VISION

To be a dynamic and liberal media company with the aim to inform and entertain our target market, keeping in view the truth and authenticity element

MISSION

As a leading & diversified media company, our mission is to set new standards of customer satisfaction by gaining the higher market share and at the same time fulfilling our obligations towards our employees, vendors, investors and most important our readers and viewers

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FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2015

COMPANY INFORMATION

Board of Directors	Aamna Taseer (Chairman)	Non-Executive
	Shehryar Ali Taseer (CEO)	Executive
	Maheen Taseer	Non-Executive
	Shehrbano Taseer	Executive
	Kanwar Latafat Ali Khan	Independent
	Ayesha Tammy Haq	Non-Executive
	Imran Hafeez	Non-Executive
Chief Financial Officer	Faheem Shaukat	
Audit Committee	Maheen Taseer (Chairman) Kanwar Latafat Ali Khan Imran Hafeez	
Human Resource and Remuneration (HR&R) Committee	Aamna Taseer (Chairman) Shehryar Ali Taseer Maheen Taseer	
Company Secretary	Tariq Majeed	
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants	
Legal Advisers	Ebrahim Hosain Advocates & Corporate Counsel	
Bankers	Allied Bank Limited Al-Baraka Islamic Bank Bank Alfalah Limited Faysal Bank Limited Habib Metropolitan Bank Limited NIB Bank Limited Standard Chartered Bank (Pakistan) Limited	
Registrar and Shares Transfer Office	THK Associates (Pvt.) Limited Ground Floor State Life Building No.3, Dr. Zia-ud-Din Ahmed Road Karachi ☎ (021) 111-000-322	
Head Office	3rd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cannt. Lahore, Pakistan. ☎ (042) 36623005/6/8 Fax: (042) 36623121-36623122	
Registered & Main Project Office	41-N, Industrial Area, Gulberg-II, Lahore ☎ (042) 35878614-9 Fax: (042) 35878620, 35878626	

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 15th Annual General Meeting of the Shareholders of Media Times Limited ("the Company" or "MTL") will be held on Saturday, 31 October 2015 at 11:30 a.m. at 2nd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt. Lahore, to transact the following business:

1. To confirm the minutes of last Annual General Meeting held on 31 October 2014;
2. To receive, consider and adopt the audited financial statements of the Company for the year ended 30 June 2015 together with the Directors' and Auditors' reports thereon;
3. To appoint Auditors for the year ending 30 June 2016 and fix their remuneration;

By order of the Board

Lahore:
08 October 2015

Tariq Majeed
Company Secretary

Notes:

1) The Members Register will remain closed from 24 October 2015 to 31 October 2015 (both days inclusive). Transfers received at THK Associates (Pvt.) Limited, Ground Floor, State Life Building-3, Dr. Ziauddin Ahmad Road, Karachi, the Registrar and Shares Transfer Office of the Company, by the close of business on 23 October 2015 will be considered in time for the purpose of Annual General Meeting.\

2) A member eligible to attend and vote at the meeting may appoint another member as proxy to attend and vote in the meeting. Proxies in order to be effective must be received by the company at the Registered Office not later than 48 hours before the time for holding the meeting.

3) In order to be valid, an instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney, must be deposited at the Head office of the Company 2nd and 3rd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt. Lahore, not less than 48 hours before the time of the meeting.

4) a) Individual beneficial owners of CDC entitled to attend and vote at the meeting must bring his/her participant ID and account/sub-account number along with original CNIC or passport to authenticate his/her identity. In case of Corporate entity, resolution of the Board of Directors/Power of attorney with specimen of nominees shall be produced (unless provided earlier) at the time of meeting.

   b) For appointing of proxies, the individual beneficial owners of CDC shall submit the proxy form as per above requirement along with participant ID and account/sub-account number together with attested copy of their CNIC or Passport. The proxy form shall be witnessed by two witnesses with their names, addresses and CNIC numbers. The proxy shall produce his/her original CNIC or Passport at the time of meeting. In case of Corporate entity, resolution of the Board of Directors/Power of attorney along with specimen signatures shall be submitted (unless submitted earlier) along with the proxy form.

5) Members are requested to notify any change in their registered address immediately.

6) **Computerized National Identity Card (CNIC) / National Tax Number (NTN)**

CNIC or NTN of the shareholders is mandatory in terms of the directive of the Securities and Exchange Commission of Pakistan contained in S.R.O. 831(I)2012 dated 5 July 2012 for the issuance of future dividend warrants etc., and in the absence of such information, payment of dividend may be withheld in term of SECP's above mentioned directive. Therefore, the shareholders who have not yet provided their CNICs of NTN are once again advised to provide the attested copies of their CNICs or NTN (if not already provided) directly to our Independent Share Registrar, THK Associates (Pvt.) Limited without any further delay.

7) **Availability of Audited Financial Statements on Company's Website**

The Company has place the Audited Annual Financial Statements for the year ended 30 June 2015 along with Auditors and Directors Reports thereon on its website:www.dailytimes.com.pk

8) **Transmission of Financial Statements to the Members through E-mail**

In pursuance of SECP notification S.R.O. 787 (I) 2014 dated 08 September 2014, the companies have been allowed to circulate their Annual Balance Sheet and Profit and Loss Accounts, Auditors, Report and Director's Report (Annual Financial Statements) along with Notice of Annual General Meeting (Notice) through E-mail to the members of the Company. Members desiring to avail this facility may provide the requisite information to the Company for which form may be downloaded from the Company's website:www.dailytimes.com.pk

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of **Media Times Limited** ("MTL" or "the Company") are pleased to present the annual report to the members along with the annual audited financial statements of the Company for the year ended 30 June 2015.

Financial Overview

During the period under review the company reported an after tax loss of Rs.216 million as compared to a loss of Rs.565 million in corresponding period last year. Turnover has been increased to Rs. 325 million as compared to Rs.310 million in corresponding period last year. Cost of production increased to Rs. 405 million as compared to 376 million in corresponding period.

Detailed results of the Company for the year are disclosed in the financial statements accompanying this report; however highlights for the year are as follows:

	2015	2014
	(Rs. in Millions)	
Profit and Loss Account		
Turnover	325	310
Gross loss	(80)	(66)
Loss after Taxation	(216)	(565)
EPS Basic & Diluted- (Rupees)	(1.21)	(3.16)
Balance Sheet		
Non-Current Assets	616	730
Net Current Assets	(398)	(345)
Non-Current Liabilities	239	192
Share Capital and Reserves	(20)	193

Company's ability to continue as a going concern

In the current year's Audited report, the auditor's without qualifying their report have raised concerns over the Company's ability to continue as going concern because Company has incurred a net loss of Rs. 216.51 million during the year ended 30 June 2015 and, as of date, the Company's current liabilities exceeded its current assets by 397.99 million.

However, the management of the company is confident that by the following strategic changes/ improvements, the company will come out of this current situation and continue its business as a going concern:

The management has approved the launch of mid week magazine. The magazine shall be published on each Thursday. The main object is to enhance revenue through advertisement and become the market leader just as Sunday Times magazine is currently doing.

The management has also approved the supplement calendar for Daily Times Newspaper. A minimum of 24 supplements shall be published each year which will cover national days of other countries, fashion industry, sports, government sector and economic sector.

Daily Aj kal Urdu Newspaper is being re launched. The paper being an Urdu news paper will cover the majority of the audience because of the commonly used language "Urdu". Aj kal shall be re launched with 12 number of pages.

Model of Zaiqa Tv is being changed from a food channel to drama/ entertainment channel. Currently Zaiqa tv runs programs which cover travel, food and culture. The new model shall cover dramas and entertainment in addition to travel, food and culture programs, Documentaries are being started on Business Plus TV and Zaiqa TV to enhance the revenue from electronic media. The documentaries shall be on aired during off hours so that the current business shall not be affected. Fixed revenue streams are also being entered into with mainly petroleum sector clients.

Operational Overview

Print Media

"**Daily Times**", a nationwide English daily newspaper printed from Lahore, Karachi and Islamabad caters to the needs of the whole family and is considered to be amongst the leading English newspapers in the country in terms of circulation and enjoys a high level of respect & credibility. Professional editorial team, attractive layout, detailed coverage of national and international news, lively entertainment section and devoted teams of operations, circulation, sales & marketing people, all have contributed significantly towards newspaper's growth and popularity. The paper's allied weekly magazines and segments like Sunday provide content for entertainment and fashion industry, business & corporate sector and children.

"**Aajkal**" an Urdu daily newspaper, is successfully maintaining its market position since its launch and continuously striving to improve circulation as well as advertising share across Pakistan.

Electronic Media

Zaiqa has captured a reasonable share of this niche market. All major advertisers of this sector advertise on Zaiqa and it has become a household name in consumer classes especially women. Excellent programming along with best names of industry chefs has made Zaiqa a very distinctive channel to watch. Innovative programming is being introduced to further increase the market share of this product and finally improve its revenue stream.

Future Outlook

Pakistan's media environment continued to develop and, in many cases, flourish. Since opening up in 2002, the number and range of media outlets has proliferated, so that Pakistanis now have greater access than ever before to a range of broadcasting through print, television and online media. Pakistani media is getting more powerful and independent as evident by the number of private television channels that grown from just three state-run channels in 2000 to 89 in 2012. Consolidation and better utilization of resources along with a focus on benefiting from the advancements in technology are pivotal to the success of the company. Increase in revenues will require an increased focus on procuring advertisements in the electronic division of the company. Almost 3/4th of the advertising business in Pakistan is currently routed to the electronic media as audio- visual medium has a stronger impact on the masses. The equipment is also being upgraded to move towards AMPAC 4 technology for more better screen quality and reduced satellite cost. The management of the company is confident that by creating new revenue streams and advancement in technology, the company would be able to produce mark able results in future. Management of Media Times is fully committed to achieving excellence in all fields of its operations and maintaining the high standards of quality that Media Times is known for, both in terms of its products as well as its operational practices.

Changes in the Board of Directors

During the financial year there is no change in the Board of Directors.

Board Meetings during the year

Four meetings of the Board of Directors were held during the year Attendance by each director is as under:

Director	Board Meetings attended
Aamna Taseer	4
Shehryar Ali Taseer	4
Shehbano Taseer	4
Maheen Taseer	4

Imran Hafeez	4
Ayesha Tammy Haq	4
Kanwar Latafat Ali Khan	3

The Directors who could not attend the meeting were duly granted leave by the Board.

Audit Committee

The Board of directors in compliance with the Code of Corporate Governance has established an Audit Committee consisting of following Directors to attend the Six audit committee held during the year. Attendance by each member is as under:

Members	**Audit Committee Meetings Attended**
Maheen Taseer (Chairperson)	6
Imran Hafeez (Member)	6
KanwarLatafat Ali Khan (Member)	2

During the financial year there is no change in audit committee members.

Corporate and Financial Reporting Framework:

The Board of Directors of the company, for the purpose of establishing a framework of good corporate governance has fully adopted the Code of Corporate Governance, as per listing regulations of stock exchanges.

The financial statements together with the notes drawn up by the management present fairly the company's state of affairs, the result of its operations, cash flow and changes in equity.

Proper books of accounts have been maintained by the company.

Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment, except for changes referred in Note 4 to the financial statements.

The international accounting standards, as applicable in Pakistan, have been followed in the preparation of financial statements and departure there from (if any) is adequately disclosed.

The system of internal control is sound in design and has been effectively implemented and monitored.

There has been no material departure from the best practices of corporate governance as detailed in the listing regulations.

Significant deviations from last year in operating results of the Company have been highlighted and reasons thereof explained above.

The key operating and financial data for the last six years is annexed.

There are statutory payments on account of taxes, duties, levies and charges which are outstanding and have been disclosed in Note 17 to financial statements.

The Company is in compliance with the requirement of training programs for Directors.

Information about loans and other debt instruments in which the Company is in default or likely to default are disclosed in Note 19 to the financial statements.

