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DIRECTOR

# Condensed Interim Profit and Loss Account (Un-audited)

for the nine months ended 31 March 2016

	Note	Nine Month Ended		Quarter Ended	
		31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
(Rupees)					
<b>INCOME</b>					
Consultancy fee		4,000,000	-	-	-
Dividend income		-	-	-	-
Gain on remeasurement of investment at fair value through profit or loss		-	82,847	-	(236)
Other income		-	-	-	-
		<u>4,000,000</u>	<u>82,847</u>	<u>-</u>	<u>(236)</u>
<b>EXPENSES</b>					
Administrative expenses		(2,687,983)	(1,211,448)	(1,754,010)	(215,653)
Loss on Sale of Investment		1,312,017	(1,128,601)	(1,754,010)	(215,889)
Finance cost		-	(5,062,539)	-	(633,539)
		<u>(5,092)</u>	<u>(2,400)</u>	<u>(1,868)</u>	<u>(772)</u>
		<u>1,306,925</u>	<u>(6,193,540)</u>	<u>(1,755,878)</u>	<u>(850,200)</u>
<b>PROFIT BEFORE TAXATION</b>					
<b>PROVISION FOR TAXATION</b>					
Current - for the year		(1,058,154)	-	-	-
- prior year		(1,453,325)	-	(1,453,325)	-
Deferred		(357,956)	-	-	-
		<u>(2,869,435)</u>	<u>(6,193,540)</u>	<u>(3,209,203)</u>	<u>(850,200)</u>
<b>NET PROFIT / (LOSS) FOR THE PERIOD</b>					
<b>OTHER COMPREHENSIVE INCOME</b>					
Items that will not be reclassified subsequently to profit or loss		-	-	-	-
Items that may be reclassified subsequently to profit or loss:					
Transfer of fair value loss to profit and loss account on disposal of available for sale investment		-	2,045,400	-	1,379,400
Gain/(Loss) on remeasurement of available for sale investments		(3,437,680)	(7,734,120)	954,480	1,522,320
		<u>(3,437,680)</u>	<u>(5,688,720)</u>	<u>954,480</u>	<u>2,901,720</u>
<b>TOTAL COMPREHENSIVE (LOSS) / INCOME</b>					
		<u>(5,000,190)</u>	<u>(11,882,260)</u>	<u>(2,254,723)</u>	<u>2,051,520</u>
<b>EARNINGS PER SHARE-BASIC AND DILUTED</b>					
	8	0.62	2.47	1.28	0.34

The annexed notes from 1 to 10 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

Nine Months Ended 2016

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# Condensed Interim Cash Flow Statement (Un-audited)

for the nine months ended 31 March 2016

31 Mar 31 Mar  
2016 2015

## CASH FLOW FROM OPERATING ACTIVITIES

	(Rupees)	
Profit before taxation	1,306,925	2,033,794
<b>Adjustment for non cash items:</b>		
Gain on remeasurement of investment at fair value	-	(9)
Dividend income	-	-
Accrued liabilities written back	-	4,979,702
Loss on Disposal of Investment	203,861	379,842
Depreciation	203,861	5,359,535
Operating cash flow before working capital changes	1,510,786	7,393,329
<b>Changes in working capital (Decrease) / increase in current assets</b>		
Trade Debts	7,888,786	(4,210,242)
Advances and prepayments	(102,588)	(41,012)
Other receivables	432,503	(1,443,333)
	8,218,701	(5,694,587)
<b>Increase in current liabilities</b>		
Trade and other payables	(1,810,053)	160,213
	6,408,648	(5,534,375)
<b>CASH FLOW FROM OPERATIONS</b>		
Income tax paid	7,919,434	1,858,955
<b>Net cash flow from operating activities</b>	(3,452,600)	(763,490)
	4,466,834	1,095,465

## CASH FLOW FROM INVESTING ACTIVITIES

Investments made during the year	-	(7,118,636)
Investments Disposed during the year	-	7,146,338
Capital Expenditure	(39,975)	-
Dividend received	-	9
Net cash (used in) / flow from investing activities	(39,975)	27,711
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid	(1,013,330)	(495,022)
<b>Net cash used in financing activities</b>	(1,013,330)	(495,022)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	3,413,529	628,154
Cash and cash equivalents at the beginning of the year	72,079	(556,077)
<b>Cash and cash equivalents at the end of the year</b>	3,485,609	72,079

