

HUM NETWORK LIMITED



BLANK

Company Information

Board of Directors

Chairman
Directors

Mr Mazhar-ul-Haq Siddiqui
Ms. Sultana Siddiqui
Mr. Munawar Alam Siddiqui
Mr. Shunaid Qureshi
Mrs. Mahtab Akbar Rashdi
Mrs. Khush Bakht Shujaat
Mr. Muhammad Ayub Younus Adhi
Mr. Duraid Qureshi
Mr. Muhammad Abbas Hussain
Mr. Mohsin Naeem
Mr. Kamran Shamshad Ahmed

Chief Executive Officer
Chief Financial Officer
Company Secretary
Head of Internal Audit

AUDIT COMMITTEE

Chairman
Members

Mr. Muhammad Ayub Younus Adhi
Ms. Sultana Siddiqui
Mrs. Mahtab Akbar Rashdi
Mr. Shunaid Qureshi

HUMAN RESOURCE AND REMUNERATION (HR&R) COMMITTEE

Chairperson
Members

Mrs. Mahtab Akbar Rashdi
Mrs. Khush Bakht Shujaat
Mr. Shunaid Qureshi
Mr. Duraid Qureshi
Mr. Hassan Jawed
M/s. Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
7th Floor Progressive Plaza,
Beaumont Road, Karachi
M/s. KPMG Taseer Hadi & Company
Chartered Accountants
1st Floor, Sheikh Sultan Trust Building
No.2, Beaumont Road, Karachi

Secretary AUDITORS

INTERNAL AUDITORS

LEGAL ADVISOR

M/s. Ijaz Ahmed & Associates
No.7, 11 th Zamzama Street Phase-V
D.H.A. Karachi.

BANKERS

Bank Alfalah Limited
Faysal Bank Limited
National Bank of Pakistan
Bank Islami Pakistan
The Bank of Punjab
Allied Bank Limited
United Bank Limited
Askari Bank Limited
Standard Chartered Bank (Pakistan) Limited
Habib Metropolitan Bank
Boston Private Bank & Trust
Barclays Bank PLC
Habibsons Bank Limited
Dubai Islamic Bank

REGISTERED & HEAD OFFICE

Hum TV, Plot No. 10/11, Hassan Ali Street,
Off. I.I Chundrigar Road, Karachi -74000 UAN: 111 -486-111

REGISTRAR/TRANSFER AGENT

M/s. Central Depository Company of Pakistan Limited (CDC)
CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi-74400

WEBSITE

www.humnetwork.tv

PAKISTAN STOCK EXCHANGE LIMITED

HUMNL

Directors' Report

The Board of Directors of HUM Network Limited (HNL) takes pleasure in presenting the review on the financial and operational performance of the Company for the nine months period ended March 31, 2016.

Financial Performance:

During the period under review, the Company recorded net revenue of Rs. 2,836 million as compared to net revenue of Rs. 2,659 million during the same period last year; hence a positive variation of 7%. Whereas, the Company's profit after tax is Rs. 332 million as compared to Rs. 553 million during the same period last year. The results translate into earnings per share of Re. 0.35.

When comparing the current quarter with the last quarter of the current financial year, the Company recorded net revenue of Rs. 1,000 million as compared to Rs. 1,004 million. The Company witnessed a profit after tax of Rs. 166 million as compared to Rs. 59 million in the last quarter of the current financial year; hence a positive variation of 181%. The results translate into earning per share of Re. 0.18 as compared to Re. 0.06 of the last quarter of current financial year.

Operational Performance:

During the period under review, HUM TV has continued to fulfill its promise of showcasing quality content to its viewers by presenting block buster dramas like "Mann Mayal", "Pakeeza", "Gul-e-Rana", "Sehra Main Sfar" and "Kissay Chahon" that kept the audience eyes remain glued to the screen and out shadowed competition.