Corporate Social Responsibility

Media Times Limited values the environment that it operates in and is conscious of the significant role it can play in overall improvement of the society. The Company has provided free space/ air time to various NGOs during the year in its leading product "Daily Times" newspaper and Business Plus TV to help them generate revenues through their appeal for funds. A series of articles is also being published in Sunday Times magazine for awareness of breast cancer by the name of "stronger than cancer". The company will continue its efforts by linking with various NGOs and organizations in supporting their cause to raise funds and awareness for them in future years to come

Trading of Directors

During the year under review no trading in the Company shares were carried out by the Directors, CEO, CFO, Company Secretary and their spouses including any minor children.

Auditors

The present auditors M/s KPMG Taseer Hadi& Co., Chartered Accountants retire and offer themselves for reappointment. The Board of directors has recommended their appointment as auditors of the company for the year ending June 30, 2016, at a fee to be mutually agreed.

Pattern of Shareholding

The pattern of shareholding as required under Section 236 of the Companies Ordinance, 1984 and Listing regulations is enclosed.

Appropriations

Keeping in view the financial constraints and requirements of the company, the board has not recommended any dividend for the year under review.

Earnings per Share

Earnings/ (Loss) per share for the financial year ended 30 June 2015 is Rs. (1.21) 2014: Rs. (3.16).

Acknowledgements

Directors take this opportunity to place on record their appreciation of the dedication and commitment of employees at all levels that has made MTL to become one of the leading media companies in Pakistan. MTL continues to rely on its employees for its future expansion and believes in the mutual sharing of rewards that are a result of the endeavors of its employees. Directors thank and express their gratitude for the support and co-operation received from the Central and State Governments and other stakeholders including viewers, producers, vendors, financial institutions, banks, investors, service providers as well as regulatory and governmental authorities.

For and on behalf of the Board of Directors

Lahore
08 October 2015

Shehryar Ali Taseer
Chief Executive Officer

KEY OPERATING AND FINANCIAL INDICATORS

KEY INDICATORS

		2010	2011	2012 (Restated)	2013 (Restated)	2014	2015
Operating result							
Net Revenue		**498,588,391**	**378,729,276**	**275,233,804**	**305,928,075**	**310,049,444**	**325,619,043**
Gross profit/ (loss)		**124,451,103**	**51,803,673**	**(454,698,068)**	**(38,636,608)**	**(66,182,750)**	**(80,072,563)**
Profit / (loss) before tax		**(108,304,127)**	**(226,498,385)**	**(699,329,584)**	**(187,413,731)**	**(388,517,181)**	**(216,515,422)**
Profit / (loss) after tax		**(73,627,367)**	**(163,162,658)**	**(699,329,584)**	**(188,971,145)**	**(565,231,713)**	**(216,515,422)**
Financial Position							
Shareholder's equity		**1,365,062,523**	**1,201,899,865**	**950,433,566**	**760,194,680**	**193,476,711**	**(20,875,846)**
Property,plant & equipment		**1,324,349,538**	**1,333,004,815**	**944,673,377**	**833,344,358**	**717,353,139**	**608,174,155**
Net current assets		**158,922,289**	**(12,480,956)**	**(196,413,828)**	**(240,822,752)**	**(345,140,219)**	**(397,993,858)**
Profitability							
Gross profit/(loss)	%	**24.96**	**13.68**	**(165.20)**	**(12.63)**	**(20.72)**	**(24.59)**
Profit before tax/(loss)	%	**(21.72)**	**(59.80)**	**(254.09)**	**(61.26)**	**(125.31)**	**(66.49)**
Profit after tax/(loss)	%	**(14.77)**	**(43.08)**	**(254.09)**	**(61.77)**	**(182.30)**	**(66.49)**
Performance							
Fixed assets turnover	Times	**0.38**	**0.28**	**0.29**	**0.37**	**0.43**	**0.54**
Return on equity	%	**(0.054)**	**(0.136)**	**(0.736)**	**(0.249)**	**(2.921)**	**10.37**
Return on capital employed	%	**(0.043)**	**(0.106)**	**(0.935)**	**(0.319)**	**(1.519)**	**(1.03)**
Liquidity							
Current	Times	1.72	0.96	0.45	0.44	0.34	0.29
Quick	Times	1.61	0.93	0.44	0.43	0.34	0.29
Valuation							
Earning/(loss) per share	Rs.	**(0.55)**	**(1.22)**	**(4.53)**	**(1.06)**	**(3.16)**	**(1.21)**
Break up vale per share	Rs.	**10.18**	**8.96**	**5.31**	**4.25**	**1.08**	**(0.12)**

PATTERN OF SHAREHOLDING AS AT 30 JUNE 2015

INCORPORATION NUMBER: (0042608 OF 26-06-2001)

No. of Shareholders	Shareholdings From		Shareholdings To	Shares Held
142	1	-	100	2,400
240	101	-	500	116,427
203	501	-	1000	198,406
627	1001	-	5000	2,153,011
340	5001	-	10000	2,974,874
113	10001	-	15000	1,531,282
129	15001	-	20000	2,486,010
99	20001	-	25000	2,408,000
46	25001	-	30000	1,331,500
32	30001	-	35000	1,084,600
41	35001	-	40000	1,590,500
10	40001	-	45000	435,500
72	45001	-	50000	3,561,000
10	50001	-	55000	540,000
23	55001	-	60000	1,352,500
3	60001	-	65000	194,000
6	65001	-	70000	411,078
19	70001	-	75000	1,415,500
9	75001	-	80000	705,312
6	80001	-	85000	504,000
8	85001	-	90000	709,500
4	90001	-	95000	375,500
51	95001	-	100000	5,096,500
7	100001	-	105000	718,150
3	105001	-	110000	325,000
2	110001	-	115000	230,000
2	115001	-	120000	236,500
9	120001	-	125000	1,121,500
1	125001	-	130000	128,000
2	130001	-	135000	270,000
3	135001	-	140000	418,000
1	140001	-	145000	145,000
8	145001	-	150000	1,200,000
1	150001	-	155000	155,000
1	160001	-	165000	161,140
3	170001	-	175000	523,500

No. of Shareholders	Shareholdings From		Shareholdings To	Shares Held
1	175001	-	180000	180,000
1	180001	-	185000	184,000
1	185001	-	190000	189,500
17	195001	-	200000	3,400,000
2	200001	-	205000	408,000
1	205001	-	210000	208,000
1	210001	-	215000	213,114
1	220001	-	225000	225,000
4	225001	-	230000	916,500
3	230001	-	235000	701,000
1	240001	-	245000	245,000
3	245001	-	250000	750,000
1	260001	-	265000	265,000
1	265001	-	270000	270,000
1	270001	-	275000	272,500
3	295001	-	300000	900,000
1	320001	-	325000	325,000
1	325001	-	330000	327,000
1	335001	-	340000	340,000
1	390001	-	395000	392,500
5	395001	-	400000	2,000,000
1	420001	-	425000	423,000
1	450001	-	455000	455,000
1	485001	-	490000	487,039
3	495001	-	500000	1,500,000
1	500001	-	505000	502,000
1	555001	-	560000	560,000
1	560001	-	565000	560,500
1	575001	-	580000	578,000
1	595001	-	600000	600,000
1	635001	-	640000	640,000
1	665001	-	670000	669,700
2	675001	-	680000	1,357,000
1	770001	-	775000	771,000
1	870001	-	875000	873,000
1	935001	-	940000	940,000
1	995001	-	1000000	1,000,000
1	1080001	-	1085000	1,081,035
1	1095001	-	1100000	1,100,000
2	1495001	-	1500000	3,000,000
1	2195001	-	2200000	2,200,000
1	3770001	-	3775000	3,771,000
1	4195001	-	4200000	4,199,500
1	9160001	-	9165000	9,164,672
1	10470001	-	10475000	10,473,500
1	13865001	-	13870000	13,870,000
1	25075001	-	25080000	25,079,000
1	43470001	-	43475000	43,474,760
2358				**178,851,010**

PATTERN OF SHAREHOLDING
AS AT 30 JUNE 2015

Categories of Shareholders	Shares held	Percentage
Directors, Chief Executive Officer, and their spouse and minor children	4,200	0.002
Associated Companies, undertakings and related parties.	51,332,132	28.701
NIT and ICP	-	-
Banks, Development Financial Institutions, Non Banking Financial Institutions	-	-
Insurance	-	-
Modarabas and Mutual Funds	-	-
Share holders holding 10% or more	45,264,770	25.309
General Public		
a) Local	67,297,462	37.628
b) Foreign	1,302,053	0.728
Others:		
- Joint Stock Companies	58,245,463	32.566
- Foreign Companies	669,700	0.374

Note: Some of the shareholders are reflected in more than one category

PATTERN OF SHAREHOLDING AS PER LISTING REGULATIONS AS AT 30 JUNE 2015

Shareholders' Category	Number of Shares held
Associated Companies, undertaking and related parties	
First Capital Securities Corporation Limited	45,264,770
First Capital Equities Limited	6,067,362
Directors, CEO and their Spouse and Minor Children	
Aamna Taseer	1,000
Shehryar Ali Taseer	600
Shehrbano Taseer	500
Maheen Taseer	600
Ayesha Tammy Haq	500
Imran Hafeez	500
Kanwar Latafat Ali Khan	500
Public Sector Companies and Corporations	58,245,463
Banks Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pention Funds	-
Shareholders holding 5% or more voting rights in the Company	
First Capital Securities Corporation Limited	45,264,770
Mr. Salmaan Taseer	9,164,672
WTL Services (Pvt.) Limited	13,173,500
Mileage (Pvt.) Limited	10,905,646
Worldcall Mobile (Pvt.) Limited	13,136,497
Wireless n Cable (Pvt.) Limited	14,772,813

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

MEDIA TIMES LIMITED ("THE COMPANY")
FOR THE YEAR ENDED 30 JUNE 2015

This statement is being presented to comply with the Code of Corporate Governance contained in Regulation No. 35 of listing regulations of Karachi Stock Exchange Limited and Lahore Stock Exchange Limited for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the CCG in the following manner:

1) The company encourages representation of independent non-executive directors and directors representing minority interests on its board of directors. At present the board includes:

Category	Names
Independent Director	Kanwar Latafat Ali Khan
Executive Directors	Shehryar Ali Taseer Shehrbano Taseer
Non-Executive Directors	Aamna Taseer Maheen Taseer Imran Hafeez Ayesha Tammy Haq

The independent director meet the criteria of independence under clause i (b) of the CCG.

2) The directors have confirmed that none of them is serving as a director in more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies where applicable).

3) All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

4) A casual vacancy occurring on the board was filled up by the directors within 90 days.

5) The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

6) The board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

7) All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non executive directors, have been taken by the board /shareholders.

8) The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose and the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9) The Board arranged orientation courses/training programs for its directors during the year.

10) The Board has approved “appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment.

11) The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.

12) The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.

13) The directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding

14) The Company has complied with all the corporate and financial reporting requirements of the CCG.

15) The Board has formed an Audit Committee. It comprises three non-executive members, of whom all are non-executive directors and chairman of the committee non-executive director.

16) The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.

17) The Board of Directors of the Company has formed an HR and Remuneration Committee. It comprises 3 members, of whom 2 are non-executive directors and the chairman of the committee is a non-executive director.

18) The board has set up an effective internal audit function that is considered suitable qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

19) The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by Institute of Chartered Accountants of Pakistan.

20) The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

21) The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange(s)

22) Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).

23) The Board has in place a mechanism for evaluation of performance of the Board.

24) We confirm that all other material principles enshrined in the CCG have been complied with.

For and on behalf of the Board

Lahore
08 October 2015

Shehryar Ali Taseer
CEO / Director

REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of **Media Times Limited** ("the Company") for the year ended 30 June 2015 to comply with the requirements of Listing Regulation no. 35 of Karachi and Lahore Stock Exchanges where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company personnel and review of various documents prepared by the Company to comply with the Code.

As a part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Director's statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval of its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of the requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were under taken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended 30 June 2015.

