SUMMIT CAPITAL (PRIVATE) LIMITED
INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2017

SUMMIT CAPITAL (PRIVATE) LIMITED

CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2017

	Note	March 31, 2017	December 31, 2016
		-----------(Rs. in '000)-----------	
		(Unaudited)	(Audited)
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	**44,682**	45,432
Intangible assets	5	**7,968**	7,987
Long-term investment	6	**18,644**	23,310
Investment properties		**19,961**	20,062
Long term deposits	7	**2,167**	2,092
Deferred tax asset - net		**5,222**	5,222
		98,644	104,105
CURRENT ASSETS			
Debtors	8	**157,867**	64,613
Short term loans,	9	**941**	539
Short term deposits, prepayments and others receivables	10	**88,243**	63,813
Short term investment	11	**211,694**	5,995
Advance tax - net		**16,997**	21,628
Cash and bank balances	12	**116,453**	135,678
		592,195	292,266
		690,839	396,371
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
50,000,000 ordinary shares of Rs. 10/- each		**500,000**	500,000
Issued, subscribed and paid up capital		**300,000**	300,000
Accumulated loss		**(10,969)**	(32,201)
		289,031	267,799
CURRENT LIABILITIES			
Short term borrowing - secured	13	**39,433**	-
Creditors and other payables	14	**360,112**	126,901
Accrued interest		**2,263**	1,671
		401,808	128,572
CONTINGENCIES AND COMMITMENTS			
		690,839	396,371

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.

Rahat S

CHIEF EXECUTIVE OFFICER

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

	Note	March 31, 2017	March 31, 2016
		----------(Rs. in '000)----------	
Income			
Brokerage commission	21	**32,021**	15,628
Unrealised gain/(loss) on revaluation of held-for-trading securities - net		**(3,783)**	4,786
Gain/(loss) on sale of securities - net		**33,093**	103
Gain/(loss) on sale of operating fixed assets		**-**	122
Dividend income on shares	18	**4**	633
Other income	21	**1,005**	6,192
		62,340	27,464
Expenditure			
Operating and administrative expenses		**29,395**	21,214
Financial charges	21	**2,268**	3,260
		31,663	24,474
Profit/(loss) before taxation		**30,677**	2,990
Taxation - current		**9,445**	2,925
Profit/(loss) after taxation / total comprehensive profit/(loss) for the period		**21,232**	65
Profit/(loss) per share - basic and diluted (Rupee)		**0.71**	0.00

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Rahat S

CHIEF EXECUTIVE OFFICER

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

	Note	March 31, 2017	March 31, 2016
		------------(Rs. in '000)-----------	
Cash flows from operating activities			
Profit/(loss) before taxation		**30,677**	2,990
Adjustments for:			
Depreciation		**963**	1,036
Amortization		**18**	26
Unrealised (gain)/loss on revaluation of held-for-trading securities - ne		**3,783**	(4,786)
(Gain)/loss on sale of securities - net		**(33,093)**	(103)
(Gain)/loss on sale of operating fixed assets		**-**	(122)
Financial charges		**2,268**	3,260
		(26,061)	(689)
		4,616	2,301
(Increase)/decrease in current assets			
Trade debtors		**(93,254)**	(46,831)
Short term loans		**(402)**	(70)
Short term deposit, prepayments and others receivable		**(24,430)**	9,428
Accrued mark-up		**-**	(4,466)
Long term deposits		**(75)**	-
		(118,161)	(41,939)
Increase/(decrease) in current liabilities			
Creditors and other payables		**233,211**	(430)
Short term borrowing		**39,433**	364,021
		272,644	363,591
Cash (used in)/generated from operations		**159,099**	323,953
Income tax paid		**(4,814)**	(1,628)
Financial charges paid		**(1,676)**	(3,260)
Net cash (used in)/inflow from operating activities		**152,609**	319,065
Cash flows from investing activities			
Capital expenditure incurred		**(111)**	(58)
Proceed from sale of tangible fixed assets		**-**	1,065
Short-term investments		**(171,723)**	(367,829)
Net cash (used in)/inflow from investing activities		**(171,834)**	(366,822)
Cash flows from financing activities			
Long term loan		**-**	-
Net cash used in financing activities		**-**	-
Net decrease in cash & cash equivalents		**(19,225)**	(47,757)
Cash and cash equivalents at the beginning of the period		**135,678**	112,362
Cash and cash equivalents at the end of the period		**116,453**	64,605
Cash and cash equivalents:			
Cash and bank balances	12	**116,453**	64,605

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.