The morning show "Sitaray Ki Subha" has provided a stage for a Glorious Morning and enchanted audience due to its distinctive style and content. It has meld entertainment and information in a way that is aimed at making the viewers entertained, informed, hopeful and empowered. During the period, HUM Sitaray has been the media partner of various events, promoting fashion and entertainment in Pakistan.

HUM Masala, being an integral part of every household, has added to its content a series of new cooking and informative shows introducing many different recipes, cooking experts, professional chefs and health consultants which have been overwhelmed by the food mavens. 8th Masala Family Festival was held in Karachi in February, which provided a platform for the cooking lovers to enjoy Live Cooking Shows of Masala chefs, Kids Arena, Food Court and shop their favourite brands under one roof.

HUM Films is making its sincere contributions to bring new folds in the film industry of Pakistan. It has been engaged in the distribution of quality films like "Air Lift", "Sanam Re", "Bachaana" and "Rocky Handsome" which has been appreciated by the masses. The management is committed to exploit more lucrative opportunities in the film distribution and marketing industry.

Consolidated results are as follows:

	<u>Rupees</u>
Revenue – net	2,966,641,543
Gross Profit	1,003,574,022
Profit for the period – before taxation	404,201,888
Earnings per share	0.32

Future Outlook

HNL continues to be focused on delivering long term shareholders value through improvements in all aspects of the Company's operations. This includes, but might not be limited to, investment in quality content and original content generation in the field of Television Programming and pursue opportunities that position HNL for sustainable growth and value creation.

Acknowledgement

The Board would like to take this opportunity to thank and appreciate employees, customers and strategic partners for their dedication, commitment and contributions towards helping us achieve our objectives. The Board also extends its appreciation to shareholders for their unwavering support and cooperation.

April 29, 2016
Karachi

For & On behalf of the Board of Directors



Duraid Qureshi
Chief Executive Officer

**UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2016**

		March 31, 2016 (Un-audited)	June 30, 2015 (Audited)
	Note	----- Rupees -----	-----
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	272,704,550	258,798,586
Intangible assets		26,724,683	15,119,943
Long term investments	5	209,601,445	134,649,074
Long term deposits		30,815,332	29,422,616
Television program costs	6	470,481,850	434,836,050
Deferred tax asset		75,201,248	46,976,371
		1,085,529,108	919,802,640
CURRENT ASSETS			
Inventories		2,740,282	4,479,119
Current portion of television program costs	6	485,809,664	521,455,464
Trade debts	7	1,240,804,819	1,036,543,895
Advances	8	115,488,209	240,606,668
Deposits and prepayments		20,305,244	19,077,919
Other receivables	9	22,544,183	33,393,487
Taxation-Net		58,196,934	-
Cash and bank balances		3,942,823	13,860,087
		1,949,832,159	1,869,416,639
TOTAL ASSETS		<u>3,035,361,267</u>	<u>2,789,219,279</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up share capital		945,000,000	945,000,000
Unappropriated profit		892,890,306	726,066,536
		1,837,890,306	1,671,066,536
NON-CURRENT LIABILITIES			
Liabilities against assets subject to finance lease		38,005,750	39,939,206
CURRENT LIABILITIES			
Trade and other payables		633,021,512	648,804,270
Accrued markup		7,904,871	6,088,472
Short term borrowings	10	495,262,456	299,538,538
Dividend payable		6,073,256	5,516,923
Taxation – net		-	99,961,316
Current portion of liabilities against assets subject to finance lease		17,203,116	18,664,018
		1,159,465,211	1,078,213,537
CONTINGENCIES AND COMMITMENTS			
	11		
TOTAL EQUITY AND LIABILITIES		<u>3,035,361,267</u>	<u>2,789,219,279</u>

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.