LAHORE
08 October 2015

KPMG Taseer Hadi & Co.
Chartered Accountants
(M. Rehan Chughtai)

Auditors' Report to the Members

We have audited the annexed balance sheet of **Media Times Limited ("the Company")** as at 30 June 2015 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;

b) in our opinion:

   i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;

   ii) the expenditure incurred during the year was for the purpose of the Company's business; and

   iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan and give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2015 and of the loss, its cash flows and changes in equity for the year then ended; and

d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Without qualifying our opinion we have drawn attention to Note 2 to the financial statements which indicates that the Company has incurred a net loss of Rs. 216.51 million during the year ended 30 June 2015 and, as of date, the Company's current liabilities exceeded its current assets by Rs. 397.99 million. The Company's equity has been eroded and the accumulated losses exceed the share capital and share premium by Rs. 20.88 million as at 30 June 2015. These conditions along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

LAHORE
08 October 2015

KPMG Taseer Hadi & Co.
Chartered Accountants
(M. Rehan Chughtai)

Balance Sheet
As at 30 June 2015

	Note	2015 Rupees	2014 Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	6	**608,174,155**	717,353,139
Intangibles	7	**2,110,162**	2,376,962
Long term deposits		**6,558,783**	11,226,627
Deferred taxation	8	**-**	-
		616,843,100	730,956,728
Current assets			
Stores and spare parts		**1,572,719**	1,629,547
Television programme cost	9	**-**	540,000
Trade debts	10	**110,837,024**	114,086,938
Advances, prepayments and other receivables	11	**30,794,085**	31,572,224
Advance income tax		**15,691,536**	13,744,426
Cash and bank balances	12	**2,844,312**	1,051,966
		161,739,676	162,625,101
		778,582,776	893,581,829
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital			
180,000,000 (2014: 180,000,000) ordinary shares of Rs. 10 each		**1,800,000,000**	1,800,000,000
Issued, subscribed and paid up capital	13	**1,788,510,100**	1,788,510,100
Share premium reserve	14	**76,223,440**	76,223,440
Accumulated loss		**(1,885,609,386)**	(1,671,256,829)
		(20,875,846)	193,476,711
Non-current liabilities			
Long term finance - unsecured	15	**163,605,481**	121,598,742
Deferred liability	16	**76,119,607**	70,741,056
		239,725,088	192,339,798
Current liabilities			
Trade and other payables	17	**431,238,363**	395,884,922
Accrued mark-up	18	**63,199,883**	49,052,847
Short term borrowings	19	**50,895,608**	51,087,825
Liabilities against assets subject to finance lease	20	**14,399,680**	11,739,726
		559,733,534	507,765,320
		778,582,776	893,581,829
Contingencies and commitments	21		

The annexed notes from 1 to 37 form an integral part of these financial statements.

Lahore: **Chief Executive** **Director**
08 October 2015

Profit and Loss Account
For the year ended 30 June 2015

	Note	2015 Rupees	2014 Rupees
Turnover - net	22	**325,619,043**	310,049,444
Cost of production	23	**(405,691,606)**	(376,232,194)
Gross loss		**(80,072,563)**	(66,182,750)
Administrative and selling expenses	24	**(141,836,927)**	(164,742,406)
Other income	25	**31,364,455**	12,964,533
Finance costs	26	**(19,046,971)**	(17,814,997)
Other expenses	27	**(6,923,416)**	(152,741,561)
Loss before taxation		**(216,515,422)**	(388,517,181)
Taxation	28	**-**	(176,714,532)
Loss after taxation		**(216,515,422)**	(565,231,713)
Loss per share - basic and diluted	29	**(1.21)**	(3.16)

The annexed notes from 1 to 37 form an integral part of these financial statements.

Lahore: **Chief Executive** **Director**
08 October 2015

Statement of Comprehensive Income
For the year ended 30 June 2015

	2015	2014
	Rupees	Rupees
Loss after taxation	**(216,515,422)**	(565,231,713)
Other comprehensive income		
Items that will never be reclassified to profit or loss		
Effect of experience adjustments - net of tax	**2,162,865**	(1,486,256)
Total comprehensive loss for the year	**(214,352,557)**	(566,717,969)

The annexed notes from 1 to 37 form an integral part of these financial statements.

Lahore: **Chief Executive** **Director**
08 October 2015

Cash Flow Statement
For the year ended 30 June 2015

	Note	2015 Rupees	2014 Rupees
Cash flows from operating activities			
Cash used in operations	*30*	**(35,651,635)**	(20,064,997)
Increase in long term deposits		**-**	(364,000)
Retirement benefits paid		**(891,300)**	(293,000)
Finance cost paid		**(2,239,981)**	(188,079)
Income tax paid		**(1,947,110)**	(2,321,061)
Net cash used in operating activities		**(40,730,026)**	(23,231,137)
Cash flows from investing activities			
Fixed capital expenditure		**(401,400)**	(1,636,627)
Proceeds from sale of property, plant and equipment		**1,109,250**	6,482,925
Net cash generated from investing activities		**707,850**	4,846,298
Cash flows from financing activities			
Proceeds of long term finances - net		**42,006,739**	17,755,000
Repayment of short term borrowings		**(192,217)**	(100,000)
Net cash generated from financing activities		**41,814,522**	17,655,000
Net increase / (decrease) in cash and cash equivalents		**1,792,346**	(729,839)
Cash and cash equivalents at beginning of the year		**1,051,966**	1,781,805
Cash and cash equivalents at end of the year	*12*	**2,844,312**	1,051,966

The annexed notes from 1 to 40 form an integral part of these financial statements.

Lahore:
08 October 2015

Chief Executive

Director

Statement of Changes in Equity
For the year ended 30 June 2015

		Capital reserve	Revenue reserve	
	Share capital	**Share premium**	**Accumulated loss**	**Total**
	Rupees			
Balance as at 30 June 2013	1,788,510,100	76,223,440	(1,104,538,860)	760,194,680
Total comprehensive loss for the year				
Loss for the year	-	-	(565,231,713)	(565,231,713)
Other comprehensive loss for the year ended 30 June 2014	-	-	(1,486,256)	(1,486,256)
	-	-	(566,717,969)	(566,717,969)
Balance at 30 June 2014	**1,788,510,100**	**76,223,440**	**(1,671,256,829)**	**193,476,711**
Total comprehensive loss for year				
Loss for the year	-	-	(216,515,422)	**(216,515,422)**
Other comprehensive income for the year ended 30 June 2015	-	-	2,162,865	**2,162,865**
	-	-	(214,352,557)	**(214,352,557)**
Balance at 30 June 2015	**1,788,510,100**	**76,223,440**	**(1,885,609,386)**	**(20,875,846)**

The annexed notes from 1 to 37 form an integral part of these financial statements.

Lahore:
08 October 2015

Chief Executive **Director**

Notes to the Financial Statements

For the year ended 30 June 2015

1 Reporting entity

Media Times Limited ("the Company") was incorporated in Pakistan on 26 June 2001 as a Private Limited Company and was converted into Public Limited Company on 06 March 2007. The Company is listed on Karachi and Lahore Stock Exchanges. The registered office of the Company is located at 41-N, Industrial Area, Gulberg II, Lahore. The Company is primarily involved in printing and publishing daily English and Urdu news papers by the name of "Daily Times" and "AajKal" respectively and also involved in production, promotion, advertisement, distribution and broadcasting of television programs, quality films and documentaries through satellite channels by the name of "Business Plus" and "Zaiqa" (formerly "Wikkid Plus") respectively.

2 Significant matters

The Company has incurred a net loss of Rs. 216.51 million during the year ended 30 June 2015 and, as of date, the Company's current liabilities exceeded its current assets by Rs. 397.99 million. The Company's equity has been eroded and the accumulated losses exceed the share capital and share premium by Rs. 20.88 million as at 30 June 2015. The Company is introducing mid-week magazine, new supplements in Daily Times and documentaries in Business Plus Channel which shall generate revenue through advertisement. Further the Company has plans to re-launch its newspaper Aajkal and its food channel "Zaiqa TV" with a new theme of entertainment channel. The management of the Company is confident that the above actions and steps shall enable the Company to attract revenue streams that will result in improved liquidity. Further the Company's promoters have offered full support to the Company to meet any working capital needs. However there is material uncertainty related to these events which may cast significant doubt on the Company's ability to continue as a going concern and, therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

3 Basis of preparation

3.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan and requirements of the Companies Ordinance, 1984. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as notified under the provision of the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case the requirements differ, the provisions of and directives of the Companies Ordinance, 1984 shall prevail.

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except the recognition of certain employee benefits at present value as referred to in note 16.

3.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupee ("Rs.") which is the Company's functional currency. All financial information presented in Rupees has been rounded off to the nearest rupee, unless otherwise stated.

3.4 Use of estimates and judgments

The preparation of these financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under circumstances, and the results of which form the basis for making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

Property, plant and equipment

The management of the Company reassesses useful lives and residual value for each item of property, plant and equipment annually by considering expected pattern of economic benefits that the Company expects to derive from that item and the maximum period up to which such benefits are expected to be available. Any change in the estimates in future years might affect the carrying amounts of respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

Stores and spare parts

The Company reviews the stores and spare parts for possible impairment on regular basis. Any change in estimates in future years might affect the carrying amounts of respective items of stores and spare parts with a corresponding effect on provision.

Television program costs

The management of the Company reassesses useful lives and residual value for each program by considering expected pattern of economic benefits that the Company expects to derive from that program and the maximum period up to which such benefits are expected to be available. Any change in the estimates in future years might affect the carrying amounts of television program costs with a corresponding effect on the amortization and impairment.

Impairment

The management of the Company reviews carrying amounts of its assets including receivables and advances and cash generating units for possible impairment and makes formal estimates of recoverable amount if there is any such indication.

Provision against trade debts, advances and other receivables

The Company reviews the recoverability of its trade debts, advances and other receivables at each reporting date to assess amount of bad debts and provision required there against on annual basis.

Provisions and Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on its judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the balance sheet date.

Taxation

The Company takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the views taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Property, plant and equipment

Owned

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost in relation to property, plant and equipment comprises acquisition and other directly attributable costs. The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is possible that the future economic benefits embodied in the part will flow to the entity and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day to day servicing of property, plant and equipment are recognized in profit and loss as incurred.

Depreciation is provided on a straight line basis and charged to profit and loss account to write off the depreciable amount of each asset over its estimated useful life at the rates specified in note 6 to these financial statements after taking into account their residual values. Depreciation on additions is charged from the date asset is available for use up to the date when asset is retired.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on sale of an item of property, plant and equipment are determined by comparing the proceeds from sale with the carrying amount of property, plant and equipment, and are recognised in profit or loss account.

Leased

Assets held under finance lease arrangements are initially recorded at the lower of present value of minimum lease payments under the lease agreements and the fair value of leased assets. Depreciation on leased assets is charged by applying straight line method at the rates used for similar owned assets, so as to depreciate the assets over their estimated useful life in view of certainty of ownership of assets at the end of the lease term.

4.2 Intangibles

Intangibles are stated at cost less accumulated amortization for finite intangibles and any identified impairment loss. The estimated useful life and amortization method is reviewed at the end of each annual reporting period, with effect of any changes in estimate being accounted for on a prospective basis.

Finite intangibles are amortized using straight-line method over their estimated useful lives. Amortization on additions to intangible assets is charged from the month in which an asset is put to use and on disposal up to the month of disposal.

4.3 Stores and spare parts

These are stated at lower of cost and net realizable value. Cost is determined using the weighted average method. Items in transit are valued at cost comprising invoice value plus other charges paid thereon.

4.4 Television program costs

Rights to broadcast acquired programmes and films

The rights to broadcast acquired programmes and films are valued at lower of cost and net realisable value. The costs of acquired programmes and films are written off on first transmission except to the extent that the numbers of further showings are contractually agreed, when they are written off according to the expected transmission profile. Assets and liabilities relating to acquired programmes are recognised at the point of payment or commencement of the licence period, whichever is earlier. Agreements for the future purchase of rights whose licence period has not commenced and where there has been no payment by the balance sheet date are disclosed as purchase commitments. Net Realizable Value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

4.5 Trade debts

Trade debts are carried at original invoice amount less an estimate made for doubtful debts based on review of outstanding amounts at the year end. Bad debts are written off when identified.

