

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
 CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION [UN-AUDITED]
 AS AT SEPTEMBER 30, 2013

(In Pak Rupees)


	Note	SEPTEMBER 30, 2013	DECEMBER 31, 2012
ASSETS			
Cash and balances with treasury banks	6	54,563,787	65,538,416
Balances with other banks	7	132,078,847	366,097,455
Non-current asset classified as held for sale	8	30,423,457	46,089,659
Lendings to financial institutions and others	9	150,000,000	250,000,000
Investments	10	6,299,169,724	6,496,892,685
Advances	11	3,863,852,490	4,961,664,693
Other Assets	12	1,377,519,017	1,334,466,215
Operating fixed assets	13	2,338,341,886	2,383,745,356
Deferred tax assets		-	-
		14,245,949,208	15,904,494,479
LIABILITIES			
Bills payable		-	-
Borrowings from financial institutions	14	4,385,269,067	5,925,528,990
Deposits and other accounts	15	370,000,000	685,000,000
Sub-ordinated loans		-	-
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		844,462,292	895,033,761
Other liabilities	16	139,533,203	192,900,476
		5,739,264,562	7,698,463,227
NET ASSETS		8,506,684,646	8,206,031,252
REPRESENTED BY			
Share capital		6,000,000,000	6,000,000,000
Reserves		535,243,701	535,243,701
Unappropriated profit/(loss)		402,600,001	-
		6,937,843,702	6,535,243,701
Surplus on revaluation of securities - net of tax		162,905,611	222,186,833
Surplus on revaluation of fixed assets		1,405,935,333	1,448,600,718
		8,506,684,646	8,206,031,252

CONTINGENCIES AND COMMITMENTS


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The annexed notes 1 to 21 form an integral part of this condensed interim unconsolidated financial information.


 General Manager/Chief Executive


 Director


 Director



 Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT [UN-AUDITED]
FOR THE PERIOD ENDED SEPTEMBER 30, 2013

(Figures in Pak Rs)

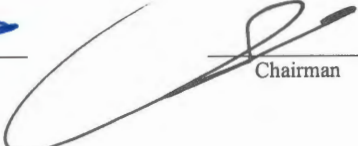
	Note	CURRENT YEAR PERIOD JUL - SEP 2013	CURRENT YEAR PERIOD ENDED SEPTEMBER 30, 2013	PRIOR YEAR PERIOD JUL - SEP 2012	PRIOR YEAR PERIOD ENDED SEPTEMBER 30, 2012
Mark-up/Return/Interest Earned	18	213,100,465	693,007,671	298,631,842	858,691,696
Mark-up/Return/Interest Expensed	19	94,211,908	328,043,440	160,942,556	546,743,356
Net mark-up/Interest Income		118,888,557	364,964,231	137,689,286	311,948,340
Provision against non-performing loans and advances		19,742,578	38,834,997	(34,728,030)	647,941
Provisions for diminution in the value of investments - TFCs		31,670,218	56,038,512	47,739,495	46,474,058
Provisions for diminution in the value of investments - Unquoted		-	2,209,223	-	-
Bad debts written off directly		-	-	-	-
		51,412,796	97,082,732	13,011,465	47,121,999
Net Mark-up/ Interest Income after provisions		67,475,761	267,881,499	124,677,821	264,826,341
NON MARK-UP/INTEREST INCOME					
Fee, Commission and Brokerage income		812,118	3,800,034	342,948	1,738,641
Dividend Income		12,446,722	36,914,749	6,418,248	39,894,971
Gain on dealing in quoted securities		36,669,762	180,294,075	69,525,217	231,286,763
Gain on dealing in mutual funds		-	-	-	2,562,463
Income from trading in government securities		-	-	-	-
Unrealized loss on revaluation of held for trading investments - net		707,553	(988,534)	-	-
Gain from dealing in foreign currencies		1,864,123	2,372,931	93,084	24,938,092
Fair value adjustment on non-current asset classified as held for sale		1,478,758	13,783,798	2,342,609	13,249,004
Other income		19,255,736	41,712,370	12,589,542	32,495,694
Total non mark-up/interest Income		73,234,772	277,889,423	91,311,648	346,165,628
		140,710,533	545,770,922	215,989,469	610,991,969
NON MARK-UP/INTEREST EXPENSES					
Administrative expenses		59,052,891	185,580,203	53,871,777	156,319,111
Impairment loss on quoted securities		-	-	-	12,213,264
Other provisions/write offs		-	-	75,476,000	124,436,000
Other charges - penalties imposed by SBP		-	759,000	-	-
Total non mark-up/interest expenses		59,052,891	186,339,203	129,347,777	292,968,375
		81,657,642	359,431,719	86,641,692	318,023,594
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		81,657,642	359,431,719	86,641,692	318,023,594
Taxation - Current		8,624,390	17,331,782	7,334,139	18,953,883
- Prior years		-	-	-	-
- Deferred		(7,657,890)	(18,650,812)	(7,456,599)	(13,685,200)
		966,500	(1,319,030)	(122,460)	5,268,683
PROFIT AFTER TAXATION		80,691,142	360,750,749	86,764,152	312,754,911
Earning Per Share - basic and diluted (Rupees)		0.13	0.60	0.14	0.52

