

FORTUNE SECURITIES LIMITED

**CONDENSED INTERIM FINANCIAL
INFORMATION**

**FOR THE HALF YEAR ENDED
DECEMBER 31, 2015**

FORTUNE SECURITIES LIMITED



**INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED
INTERIM FINANCIAL INFORMATION TO THE MEMBERS
For The Half Year Ended December 31, 2015**

INTRODUCTION:

We have reviewed the accompanying condensed interim balance sheet of **Fortune Securities Limited** ("the Company") as at December 31, 2015; and the related condensed interim profit and loss account, condensed interim statement of other comprehensive income, condensed interim cash flow statement, and condensed interim statement of changes in equity for the half year then ended together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

SCOPE OF REVIEW:

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION:

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2015 is not prepared, in all material respects, in accordance with approved accounting standard as applicable in Pakistan for interim financial reporting.

Chartered Accountants
Engagement Partner: **Ahsan Elahi Vohra- FCA**

Karachi
Dated:

FORTUNE SECURITIES LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT DECEMBER 31, 2015

	(Un-audited) December 31 2015	(Audited) June 30 2015
Note	----- (Rupees) -----	
<u>EQUITY AND LIABILITIES</u>		
<u>Share capital and reserves</u>		
Authorized share capital 20,000,000 (June 30, 2015: 20,000,000) ordinary shares of Rs. 10/- each	200,000,000	200,000,000
Issued, subscribed and paid-up capital 12,498,245 (June 30, 2015: 12,498,245) ordinary shares of Rs. 10/- each	124,982,450	124,982,450
Unappropriated profit	59,204,839	56,426,903
	184,187,289	181,409,353
Surplus on revaluation of fixed assets-net of tax	13,627,095	14,360,590
<u>Non-current liabilities</u>		
Long term loan	31,250,000	50,000,000
Liabilities against assets subject to finance lease	525,335	880,248
	31,775,335	50,880,248
<u>Current liabilities</u>		
Trade creditors, accrued and other liabilities	125,455,768	265,040,699
Current maturity against long term loan	-	20,000,000
Current maturity against assets subject to finance lease	679,488	621,414
Accrued markup	-	472,000
	126,135,256	286,134,113
	355,724,975	532,784,304
Contingencies and commitments	7	-
<u>ASSETS</u>		
<u>Non-current assets</u>		
Property and equipments	33,775,673	33,549,194
Intangible assets	41,252,875	41,252,875
Deferred taxation	9,653,742	9,269,130
Long term investments	38,250,993	38,250,993
Long term deposits	1,428,003	1,318,434
	124,361,286	123,640,626
<u>Current assets</u>		
Trade debts - considered good	44,926,085	128,642,138
Short term investment	5,563,025	6,964,884
Advances - considered good	20,771,871	1,613,987
Deposits, prepayments and other receivables	25,816,250	61,233,888
Taxation - net	7,521,284	8,090,249
Cash and bank balances	126,765,174	202,598,532
	231,363,689	409,143,678
	355,724,975	532,784,304

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


Chief Executive


Director

FORTUNE SECURITIES LIMITED
CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	December 31 2015	December 31 2014
	----- (Rupees) -----	
Profit after taxation	17,667,247	27,702,255
Transfer from surplus on revaluation of fixed assets:		
Incremental depreciation for the period	-	-
Gain on re-measurement of long term investment held at fair value through other comprehensive income	-	-
Total comprehensive income	<u>17,667,247</u>	<u>27,702,255</u>

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


Chief Executive


Director

FORTUNE SECURITIES LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	December 31 2015	December 31 2014
Note	(Rupees)	
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	22,977,682	32,120,573
<i>Adjustments for :</i>		
Depreciation on property and equipment	4,144,456	3,803,353
(Gain)/loss on disposal of assets	(408,281)	21,191
Loss/(gain) on remeasurement of investments to fair value	335,239	(556,848)
Capital gain on sale of investments	(2,939,220)	(2,010,818)
Finance cost	2,879,144	3,750,098
	<u>4,011,338</u>	<u>5,006,976</u>
Cash generated before working capital changes	26,989,020	37,127,549
<i>Working capital changes:</i>		
(Increase) / decrease in current assets		
Trade debts - considered good	83,716,053	9,009,932
Advances - considered good	(19,157,884)	(1,005,159)
Deposits, prepayments and other receivables	35,417,638	7,085,195
	<u>99,975,807</u>	<u>15,089,968</u>
(Decrease)/increase in current liabilities		
Trade creditors, accrued and other liabilities	(139,584,931)	154,158,313
	<u>(39,609,124)</u>	<u>169,248,281</u>
Financial cost paid	(3,351,144)	(3,546,427)
Taxes paid	(5,126,082)	(8,280,646)
Net cash (used in) / generated from operating activities	<u>(21,097,330)</u>	<u>194,548,757</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Acquisition of property and equipment	(4,426,152)	(370,556)
Short term investments-net	4,005,840	(7,852,832)
Proceeds from disposal of asset	463,498	69,384
Payment of long term deposits	(109,569)	(28,985)
Net cash used in investing activities	<u>(66,383)</u>	<u>(8,182,989)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Proceeds from long term loan	31,250,000	-
Payment of finance lease liabilities	(296,839)	(814,966)
Long term loan paid	(70,000,000)	-
Dividend paid	(15,622,806)	(6,249,124)
Net cash generated used in financing activities	<u>(54,669,645)</u>	<u>(7,064,090)</u>
Net (decrease) / increase in cash and cash equivalents	<u>(75,833,358)</u>	<u>179,301,678</u>
Cash and cash equivalents at the beginning of the period	202,598,532	163,571,400
Cash and cash equivalents at the end of the period	<u>14</u> <u>126,765,174</u>	<u>342,873,078</u>

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


Chief Executive


Director

FORTUNE SECURITIES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	Issued, subscribed & paid-up capital	Unappropriated profit	Total
	----- (Rupees) -----		
Balance as at July 1, 2014	124,982,450	38,418,539	163,400,989
Transferred from surplus on revaluation of fixed assets - net of deferred tax		628,710	628,710
Dividend paid		(6,249,124)	(6,249,124)
Total comprehensive income for the period	-	27,702,255	27,702,255
Balance as at December 31, 2014	<u>124,982,450</u>	<u>60,500,380</u>	<u>185,482,830</u>
Balance as at July 1, 2015	124,982,450	56,426,903	181,409,353
Transferred from surplus on revaluation of fixed assets - net of tax		733,495	-
Dividend paid		(15,622,806)	(15,622,806)
Total comprehensive income for the period	-	17,667,247	17,667,247
Balance as at December 31, 2015	<u>124,982,450</u>	<u>59,204,839</u>	<u>184,187,289</u>

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


 Chief Executive


 Director