4.6 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and bank balances.

4.7 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to contractual provisions of the instrument and de-recognized when the Company looses control of contractual rights that comprise the financial asset and in case of financial liability when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of financial assets and liabilities are included in profit and loss account for the year.

4.7.1 ***Non-derivative financial assets***

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated as at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held-for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, which takes into account any dividend income, are recognised in profit or loss.

Held-to-maturity financial assets

If the Company has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Loans and receivables comprise of long term deposits, trade debts, short term advances, deposits, other receivables and cash and bank balances.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt instruments, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

4.7.2 Non-derivative financial liabilities

The Company initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Company classifies financial liabilities recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Financial liabilities comprise long term finances, liabilities against assets subject to finance lease, trade and other payables, accrued mark-up and short term borrowings.

4.8 Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment loss in respect of a financial asset measured at fair value is determined by reference to that fair value. All impairment losses are recognized in profit and loss account. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

Impairment losses on available for sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortization) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired available for sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed though profit and loss; otherwise it is reversed through other comprehensive income.

Non-financial assets

The carrying amount of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

An impairment loss is recognized if the carrying amount of the assets or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in profit and loss account. Impairment losses recognized in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on a pro rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to that extent that the asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized.

4.9 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet if the Company has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

4.10 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

4.11 Retirement and other benefits

Salaries, wages and benefits are accrued in the period in which the associated services are rendered by employees of the Company and measured on an undiscounted basis. The accounting policy for employee retirement benefits is described below:

Post employment benefits - Defined benefit plan

The Company operates unfunded defined benefit gratuity plan for all permanent employees, having a service period of more than one year. The Company recognizes expense in accordance with IAS 19 "Employee Benefits".

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in other comprehensive income. The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss account.

4.12 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods or services received.

4.13 Provisions

A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The amount recognized as a provision reflects the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimates.

4.14 Revenue recognition

Revenue represents the fair value of the consideration received or receivable for goods sold and services rendered, net of discounts, agency commission and sales tax. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing involvement of management with the goods and the amount of revenue can be measured reliably. Revenue from different sources are recognized as follows:

- Sale of newspaper is recorded at the time of dispatch of newspapers;
- Revenue from advertisement is recognized at the time of publication of advertisement;
- Advertisement revenue from satellite channels is recognized when the related advertisement or commercial appears before the public i.e. on telecast;
- Sale of outdated newspaper (i.e. scrap) is recognized on actual realization basis;
- Production and other services are recorded as revenue when the related services are provided;
- Rental income from sub-lease is recognized on accrual basis;
- Income from bank deposits, loans and advances is recognized on an accrual basis.

4.15 Taxation

Current

Current tax is the amount of tax payable on taxable income for the year, using tax rates enacted or substantively enacted by the reporting date, and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

Deferred

Deferred tax is recognized using the balance sheet liability method on all temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the amounts used for taxation purposes.

Deferred tax asset is recognized for all deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which the asset may be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is charged or credited in the income statement, except in the case of items credited or charged to comprehensive income or equity, in which case it is included in comprehensive income or equity.

4.16 Contingent liabilities

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

4.17 Foreign currency transactions and balances

Transactions in foreign currencies are translated to the respective functional currencies of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Foreign currency differences arising on retranslation are generally recognized in profit and loss account.

4.18 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

4.19 Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risk and rewards that are different from other segments. Operating segment are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Director of the Company that makes strategic decisions.

5 Standards, amendments and interpretations and forthcoming requirements

5.1 Standards, amendments or interpretations which became effective during the year

During the year certain amendments to standards or new interpretations became effective, however, the amendments or interpretation did not have any material effect on the financial statements of the Company.

5.2 New / revised accounting standards, amendments to published accounting standards, and interpretations that are not yet effective

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 July 2015. The Company either does not expect to have any effect or any material / significant effect on its accounting policy due to their application when become effective other than increase in disclosures, if any.

- Amendments to IAS 38 Intangible Assets and IAS 16 Property, Plant and Equipment (effective for annual periods beginning on or after 1 January 2016) introduce severe restrictions on the use of revenue-based amortization for intangible assets and explicitly state that revenue-based methods of depreciation cannot be used for property, plant and equipment. The rebuttable presumption that the use of revenue-based amortization methods for intangible assets is inappropriate can be overcome only when revenue and the consumption of the economic benefits of the intangible asset are 'highly correlated', or when the intangible asset is expressed as a measure of revenue. The amendments are not likely to have a material impact on Company's financial statements.

- IFRS 10 'Consolidated Financial Statements' – (effective for annual periods beginning on or after 1 January 2015) replaces the part of IAS 27 'Consolidated and Separate Financial Statements'. IFRS 10 introduces a new approach to determining which investees should be consolidated. The single model to be applied in the control analysis requires that an investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. IFRS 10 has made consequential changes to IAS 27 which is now called 'Separate Financial Statements' and will deal with only separate financial statements. Certain further amendments have been made to IFRS 10, IFRS 12 and IAS 28 clarifying the requirements relating to accounting for investment entities and would be effective for annual periods beginning on or after 1 January 2016. The adoption of this standard is not likely to have an impact on Company's financial statements.

- IFRS 11 'Joint Arrangements' (effective for annual periods beginning on or after 1 January 2015) replaces IAS 31 'Interests in Joint Ventures'. Firstly, it carves out, from IAS 31 jointly controlled entities, those cases in which although there is a separate vehicle, that separation is ineffective in certain ways. These arrangements are treated similarly to jointly controlled assets/operations under IAS 31 and are now called joint operations. Secondly, the remainder of IAS 31 jointly controlled entities, now called joint ventures, are stripped of the free choice of using the equity method or proportionate consolidation; they must now always use the equity method. IFRS 11 has also made consequential changes in IAS 28 which has now been named 'Investment in Associates and Joint Ventures'. The amendments requiring business combination accounting to be applied to acquisitions of interests in a joint operation that constitutes a business are effective for annual periods beginning on or after 1 January 2016. The adoption of this standard is not likely to have an impact on Company's financial statements.

- IFRS 12 'Disclosure of Interests in Other Entities' (effective for annual periods beginning on or after 1 January 2015) combines the disclosure requirements for entities that have interests in subsidiaries, joint arrangements (i.e. joint operations or joint ventures), associates and/or unconsolidated structured entities, into one place. The adoption of this standard is not likely to have an impact on Company's financial statements.

- IFRS 13 'Fair Value Measurement' effective for annual periods beginning on or after 1 January 2015) defines fair value, establishes a framework for measuring fair value and sets out disclosure requirements for fair value measurements. IFRS 13 explains how to measure fair value when it is required by other IFRSs. It does not introduce new fair value measurements, nor does it eliminate the practicability exceptions to fair value measurements that currently exist in certain standards. The adoption of this standard is not likely to have an impact on Company's financial statements.

- Amendments to IAS 27 'Separate Financial Statements' (effective for annual periods beginning on or after 1 January 2016). The amendments to IAS 27 will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. The adoption of the amended standard is not likely to have an impact on Company's financial statements.

- Agriculture: Bearer Plants [Amendments to IAS 16 and IAS 41] (effective for annual periods beginning on or after 1 January 2016). Bearer plants are now in the scope of IAS 16 Property, Plant and Equipment for measurement and disclosure purposes. Therefore, a company can elect to measure bearer plants at cost. However, the produce growing on bearer plants will continue to be measured at fair value less costs to sell under IAS 41 Agriculture. A bearer plant is a plant that: is used in the supply of agricultural produce; is expected to bear produce for more than one period; and has a remote likelihood of being sold as agricultural produce. Before maturity, bearer plants are accounted for in the same way as self-constructed items of property, plant and equipment during construction. The adoption of the amended standard is not likely to have an impact on Company's financial statements.

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) [effective for annual periods beginning on or after 1 January 2016]. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The adoption of these amendments is not likely to have an impact on Company's financial statements.

Annual Improvements 2012-2014 cycles (amendments are effective for annual periods beginning on or after 1 January 2016). The new cycle of improvements contain amendments to the following standards:

- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. IFRS 5 is amended to clarify that if an entity changes the method of disposal of an asset (or disposal group) i.e. reclassifies an asset from held for distribution to owners to held for sale or vice versa without any time lag, then such change in classification is considered as continuation of the original plan of disposal and if an entity determines that an asset (or disposal group) no longer meets the criteria to be classified as held for distribution, then it ceases held for distribution accounting in the same way as it would cease held for sale accounting.

- IFRS 7 'Financial Instruments- Disclosures'. IFRS 7 is amended to clarify when servicing arrangements are in the scope of its disclosure requirements on continuing involvement in transferred financial assets in cases when they are derecognized in their entirety. IFRS 7 is also amended to clarify that additional disclosures required by 'Disclosures: Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS7)' are not specifically required for inclusion in condensed interim financial statements for all interim periods.

- IAS 19 'Employee Benefits'. IAS 19 is amended to clarify that high quality corporate bonds or government bonds used in determining the discount rate should be issued in the same currency in which the benefits are to be paid.

- IAS 34 'Interim Financial Reporting'. IAS 34 is amended to clarify that certain disclosures, if they are not included in the notes to interim financial statements and disclosed elsewhere should be cross referred.

6 **Property, plant and equipment**

	Owned assets							Leased assets					
	Leasehold improvements	Plant and machinery	Office equipment	Computers	Furniture and fittings	Vehicles	Sub total	Plant and equipment	Office equipment	Computers	Vehicles	Sub total	Total
	Rupees							Rupees					
Cost													
Balance as at 1 July 2013	66,368,767	1,211,974,858	56,226,295	48,893,500	12,821,062	32,150,960	1,428,435,442	66,667,045	120,178	272,541	4,808,679	71,868,443	1,500,303,885
Additions	-	113,100	22,577	370,950	1,130,000	-	1,636,627	-	-	-	-	-	1,636,627
Disposals	-	(26,920,085)	-	-	-	(77,400)	(26,997,485)	-	-	-	-	-	(26,997,485)
Balance as at 30 June 2014	66,368,767	1,185,167,873	56,248,872	49,264,450	13,951,062	32,073,560	1,403,074,584	66,667,045	120,178	272,541	4,808,679	71,868,443	1,474,943,027
Balance as at 1 July 2014	**66,368,767**	**1,185,167,873**	**56,248,872**	**49,264,450**	**13,951,062**	**32,073,560**	**1,403,074,584**	**66,667,045**	**120,178**	**272,541**	**4,808,679**	**71,868,443**	**1,474,943,027**
Additions	**-**	**-**	**20,000**	**241,100**	**70,400**	**69,900**	**401,400**	**-**	**-**	**-**	**-**	**-**	**401,400**
Disposals	**-**	**-**	**-**	**-**	**-**	**(1,367,000)**	**(1,367,000)**	**-**	**-**	**-**	**-**	**-**	**(1,367,000)**
Written off	**(1,320,126)**	**(765,509)**	**(1,448,174)**	**(593,414)**	**(867,179)**	**-**	**(4,994,402)**	**-**	**-**	**-**	**-**	**-**	**(4,994,402)**
Balance as at 30 June 2015	**65,048,641**	**1,184,402,364**	**54,820,698**	**48,912,136**	**13,154,283**	**30,776,460**	**1,397,114,582**	**66,667,045**	**120,178**	**272,541**	**4,808,679**	**71,868,443**	**1,468,983,025**
Depreciation and impairment													
Balance as at 1 July 2013	19,963,806	490,348,028	35,275,773	47,982,317	8,971,429	30,976,719	633,518,072	28,290,080	70,155	272,541	4,808,679	33,441,455	666,959,527
Charge for the year	3,318,438	93,985,071	4,797,479	441,654	1,039,204	1,162,502	104,744,348	4,691,097	12,018	-	-	4,703,115	109,447,463
On disposals	-	(18,739,702)	-	-	-	(77,400)	(18,817,102)	-	-	-	-	-	(18,817,102)
Balance as at 30 June 2014	23,282,244	565,593,397	40,073,252	48,423,971	10,010,633	32,061,821	719,445,318	32,981,177	82,173	272,541	4,808,679	38,144,570	757,589,888
Balance as at 1 July 2014	**23,282,244**	**565,593,397**	**40,073,252**	**48,423,971**	**10,010,633**	**32,061,821**	**719,445,318**	**32,981,177**	**82,173**	**272,541**	**4,808,679**	**38,144,570**	**757,589,888**
Charge for the year	**3,312,394**	**93,804,392**	**4,725,611**	**446,660**	**1,076,636**	**21,051**	**103,386,744**	**4,691,097**	**12,018**	**-**	**-**	**4,703,115**	**108,089,859**
On disposals	**-**	**-**	**-**	**-**	**-**	**(1,367,000)**	**(1,367,000)**	**-**	**-**	**-**	**-**	**-**	**(1,367,000)**
On write off	**(526,128)**	**(496,991)**	**(1,233,099)**	**(587,093)**	**(660,566)**	**-**	**(3,503,877)**	**-**	**-**	**-**	**-**	**-**	**(3,503,877)**
Balance as at 30 June 2015	**26,068,510**	**658,900,798**	**43,565,764**	**48,283,538**	**10,426,703**	**30,715,872**	**817,961,185**	**37,672,274**	**94,191**	**272,541**	**4,808,679**	**42,847,685**	**860,808,870**
Carrying value													
At 30 June 2014	43,086,523	619,574,476	16,175,620	840,479	3,940,429	11,739	683,629,266	33,685,868	38,005	-	-	33,723,873	717,353,139
At 30 June 2015	**38,980,131**	**525,501,566**	**11,254,934**	**628,598**	**2,727,580**	**60,588**	**579,153,397**	**28,994,771**	**25,987**	**-**	**-**	**29,020,758**	**608,174,155**
Depreciation rate (% per annum)	5%	4.02% - 10%	10%	33%	10%	20%		6.67% - 10%	10%	33%	20%		