MAZHAR-UL-HAQ SIDDIQUI
Chairman


DURAIID QURESHI
Chief Executive

**UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016
(UN-AUDITED)**

	Note	Nine months period ended		Quarter-ended	
		March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
		----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----
Revenue	12	2,836,313,925	2,659,268,738	1,000,316,770	862,134,684
Cost of production	13	(1,767,967,940)	(1,257,958,941)	(571,240,622)	(356,153,292)
Transmission cost		(65,021,726)	(63,244,691)	(21,603,389)	(21,604,739)
		(1,832,989,666)	(1,321,203,632)	(592,844,011)	(377,758,031)
Gross profit		1,003,324,259	1,338,065,106	407,472,759	484,376,653
Distribution costs		(318,378,568)	(358,167,251)	(101,328,588)	(135,219,407)
Administrative expenses		(289,530,184)	(300,792,050)	(102,389,083)	(104,303,340)
		395,415,507	679,105,805	203,755,088	244,853,906
Other charges		-	(15,169,653)	-	(5,423,462)
Other income		62,377,773	94,480,632	25,775,364	34,161,658
Finance costs		(27,527,244)	(15,103,798)	(9,713,513)	(7,841,037)
Profit before taxation		430,266,036	743,312,986	219,816,939	265,751,065
Taxation					
- current		(126,292,143)	(228,634,915)	(72,407,718)	(77,295,270)
- deferred		28,224,877	38,819,272	18,510,314	(2,072,909)
		(98,067,266)	(189,815,643)	(53,897,404)	(79,368,179)
Net profit for the period		332,198,770	553,497,343	165,919,535	186,382,886
Earnings per share – basic and diluted		Re. 0.35	Re. 0.59	Re. 0.18	Re. 0.20

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.


MAZHAR-UL-HAQ SIDDIQUI
Chairman


DURAID QURESHI
Chief Executive

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016
(UN-AUDITED)**

	<u>Nine month period ended</u>		<u>Quarter-ended</u>	
	<u>March 31, 2016</u>	<u>March 31, 2015</u>	<u>March 31, 2016</u>	<u>March 31, 2015</u>
	<u>----- Rupees -----</u>	<u>----- Rupees -----</u>	<u>----- Rupees -----</u>	<u>----- Rupees -----</u>
Net profit for the period	332,198,770	553,497,343	165,919,537	186,382,886
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	332,198,770	553,497,343	165,919,537	186,382,886

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.



MAZHAR-UL-HAQ SIDDIQUI
Chairman



DURAID QURESHI
Chief Executive

**UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2016
(UN-AUDITED)**

	March 31, 2016	March 31, 2015
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	430,266,036	743,312,986
Adjustments for:		
Depreciation	47,773,237	36,031,935
Amortization	3,417,378	2,475,799
Finance costs	27,527,244	15,103,798
Profit on deposit accounts	(2,374,218)	(5,241,667)
Gain on disposal of property, plant and equipment	(394,157)	(591,000)
Exchange loss / (gain)	963,215	1,484,065
Worker's Welfare Fund	-	15,169,653
	<u>76,912,699</u>	<u>64,432,583</u>
Operating profit before working capital changes	507,178,735	807,745,569
(Increase)/decrease in current assets		
Inventories	1,738,837	(661,790)
Current portion of television program costs	35,645,800	(30,543,258)
Trade debts	(204,260,924)	(131,948,876)
Advances, Deposits and Prepayments	123,891,134	(143,087,229)
Other receivables	10,849,304	(105,087,342)
	<u>(32,135,849)</u>	<u>(411,328,495)</u>
Increase in current liabilities		
Trade and other payables	(16,745,973)	157,648,433
Cash generated from operations	458,296,913	554,065,507
Taxes paid	(284,450,395)	(192,662,859)
Finance costs paid	(25,710,845)	(9,150,869)
Profit received on deposit accounts	2,374,218	5,241,667
Long-term deposits	(1,392,716)	(3,739,640)
Television program costs	(35,645,800)	(215,788,781)
Net cash generated from operating activities	113,471,375	137,965,025
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangibles	(77,253,010)	(77,461,532)
Investment made in a subsidiary	(74,952,371)	(37,051,310)
Proceeds from sale of property, plant and equipment	945,850	591,000
Net cash used in investing activities	(151,259,531)	(113,921,842)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(164,458,667)	(306,805,003)
Short term borrowing	195,723,918	296,833,188
Liabilities against assets subject to finance lease	(3,394,359)	19,728,268
Net cash used in financing activities	27,870,892	9,756,453
Net (decrease)/increase in cash and cash equivalents	(9,917,264)	33,799,636
Cash and cash equivalents at the beginning of the period	13,860,087	106,516,721
Cash and cash equivalents at the end of the period	3,942,823	140,316,357

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.