The annexed notes 1 to 21 form an integral part of this condensed interim unconsolidated financial information.


General Manager/Chief Executive


Director


Director



Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
 CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME [UN-AUDITED]
 FOR THE PERIOD ENDED SEPTEMBER 30, 2013

(Figures in Pak Rs)

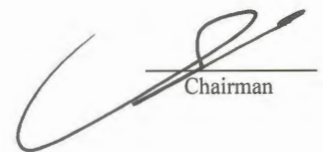
	CURRENT YEAR PERIOD JUL - SEP 2013	CURRENT YEAR PERIOD ENDED SEPTEMBER 30, 2013	PRIOR YEAR PERIOD JUL - SEP 2012	PRIOR YEAR PERIOD ENDED SEPTEMBER 30, 2012
Profit/(loss) after tax for the period	80,691,142	360,750,749	86,764,152	312,754,911
Effect of recognition of actuarial losses	-	(816,133)	-	-
Comprehensive income transferred to equity	<u>80,691,142</u>	<u>359,934,616</u>	<u>86,764,152</u>	<u>312,754,911</u>
(Deficit)/Surplus on revaluation of securities	(111,055,602)	(91,201,878)	129,168,948	302,660,191
Deferred tax relating to available for sale securities	38,869,461	31,920,657	(45,209,132)	(105,931,067)
Component of comprehensive income not reflected in equity	<u>(72,186,141)</u>	<u>(59,281,221)</u>	<u>83,959,816</u>	<u>196,729,124</u>
	<u>8,505,001</u>	<u>300,653,395</u>	<u>170,723,968</u>	<u>509,484,035</u>

The annexed notes 1 to 21 form an integral part of this condensed interim unconsolidated financial information.