	Note	2015 Rupees	2014 Rupees
6.1 The depreciation charge for the year has been allocated as follows:			
Cost of production	23	**98,495,489**	98,676,168
Administrative and selling expenses	24	**9,594,370**	10,771,295
		108,089,859	109,447,463

6.2 At 30 June 2015 fixed assets (equipment and machinery) having a carrying value of Rs. 50 million and Rs. 40 million (2014: Rs.50 million and Rs.40 million) are subject to charge as per details mentioned in notes 19.1 and 19.2 respectively.

6.3 **Disposal of property, plant and equipment**

	2015						
Particulars of assets	**Cost**	**Depreciation**	**Net book value**	**Sale proceeds**	**Gain**	**Mode of disposal**	**Particulars of buyers**
	------Rupees------						
Vehicles							
Suzuki Cultus	585,000	585,000	-	479,250	479,250	Negotiation	Mr. Saud Shafqat (Employee)
Suzuki Liana	782,000	782,000	-	630,000	630,000	Negotiation	Mr. Ibrar Sikhawat (Employee)
	1,367,000	**1,367,000**	**-**	**1,109,250**	**1,109,250**		

	2014						
Particulars of assets	Cost	Depreciation	Net book value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of buyers
	------Rupees------						
Plant and machinery							
Goss community press machine	7,996,305	5,484,896	2,511,409	1,907,312	(604,097)	Negotiation	Sold to various buyers from Misri Shah - Lahore
Goss community press machine	7,781,628	5,450,495	2,331,133	1,698,600	(632,533)	Negotiation	Sold to various buyers from Misri Shah - Lahore
Hunter press machine	11,142,152	7,804,311	3,337,841	2,552,013	(785,828)	Negotiation	World Press Private Limited (Associated company)
Vehicles							
Suzuki Baleno	77,400	77,400	-	325,000	325,000	Negotiation	Mr. Muhammad Iqbal Zahid (Employee)
	26,997,485	**18,817,102**	**8,180,383**	**6,482,925**	**(1,697,458)**		

7 Intangibles

	Goodwill	Licenses	Computer software	Total
	------------------- Rupees -------------------			
Cost				
Balance at 1 July 2013	149,729,808	4,000,000	422,000	154,151,808
Balance at 30 June 2014	149,729,808	4,000,000	422,000	154,151,808
Balance at 1 July 2014	**149,729,808**	**4,000,000**	**422,000**	**154,151,808**
Balance at 30 June 2015	**149,729,808**	**4,000,000**	**422,000**	**154,151,808**
Accumulated amortization and impairment				
Balance at 1 July 2013	-	1,356,238	422,000	1,778,238
Amortization for the year	-	266,800	-	266,800
Impairment	149,729,808	-	-	149,729,808
Balance at 30 June 2014	149,729,808	1,623,038	422,000	151,774,846
Balance at 1 July 2014	**149,729,808**	**1,623,038**	**422,000**	**151,774,846**
Amortization for the year	**-**	**266,800**	**-**	**266,800**
Balance at 30 June 2015	**149,729,808**	**1,889,838**	**422,000**	**152,041,646**
Carrying amounts				
At 30 June 2014	-	2,376,962	-	2,376,962
At 30 June 2015	**-**	**2,110,162**	**-**	**2,110,162**
Amortization rate (% per annum)		**6.67%**	**20% - 50%**	

7.1 The amortization charge for the year has been allocated to cost of production.

8 Deferred taxation

Deferred tax (liability) / asset comprises temporary differences relating to:

	2015 Rupees	2014 Rupees
Accelerated tax depreciation allowances	**(105,653,584)**	(153,329,374)
Unused tax losses	**105,653,584**	153,329,374
	-	-

The Company has unused tax losses (including both business and depreciation losses) amounting to Rs. 1,807.35 million against which deferred tax asset has not been recorded. Under the Income Tax Ordinance 2001, the Company can carry forward business losses up to 6 years.

9	Television programme cost	Note	2015 Rupees	2014 Rupees
	Balance at 1 July		**540,000**	-
	Programmes acquired during the year		**-**	2,490,000
	Programme cost written down		**(540,000)**	(1,950,000)
	Balance at 30 June		**-**	540,000

10 Trade debts

	Note	2015 Rupees	2014 Rupees
Considered good:			
Unsecured			
Related parties	*10.1*	**610,023**	677,281
Others		**101,613,395**	104,801,051
Secured			
Distribution agencies	*10.2*	**8,613,606**	8,608,606
		110,837,024	114,086,938
Considered doubtful		**131,509,245**	118,711,682
		242,346,269	232,798,620
Provision for doubtful debts	*10.3*	**(131,509,245)**	(118,711,682)
		110,837,024	114,086,938

10.1 Related parties

Associates

	2015	2014
First Capital Securities Corporation Limited	**152,099**	137,801
First Capital Equities Limited	**457,424**	428,480
First Capital Mutual Fund	**-**	104,000
First Capital Investments Limited	**-**	6,500
Pace Super Mall (Pvt.) Limited	**500**	500
	610,023	677,281

10.2 These debts are secured against deposits received from newspaper distribution agencies.

10.3	Provision for doubtful debts	Note	2015 Rupees	2014 Rupees
	Balance at 1 July		**118,711,682**	79,072,145
	Charged during the year	*24*	**15,080,104**	40,339,537
	Bad debts written off during the year		**(2,282,541)**	(700,000)
	Balance at 30 June		**131,509,245**	118,711,682

10.4 The age analysis of trade debts from related parties is disclosed in note 34.2 to the financial statement.

	Note	2015 Rupees	2014 Rupees
11 Advances, prepayments and other receivables			
Advances to suppliers - unsecured, considered good		**793,563**	525,225
Advances to staff - unsecured, considered good		**5,751,807**	5,009,971
Prepaid expenses		**92,952**	1,361,597
Other receivable		**24,155,763**	24,675,431
		30,794,085	31,572,224
12 Cash and bank balances			
Cash in hand		**6,275**	96,245
Cash at bank			
Local currency			
- Current accounts		**60,821**	836,902
- Deposit and saving accounts	*12.1*	**2,737,029**	118,819
		2,797,850	955,721
Foreign currency - current account		**40,187**	-
		2,844,312	1,051,966

12.1 These carry return at the rate of 6% to 7% (2014: 6% to 7.5%) per annum.

13 Issued, subscribed and paid up capital

2015 (Number of shares)	2014 (Number of shares)		2015 Rupees	2014 Rupees
135,871,350	135,871,350	Ordinary shares of Rs. 10 each fully paid in cash	**1,358,713,500**	1,358,713,500
42,979,660	42,979,660	Ordinary shares of Rs. 10 each issued other than cash, in accordance with the scheme of merger with TML	**429,796,600**	429,796,600
178,851,010	178,851,010		**1,788,510,100**	1,788,510,100

13.1 Ordinary shares of the Company held by associated companies as at year end are as follows:

	2015		2014	
	Percentage of holding	**Number of shares**	Percentage of holding	Number of shares
First Capital Securities Corporation Limited	**25.31%**	**45,264,770**	25.31%	45,264,770
First Capital Equities Limited	**3.39%**	**6,067,362**	3.39%	6,067,362

13.2 Directors hold 4,200 (2014: 4,200) ordinary shares comprising 0.002% of total paid up share capital of the Company.

14 Share premium reserve

The share premium reserve can be utilized by the Company only for the purposes specified in section 83(2) of the Companies Ordinance, 1984.

15 Long term finance - unsecured

This represents loan obtained from WTL Services (Private) Limited, a shareholder. This loan is repayable on January 2022. The loan is unsecured and carries mark-up at the rate of three months KIBOR+300 bps per annum (2014: three months KIBOR+300 bps) payable on demand.

16 Deferred liability

16.1 Gratuity

The latest actuarial valuation of the Company's defined benefit plan was conducted on 30 June 2015 using projected unit credit method. Details of obligation for defined benefit plan is as follows;

	Note	**2015 Rupees**	2014 Rupees
The amount recognised in the balance sheet is as follows:			
Present value of defined benefit obligation	*16.3*	**26,340,586**	24,734,185
Benefits due but not paid		**49,779,021**	46,006,871
		76,119,607	70,741,056

		Note	2015 Rupees	2014 Rupees
16.2	**Movement in liability recognized in the balance sheet are as follows:**			
	Balance at beginning of the year		**70,741,056**	62,334,483
	Charge to profit and loss account	*16.4*	**8,432,716**	6,413,025
	Charge to other comprehensive income	*16.5*	**(2,162,865)**	2,286,548
	Payments made during the year		**(891,300)**	(293,000)
	Balance at end of the year		**76,119,607**	70,741,056
16.3	**Movement in the present value of defined benefit obligation:**			
	Balance at beginning of the year		**24,734,185**	22,506,062
	Current service cost	*16.4*	**5,408,384**	4,389,640
	Interest cost	*16.4*	**3,024,332**	2,023,385
	Benefits due but not paid		**(4,263,650)**	(6,471,450)
	Benefits paid		**(399,800)**	-
	Actuarial (gain) / loss gain for the year	*16.5*	**(2,162,865)**	2,286,548
	Balance at end of the year		**26,340,586**	24,734,185
16.4	**The amounts recognized in the profit and loss account against defined benefit schemes are as follows:**			
	Current service cost		**5,408,384**	4,389,640
	Interest cost		**3,024,332**	2,023,385
	Net charge to profit and loss		**8,432,716**	6,413,025
16.5	**Included in other comprehensive income**			
	Remeasurement of plan obligation from:			
	Experience adjustment on obligation		**(2,162,865)**	2,286,548
16.6	**Estimated expense to be charged to profit and loss next year**			
	Current service cost		**5,092,216**	5,408,384
	Interest cost		**2,563,872**	3,109,260
	Net charge to profit and loss		**7,656,088**	8,517,644

	2015	2014
16.7 The principal actuarial assumptions at the reporting date were as follows:		
Discount rate	**13.50%**	10.50%
Discount rate used for year end obligation	**10.50%**	13.50%
Expected per annum growth rate in salaries	**8.50%**	11.50%
Expected mortality rate	**SLIC (2001-2005) Setback 1 year**	SLIC (2001-2005) Setback 1 year

As at 30 June 2015, the weighted average duration of the defined benefit obligation was 10 years (2014: 10 years).

