



CALCORP
**Capital Assets Leasing
Corporation Limited**

**Condensed Interim
Financial Information
For the 3rd Quarter Ended
March 31, 2015
(Un-Audited)**



Capital Assets Leasing Corporation Limited

CORPORATE INFORMATION

Board of Directors:	Mr. Muhammad Sajid Mr. Saad Saeed Faruqui Syed Hasan Akbar Kazmi Mr. Shahrukh Saeed Faruqui Mr. Mustafa Jafar Mr. Mirza Muhammad Aamir Mr. Brig (R) Yasub Ali Dogar	(Chairman) (Chief Executive Officer)
Audit Committee:	Mr. Mustafa Jafar Mr. Muhammad Sajid Mr. Shahrukh Saeed Faruqui Ms. Summia Shah	(Chairman) (Member) (Member) (Secretary)
HR & Remuneration Committee:	Mr. Muhammad Sajid Mr. Saad Saeed Faruqui Mr. Mustafa Jafar	
Chief Executive Officer:	Mr. Saad Saeed Faruqui	
CFO & Company Secretary:	Mr. Moiz Ali	
Head of Internal Audit:	Ms. Summia Shah	
Registrar & Share Transfer Office:	Technology Trade (Pvt.) Ltd. Ballotter, Share Registrar & Transfer Agent Dagla House, 241-C, Block-2, P.E.C.H.S, Karachi. Tel: 92(21) 3439 1316-7 & 19, 3438 7960-1 Fax: 92(21) 3439 1318	
Auditors:	Baker Tilly Mehmood, Idrees, Qamar, Chartered Accountants	
Legal Advisor:	Mohsin Tayebaly & Co. Advocates Hosain & Rahim, Advocates & Corporate Counsel	
Bankers:	JS Bank Limited	
Registered Office:	14th Floor, Chapal Plaza, Hasrat Mohani Road, Karachi-74000 Tele: +92 (21) 3243 1181-8 Fax: +92 (21) 3246 5703 E-mail: calcorp@optimus.com.pk Web: www.calcorp.com.pk	

TO THE SHARE HOLDERS

Attached is the un-audited Condensed Interim financial information for the Nine months ended March 31, 2015 together with the selected notes to the condensed interim financial information and Directors' review report thereon for the shareholder of the company. These are submitted as required under section 245 of the Companies Ordinance 1984.

Karachi: April 28, 2015

By the Order of the Board
Moiz Ali
CFO & Company Secretary



Capital Assets Leasing Corporation Limited

DIRECTORS' REVIEW REPORT

On behalf of the Board of Directors, I am pleased to present the Condensed Interim financial Information for the Nine months ended March 31, 2015 of your Company. The financial results for the period under review are summarized below;

	NINE MONTHS ENDED		QUARTER ENDED	
	March 2015	March 2014	March 2015	March 2014
	----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----
Income				
Income From Operations	26,777,008	27,426,052	8,892,660	8,161,908
Other operating income	1,786,593	486,197	55,273	204,454
	<u>28,563,601</u>	<u>27,912,249</u>	<u>8,947,933</u>	<u>8,366,362</u>
Expenses				
Administrative and operating expenses	(6,255,495)	(5,900,869)	(2,112,762)	(2,094,639)
Financial charges	(4,607,229)	(4,741,988)	(1,661,377)	(1,307,428)
Worker's Welfare Fund	(383,078)	(345,388)	(103,676)	(99,286)
Reversal of Provision	1,453,040	-	-	-
	<u>(9,792,762)</u>	<u>(10,988,245)</u>	<u>(3,877,815)</u>	<u>(3,501,353)</u>
PROFIT BEFORE TAXATION	<u>18,770,839</u>	<u>16,924,004</u>	<u>5,070,118</u>	<u>4,865,009</u>
Taxation	(6,475,651)	(6,181,324)	(1,693,336)	(1,457,516)
PROFIT AFTER TAXATION	<u>12,295,188</u>	<u>10,742,680</u>	<u>3,376,782</u>	<u>3,407,493</u>
EARNINGS PER SHARE	<u>1.14</u>	<u>1.00</u>	<u>0.31</u>	<u>0.32</u>

During the period, company has earned income from operations amounting PKR 28.56 million compared to PKR 27.91 million in corresponding period last year. Accordingly, net profit has increased by PKR 1.5 million to return PKR 12.29 million compared to PKR 10.74 million in corresponding period last year. The higher profitability can be attributed to reversal in provision related to non performing lease facility which was recovered during the period.