 General Manager/Chief Executive


 Director



 Director



 Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT [UN-AUDITED]
FOR THE PERIOD ENDED SEPTEMBER 30, 2013

	September 30, 2013	September 30, 2012
	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	359,431,719	318,023,594
Less: Dividend income	(36,914,749)	(39,894,971)
	<u>322,516,970</u>	<u>278,128,623</u>
Adjustments for non-cash charges		
Depreciation	80,738,120	81,857,591
Provision Against Non-performing Advances	38,834,997	647,941
Provision for diminution in value of investments - TFCs	56,038,512	46,474,058
Provision for diminution in value of investments - Unquoted	2,209,223	-
Others provision	-	124,436,000
Loss/ (Gain) on sale of fixed assets	(1,215,710)	(1,056,072)
Provision for gratuity	6,215,173	4,795,162
Reversal of impairment loss on asset classified as held for sale and its fair value	(13,783,798)	(13,249,004)
Reversal of impairment on AFS securities	(194,986,497)	(641,388,875)
Impairment loss on quoted securities	-	12,213,264
Unrealized loss on revaluation of held for trading investments - net	988,534	-
Advances written off	-	(56,589,323)
	<u>(24,961,446)</u>	<u>(441,859,258)</u>
	297,555,524	(163,730,635)
(Increase)/ Decrease in operating assets		
Lendings to financial institutions and others	100,000,000	(133,172,104)
Advances	1,058,977,206	954,813,988
Other assets (excluding current taxation)	24,404,677	24,091,791
	<u>1,183,381,883</u>	<u>845,733,675</u>
Increase/ (Decrease) in operating liabilities		
Borrowings from financial institutions	(1,540,259,923)	95,434,402
Deposits	(315,000,000)	(645,000,000)
Other liabilities (excluding current taxation)	(43,279,434)	(5,956,470)
	<u>(1,898,539,357)</u>	<u>(555,522,068)</u>
	(417,601,950)	126,480,972
Gratuity paid	(17,119,146)	(6,078,114)
Income tax paid	(79,586,136)	(44,334,841)
<i>Net cash flow from operating activities</i>	<u>(96,705,282)</u>	<u>(50,412,955)</u>
	(514,307,232)	76,068,017
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available for sale securities	54,741,458	(279,096,592)
Net investments in held to maturity securities	193,760,387	174,296,791
Net investment in held for trading securities	(6,230,534)	-
Receipt against sale of shares in SPIC	29,450,000	30,000,000
Dividend received	31,711,624	37,032,472
Investment in operating fixed assets	(36,259,652)	(12,862,300)
Sale proceeds of property and equipment disposed-off	2,140,712	1,060,372
<i>Net cash flow from investing activities</i>	<u>269,313,995</u>	<u>(49,569,257)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital	-	-
Dividend paid	-	-
<i>Net cash flow from financing activities</i>	<u>-</u>	<u>-</u>
Increase/(Decrease) in cash and cash equivalents	(244,993,237)	26,498,760
Cash and cash equivalents at beginning of the year	431,635,871	151,799,989
Cash and cash equivalents at the end of the year	<u>186,642,634</u>	<u>178,298,749</u>

The annexed notes 1 to 21 form an integral part of this condensed interim unconsolidated financial information.


General Manager/Chief Executive


Director


Director



Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
 CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY [UN-AUDITED]
 FOR THE PERIOD ENDED SEPTEMBER 30, 2013

	<i>Issued, subscribed and paid up capital Rupees</i>	<i>Reserve fund Rupees</i>	<i>General Reserve Rupees</i>	<i>Accumulated Profit/(loss) Rupees</i>	<i>Total Rupees</i>
Balance as at December 31, 2011 - Audited	6,000,000,000	1,513,182,102	-	(1,412,718,297)	6,100,463,805
Effect of retrospective change in accounting policy with respect to accounting for actuarial losses	-	-	-	(2,017,436)	(2,017,436)
Balance as at January 1, 2012 - represented	6,000,000,000	1,513,182,102	-	(1,414,735,733)	6,098,446,369
Profit for the period ended September 30, 2012	-	-	-	312,754,911	312,754,911
Appropriation from reserve fund	-	(1,412,718,297)	-	1,412,718,297	-
Transfer to reserve fund	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-
Transferred from surplus on revaluation of operating fixed assets - net of deferred tax	-	-	-	41,543,910	41,543,910
Balance as at September 30, 2012 - Unaudited	6,000,000,000	100,463,805	-	352,281,385	6,452,745,190
Profit for the period ended December 31, 2012	-	-	-	67,829,871	67,829,871
Effect of recognition of actuarial gains	-	-	-	820,670	820,670
Transfer to reserve fund	-	76,116,956	-	(76,116,956)	-
Transfer to general reserve	-	-	358,662,940	(358,662,940)	-
Transferred from surplus on revaluation of operating fixed assets - net of deferred tax	-	-	-	13,847,970	13,847,970
Balance as at December 31, 2012 - Audited	6,000,000,000	176,580,761	358,662,940	-	6,535,243,701
Profit for the period ended September 30, 2013	-	-	-	360,750,749	360,750,749
Effect of recognition of actuarial losses	-	-	-	(816,133)	(816,133)
Transfer to reserve fund	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-
Transferred from surplus on revaluation of operating fixed assets - net of deferred tax	-	-	-	42,665,385	42,665,385
Balance as at September 30, 2013 - Unaudited	6,000,000,000	176,580,761	358,662,940	402,600,001	6,937,843,702


The annexed notes 1 to 21 form an integral part of this condensed interim unconsolidated financial information.