Rahat S

CHIEF EXECUTIVE OFFICER

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

	Issued, subscribed and paid up capital	Accumulated loss	Total
	-----------	(Rs. in 000')	-----------
Balance as on January 01, 2016	300,000	(40,735)	259,265
Total comprehensive income for the period	-	65	65
Balance as at March 31, 2016	**300,000**	**(40,670)**	**259,330**
Balance as on January 01, 2017	300,000	(32,201)	267,799
Total comprehensive income for the period	-	21,232	21,232
Balance as at March 31, 2017	**300,000**	**(10,969)**	**289,031**

Rahat S--

CHIEF EXECUTIVE OFFICER

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2017

1. THE COMPANY AND ITS OPERATIONS

Summit Capital (Private) Limited (the Company) is a private limited company, incorporated in Pakistan on March 08, 2006 under the Companies Ordinance, 1984. The Company is a TREC holder of Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited. The principal activities of the Company are equity brokerage, money market brokerage, interbank foreign exchange brokerage, commodity brokerage and research. The registered office of the Company is situated at 701-702, 7th Floor, Business and Finance Centre, Opposite State Bank of Pakistan, I.I Chundrigar Road, Karachi. The Company is a wholly owned subsidiary of Summit Bank Limited

2. BASIS OF PREPARATION

These financial statements have 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. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

These condensed interim financial statements are unaudited and are being submitted to the shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency and rounded off to the nearest rupee.

3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are same as those applied in the preparation of financial statements for the year ended December 31, 2016.

	Note	March 31, 2017 (Unaudited)	December 31, 2016 (Audited)
		-----------(Rs. in '000)----------	
4. PROPERTY AND EQUIPMENT			
Operating fixed assets - tangible		**42,182**	41,224
Capital work in progress		**2,500**	4,208
		44,682	45,432
5. INTANGIBLE ASSETS			
Computer software		**227**	246
Trading Rights Entitlement Certificates		**7,741**	7,741
		7,968	7,987
6. LONG TERM INVESTMENTS			
Long term investment -available for sale		**18,644**	23,310
		18,644	23,310
7. LONG TERM DEPOSITS			
Long-term deposits - considered good		**2,167**	2,092
		2,167	2,092
8. TRADE DEBTS			
Considered good			
Due from clients in respect of securities transactions - secured		**111,909**	11,230
Commission receivable - unsecured		**22,888**	14,824
Receivable against sale of securities from clearing house		**-**	15,489
Considered doubtful		**134,797**	41,543
Due from clients in respect of securities transactions - secured		**23,070**	23,070
Due from clients in respect of securities transactions - unsecured		**61,125**	61,125
		218,992	125,738
Less: Provision for doubtful debts		**61,125**	61,125
		157,867	64,613
9. SHORT TERM LOANS			
Short term loans	9.1	**941**	539
		941	539

9.1 These loans represent loans to employees for domestic purposes under the terms of employment. These loans carry mark-up at the rate of 8% per annum.

		March 31, 2017	December 31, 2016
10. SHORT TERM DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Prepayments		**1,539**	387
Exposure deposits		**86,688**	63,410
Other receivable		**16**	16
		88,243	63,813

	Note	March 31, 2017 (Unaudited)	December 31, 2016 (Audited)
		-----------(Rs. in '000)---------	

11. SHORT TERM INVESTMENTS

At fair value through profit and loss (held-for-trading)	11.1	**211,694**	5,995

11.1 At fair value through profit and loss (held-for-trading)

2017	2016		2017 Cost	2017 Market Value	2016 Market Value
(No. of Shares)			----------(Rs. In '000)----------		
		Listed Ordinary Shares			
50,000	-	Dewan Cement Limited	**1,289**	**1,209**	-
20,000	-	International Steel Limited	**2,642**	**2,579**	-
50,000	-	K-Electric Limited	**495**	**409**	-
300	-	Millat Tractors Limited	**380**	**394**	-
55,000	-	Pakistan Refinery Limited	**4,450**	**4,384**	-
50,000	50,000	Sui Southern Gas Company Limited	**2,200**	**1,847**	2,726
1,700,000	-	Tariq Glass Limited	**204,020**	**200,872**	-
-	75,000	Treet Corporation Limited	-	-	3,269
			215,476	**211,694**	5,995

12. CASH AND BANK BALANCES

Cash with banks:		
- Current accounts	**113,376**	99,259
- PLS saving accounts	**3,053**	36,406
Cash in hand	**24**	13
	116,453	135,678

12.1 Includes aggregate balance of Rs. 115.145 (2016: Rs. 99.125) million maintained with the holding comp

13. SHORT TERM FINANCE - SECURED

13.1 Represents a running financing facility of Rs. 300 million from holding company against hypothecation of receivables and carries mark-up rate of 3 months KIBOR average ask side rate plus 2.50%.

