

**FORTUNE SECURITIES LIMITED**

**CONDENSED INTERIM FINANCIAL INFORMATION**

**FOR THE HALF YEAR ENDED DECEMBER 31, 2016**

**FORTUNE SECURITIES LIMITED**

**INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED  
INTERIM FINANCIAL INFORMATION TO THE MEMBERS  
For The Half Year Ended December 31, 2016**

**Introduction**

We have reviewed the accompanying condensed interim balance sheet of **Fortune Securities Limited** ("the Company") as at December 31, 2016; and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, 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 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 Ealhi Vohra-FCA**

Karachi

Dated: **28 FEB 2017**

**FORTUNE SECURITIES LIMITED**  
**CONDENSED INTERIM BALANCE SHEET**  
**AS AT DECEMBER 31, 2016**

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
Note	----- (Rupees) -----	
<b><u>EQUITY AND LIABILITIES</u></b>		
<b><u>Share capital and reserves</u></b>		
Authorized share capital 20,000,000 (June 30, 2016: 20,000,000) ordinary shares of Rs. 10/- each	<u>200,000,000</u>	<u>200,000,000</u>
Issued, subscribed and paid-up capital 12,498,245 (June 30, 2016: 12,498,245) ordinary shares of Rs. 10/- each	<u>124,982,450</u>	124,982,450
Unappropriated profit	<u>93,033,487</u>	59,193,912
	<b>218,015,937</b>	184,176,362
Surplus on revaluation of fixed assets-net of tax	<b>30,874,865</b>	31,608,360
<b><u>Non-current liabilities</u></b>		
Loan from related parties	<u>13,554,904</u>	-
Deferred taxation - net	-	110,782
Liabilities against assets subject to finance lease	<u>7,374,307</u>	137,273
	<b>20,929,211</b>	248,055
<b><u>Current liabilities</u></b>		
Trade creditors, accrued and other liabilities	<u>273,655,681</u>	137,238,795
Current maturity against assets subject to finance lease	<u>3,701,623</u>	742,974
	<b>277,357,304</b>	137,981,769
	<u><b>547,177,317</b></u>	<u><b>354,014,546</b></u>
<b>Contingencies and commitments</b>	7	-
<b><u>ASSETS</u></b>		
<b><u>Non-current assets</u></b>		
Property and equipments	<u>82,545,055</u>	70,006,670
Intangible assets	<u>18,953,888</u>	18,953,888
Deferred taxation - net	<u>234,393</u>	-
Long term investments	<u>39,993,682</u>	39,993,682
Long term deposits	<u>1,426,657</u>	1,426,627
	<b>143,153,675</b>	130,380,867
<b><u>Current assets</u></b>		
Trade debts - considered good	<u>47,185,206</u>	43,650,706
Short term investment	<u>46,920,810</u>	-
Advances - considered good	<u>6,104,376</u>	21,886,733
Deposits, prepayments and other receivables	<u>47,984,746</u>	19,868,166
Taxation - net	<u>10,974,983</u>	8,412,509
Cash and bank balances	<u>244,853,521</u>	129,815,565
	<b>404,023,642</b>	223,633,679
	<u><b>547,177,317</b></u>	<u><b>354,014,546</b></u>

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

N20



Chief Executive



Director

**FORTUNE SECURITIES LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2016**

		December 31, 2016	December 31, 2015
	Note	----- (Rupees) -----	
Operating revenue		77,311,191	62,834,239
Capital gain on investmet at fair value through profit or loss		13,721,248	2,939,220
Administrative and operating expenses	12	(54,265,073)	(48,240,745)
<b>Operating profit</b>		<u>36,767,366</u>	<u>17,532,714</u>
Finance cost	13	(880,013)	(2,879,144)
Finance income		962,644	-
Other income		7,475,670	8,324,112
<b>Profit before taxation</b>		<u>44,325,667</u>	<u>22,977,682</u>
Taxation:			
- Current		(11,765,312)	(5,695,048)
- Deferred		345,174	384,613
		<u>(11,420,138)</u>	<u>(5,310,435)</u>
<b>Profit after taxation</b>		<u>32,905,529</u>	<u>17,667,247</u>
Earning per share - basic and diluted	14	<u>2.63</u>	<u>1.41</u>