MAZHAR-UL-HAQ SIDDIQUI
Chairman


DURAIID QURESHI
Chief Executive

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2016
(UN-AUDITED)**

	Issued, Subscribed and paid-up share capital	Unappropriated Profit	Total
	-----Rupees-----		
Balance as at July 01, 2014	945,000,000	451,315,585	1,396,315,585
Final cash dividend for the year June 30, 2014 @ Rs. 1.5 per share	-	(141,750,000)	(141,750,000)
Interim cash dividend for the period September 30, 2014 @ Rs. 1.75 per share	-	(165,375,000)	(165,375,000)
Interim cash dividend for the period December 30, 2014 @ Rs. 1.75 per share	-	(165,375,000)	(165,375,000)
Net profit for the period	-	553,497,343	553,497,343
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	553,497,343	553,497,343
Balance as at March 31, 2015	<u>945,000,000</u>	<u>532,312,928</u>	<u>1,477,312,928</u>
Balance as at July 01, 2015	945,000,000	726,066,536	1,671,066,536
Final cash dividend for the year June 30, 2015 @ Rs. 0.175 per share	-	(165,375,000)	(165,375,000)
Net profit for the period	-	332,198,770	332,198,770
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	-	-
Balance as at March 31, 2016	<u><u>945,000,000</u></u>	<u><u>892,890,306</u></u>	<u><u>1,837,890,306</u></u>

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.


MAZHAR-UL-HAQ SIDDIQUI
Chairman


DURAID QURESHI
Chief Executive

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2016

1. THE COMPANY AND ITS OPERATIONS

Hum Network Limited (the Company) was incorporated in Pakistan on February 25, 2004 as a public limited company under the Companies Ordinance, 1984. The shares of the Company are quoted on Karachi Stock Exchange. The registered office of the Company is situated at Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi, Pakistan. The Company's principal business is to launch transnational satellite channels and aims at presenting a wide variety of cultural heritage. Its core areas of operation are production, advertisement, entertainment and media marketing. It covers a wide variety of programmes with respect to information, entertainment, news, education, health, food, music and society.

2. BASIS OF PREPARATION

- 2.1 These condensed interim unconsolidated financial statements of the Company for the nine months period ended March 2016 have been prepared in accordance with the requirements of the International Accounting Standard (IAS) – 34, "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.
- 2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2015
- 2.3 These condensed interim financial statements are separate financial statements of the Company in which investment in subsidiaries is stated at cost less impairment, if any.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those of the previous financial year except as follows:

The Company has adopted the following standards which became effective during the period:

IFRS 10 – Consolidated Financial Statement

IFRS 11 – Joint Arrangements

IFRS 12 – Disclosure of Interest in Other Entities

IFRS 13 – Fair Value Measurement

IFRS 16 – Leases

The adoption of the above standards did not have any material effect on these unconsolidated condensed interim financial statements.

In addition to the above, improvements to various accounting standards have also been issued by the IASB and are generally effective for current period. The Company expects that such improvements to the standards do not have any material effect on the Company's condensed interim financial statements for the period.