In accordance with Prudential Regulations, Circular No.1 dated December 05, 1991 issued by the State Bank of Pakistan for Non-Banking Financial Institutions an amount not less than 20% of the profit shall be transferred to create a reserve fund till such time the reserve fund equals the amount of paid up capital and thereafter 10% of balance of profit of the company are to be transferred to this reserve.


 General Manager/Chief Executive


 Director


 Director


 Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION [UN-AUDITED]
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013

1. LEGAL STATUS AND OPERATIONS

Saudi Pak Industrial and Agricultural Investment Company Limited ("the Company") is a public limited company incorporated in Pakistan jointly sponsored by the Kingdom of Saudi Arabia and the Government of Islamic Republic of Pakistan. The principal activity of the Company is to invest in the industrial and agro-based industrial projects in Pakistan on commercial basis and market their products in Pakistan and abroad.

The registered office of the Company is situated at Saudi Pak Tower , Jinnah Avenue, Islamabad.

2. BASIS OF PRESENTATION

- 2.1 This condensed interim unconsolidated financial information is presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting.
- 2.2 This condensed interim unconsolidated financial information is unaudited and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2012. Comparative balance sheet is extracted from the annual audited financial statements for the year ended 31 December 2012 whereas comparative profit and loss account, statement of changes in equity, cash flow statement and statement of comprehensive income are stated from unaudited condensed interim financial information for the nine months period ended 30 September 2012.

3. STATEMENT OF COMPLIANCE

- 3.1 This condensed interim unconsolidated financial information of the Company for the period ended September 30, 2013 is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and the requirements of BSD Circular Letter No. 2 dated 12 May 2004 and provisions of and directives issued under the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP). In case where requirements differ, the provisions of and directives issued under the Companies Ordinance, 1984 and the Banking Companies Ordinance, 1962, and the directives issued by SBP shall prevail.
- 3.2 The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and IAS 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated 26 August 2002. Further, according to the notification of the SECP dated 28 April 2008, the International Financial Reporting Standard (IFRS) - 7 "Financial Instruments: Disclosures" has not been applicable for Banks and DFIs. Accordingly, the requirements of these standards have not been considered in the preparation of this condensed interim unconsolidated financial information. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

4. ACCOUNTING POLICIES AND ESTIMATES

Accounting policies, related judgments, estimates and assumptions adopted for the preparation of this condensed interim unconsolidated financial information are the same as those applied in the preparation of the annual financial statements of the Company for the year ended 31 December 2012, except for :

4.1 Change in accounting policy - staff retirement benefits

Defined benefit plans

IAS 19 (as revised in June 2011) Employees Benefits became effective during the period. The amendments to IAS 19 change accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligation and plan assets. The amendments require the recognition of changes in defined benefit obligation and fair value of plan assets when they occur, and hence eliminate 'corridor approach' permitted under the previous version of IAS 19 and accelerate the recognition of past service costs. All actuarial gains and losses are recognized immediately through other comprehensive income. Furthermore, the interest cost and expected return on plan assets used in previous version of IAS 19 are replaced with a 'net-interest' amount under IAS 19 (as revised in June 2011), which is calculated by applying the discount rate to the net defined benefit liability or asset. IAS 19 (as revised in June 2011) introduces certain changes in the presentation of the defined benefit cost including more extensive disclosures.

The change in accounting policy has been accounted for retrospectively in accordance with International Accounting Standard - 8 Accounting Policies, Changes in Accounting Estimates and Errors, resulting in adjustment of prior year financial statements.

5. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2012.