16.8 Sensitivity analysis

If the significant actuarial assumptions used to estimate the defined benefit obligation at the reporting date, had fluctuated by 100 bps with all other variables held constant, the present value of the defined benefit obligation as at 30 June 2015 would have been as follows:

Impact on present value of defined benefit obligation	**Increase Rupees**	**Decrease** Rupees
Discount rate + 100 bps	**23,964,241**	29,149,129
Salary increase + 100 bps	**29,231,120**	23,855,001

16.9 Historical information

	2015	2014	2013	2012	2011
	---------- Rupees ----------				
Present value of defined benefit obligation	**26,340,586**	24,734,185	22,506,062	18,334,997	19,446,404
Experience adjustment arising on plan liabilities - gain / (loss)	**2,162,865**	(2,286,548)	(1,950,371)	1,131,946	1,791,990

	Note	**2015 Rupees**	2014 Rupees
17 Trade and other payables			
Creditors	*17.1*	**157,536,680**	154,247,833
Accrued liabilities		**201,859,723**	177,001,047
Security deposits	*17.2*	**11,228,553**	11,223,553
Advances from customers	*17.3*	**10,284,129**	6,347,534
Sales tax payable - net		**11,032,113**	21,598,988
Withholding tax payable		**39,297,165**	25,465,967
		431,238,363	395,884,922

	2015 Rupees	2014 Rupees

17.1 Creditors include following unsecured balances in respect of related parties:

	2015 Rupees	2014 Rupees
Pace (Pakistan) Limited	**16,908,730**	20,305,120
World Press (Pvt) Limited	**12,355,049**	14,156,997
	29,263,779	34,462,117

17.2 This relates to security deposits received from newspaper distribution agencies.

17.3 Advances from customers include following unsecured balances in respect of related parties:

	Note	**2015 Rupees**	2014 Rupees
First Capital Investment Limited		**884,180**	652,630
First Capital Equities Limited		**39,600**	-
		923,780	652,630

18 Accrued mark-up

	Note	**2015 Rupees**	2014 Rupees
Long term finance	*15*	**42,705,513**	28,683,370
Running finance	*18.1*	**19,215,662**	19,215,662
Modaraba finance	*18.2*	**429,164**	304,271
Finance lease	*18.3*	**849,544**	849,544
		63,199,883	49,052,847

18.1 This represents overdue markup and other charges on running finance facility from Faysal Bank Limited (refer note 19.1 for details)

18.2 This represents overdue markup on modarba finance facility from First National Bank Modarba (refer note 19.2 for details)

18.3 This represents overdue markup on finance lease facility from Orix Leasing Pakistan Limited (refer note 20 for details)

19 Short term borrowings

	Note	**2015 Rupees**	2014 Rupees
<u>Secured</u>			
Banking companies and other financial institutions:			
Running finance	*19.1*	**50,000,000**	50,000,000
Modaraba finance	*19.2*	**395,608**	587,825
<u>Unsecured</u>			
Loan from Chief Executive	*19.3*	**500,000**	500,000
		50,895,608	51,087,825

19.1 This facility has been obtained from Faysal Bank Limited under mark-up arrangements amounting to Rs. 50 million for working capital requirement and is secured by demand promissory note and exclusive charge on present and future fixed and current assets of the Company amounting to Rs. 50 million and Rs. 80 million respectively.

Mark-up on this facility is payable quarterly at 3 months KIBOR plus 3.5% per annum. In case commitments under finance agreements are not met on their respective dates, the bank will charge liquidated damages at the rate of 5% per annum (maximum) over and above the mark-up rates applicable to the Company from the date of default.

The facility expired on 28 January 2012 and the Company has not paid the principal and markup on due date. Accordingly Faysal Bank Limited has filed a suit against the Company for recovery of Rs. 69.30 million which is pending at Lahore High Court and the Company has recorded the full amount as liability.

19.2 The Company obtained a modarba finance facility from First National Bank Modarba on 27 December 2007, for a period of 3 years for an amount of Rs. 30 million against security of various equipment, stores and spare parts, furniture and fixture, plant and machinery and vehicles. A mortgage charge of Rs. 40.00 million has been registered in this regard on all present and future current and fixed assets (where ever situated) of the television channels owned and operated by the Company. Mark-up is charged at the rate of 16.11% per annum based on Timely Payment Profit Rate (TPPR) on half yearly basis.

This facility expired on 27 December 2010 and the Company has not paid the principal amount and markup on due date. This facility was further rescheduled by First National Bank Modarba on 29 June 2012. As per the revised schedule the Company is liable to pay monthly rental of Rs. 0.20 million starting from 30 July 2012 and ending on 28 February 2014. The Company has not paid the principal amount and markup on due date.

19.3 This represents interest free loan received from Chief Executive Officer of the Company and is payable on demand.

20 Liabilities against assets subject to finance lease

The Company has defaulted in repayment of lease liability after rescheduling of the facility from Orix Leasing Pakistan Limited. As per revised terms the facility was payable by 30 June 2013. Interest is charged at the rate of 18.75% (2014: 18.75%) per annum. The detail of outstanding balance is as follows:

	2015	2014
	Rupees	Rupees
Principal overdue	**6,438,000**	6,438,000
Additional lease rental on over due payments	**7,961,680**	5,301,726
	14,399,680	11,739,726

Under the terms of the agreements, the Company has an option to acquire the assets at the end of the respective lease term and the Company intends to exercise the option. In case of default in payment of instalments the Company is also liable to pay additional lease rental on overdue payments at the rate of 0.1% per day. The Company has not paid the principal and markup on due date and has accounted for additional lease rentals at the rate of 0.1% day on overdue payments as per terms of the agreement.

21 Contingencies and commitments

21.1 In the year 2010 the Assistant Commissioner of Inland Revenue Lahore passed an order against the Company for alleged short payment of Rs. 6.87 million under section 11(2) & 36(1) of Sales Tax Act, 1990 and imposed a penalty equivalent to the amount of original alleged short payment. The Company being aggrieved by the order of Assistant Commissioner filed appeal before Commissioner Inland Revenue Appeals-III Lahore. The Commissioner Appeals set aside the appeal of the Company with directions to the assessing Officer. Subsequently the Company filed an appeal in Income Tax Appellate Tribunal Lahore, the learned Appellate Tribunal also set aside the appeal for denovo proceeding. No fresh proceeding has yet started by Taxation Officer. The management in consultation with the legal counsel believes that there will be no financial impact.

21.2 A civil suit for recovery of Rs. 3.89 million is pending before Civil Judge Lahore filed by a production house (I.B.Production) for producing drama serials to be broadcasted on Wikkid T.V channel of Media Times Limited (formerly Total Media Limited) under four separate agreements signed with Total Media Limited, wherein it has claimed balance payments of drama serials. The proceeding are fixed for arguments on miscellaneous application and the financial exposure of the Company may be to the extent of payment claimed therein. The Company has recorded provision for the entire amount.

21.3 The previous land lord filed a suit against the Company for the recovery of unpaid rent amounting to Rs. 17.17 million, in Sindh High Court which is pending adjudication. The management after consultation with its legal counsel is confident that the case will be decided in favour of the Company. However being prudent the Company has recorded a liability of Rs. 10 million.

21.4 Two petitions are pending in Sindh High Court filed by Axact (Private) Limited against the Company and Sheharyar Taseer wherein they have claimed recovery for damages and Criminal Revision Application U/s 439 section 561-A Criminal Procedure Code, 1898. The financial exposure of the Company may be to the extent of claim of Rs. 145 million. The management after consultation with its legal counsel is confident that the case will be decided in favour of the Company.

21.5 A petition is pending before Division Bench Lahore, High Court filed by Dr. Faiza Asghar, Chairperson of the Child Protection and Welfare Bureau against the Daily AajKal and Najam Sethi editor in chief of Daily AajKal for the recovery of damages of Rs. 500 million under the Defamation Ordinance, 2002. The case is pending adjudication and the management after consultation with its legal counsel is confident that the case will be decided in favour of the Company.

21.6 A petition is pending before Sindh High Court filed by JS Bank Limited against the Company wherein JS Bank Limited have claimed recovery of damages of Rs. 5 billion under the Defamation Ordinance, 2002. The case is pending adjudication and the management after consultation with its legal counsel is confident that the case will be decided in favour of the Company.

	2015 Rupees	2014 Rupees
21.7 Commitments		
Commitments in respect of acquiring the programme rights.	-	1,600,000

	Note	2015 Rupees	2014 Rupees
22 Turnover - net			
Gross turnover			
Advertisement		**382,674,761**	308,806,275
Newspaper		**45,212,134**	51,613,201
Production and other services		**19,381,953**	19,622,191
		447,268,848	380,041,667
Less:			
Sales tax		**14,893,665**	7,754,558
Discount and commission		**106,756,140**	62,237,665
		121,649,805	69,992,223
		325,619,043	310,049,444

23 Cost of production

	Note	2015 Rupees	2014 Rupees
Salaries, wages and other benefits	*23.1*	**95,590,429**	75,857,773
Paper consumed		**57,072,489**	50,874,465
Stores and spare parts consumed		**27,213,469**	25,294,912
Printing charges		**39,747,469**	38,519,846
Programming and content cost	*23.2*	**15,532,924**	21,023,960
Programme cost written down	*9*	**540,000**	1,950,000
Transmission and up-linking cost	*23.3*	**36,378,360**	32,053,932
Insurance		**1,814,055**	1,464,693
News agencies' charges		**2,042,944**	4,149,837
Repair and maintenance		**2,243,020**	1,425,090
Utilities		**23,971,634**	19,775,469
Freight and carriage		**2,263,957**	3,235,813
Depreciation	*6.1*	**98,495,489**	98,676,168
Amortization of intangibles	*7*	**266,800**	266,800
Others		**2,518,567**	1,663,436
		405,691,606	376,232,194

23.1 These include Rs. 5.7 million (2014: Rs. 4.3 million) in respect of gratuity expense for the year.

23.2 This represents cost of set, hosts fee, DVD backup cost, makeup cost, studio rent, salary and other benefits of programming staff.

23.3 This includes annual fee of Pakistan Electronic Media Regulatory Authority (PEMRA), service charges of Pak Sat International (Private) Limited and Netset amounting to Rs. 7.16 million (2014: Rs.1.7 million), Rs. 27.31 million (2014: Rs. 27.85 million) and Rs. 1.21 million (2014: Rs. 1.40 million) respectively.

	Note	2015 Rupees	2014 Rupees
24 Administrative and selling expenses			
Salaries, wages and other benefits	*24.1*	**56,693,463**	46,551,526
Rent, rates and taxes		**11,099,183**	13,857,126
Communications		**5,053,266**	5,075,926
Vehicle running and maintenance		**6,119,032**	9,581,769
Travelling and distribution		**6,067,777**	10,189,594

	Note	2015 Rupees	2014 Rupees
Legal and professional		**819,580**	1,991,586
Insurance		**1,351,660**	2,063,281
Utilities		**3,286,112**	3,707,186
Printing and stationary		**1,770,708**	1,274,089
Entertainment		**5,536,215**	4,574,614
Travel and conveyance		**3,607,724**	3,324,542
Repairs and maintenance		**6,672,500**	3,180,187
Provision for doubtful debts	*10.3*	**15,080,104**	40,339,537
Fee and subscriptions		**874,386**	777,034
Postage and courier		**455,247**	365,166
Newspapers and periodicals		**640,909**	594,383
Auditors' remuneration	*24.2*	**1,245,000**	1,095,000
Depreciation	*6.1*	**9,594,370**	10,771,295
Others		**5,869,691**	5,428,565
		141,836,927	164,742,406

24.1 Salaries, wages and other benefits include Rs. 2.7 million (2014: Rs. 2.1 million) in respect of gratuity expense for the year.