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2016**

		March 31, 2016 (Un-audited)	June 30, 2015 (Audited)
	Note	----- Rupees -----	
4. PROPERTY, PLANT AND EQUIPMENT			
Operating assets	4.1	272,704,550	238,826,688
Capital work-in-progress		-	19,971,898
		<u>272,704,550</u>	<u>258,798,586</u>
4.1 Operating assets			
Opening balance – at book value		238,826,688	195,615,565
Additions during the period/year – at cost	4.1.1	81,702,348	111,438,966
		<u>320,529,036</u>	<u>307,054,531</u>
Less:			
Disposals during the period / year - at book value		(50,167)	(16,083,605)
Depreciation charged during the period/year		(47,774,319)	(52,144,238)
		<u>(47,824,486)</u>	<u>(68,227,843)</u>
Closing balance – at book value		<u>272,704,550</u>	<u>238,826,688</u>
4.1.1 Additions during the period / year			
Owned			
Leasehold improvements		23,252,066	19,392,440
Furniture and fittings		-	132,990
Motor vehicles		2,431,769	14,969,972
Audio visual equipment		13,693,532	28,897,538
Office equipment		15,423,244	-
Computers		14,595,737	3,271,587
Leased			16,831,639
Motor vehicles		12,306,000	27,942,800
		<u>81,702,348</u>	<u>111,438,966</u>
5. LONG TERM INVESTMENTS			
Unquoted subsidiaries			
HUM TV, Inc. – USA	Holding		
10,000 Common stock of \$ 0.01 each	100%	8,603	8,603
Advance for future issue of shares		18,716,750	18,716,750
		<u>18,725,353</u>	<u>18,725,353</u>
HUM Network UK Ltd.			
1 Ordinary share of 1 GBP	100%	161	161
Advance for future issue of shares		95,923,590	95,923,590
		<u>95,923,751</u>	<u>95,923,751</u>
Skyline Publications (Private) Ltd.			
1,999,997 Ordinary shares of Rs.10 each	100%	19,999,970	19,999,970
Advance for future issue of shares		5,150,000	-
		<u>25,149,970</u>	<u>19,999,970</u>
HUM Network FZ LLC -UAE	100%	69,802,371	-
		<u>209,601,445</u>	<u>134,649,074</u>

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2016

	March 31, 2016 (Un-audited)	June 30, 2015 (Audited)
	----- Rupees -----	
6. TELEVISION PROGRAM COSTS		
Unreleased / released less amortization In production	880,464,533 75,826,981	863,517,050 92,774,464
	956,291,514	956,291,514
Less: Current portion shown under current assets	485,809,664	521,455,464
	470,481,850	434,836,050
7. TRADE DEBTS		
Considered good	7.1 1,240,804,819	1,036,543,895
Considered doubtful	26,412,547	26,412,547
	1,267,217,366	1,062,956,442
Less: Provision for doubtful debts	26,412,547	26,412,547
	1,240,804,819	1,036,543,895
7.1 Includes amount receivable from following related parties		
Hum TV Inc- USA	50,080,888	3,090,442
Hum Network UK Ltd	100,764,800	61,605,730
	150,845,688	64,696,172
8. ADVANCES		
Includes advance given to a related party M.D Productions (Private) Limited amounting to Rs. 1,928,645 (June 30, 2015 Rs. 8,887,155).		
9. OTHER RECEIVABLES		
Receivable in respect of sale of DVDs	1,142,538	4,618,745
Sales tax receivable	13,363,788	24,120,862
Others	9.1 8,037,857	4,653,880
	22,544,183	33,393,487
9.1 Includes amount receivable from following related parties		
Hum TV Inc- USA	3,590,891	2,025,624
HUM Network FZ LLC - UAE	4,446,966	-
	8,037,857	2,025,624
10. SHORT TERM BORROWINGS - secured		
Running finance	442,572,579	299,538,538
Short Term Loan	10.1 52,689,877	-
	495,262,456	299,538,538
10.1 Represents, short term loan obtained from a financial institution, repayable in 3 equal installments by June 2016 and is secured by way of equitable mortgage over the building of the Company. This carries mark-up rate of 6 months KIBOR plus 4.50% per annum.		
11. CONTINGENCIES AND COMMITMENTS		
11.1 Contingencies		
The Additional Commissioner Inland Revenue had initiated audit for the tax years 2008 to 2013 and raised a demand of Rs. 80,917,889 in respect of non-withholding of tax on agency commission by the company for the tax year 2008. The company is currently contesting the said order before the appellate		

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2016

forum as well as the Honorable High Court of Sindh in constitutional petition. The management, based on the legal and tax advice, is confident that the ultimate outcome will be in favor of the Company and accordingly, no provision has been made in this respect in these unconsolidated condensed interim financial statements.