FUTURE OUTLOOK

The management wish to amalgamate the company with its parent in order to meet the minimum capital requirements of the company and obtain leasing license to continue as an NBFC. Relevant measures are being taken to carry out such merger.

ACKNOWLEDGEMENT

The directors wish to place on record their appreciation for the hard work put in and dedication displayed by the staff in performance of their duties.

We owe special gratitude to our shareholders and clients for their kindness and support.

We also thank the Securities and Exchange Commission of Pakistan, all three Stock Exchanges and other regulatory bodies of the country for their support and understanding.

Saad Saeed Faruqi
Chief Executive Officer
Dated: April 28th, 2015



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2015

		(Un-audited) March 31 2015 Rupees	(Audited) June 30 2014 Rupees
	Note		
	 Rupees	
ASSETS			
Current Assets			
Cash and bank balances		190,670	543,556
Investment in finance lease	4	9,291,481	9,530,531
Advances, deposits, prepayments and other receivables		19,030,869	24,036,560
Trade receivable		54,161,939	32,146,404
Taxation - net		10,964,760	11,016,614
		93,639,719	77,273,665
Non-Current Assets			
Long term deposits and prepayments	5	24,151,362	12,799,486
Deferred tax asset	6	5,693,422	8,988,809
Property, plant and equipment	7	97,962,824	89,785,472
		127,807,608	111,573,767
EQUITY AND LIABILITIES		221,447,327	188,847,432
SHARE CAPITAL AND RESERVES			
Authorized share capital			
20,000,000 Ordinary shares of Rs. 10/- each		200,000,000	200,000,000
Issued, subscribed and paid-up share capital			
10,744,413 (June 30, 2014: 10,744,413) Ordinary shares of Rs.10/- each		107,444,130	107,444,130
Reserves		39,006,254	26,711,066
		146,450,384	134,155,196
Current Liabilities			
Current portion of liabilities against assets subject to finance lease	8	25,017,285	15,433,004
Long term deposits	9	9,311,420	9,550,470
Trade and other payables		7,317,817	7,779,669
		41,646,522	32,763,143
Non Current Liabilities			
Liabilities against assets subject to finance lease	8	33,350,421	21,929,093
Contingencies and Commitments			
	10	-	-
		221,447,327	188,847,432

The annexed notes form an integral part of this condensed interim financial information.

Chief Executive Officer

Director



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM PROFIT & LOSS ACCOUNT
FOR THE PERIOD ENDED MARCH 31, 2015
(UN-AUDITED)

	Note	PERIOD ENDED		QUARTER ENDED	
		March 2015 Rupees	March 2014 Rupees	March 2015 Rupees	March 2014 Rupees
Income					
Income from operations - (Net)	11	26,777,008	27,426,052	8,892,660	8,161,908
Other operating income		1,786,593	486,197	55,273	204,454
		<u>28,563,601</u>	<u>27,912,249</u>	<u>8,947,933</u>	<u>8,366,362</u>
Administrative and operating expenses		(6,255,495)	(5,900,869)	(2,112,762)	(2,094,639)
Financial charges		(4,607,229)	(4,741,988)	(1,661,377)	(1,307,428)
Other charges - workers' welfare fund		(383,078)	(345,388)	(103,676)	(99,286)
Reversal of Provision		1,453,040	-	-	-
		<u>(9,792,762)</u>	<u>(10,988,245)</u>	<u>(3,877,815)</u>	<u>(3,501,353)</u>
Profit before taxation		18,770,839	16,924,004	5,070,118	4,865,009
Taxation		(6,475,651)	(6,181,324)	(1,693,336)	(1,457,516)
Profit after taxation		12,295,188	10,742,680	3,376,782	3,407,493
Earnings per share		<u>1.14</u>	<u>1.00</u>	<u>0.31</u>	<u>0.32</u>

The annexed notes form an integral part of this condensed interim financial information.

Chief Executive Officer

Director



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2015
(UN-AUDITED)

	Note	PERIOD ENDED		QUARTER ENDED	
		March 2015 Rupees	March 2014 Rupees	March 2015 Rupees	March 2014 Rupees
Net income for the period		12,295,188	10,742,680	3,376,782	3,407,493
Other Comprehensive Income		-	-	-	-
Total comprehensive income for the period		12,295,188	10,742,680	3,376,782	3,407,493

The annexed notes form an integral part of this condensed interim financial information.