	2015 Rupees	2014 Rupees
24.2 Auditors' remuneration		
Statutory audit fee	**700,000**	550,000
Half yearly review fee	**175,000**	175,000
Other assurances and certifications	**270,000**	270,000
Out of pocket expenses	**100,000**	100,000
	1,245,000	1,095,000

25 Other income

	2015 Rupees	2014 Rupees
Income from financial assets		
Interest income on bank deposits	**34,714**	19,984
Income from non-financial assets		
Gain on disposal of property, plant and equipment	**1,109,250**	-
Liabilities no longer payable Witten off	**19,327,285**	-
Scrap sales	**8,304,673**	7,140,331
Rental income from property on sub-lease - net	**2,538,400**	4,828,904
Miscellaneous income	**50,133**	975,314
	31,364,455	12,964,533

26 Finance costs

	2015 Rupees	2014 Rupees
Mark-up on loan from shareholder	**15,989,142**	14,153,990
Additional lease rental on overdue lease liability	**2,659,954**	3,472,928
Modarba finance	**132,676**	-
Bank charges and commission	**265,199**	188,079
	19,046,971	17,814,997

		2015 Rupees	2014 Rupees
27	**Other expenses**		
	Impairment of goodwill	**-**	149,729,808
	Loss on disposal of property, plant and equipment	**-**	1,697,458
	Long term deposits and advances written off	**5,220,966**	1,314,295
	Fixed assets written off	**1,490,525**	-
	Exchange loss	**211,925**	-
		6,923,416	152,741,561
28	**Taxation**		
	Current tax	**-**	5,299,138
	Deferred tax (income) / expense	**-**	171,415,394
		-	176,714,532

28.1 In view of available unused tax losses and gross loss for the year, no provision for taxation has been made in these financial statements.

	2015 Rupees	2014 Rupees
28.2 Relationship between tax expense and accounting loss		
Loss before taxation	**(216,515,422)**	(388,517,181)
Tax calculated at the rate of 33% / 34%	**(71,450,089)**	(132,095,842)
Tax effect of:		
- deferred tax asset not recognized	**71,450,089**	303,511,236
- minimum tax under section 113 of Income Tax Ordinance 2001	**-**	5,299,138
	-	176,714,532

			2015	2014
29	**Loss per share - *basic and diluted***			
	Loss after taxation	*Rupees*	**(216,515,422)**	(565,231,713)
	Weighted average number of ordinary shares	*Number*	**178,851,010**	178,851,010
	Loss per share - basic and diluted	*Rupees*	**(1.21)**	(3.16)

29.1 There is no dilutive effect on the basic earnings per share of the Company.

30 Cash used in operations

	2015 Rupees	2014 Rupees
Loss before taxation	**(216,515,422)**	(388,517,181)
Adjustments for:		
Depreciation	**108,089,859**	109,447,463
Impairment of goodwill	**-**	149,729,808
Amortization of intangibles	**266,800**	266,800
Provision for doubtful receivables - net	**15,080,104**	40,339,537
Long term deposits and advances written off	**5,220,966**	1,314,295
Programme cost written down	**540,000**	1,950,000
Liabilities no longer payable written off	**(19,327,285)**	-
Asset written off	**1,490,525**	-
(Gain) / loss on disposal of property, plant and equipment	**(1,109,250)**	1,697,458
Provision for retirement benefits	**8,432,716**	6,413,025
Finance cost	**19,046,971**	17,814,997
Operating loss before working capital changes	**(78,784,016)**	(59,543,798)
Changes in :		
Stores and spare parts	**56,828**	1,737,392
Television program cost	**-**	(2,490,000)
Trade debts	**(11,830,190)**	(25,611,511)
Advances, prepayments and other receivables	**(1,319,676)**	(8,126,597)
Trade and other payables	**56,225,419**	73,969,517
	43,132,381	39,478,801
Cash used in operating activities	**(35,651,635)**	(20,064,997)

31 Transactions with related parties

Related parties comprises of associated companies, directors, key management personnel and other companies where directors have significant influence. Balances with the related parties are shown in respective notes to the financial statements. Refer to note 32 for disclosure of remuneration to key management personnel. Balances and transactions with related parties other than key management personnel are as follows:

Name of parties	Nature of relationship	Nature of transactions	2015		2014	
			Transactions during the year	Closing balance	Transactions during the year	Closing balance
			Rupees			
First Capital Securities Corporation Limited	Associate	Sale of goods / services	**14,298**	**-**	26,000	-
		Receivable against advertisement	**-**	**152,099**	-	137,801
Pace Pakistan Limited	Associate	Sale of goods / services	**949,500**	**-**	11,412,500	-
		Building rent	**9,663,060**	**-**	-	-
		Payable against purchase of goods and services	**-**	**16,908,730**	-	20,305,120
Pace Baraka Properties Limited	Associate	Building rent	**4,192,650**	**-**	3,811,500	-
		Sale of goods / services	**4,192,650**	**-**	31,666,471	-
First Capital Investments Limited	Associate	Sale of goods / services	**368,450**	**-**	631,500	-
		Receivable against advertisement	**-**	**-**	-	6,500
		Advance against advertisement	**-**	**884,180**	-	652,630
World Press (Private) Limited	Associate	Printing of Sunday magazine	**18,900,927**	**-**	30,960,505	-
		Payable against purchase of goods and services	**-**	**12,355,049**	-	14,156,997
First Capital Mutual Fund	Associate	Sale of goods / services	**-**	**-**	26,000	-
		Receivable against advertisement	**-**	**-**	-	104,000
First Capital Equities Limited	Associate	Sale of goods / services	**28,600**	**-**	59,800	-
		Receivable against advertisement	**-**	**457,424**	-	428,480
		Advance against advertisement	**-**	**39,600**	-	-
Pace Super Mall	Associate	Receivable against advertisement	**-**	**500**	-	500
WTL Services (Private) Limited	Shareholder	Interest on loan	**15,989,142**	**-**	14,153,990	-
		Long term finance - unsecured	**-**	**163,605,481**	-	121,598,742
		Markup payable	**-**	**42,705,513**	-	28,683,370
Chief Executive Officer	Director	Short term borrowing	-	**500,000**	-	500,000

32 Remuneration of Chief Executive, Directors and Executives

The aggregate amounts charged in the financial statements for the year for remuneration, including all benefits to the Chief executive officer, directors and executives of the Company are as follows:

		Chief Executive Officer		Directors		Executives	
	Note	**2015**	2014	**2015**	2014	**2015**	2014
		Rupees					
Managerial remuneration		**8,000,400**	6,000,300	**4,000,200**	3,975,150	**16,724,428**	12,512,226
Housing allowance		**3,200,400**	2,400,300	**1,600,200**	1,200,150	**6,690,273**	5,005,266
Utilities		**799,200**	599,400	**399,600**	299,700	**1,670,687**	1,249,909
Provision for gratuity		**2,000,000**	-	**1,500,000**	500,000	**13,811,500**	1,578,450
Reimbursable expenses	*32.1*	**-**	-	**-**	-	**2,899,800**	2,079,000
		14,000,000	9,000,000	**7,500,000**	5,975,000	**41,796,688**	22,424,851
Number of executives		**1**	1	**1**	2	**16**	12
Number of non executive directors		-	-	**5**	4	-	-

32.1 This represents fuel and mobile allowance reimbursed to employees of the Company.

The Company has also provided executives with company maintained cars. No fees were paid to any director for attending board and audit committee meetings. No remuneration is being paid to any non-executive directors.

Executives are employees whose basic salary exceeds five hundred thousand rupees in a financial year.

33 Segment reporting

33.1 Reportable segments

The Company has the following two strategic divisions, which are its reportable segments. These divisions offer different products and services and are managed separately because they require different technology and marketing strategies.

The following summary describes the operations of each reportable segment.

Reportable segments	Operation
Print media	It comprises of "Daily Times" and "AajKal" being the Daily English and Urdu newspapers respectively printed from Lahore, Karachi and Islamabad.
Electronic media	It comprises of "Business Plus" business news channel with cable penetration over metro cities and "Zaiqa" 24 hours dedicated food and culture channel of Pakistan.

The management reviews internal management reports of each division.

33.2 Information about reportable segments

Information related to each reportable segment is set out below. Segment operating profit or loss as included in internal management reports reviewed by the Company's top management is used to measure performance because management believes that such information is the most relevant in evaluating the result of the respective segments relative to other entities that operate in the same industries.

	Print media	Electronic media	Total
	---------- --- Rupees --------------		
For the year ended 30 June 2015			
Turnover - net	**245,531,940**	**80,087,103**	**325,619,043**
Cost of production	**(284,578,003)**	**(121,113,603)**	**(405,691,606)**
Gross loss	**(39,046,063)**	**(41,026,500)**	**(80,072,563)**
Administrative expenses	**(94,275,607)**	**(47,561,320)**	**(141,836,927)**
Other expenses	**(2,084,639)**	**(4,838,777)**	**(6,923,416)**
	(135,406,309)	**(93,426,597)**	**(228,832,906)**
Finance cost			**(19,046,971)**
Other income			**31,364,455**
Loss before taxation			**(216,515,422)**
Taxation			**-**
Loss after taxation			**(216,515,422)**

	Print media	Electronic media	Total
	------------- Rupees		----------------
For the year ended 30 June 2014			
Turnover - net	223,827,940	86,221,504	310,049,444
Cost of production	(252,882,484)	(123,349,710)	(376,232,194)
Gross loss	(29,054,544)	(37,128,206)	(66,182,750)
Administrative expenses	(100,530,144)	(64,212,262)	(164,742,406)
Other expenses	(1,852,458)	(150,889,103)	(152,741,561)
	(131,437,146)	(252,229,571)	(383,666,717)
Finance cost			(17,814,997)
Other income			12,964,533
Loss before taxation			(388,517,181)
Taxation			(176,714,532)
Loss after taxation			(565,231,713)

33.2.1 The revenue reported above represents revenue generated from external customers. There were no inter segment revenues during the year. All the segment operating activities, revenue, customers and segment assets are located in Pakistan.

33.2.2 Revenue from major products and services

The analysis of the Company's revenue from external customers for major products and services is given in note 22 to these financial statements.

33.2.3 Revenue from major customers

Revenue from a major customer of Print media segment amounts to Rs. 18.46 million out of total print media segment revenue.

Revenue from a major customer of Electronic media segment represents an aggregate amount of Rs. 17.25 million out of total Electronic media segment revenue.

33.3 The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 4.

33.4 All non-current assets of the Company at 30 June 2015 are located and operating in Pakistan.

33.5 Segment assets and liabilities

Reportable segment's assets and liabilities are reconciled to total assets and liabilities as follows:

	Print media	Electronic media	Total
	------------- Rupees -------------		
As at 30 June 2015			
Segment assets for reportable segments	**511,712,090**	**251,179,150**	**762,891,240**
Unallocated corporate assets			**15,691,536**
Total assets as per balance sheet			**778,582,776**
Segment liabilities	**320,953,269**	**186,404,701**	**507,357,970**
Unallocated segment liabilities			**292,100,652**
Total liabilities as per balance sheet			**799,458,622**
As at 30 June 2014			
Segment assets for reportable segments	555,485,939	324,351,464	879,837,403
Unallocated corporate assets			13,744,426
Total assets as per balance sheet			893,581,829
Segment liabilities	271,097,359	195,528,619	466,625,978
Unallocated corporate liabilities			233,479,140
Total liabilities as per balance sheet			700,105,118

33.6 For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than advance income tax; and
- all liabilities are allocated to reportable segments other than borrowings and related mark-up payable thereon are not allocated to reporting segments as these are managed by the Company.

33.7 Other segment information

	Print media	Electronic media	Total
	------------	Rupees	-------------
For the year ended 30 June 2015			
Capital expenditure	**141,400**	**260,000**	**401,400**
Depreciation, amortization and impairment	**49,852,450**	**58,504,209**	**108,356,659**
Non-cash items other than depreciation, amortization and impairment	**6,745,908**	**3,581,868**	**10,327,776**
For the year ended 30 June 2014			
Capital expenditure	68,750	1,567,877	1,636,627
Depreciation and amortization	50,223,002	209,221,069	259,444,071
Non-cash items other than depreciation and amortization	53,294,521	25,206,799	78,501,320

34 Financial instruments

The Company's activities expose it to a variety of following risks:

- Credit risk
- Liquidity risk
- Market risk

The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

34.1 Risk management framework

The Board of Directors has overall responsibility for establishment and over-sight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee.