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION [UN-AUDITED]
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013

	Unaudited September 30, 2013 Rupees	Audited December 31, 2012 Rupees
6. CASH AND BALANCES WITH TREASURY BANKS		
Balance with State Bank of Pakistan	54,392,919	65,404,446
Cash in hand	170,868	133,970
	<u>54,563,787</u>	<u>65,538,416</u>
7. BALANCES WITH OTHER BANKS		
Current Account	7,840,292	4,448,072
Saving Account FCY	27,101,230	29,778,548
PLS Account LCY	97,137,325	331,870,835
	<u>132,078,847</u>	<u>366,097,455</u>
8. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE		
Balance as at January 01	75,000,000	175,000,000
Fair value adjustment during the year	(8,713,986)	(60,000,000)
Less: Amounts received	(29,450,000)	(40,000,000)
Ending balance	36,836,014	75,000,000
Less: Impairment on asset classified as held for sale at its fair value	8.1 (6,412,557)	(28,910,341)
	<u>30,423,457</u>	<u>46,089,659</u>
8.1 Particulars of impairment on assets classified as held for sale at its fair value		
Balance as at January 01	28,910,341	104,211,199
Impairment loss on asset classified as held for sale at its fair value	-	-
Reversal of Impairment on asset classified as held for sale at its fair value	(22,497,784)	(75,300,858)
Ending balance	<u>6,412,557</u>	<u>28,910,341</u>
9. LENDINGS TO FINANCIAL INSTITUTIONS		
Money market placements	150,000,000	200,000,000
Reverse repo Treasury Bills/PIBs	-	50,000,000
Certificate of Investments (COIs)	-	-
	<u>150,000,000</u>	<u>250,000,000</u>

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION [UN-AUDITED]
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013

10. INVESTMENTS	Note	Held by company Rupees	Given as collateral Rupees	Total Rupees
As on 30 September 2013 (Unaudited)	10.1	4,315,296,068	1,983,873,656	6,299,169,724
As on 31 December 2012 (Audited)	10.1	3,994,578,385	2,502,314,300	6,496,892,685
			Unaudited September 30, 2013 Rupees	Audited December 31, 2012 Rupees
10.1 INVESTMENTS BY TYPE				
Held-for-trading securities			6,230,534	-
Available-for-sale securities			4,774,417,830	4,829,159,288
Held-to-maturity securities			1,608,249,987	1,802,010,374
			6,388,898,351	6,631,169,662
Investment in Subsidiaries				
Saudi Pak Leasing Company Limited				
-Investment in shares			576,676,075	243,467,574
-Subordinated loan	10.2		-	333,208,501
			576,676,075	576,676,075
Saudi Pak Real Estate Company Limited			500,000,000	500,000,000
			7,465,574,426	7,707,845,737
Provision for diminution in value of un-quoted investments			(248,379,714)	(246,170,491)
Provision against subsidiaries			(576,676,075)	(576,676,075)
Provision against held-to-maturity securities-TFCs			(255,694,904)	(199,656,392)
			(1,080,750,693)	(1,022,502,958)
			6,384,823,733	6,685,342,779
Revaluation surplus on quoted securities - AFS			250,624,019	341,825,897
Revaluation on quoted securities - HFT			(988,534)	-
Revaluation on quoted securities - HTM			-	-
Impairment loss on quoted securities			(335,289,494)	(530,275,991)
Impairment loss on mutual funds			-	-
			(85,654,009)	(188,450,094)
Investments (Net of Provisions)			6,299,169,724	6,496,892,685

10.2 During the period under review the company has converted sub-ordinated loan of Rs 333.208 million of Saudi Pak Leasing Company Ltd in to 33.321 million preference shares.