14. TRADE AND OTHER PAYABLES

Due to clients in respect of securities transactions	14.1	**113,127**	114,377
Deposit from employees against vehicles		**946**	821
Accrued liabilities		**12,620**	11,628
Payable against purchase of securities to clearing house		**233,134**	-
Others		**285**	75
		360,112	126,901

	March 31, 2017 (Un-audited) (Rs. in '000)

15. Customer Assets - Bank Account & Central Depository System

15.1 Customer Assets - Bank Account

Bank Account Balance - Clients	113,127

15.2 Customer Assets - Securities (Number of shares)

Securities held in the name of Clients'	116,948,520
Securities held in the name of Company's	5,785,831

The securities held in the Company's back office record reconciling with the Central Depository System as at March 31, 2017.

16. Pledged Securities

Pledged with PSX on behalf of Company (for Base Minimum Capital)	15,730
Pledged with PSX on behalf of Clients	3,648
Pledged with Summit Bank Limited on behalf of client	214,416
Total value of pledged securities	233,794

17. Turnover - Proprietary Trades, Retail Customers and Institutional Customers

Proprietary Trades - Turnover	-
Retail Customers Trades - Turnover	14,798
Institutional Trades - Turnover	8,326
Total Trades - Turnover	**23,124**

18. Income from dividends

Income from dividends	4

19. Pattern of shareholding with percentage

	Percentage	Number of shares
Summit Bank Limited	100%	29,999,996
Syed Mohammad Anwar Lutfullah	0%	1
Muhammad Faisal	0%	1
Gulrays Khan	0%	1
Rahat Saeed Khan	0%	1
Total	100%	30,000,000

19.1 The company's is the wholly owned subsidiary of Summit Bank Limited. During the period there is no change in the pattern of shareholding.

20. Treatment of amount receivable from customers

20 Trade debtors and other receivables are carried at cost, which is the fair value of the consideration to be received, less provision for doubtful debts. A provision for impairment in trade debtors and other receivables is made when there is objective evidence that the Company will not be able to collect all amounts due according to original terms of receivables.

20 Aging Analysis of Trade Debtors

Total equity trade debtors	196,104
Less: Trade debtors within 5 days	51,185
Trade debtors above 5 days	144,919
Less: provision for doubtful debts	61,126
Balance after provision for doubtful debts above 5 days	83,793
Value of collateral against trade debtors	143,330

	Note	March 31, 2017 (Unaudited)	March 31, 2016 (Unaudited)
		----------(Rs. in '000)------------	

21. RELATED PARTY TRANSACTIONS

The related parties comprise parent company, related group companies, staff retirement funds, directors and key management personnel. Transactions with related parties, other than remuneration and benefits to key management personnel under the terms of their employment are as follows:

Holding Company - Summit Bank Limited

	March 31, 2017 (Unaudited)	March 31, 2016 (Unaudited)
Brokerage commission	**4,794**	1,249
Financial charges	**2,265**	3,257
Profit on bank accounts	**74**	246
Rent paid	**659**	599
Shares purchased from holding company	**1,296,313**	125,242
Shares sold to holding company	**(1,092,810)**	(125,344)
Government Securites purchased from holding company	**-**	367,933
Government Securities sold to holding company	**-**	-
Repurchase agreement borrowing	**-**	2,539,838
Repurchase agreement borrowing repaid	**-**	(2,175,818)
Running finance availed	**9,584,386**	434,925
Running finance paid	**(9,541,307)**	(434,925)
Brokerage commission -Key management personnel	**331**	38
Contribution paid to/(received from) Gratuity Fund	**600**	300
Contribution paid to/(received from) Provident Fund	**702**	508

21.1 The outstanding balances of related parties are included in their respective notes to these condensed interim financial statements.

22. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue in the Board of Directors meeting held on April 26, 2017.

23. GENERAL

23.1 Figures have been rounded off to the nearest thousand rupees.

Rahat S

CHIEF EXECUTIVE OFFICER

DIRECTOR