The annexed notes from 1 to 10 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

# Statement of Changes in Equity (Un-audited)

for the nine months ended 31 March 2016

## Reserves

	Capital Reserves			Revenue Reserves			Sub total	Total Equity
	Share capital	Share premium	Fair value reserve on available investment	General reserve	Accumulated Loss			
Balance as at 30 June 2012	25,072,733	20,891,600	-	752,000	(8,928,336)	-	12,715,264	37,787,997
Final dividend for the year ended 30 June 2012	-	-	-	-	(1,084,086)	-	(1,084,086)	(1,084,086)
<b>Total comprehensive income for the year</b>	-	-	-	-	1,841,375	-	1,841,375	1,841,375
Profit for the year	-	-	-	-	1,841,375	-	1,841,375	1,841,375
Other comprehensive income	-	-	-	-	1,841,375	-	1,841,375	1,841,375
Balance as at 30 June 2013	25,072,733	20,891,600	-	752,000	(8,171,047)	-	13,472,553	38,545,286
Final dividend for the year ended 30 June 2013	-	-	-	-	(1,497,944)	-	(1,497,944)	(1,497,944)
<b>Total comprehensive income for the year</b>	-	-	-	-	1,337,967	-	1,337,967	1,337,967
Profit for the year	-	-	-	-	1,337,967	-	1,337,967	1,337,967
Other comprehensive loss	-	-	(3,168,698)	-	-	-	(3,168,698)	(3,168,698)
Loss on re-measurement on available for sale investment	-	-	(3,168,698)	-	-	-	(3,168,698)	(3,168,698)
Balance as at 30 June 2014	25,072,733	20,891,600	(3,168,698)	752,000	(8,331,024)	10,143,878	10,143,878	35,216,611
Final dividend for the year ended 30 June 2014	-	-	-	-	(495,022)	-	(495,022)	(495,022)
<b>Total comprehensive income for the year</b>	-	-	-	-	1,375,157	-	1,375,157	1,375,157
Profit \ (Loss) for the year	-	-	-	-	1,375,157	-	1,375,157	1,375,157
Other comprehensive loss	-	-	(888,966)	-	-	-	(888,966)	(888,966)
Transfer of fair value loss to profit and loss account on disposal of available for sale investment	-	-	(888,966)	-	-	-	(888,966)	(888,966)
Gain \ (Loss) on re-measurement on available for sale investment	-	-	(493,835)	-	-	-	(493,835)	(493,835)
Balance as at 30 June 2015	25,072,733	20,891,600	(2,773,567)	752,000	(7,450,889)	11,419,144	11,419,144	36,491,877
Final dividend for the year ended 30 June 2015	-	-	-	-	(1,013,330)	-	(1,013,330)	(1,013,330)
<b>Total comprehensive income for the year</b>	-	-	-	-	(1,562,510)	-	(1,562,510)	(1,562,510)
Profit \ (Loss) for the year	-	-	-	-	(1,562,510)	-	(1,562,510)	(1,562,510)
Other comprehensive loss	-	-	-	-	-	-	-	-
Transfer of fair value loss to profit and loss account on disposal of available for sale investment	-	-	(3,437,680)	-	-	-	(3,437,680)	(3,437,680)
Gain \ (Loss) on re-measurement on available for sale investment	-	-	(3,437,680)	-	-	-	(3,437,680)	(3,437,680)
Balance as at 30 September 2015	25,072,733	20,891,600	(6,211,247)	752,000	(10,026,729)	5,405,624	5,405,624	30,478,357

The annexed notes from 1 to 10 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

# Notes to the Condensed Interim Financial Information (Un-audited)

for the nine months ended 31 March 2016

## 1. THE COMPANY AND ITS BUSINESS

1.1 The Company was incorporated as a Public Limited Company in the Year 1936 and its shares are quoted on the Karachi Stock Exchange. The registered office of the company is situated at 416-418, Continental Trade Center, Clifton, Karachi. The principal activity of the Company is to deal in real estate projects, financing, consultancy and management, investment in listed securities and is also engaged in leasing / hiring of safe deposits.