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION [UN-AUDITED]
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013

11. ADVANCES	Note	Unaudited September 30, 2013 Rupees	Audited December 31, 2012 Rupees
Loans, cash, credits, running finances, etc.			
In Pakistan		6,033,782,272	7,072,682,614
Outside Pakistan		-	-
		<u>6,033,782,272</u>	<u>7,072,682,614</u>
Net investment in finance lease			
In Pakistan		183,317,698	210,392,271
Outside Pakistan		-	-
		<u>183,317,698</u>	<u>210,392,271</u>
		<u>6,217,099,970</u>	<u>7,283,074,885</u>
Provision for non-performing advances	11.1	2,379,880,443	2,341,045,446
		<u>3,837,219,527</u>	<u>4,942,029,439</u>
Staff Loans & Advances		26,632,963	19,635,254
		<u>3,863,852,490</u>	<u>4,961,664,693</u>

11.1 Advances include Rs.2,678,713,919 (31 December 2012: Rs. 2,871,723,031) which have been placed under non-performing status as detailed below:-

-----30 September 2013-----					
Category of Classification	Domestic Rupees	Overseas Rupees	Total Rupees	Provision Required Rupees	Provision Held Rupees
Substandard	52,380,000	-	52,380,000	-	-
Doubtful	-	-	-	-	-
Loss	2,626,333,919	-	2,626,333,919	2,379,880,443	2,379,880,443
	<u>2,678,713,919</u>	<u>-</u>	<u>2,678,713,919</u>	<u>2,379,880,443</u>	<u>2,379,880,443</u>

-----31 December 2012-----					
Category of Classification	Domestic Rupees	Overseas Rupees	Total Rupees	Provision Required Rupees	Provision Held Rupees
Substandard	94,130,000	-	94,130,000	-	-
Doubtful	283,609,862	-	283,609,862	121,806,809	121,806,809
Loss	2,493,983,169	-	2,493,983,169	2,219,238,637	2,219,238,637
	<u>2,871,723,031</u>	<u>-</u>	<u>2,871,723,031</u>	<u>2,341,045,446</u>	<u>2,341,045,446</u>

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION [UN-AUDITED]
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013

12. OTHER ASSETS	Note	Unaudited September 30, 2013 Rupees	Audited December 31, 2012 Rupees
Deposits, prepayments and other receivables	12.1	1,169,214,484	1,115,412,198
Income accrued and other receivables	12.2	208,304,533	219,054,017
		<u>1,377,519,017</u>	<u>1,334,466,215</u>
12.1 Deposits, prepayments and other receivables			
Advances to suppliers		9,811,133	17,474,146
Advances for purchase of shares		256,792	256,792
Security deposits		7,388,245	6,588,245
Prepayments		5,717,309	5,968,102
Non banking assets acquired in satisfaction of claims	12.1.1	413,102,345	413,102,345
Amounts receivable from stock brokers		3,097,605	4,435,867
Advance tax		878,996,117	816,741,763
		<u>1,318,369,546</u>	<u>1,264,567,260</u>
Less: Provision against other assets		<u>(149,155,062)</u>	<u>(149,155,062)</u>
		<u>1,169,214,484</u>	<u>1,115,412,198</u>

12.1.1 Market value of Non banking assets acquired in satisfaction of claims amounts to Rs. 268,133,000.

12.2 Income accrued and other receivables	Note	Unaudited September 30, 2013 Rupees	Audited December 31, 2012 Rupees
Dividend		5,508,125	305,000
Mark up/interest on long term loans and finances		955,577,871	976,583,502
Appraisal and other fees		7,162,321	6,697,942
Income from short term investments		253,758,798	249,375,633
Income from lease financing		58,867,768	69,110,430
Rental income		5,210,857	3,645,970
		<u>1,286,085,740</u>	<u>1,305,718,477</u>
Less: Suspense Account		<u>974,219,537</u>	<u>983,102,790</u>
Less: Provision for doubtful income receivables		<u>103,561,670</u>	<u>103,561,670</u>
		<u>1,077,781,297</u>	<u>1,086,664,460</u>
		<u>208,304,533</u>	<u>219,054,017</u>

13 OPERATING FIXED ASSETS

Carrying amount at beginning of the period		2,383,745,356	2,082,589,824
Additions during the period	13.1	35,334,653	40,758,556
Revaluation surplus		-	372,337,074
Book value of disposals	13.2	(3)	(244,562)
Transfer during the period		-	(2,500,000)
Depreciation for the period		<u>(88,738,120)</u>	<u>(109,195,536)</u>
Carrying amount at the end of the period		<u>2,338,341,886</u>	<u>2,383,745,356</u>