Chief Executive Officer

Director



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED MARCH 31, 2015
(UN-AUDITED)

	March 2015 Rupees	March 2014 Rupees
 Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	18,770,839	16,924,004
Adjustments for non cash items:		
Depreciation	5,039,794	9,407,434
Amortization	60,660	47,181
Financial charges	4,607,229	4,741,988
Reversal of Provision	(1,453,040)	-
(Gain) on disposal of operating property, plant and equipment	(477,894)	(465,170)
	<u>26,547,588</u>	<u>30,655,437</u>
Decrease / (Increase) in current assets		
Advances, deposits, prepayments and other receivables	5,250,691	(16,539,669)
Trade Reciveable	(22,015,535)	(5,963,821)
(Decrease) / Increase in current liabilities		
Trade and other payables	(905,088)	3,513,449
	<u>8,877,656</u>	<u>11,665,396</u>
Cash generated from operations		
Financial charges paid	(4,163,993)	(4,741,988)
Tax paid	(3,128,410)	(2,960,018)
Net investment in lease and hire purchase finances	1,447,090	-
Long Term Deposit	(239,050)	-
Net cash generated from operating activities	<u>2,793,293</u>	<u>3,963,390</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in property, plant and equipment	(84,359,636)	(539,570)
Additions in Intangible Assets	-	(242,668)
Advance To Suppliers	(6,307,500)	-
Proceeds from sale of property, plant and equipemnt	77,867,224	26,458,330
Long term deposits and prepayments	(11,351,876)	(1,382,959)
Net cash (used in) / inflow from investing activities	<u>(24,151,788)</u>	<u>24,293,133</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Liability against assets subject to finance lease	<u>21,005,609</u>	<u>(28,011,308)</u>
Net cash generated from /(used in) financing activities	<u>21,005,609</u>	<u>(28,011,308)</u>
Net (decrease) / increase in cash and cash equivalents	<u>(352,886)</u>	<u>245,215</u>
Cash and cash equivalents at the beginning of the period	543,556	208,642
Cash and cash equivalents at the end of the period	<u>190,670</u>	<u>453,857</u>

The annexed notes form an integral part of this condensed interim financial information.

Chief Executive Officer

Director



Capital Assets Leasing Corporation Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2015
(UN-AUDITED)

	Issued, Subscribed and Paid-up Share Capital	Statutory Reserves	Accumulated (Loss)	Total
..... Rupees				
Balance as at July 01, 2013	107,444,130	22,409,736	(8,828,955)	121,024,911
Net profit for the period	-	-	10,742,680	10,742,680
Transfer to reserve	-	2,148,536	(2,148,536)	-
Balance as at March 31, 2014	107,444,130	24,558,272	(234,811)	131,767,591
Balance as at July 01, 2014	107,444,130	25,035,793	1,675,273	134,155,196
Net profit for the period	-	-	12,295,188	12,295,188
Transfer to reserve	-	(2,459,038)	2,459,038	-
Balance as at March 31, 2015	107,444,130	22,576,755	16,429,499	146,450,384

The annexed notes form an integral part of this condensed interim financial information.

Chief Executive Officer

Director



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2015**

1. LEGAL STATUS AND OPERATIONS

1.1 The company and its business CAPITAL ASSETS LEASING CORPORATION LIMITED was incorporated on April 1, 1992 in Pakistan as a public limited company and its shares are quoted on all Stock Exchanges in Pakistan. The principal activity of the Company is to carry on leasing business. In addition, the company is also engaged in renting out of vehicles through its holding company.

The registered office of the company is situated at 14th Floor, Chapal Plaza, Hasrat Mohani Road, Karachi. The company is a subsidiary of M/s. Optimus Limited which holds 83.96% ordinary share capital of the company.

1.2 According to the Non-Banking Finance Companies and Notified Entities Regulations, 2008 as notified by the SECP through its S.R.O.1203 (I) 2008, dated November 21, 2008, and further amended through its SRO 764 dated September 2, 2009, the minimum equity requirement for the leasing companies has been enhanced. The existing leasing companies were required to increase their minimum equity to Rs. 700 million by June 30, 2013. At present the company's equity is below prescribed limits.