## 2. BASIS OF PREPARATION

### 2.1 Statement of Compliance

This condensed interim financial report of the Company for the nine months ended 31 March 2016 has been prepared in accordance with the requirements of the International Accounting Standard 34 – 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

### 2.2 Basis of measurement

This condensed interim financial information has been prepared under the "historical cost convention", except for the measurement of held for trading investment which are stated at fair value. This condensed interim financial information, except for cash flow information, has been prepared under the accrual basis of accounting.

2.3 This condensed interim financial information is presented in Pak Rupees, which is the Company's functional and presentation currency.

## 3. ACCOUNTING POLICIES

The accounting policies and the method of computation adopted in preparation of this condensed interim financial report are the same as those applied in the preparation of the annual financial statements for the year ended 30 June 2015.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Judgments and estimates made by the management in preparation of this condensed interim financial information are the same as those applied to the annual financial statements for the year ended 30 June 2015.

# Notes to the Condensed Interim Financial Information (Un-audited)

for the nine months ended 31 March 2016

Note	Un-audited 31 Mar 2016	Audited 30 Jun 2015
		(Rupees)

## 5. PLANT AND EQUIPMENT

Opening Written down value	2,501,668	2,881,510
Depreciation	(203,861)	(379,842)
	<u>2,297,807</u>	<u>2,501,668</u>

## 6. OTHER RECEIVABLES (Unsecured and considered good)

Related Parties Creek Developers (Private) Limited	6.1	1,010,830	1,443,333
		<u>1,010,830</u>	<u>1,443,333</u>

6.1 This represents the balance receivable of allocated share of common expenses.

## 7. CONTINGENCIES AND COMMITMENTS

### 7.1 CONTINGENCIES

The Company has filed a law suit in the Honourable High Court of Sindh against a consortium based in Lahore by sending legal notice unduly involving the name of the Company. In response, the said Consortium also filed a counter law suit on the Company in the same court claiming certain consultancy fees from the Company. The management and the legal counsel of the Company are of the view that based on the legal merits, the said law suits will be disposed of without any financial loss to the Company.

During the previous year, an individual filed case against the Company, amongst others, by making the Company as a pro-forma defendant. Presently, the matter is pending in Honourable High Court of Sindh. The management and its legal counsel are confident that the Company is not a party to the aforesaid case, therefore, the eventual outcome would be favorable and would not result in any financial loss to the Company.

### 7.2 COMMITMENTS

There were no commitments (30 June 2015: Nil) at the reporting date.2

# Notes to the Condensed Interim Financial Information (Un-audited)

for the nine months ended 31 March 2016

## 8. EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings / (loss) per share of the Company which is based on :

	Un-audited 31 Mar 2016	Audited 30 Jun 2015
	(Rupees)	
Profit / (Loss) for the period (Rupees)	<u>(1,562,510)</u>	<u>(6,193,540)</u>
Number of ordinary shares in issue	<u>2,507,471</u>	<u>2,507,471</u>
Earning / (Loss) per share	<u>(0.62)</u>	<u>(2.47)</u>

## 9. DATE OF AUTHORIZATION

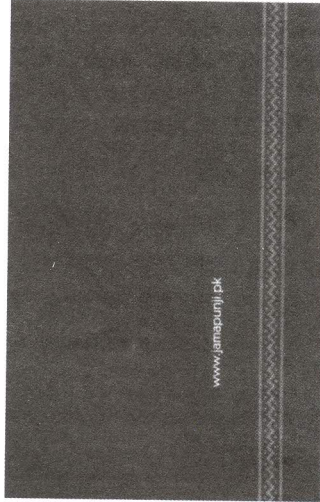
This condensed interim financial information was approved and authorized for issue on **29 April 2016** by the Board of Directors of the Company.

## 10. GENERAL

Figure have been rounded off to the nearest rupee.

CHIEF EXECUTIVE OFFICER

DIRECTOR



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