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	Note	Unaudited September 30, 2013 Rupees	Audited December 31, 2012 Rupees
13.1 Additions during the period / year represents the following:-			
Office equipments		3,388,912	3,172,893
Electrical appliances		1,517,760	1,174,283
Building		500,000	10,552,795
Security systems		261,000	72,000
Fire fighting equipment		-	642,045
Furniture, fixture & fittings		-	1,343,595
Motor vehicles		3,499,750	22,713,285
Elevators		1,097,200	370,500
Telephone installation		391,020	44,000
Intangible assets		1,279,011	673,160
Generator		23,400,000	-
		<u>35,334,633</u>	<u>40,758,556</u>
13.2 Book value of disposals			
Office equipments		-	3,831
Motor vehicles		3	240,222
Furniture, fixture & fittings		-	7
Electrical appliances		-	502
		<u>3</u>	<u>244,562</u>

14 BORROWINGS FROM FINANCIAL INSTITUTIONS

Against book debts / receivables	1,600,000,000	2,600,000,000
Against SBP refinance schemes	571,245,317	746,233,060
Against PIBs / T-bill repos	2,014,023,750	2,559,295,930
Against clean / letter based financing	200,000,000	20,000,000
	<u>4,385,269,067</u>	<u>5,925,528,990</u>

15 DEPOSITS AND OTHER ACCOUNTS

Certificate of investments (COIs)	15.1	<u>370,000,000</u>	<u>685,000,000</u>
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15.1 These represent certificate of investments issued to various institutions. The mark up is charged at varying rates ranging from 9.15% to 10.00% per annum. These are repayable in period ranging from October 2013 to May 2014.

	Unaudited September 30, 2013 Rupees	Audited December 31, 2012 Rupees
16 OTHER LIABILITIES		
Staff gratuity payable	26,276,133	36,363,972
Advance Rental-Saudipak Tower	50,515,599	51,865,543
Interest/markup accrued on borrowings	38,559,481	47,890,857
Directors' remuneration	2,863,002	2,916,294
Other payable and expenses accrued	21,318,988	53,863,810
	<u>139,533,203</u>	<u>192,900,476</u>

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17 CONTINGENCIES AND COMMITMENTS

There is no change in the status of contingencies and commitments of the Company from the status given in the preceding annual published financial statements for the year ended 31 December 2012 except for the following:

	Unaudited September 30, 2013 Rupees	Audited December 31, 2012 Rupees
Direct credit substitutes - Letter of comfort / guarantees	207,385,000	207,385,000
Non disbursed commitment for term and working capital finance	812,334,000	1,016,363,000
Commitments for the acquisition of operating fixed assets	14,269,805	31,550,741
	<u>1,033,988,805</u>	<u>1,255,298,741</u>

18 MARK-UP/RETURN/INTEREST EARNED

	Unaudited September 30, 2013 Rupees	Unaudited September 30, 2012 Rupees
Income from investments	304,141,857	378,046,798
Income from advances	379,097,025	468,521,624
Income from lending to financial institutions	9,768,789	12,123,274
	<u>693,007,671</u>	<u>858,691,696</u>

19 MARK-UP/RETURN/INTEREST EXPENSED

Short Term Borrowings	128,101,375	179,396,767
Long Term Borrowings	143,750,514	231,350,594
Borrowing cost on Repos	53,825,132	122,128,271
Amortization of PIBs purchased on premium	1,643,629	12,695,993
Brokerage Fee & Commission	722,790	1,171,731
	<u>328,043,440</u>	<u>546,743,356</u>

20 RELATED PARTY TRANSACTIONS

20.1 Both the Government of Kingdom of Saudi Arabia and the Islamic Republic of Pakistan own 50% shares each of the Company. Therefore, all entities owned by and controlled by these Governments are related parties of the Company. Other related parties comprise of entities over which the Company has control (subsidiaries), entities over which the directors are able to exercise significant influence (associated undertakings), entities with common directors, major shareholders, directors, key management personnel and employees' funds. The Company in normal course of business pays for electricity, gas and telephone to entities controlled by Government of Pakistan. The Company has not extended any financing facilities to entities owned by the Governments of Kingdom of Saudi Arabia and the Islamic Republic of Pakistan.