Risk management systems are reviewed regularly by the executive management team to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and responsibilities.

The audit committee oversees compliance by management with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

34.2 Credit risk

Credit risk represents the financial loss that would be recognized at the reporting date if counter-parties failed completely to perform as contracted. The Company does not have significant exposure to any individual counterparty. To manage credit risk the Company maintains procedures covering the application for credit approvals, granting and renewal of counterparty limits and monitoring of exposures against these limits. As part of these processes the financial viability of all counterparties is regularly monitored and assessed. To mitigate the risk, the Company has a system of assigning credit limits to its customers based on an extensive evaluation based on customer profile and payment history. Outstanding customer receivables are regularly monitored. Some customers are also secured, where possible, by way of cash security deposit.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the balance sheet date was:

	Note	**2015 Rupees**	2014 Rupees
Long term deposits		**6,558,783**	11,226,627
Trade debts	*10*	**110,837,024**	114,086,938
Advances and other receivables	*11*	**29,907,570**	29,685,402
Bank balances	*12*	**2,838,037**	955,721
		150,141,414	155,954,688

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty.

a) Long term deposits

Long term deposits represent mainly deposits with Pak Sat International (Private) Limited, hence the management believes that no impairment allowance is necessary in respect of these long term deposits.

b) Trade debts

The trade debts as at the balance sheet date are classified in Pak Rupees. The aging of trade receivables at the balance sheet date is:

	2015 Rupees	2014 Rupees
Neither past due nor impaired (1-90 days)	**67,138,635**	66,322,584
Past due (91 - 120 days)	**19,977,370**	16,745,357
Past due (120 - 360 days)	**19,253,842**	36,100,730
Past due more than 360 days	**135,976,422**	113,629,949
	175,207,634	166,476,036
Provision for doubtful debts	**(131,509,245)**	(118,711,682)
	110,837,024	114,086,938

The recommended approach for provision is to assess the trade receivables on an individual basis and apply dynamic approach to the remainder of receivables. The procedure introduces a company-standard for dynamic provisioning to provide impairment loss for the outstanding receivable when overdue more than a year. The Company does not create provision against debtors which are secured against liquid assets as the management believes that no impairment loss is required in such cases.

Ageing of trade receivables from related parties is as follows:

	2015				
	Neither past due nor impaired (1 to 90 days)	**Past due (91 - 120 days)**	**Past due more than 121 days**	**Impaired**	**Total**
	-----------------Rupees-----------------				
First Capital Securities Corporation Limited	**-**	**-**	**152,099**	**-**	**152,099**
First Capital Equities Limited	**-**	**-**	**457,424**	**-**	**457,424**
Pace Super Mall	**-**	**-**	**500**	**-**	**500**
	-	**-**	**610,023**	**-**	**610,023**

Based on past experience the management believes that no impairment allowance is necessary in respect of amounts due from related parties.

	2014				
	Neither past due nor impaired (1 to 90 days)	Past due (91 - 120 days)	Past due more than 121 days	Impaired	Total
	-----------------Rupees-----------------				
First Capital Securities Corporation Limited	-	26,000	111,801	-	137,801
First Capital Equities Limited	-	10,400	418,080	-	428,480
First Capital Mutual Fund	-	26,000	78,000	-	104,000
Pace Super Mall	6,500	-	-	-	6,500
Pace Barka Properties Limited	-	-	500	-	500
	6,500	62,400	608,381	-	677,281

c) Advances and other receivables

This mainly represents rent receivable from Worldcall Telecom Limited and advance given to employees of the Company. Based on the past experience, management of the Company is confident that these balances are recoverable.

d) Bank balances

The Company's exposure to credit risk against balances with various commercial banks is as follows:

	2015 Rupees	2014 Rupees
Cash at bank		
Local currency		
- Current accounts	**60,821**	836,902
- Deposit and saving accounts	**2,737,029**	118,819
	2,797,850	955,721
Foreign currency - current account	**40,187**	-
	2,838,037	955,721

The credit quality of Company's bank balances can be assessed with reference to external credit rating agencies as follows:

Banks	Rating		Rating agency	2015	2014
	Short term	Long term		Rupees	Rupees
Faysal Bank Limited	A 1 +	AA	PACRA	**203,916**	55,055
Habib Metropolitan Bank Limited	A 1 +	AA+	PACRA	**30,879**	474,676
Bank Alfalah Limited	A 1 +	AA	PACRA	**460,278**	141,478
Allied Bank Limited	A 1 +	AA+	PACRA	**2,132,415**	273,963
NIB Bank Limited	A 1 +	AA-	PACRA	**10,549**	10,549
				2,838,037	955,721

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

34.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's approach to managing liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due. The Company is materially exposed to liquidity risk as substantially all obligations / commitments of the Company are short term in nature, and due to insufficient liquidity, the Company was unable to repay the loans and lease obligations to its lenders. As explained in note 1.2, the Company's ability to continue as going concern is substantially dependent on its ability to successfully manage the liquidity risk.

The following are the contractual maturities of financial liabilities as on 30 June 2015 :

		Carrying amount	Contracted cash flow	Up to one year or less	More than two years
		------------	------------ Rupees	------------	------------
Financial liabilities					
Long term finance - unsecured	*15*	**163,605,481**	**163,605,481**	**-**	**163,605,481**
Trade and other payables	*17*	**370,624,956**	**370,624,956**	**370,624,956**	**-**
Accrued mark-up	*18*	**63,199,883**	**63,199,883**	**63,199,883**	**-**
Short term borrowings	*19*	**50,895,608**	**50,895,608**	**50,895,608**	**-**
Liabilities against assets subject to finance lease	*20*	**14,399,680**	**14,399,680**	**14,399,680**	**-**
		662,725,608	**662,725,608**	**499,120,127**	**163,605,481**

The following are the contractual maturities of financial liabilities as on 30 June 2014 :

	Note	Carrying amount	Contracted cash flow	Up to one year or less	More than two years
		------------	------------ Rupees	------------	------------
Financial liabilities					
Long term finance - unsecured	*15*	121,598,742	121,598,742	-	121,598,742
Trade and other payables	*17*	342,472,433	342,472,433	342,472,433	-
Accrued mark-up	*18*	49,052,847	49,052,847	49,052,847	-
Short term borrowings	*19*	51,087,825	51,087,825	51,087,825	-
Liabilities against assets subject to finance lease	*20*	11,739,726	11,739,726	11,739,726	-
		575,951,573	575,951,573	454,352,831	121,598,742

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amount.

34.4 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and other price risk.

34.4.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered in foreign currency. The Company is exposed to foreign currency's assets and liabilities risk at year end.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows. The figures represent foreign currency balances after conversion in Pak Rupees using exchange rates prevailing at the balance sheet date.

	2015 Rupees	2014 Rupees
Assets		
Cash at bank	**40,187**	-
Assets		
Creditors	**(37,923,563)**	(30,631,798)
Net balance sheet exposure	**(37,883,376)**	(30,631,798)

The following significant exchange rates have been applied:

	Average rate		**Reporting date rate**	
	2015	**2014**	**2015**	**2014**
GBP to PKR	159.66	168.01	160.75	167.96
USD to PKR	101.51	102.90	101.70	98.75

Sensitivity analysis:

At reporting date, if the PKR had strengthened by 10% against the foreign currencies with all other variables held constant, profit for the year would have been higher / (lower) by the amount shown below. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	2015 Rupees	2014 Rupees
Effect on profit and loss		
GBP	**(4,019)**	-
USD	**3,792,356**	3,063,180
	3,788,337	3,063,180

The weakening of the PKR against foreign currencies would have had an equal but opposite impact on the profit.

The sensitivity analysis prepared is not necessarily indicative of the effects on profit / (loss) for the year and assets / liabilities of the Company.

34.4.2 Interest rate risk

Interest rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Sensitivity to interest rate risk arises from mismatch of financial assets and financial liabilities that mature or re-price in a given period.

The effective interest / mark-up rates for interest / mark-up bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest / mark-up bearing financial instruments as at the reporting date are as follows:

	2015		2014	
	Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
	(Rupees)		(Rupees)	
Variable rate instruments				
Balance with bank - deposit account	**2,737,029**	**-**	118,819	-
Long term finance - unsecured	**-**	**163,605,481**	-	121,598,742
	2,737,029	**163,605,481**	118,819	121,598,742

Sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss account. Therefore a change in interest rates at the reporting date would not affect profit and loss account.

Sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / decreased for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or loss	
	100 bps Increase	**100 bps Decrease**
	- - - - - - - - - Rupees - - - - - - - - -	
As at 30 June 2015		
Cash flow sensitivity - Variable rate financial liabilities	**(1,608,685)**	**1,608,685**
As at 30 June 2014		
Cash flow sensitivity - Variable rate financial liabilities	(1,214,799)	1,214,799

The sensitivity analysis prepared is not necessarily indicative of the effect on loss for the year and assets / liabilities of the Company.

34.4.3 Other price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/mark-up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments.

34.4.4 Fair values

34.4.4(a) Fair value estimation

All financial assets and financial liabilities are initially recognised at the fair value of consideration paid or received, net of transaction costs as appropriate, and subsequently carried at fair value or amortized cost.

Carrying value of all financial instruments approximate their carrying value. The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is determine on the basis of objective evidence at each reporting date.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods.

Non-derivative financial assets

The fair value of non-derivative financial asset is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

Non-derivative financial liabilities

Fair value, which is determine for disclosures purposes, is calculated based on the present value of future principal and interest cash flows, discounted at market rate of interest at the reporting date.

35 Capital risk management

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its business. The Board of Directors monitors the return on capital employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

(i) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

(ii) to provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

Neither there were any changes in the Company's approach to capital management during the year nor the Company is subject to externally imposed capital requirements.

36 Number of employees

Total average number employees during the year as at June 30, 2015 and 2014 respectively are as follow:

	2015	2014
	No. of employees	
Average number of employees during the year	**377**	384
Number of employees as at June 30	**375**	379

37 Date of authorization for issue

These financial statements were authorized for issue on 08 October 2015 by the Board of Directors of the Company in their meeting held on 08 October 2015.

Lahore: **Chief Executive** **Director**
08 October 2015

FORM OF PROXY

The Company Secretary
Media Times Limited
41-N, Industrial Area, Gulberg-II,
Lahore

Folio No./CDC A/c. No. ______________

Shares Held: ______________

I / We ______________________________________ of ______________________________________
(Name) *(Address)*

being the member(s) of **Media Times Limited** hereby appoint Mr. / Mrs./ Miss __________________

______________________________________ of ______________________________________
(Name) *(Address)*

or failing him / her / Mr. / Mrs. / Miss. ____________________________ of _________________________
(Name) *(Address)*

[who is also member of the Company vide Registered Folio No. /CDC A/c. No. _____________ (being the member of the Company)] as my / our proxy to attend at and vote for me / us and on my / our behalf at an Annual General Meeting of the Company to be held at 2nd Floor, Pace Shopping Mall, Fortress Stadium, Lahore-Cantt., Lahore, on 31 October 2015 at 11:30 a.m. and at any adjournment thereof.

Signature this ___________________ Day of _________________ 2015.

(Witnesses)

1.___________________

2.___________________

Affix Revenue Stamp
of Rupees Five

Signature ______________________________
(signature appended should agree with the specimen signature registered with the Company)

Notes:

1. This Proxy Form, duly completed and signed, must be received at the Registered Office of the Company not later than 48 hours before the time of holding the meeting.

2. No person shall act as proxy unless he himself is a member of the Company, except that a corporation may appoint a person who is not a member.

3. CDC account holders will further have to follow the guidelines as laid down in Circular No. 1 dated 26 January 2000 issued by the Securities and Exchange Commission of Pakistan.