1.3 As disclosed in detail in note 1.2, the company has been operating with an equity which is less than the statutory requirement and has stopped its leasing operations since April 2008. This creates significant doubt over company's ability to continue as a Non-Banking Financial Company (a leasing company licensed under the Non-Banking Companies and Notified Entities Regulation, 2008) for a foreseeable period.

1.4 The management has decided to raise further capital and enhance its equity atleast upto the minimum limit required to operate as a leasing company.

2. BASIS OF PREPARATION

These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard No. 34 'Interim Financial Reporting' and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the listing regulations of all Stock Exchanges.

These condensed interim financial statements comprise the balance sheet as at March 31, 2015 and the profit and loss account, statement of changes in equity, statement of comprehensive income and the cash flow statement for the period ended March 31, 2015.

3. ACCOUNTING POLICIES AND COMPUTATION METHOD

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2014.



Capital Assets Leasing Corporation Limited

4. INVESTMENT IN FINANCE LEASE

	(Un-Audited)			(Audited)		
	March 31, 2015			June 30, 2014		
	Not later than one year	More than one year and upto five year	Total	Not later than one year	More than one year and upto five year	Total
	Rupees			Rupees		
Minimum lease and hire purchase rentals	19,427,270	-	19,427,270	20,906,960	-	20,906,960
Add: Residual value of leased assets	9,311,420	-	9,311,420	9,550,470	-	9,550,470
Gross investment in lease and hire purchase finance	28,738,690	-	28,738,690	30,457,430	-	30,457,430
Less: unearned finance income	(3,882,343)	-	(3,882,343)	(4,153,993)	-	(4,153,993)
	24,856,347	-	24,856,347	26,303,437	-	26,303,437
Less: Provision for lease losses	(15,564,866)	-	(15,564,866)	(16,772,906)	-	(16,772,906)
Net investment in leases	9,291,481	-	9,291,481	9,530,531	-	9,530,531

5. LONG TERM DEPOSITS AND PREPAYMENTS

	(Un-Audited) March 31 2015 Rupees	(Audited) June 30 2014 Rupees
Security deposits	24,214,940	12,369,340
Less: Provision	(309,290)	(309,290)
	23,905,650	12,060,050
Less: Current Portion	(929,250)	(969,750)
	22,976,400	11,090,300
Prepayments	2,399,552	3,350,407
Less: Current portion	(1,224,590)	(1,641,221)
	1,174,962	1,709,186
	24,151,362	12,799,486

6. DEFERRED TAX ASSET

Debit balances arising in respect of:		
Liabilities against assets subject to finance lease	19,261,343	12,703,113
Carry forward tax losses	16,723,521	19,624,766
	35,984,864	32,327,879
Credit balance arising in respect of:		
Accelerated depreciation	(30,291,442)	(23,339,070)
	5,693,422	8,988,809



Capital Assets Leasing Corporation Limited

	Note	(Un-Audited) March 31 2015 Rupees	(Audited) June 30 2014 Rupees
7. PROPERTY, PLANT AND EQUIPMENT			
Property, plant and equipments - tangible assets	7.1	91,540,715	89,610,203
Advance To Suppliers		6,307,500	-
Intangible assets	7.2	114,609	175,269
		<u>97,962,824</u>	<u>89,785,472</u>
7.1 Property, Plant and Equipments- Tangible Assets			
Opening written down value		89,610,203	139,156,660
Add: Cost of acquisition during the period / year		84,359,636	539,570
		173,969,839	139,696,230
Less: Written down value of deletions during the period / year		(77,389,330)	(39,279,145)
		96,580,509	100,417,085
Less: Depreciation Charged for the period / year		(5,039,794)	(10,806,882)
		<u>91,540,715</u>	<u>89,610,203</u>
7.2 Property, Plant and Equipments- Intangible Assets			
Opening Written down value		175,269	2
Add: Cost of acquisition during the period / year		-	242,668
		175,269	242,670
Less: Depreciation Charged for the period / year		(60,660)	67,401
		<u>114,609</u>	<u>175,269</u>

8. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

	(Un-Audited)			(Audited)		
	March 31, 2015			June 30, 2014		
	Not later than one year	More than one year and upto five year	Total	Not later than one year	More than one year and upto five year	Total
Minimum lease Payments	29,984,845	36,133,455	66,118,300	18,888,263	23,333,655	42,221,918
Less: Financial charges allocated to future periods	(4,967,560)	(2,783,034)	(7,750,594)	(3,455,259)	(1,404,562)	(4,859,821)
Present Value of Minimum lease Payments	<u>25,017,285</u>	<u>33,350,421</u>	<u>58,367,7063</u>	<u>15,433,004</u>	<u>21,929,093</u>	<u>37,362,097</u>



Capital Assets Leasing Corporation Limited

		(Un-Audited) March 31 2015 Rupees	(Audited) June 30 2014 Rupees
9. LONG TERM DEPOSITS			
Lease security deposit		9,311,420	9,550,470
		<u>9,311,420</u>	<u>9,550,470</u>
10. CONTINGENCIES AND COMMITMENTS			
10.1 Contingent Assets			
The company has obtained court decrees in respect of recovery of overdue lease rentals receivable from aggregating to Rs. 5,567,498 as at March 31, 2015 (June 30, 2014 : Rs. 7,211,463).			
	Note	(Un-Audited) March 31 2015 Rupees	(Audited) June 30 2014 Rupees
10.2 Commitments			
Ijarah lease rentals payable		73,374,633	62,857,506
		<u>73,374,633</u>	<u>62,857,506</u>
11. INCOME FROM OPERATIONS		(Un-Audited) March 31 2015 Rupees	(Un-Audited) March 31 2014 Rupees
Income on lease contracts	11.1	271,650	-
Income from vehicle plying for hire	11.2	26,505,358	27,426,052
		<u>26,777,008</u>	<u>27,426,052</u>
11.1 Income on lease contracts			
The amount was suspended in previous year when loan was classified as non performing loan. Subsequently a settlement was reached and recovery of principal and suspended income was made.			
11.2 Income from vehicles plying for hire			
Rentals		60,161,659	59,985,088
Less: Cost of services			
Road tax/registration and other charges		1,214,854	1,038,601
Vehicle service and maintenance-VPFH		5,729,620	6,570,631
Ijarah Lease Rental	11.3	15,420,707	9,131,791
Tracker monitoring cost		1,033,758	889,212
Insurance		2,541,249	2,626,770
Depreciation		5,033,613	9,377,031
Service charges to holding company		2,682,500	2,925,000
		33,656,301	32,559,036
		<u>26,505,358</u>	<u>27,426,052</u>

11.3 Ijarah Lease Rental

This includes rentals paid to BRR Guardian Modarba and First Islamic Modarba against vehicles acquired under Ijarah facilities. Future rental payable on these facilities are as under:

	(Un-Audited)			(Un-Audited)		
	March 31, 2015			March 31, 2014		
	Due within one year	Due after one year but within five years	Total	Due within one year	Due after one year but within five years	Total
Total future rentals payable	24,924,468	48,450,165	73,374,633	48,476,061	13,805,565	62,281,626
	24,924,468	48,450,165	73,374,633	48,476,061	13,805,565	62,281,626

12. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of entities over which the directors are able to exercise significant influence, entities with common directors, major shareholders, directors, key management personnel and employees fund. The company has a policy whereby all transactions with related parties are entered into at arm's length prices using permissible method of pricing. The transactions with related parties, other than remuneration under the terms of employment, are as follows:

Related Party	Nature of relationship	Nature of transaction/balance	(Un-Audited)	(Un-Audited)
			March 31 2015	March 31 2014
			Rupees	Rupees
Optimus Limited	Holding Company	Rental services rendered	60,161,659	59,985,088
		Management services received	2,682,500	2,925,000
		Vehicle maintenance services received	5,729,620	6,570,631
		Sale of motor vehicles	23,145,000	26,425,000
		Sale of Tracker		16,000
		Purchase of motor vehicles	50,000,000	-
		Purchase of tracker	320,000	-
		Salary and allowances	1,947,661	1,967,459
Mustang Eye (Pvt) Ltd	Common Directorship	Tracker services	366,687	352,866
Staff provident fund		Contribution to staff provident fund	49,998	49,610

13. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 28th April 2015 by the Board of Directors of the Company.

14. GENERAL

- 14.1 Figures have been rounded off to the nearest rupee.
 14.2 Figures have been reclassified and re-arranged where necessary.

 Chief Executive Officer

 Director

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If undelivered please return to:



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