Transactions with the related parties are executed substantially on the same terms, including markup rates and collaterals, as those prevailing at the time for comparable transactions with the unrelated parties and do not involve more than a normal risk (i.e. under the comparable Uncontrolled Price Method).

Other than those transactions which are made under the terms of employment, majority of the transactions with related parties comprise of loans and advances, deposits etc.

Advances for the house building, conveyance and personal use have also been provided to staff and executives in accordance with the employment and pay policy. Facility of group life insurance and hospitalization facility is also provided to staff and executives. In addition to this, majority of executives of the company have been provided with company maintained car.

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20.2 Following are the transactions and balances with related parties:


Nature of balances / transactions	Name of the Entity	Unaudited	Audited
		September 30, 2013 Rupees	December 31, 2012 Rupees
<u>Outstanding balances at the period / year end</u>			
Subsidiary/Associated companies			
Investments - cost	Saudi Pak Real Estate Company Ltd	500,000,000	500,000,000
Subordinated loan	Saudi Pak Leasing Company Ltd	-	333,208,501
Investments in shares - cost	Saudi Pak Leasing Company Ltd	243,467,574	243,467,574
Investments in preference shares - cost	Saudi Pak Leasing Company Ltd	333,208,501	-
Fair value of shares classified as held for sale	Saudi Pak Insurance Company Ltd	30,423,457	46,089,659
Borrowing	Saudi Pak Leasing Company Ltd	-	20,000,000
Interest payable	Saudi Pak Leasing Company Ltd	-	94,740
Prepaid insurance	Saudi Pak Insurance Company Ltd	495,818	1,936,121
Employee funds			
Deposits against COIs	Employee Funds	10,000,000	10,000,000
Interest payable	Employee Funds	85,460	712,767
<u>Transactions during the period</u>			
Subsidiary/Associated companies			
Borrowing availed	Saudi Pak Leasing Company Ltd	-	20,000,000
Maturity of borrowing	Saudi Pak Real Estate Company Ltd	-	50,000,000
Maturity of borrowing	Saudi Pak Leasing Company Ltd	20,000,000	-
Maturity of deposits	Saudi Pak Real Estate Company Ltd	-	50,000,000
Deposits against COIs	Saudi Pak Real Estate Company Ltd	-	50,000,000
Interest expensed	Saudi Pak Real Estate Company Ltd	-	2,305,000
Interest expensed	Saudi Pak Leasing Company Ltd	493,644	94,740
Rent received	Saudi Pak Leasing Company Ltd	361,900	441,000
Rent received	Saudi Pak Real Estate Company Ltd	1,753,164	3,339,360
Rent received	Saudi Pak Insurance Company Ltd	1,498,500	1,887,000
Claims received	Saudi Pak Insurance Company Ltd	20,000	668,262
Premium paid	Saudi Pak Insurance Company Ltd	113,281	2,206,791
Expenses paid	Saudi Pak Real Estate Company Ltd	-	2,211,068
Fair value of shares classified as held for sale	Saudi Pak Insurance Company Ltd	13,783,798	15,300,858
Installment received	Saudi Pak Insurance Company Ltd	29,450,000	40,000,000
Key management personnel			
Advances to executives		15,329,250	10,128,850
Repayment of advances		4,264,078	5,918,694
Employee funds			
Maturity of deposits against COIs		-	4,500,000
Contribution to the employees provident fund		2,665,659	4,050,538
Interest expensed		569,406	1,788,668

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21 GENERAL

21.1 This condensed interim unconsolidated financial information was authorized for issue by the Board of Directors of the Company in the meeting held on _____.

21.2 Figures in these accounts have been rounded off to the nearest rupee.


General Manager/Chief Executive


Director


Director


Chairman