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

N2M

  
Chief Executive

  
Director

**FORTUNE SECURITIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2016**

	December 31, 2016	December 31, 2015
	----- (Rupees) -----	
Profit after taxation	32,905,529	17,667,247
Other comprehensive income	200,551	-
Total comprehensive income	<u>33,106,080</u>	<u>17,667,247</u>

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

*N20*



Chief Executive



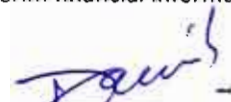
Director

**FORTUNE SECURITIES LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2016**

	December 31, 2016	December 31, 2015
Note	----- (Rupees) -----	
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
<b>Profit before taxation</b>	<b>44,325,667</b>	<b>22,977,682</b>
<i>Adjustments for :</i>		
Depreciation on property and equipment	4,992,441	4,144,456
Loss / (gain) on disposal of assets	3,563,619	(408,281)
(Gain) / loss on remeasurement of investments to fair value	(2,225,615)	335,239
Capital gain on sale of investments	(13,721,248)	(2,939,220)
Gain on initial recognition on loan from related party	(962,644)	-
Finance cost	880,013	2,879,144
	<u>(7,473,434)</u>	<u>4,011,338</u>
<b>Cash generated before working capital changes</b>	<b>36,852,233</b>	<b>26,989,020</b>
<i>Working capital changes:</i>		
(Increase) / decrease in current assets		
Trade debts - considered good	(3,534,500)	83,716,053
Advances - considered good	15,782,357	(19,157,884)
Deposits, prepayments and other receivables	(28,116,580)	35,417,638
	<u>(15,868,723)</u>	<u>99,975,807</u>
(Decrease)/increase in current liabilities		
Trade creditors, accrued and other liabilities	136,416,886	(139,584,931)
	<u>120,548,163</u>	<u>(39,609,124)</u>
Financial cost paid	(661,914)	(3,351,144)
Taxes paid	(14,327,786)	(5,126,082)
<b>Net cash generated from / (used in) operating activities</b>	<b>142,410,696</b>	<b>(21,097,330)</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Acquisition of property and equipment	(17,681,201)	(4,426,152)
Proceeds from disposal of asset	(3,413,244)	463,498
Payment of long term deposits	(30)	(109,569)
Short term investments-net	(30,973,948)	4,005,840
<b>Net cash used in investing activities</b>	<b>(52,068,423)</b>	<b>(66,383)</b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
Proceeds from long term loan	14,500,000	31,250,000
Payment of finance lease liabilities	10,195,683	(296,839)
Long term loan paid	-	(70,000,000)
Dividend paid	-	(15,622,806)
<b>Net cash generated from / (used in) financing activities</b>	<b>24,695,683</b>	<b>(54,669,645)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>115,037,956</b>	<b>(75,833,358)</b>
Cash and cash equivalents at the beginning of the period	129,815,565	202,598,532
<b>Cash and cash equivalents at the end of the period</b>	<b>244,853,521</b>	<b>126,765,174</b>

The annexed notes from 1 to 17 form an integral part of the condensed interim financial information. NLM

  
**Chief Executive**

  
**Director**

**FORTUNE SECURITIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2016**

	Issued, subscribed & paid-up capital	Unappropriated profit	Total
	----- (Rupees) -----		
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 deferred tax	-	733,495	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>
<b>Balance as at July 1, 2016</b>	<b>124,982,450</b>	<b>59,193,912</b>	<b>184,176,362</b>
Transferred from surplus on revaluation of fixed assets - net of tax	-	733,495	-
Total comprehensive income for the period	-	33,106,080	33,106,080
Balance as at December 31, 2016	<u>124,982,450</u>	<u>93,033,487</u>	<u>218,015,937</u>

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

N2M

  
**Chief Executive**

  
**Director**