11.2 Commitments

Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at March 31, 2016 amounted to Rs. 216,284,900 (June 30, 2015 Rs. 207, 497,500). Commitment for purchase of television programs with other than related parties as at March 31, 2016 amounted to Rs. 172,104,680 (June 30, 2015 Rs. 435,464,193).

	Nine months period ended		Quarter-ended	
	March 31, 2016 (Un-audited)	March 31, 2015 (Un-audited)	March 31, 2016 (Un-audited)	March 31, 2015 (Un-audited)
	----- Rupees -----		----- Rupees -----	
12. REVENUE				
Advertisement revenue	3,433,912,933	3,525,594,833	1,259,214,643	1,152,611,027
Less: Agency commission	441,912,398	447,928,857	161,873,349	146,122,031
Sales tax	416,448,502	457,279,381	152,554,470	150,335,720
Discount to customers	214,357,392	214,592,299	69,973,392	68,411,818
	<u>1,072,718,292</u>	<u>1,119,800,537</u>	<u>384,401,211</u>	<u>364,869,569</u>
	<u>2,361,194,641</u>	<u>2,405,794,296</u>	<u>874,813,432</u>	<u>787,741,458</u>
Production revenue	89,228,006	89,117,467	29,975,259	51,875,909
Digital sales revenue	32,599,430	9,562,823	4,065,795	3,696,831
	<u>121,827,436</u>	<u>98,680,290</u>	<u>34,041,054</u>	<u>55,572,740</u>
Less: Agency commission	4,558,974	5,368,304	2,254,210	3,560,514
Sales tax	15,248,054	12,843,178	4,184,507	7,218,600
	<u>19,807,028</u>	<u>18,211,482</u>	<u>6,438,717</u>	<u>10,779,114</u>
	<u>2,463,215,049</u>	<u>2,486,263,104</u>	<u>902,415,769</u>	<u>832,535,084</u>
Subscription income - international operations	137,420,528	173,005,634	46,740,448	29,599,600
Film Distribution Revenue	235,678,348	-	51,160,553	-
	<u>2,836,313,925</u>	<u>2,659,268,738</u>	<u>1,000,316,770</u>	<u>862,134,684</u>

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2016**

	Nine months period ended		Quarter-ended	
	March 31, 2016 (Un-audited)	March 31, 2015 (Un-audited)	March 31, 2016 (Un-audited)	March 31, 2015 (Un-audited)
	----- Rupees -----		----- Rupees -----	
13. COST OF PRODUCTION				
Cost of outsourced programs	1,206,842,543	1,007,063,518	290,990,883	363,940,367
Cost of in-house programs	151,598,595	154,381,925	42,163,938	74,173,491
Inventories consumed	-	251,435	-	-
Salaries and benefits	317,979,402	238,030,744	95,814,746	87,570,398
Depreciation	21,766,027	18,955,294	7,572,520	6,658,976
Amortisation	2,740,392	2,165,331	913,449	731,777
Traveling and conveyance	18,415,394	15,767,729	4,635,221	5,707,880
Utilities	9,136,033	8,830,388	2,592,807	2,239,501
Rent, rates and taxes	6,968,118	27,806,325	2,278,487	1,863,325
Insurance	4,877,542	5,346,193	2,059,321	1,232,130
Repair and maintenance	12,431,006	9,606,336	2,837,889	3,374,739
Fee and subscription	4,119,129	5,021,506	1,590,973	1,769,515
Communication expense	5,907,454	5,281,788	2,689,279	1,997,912
Security charges	1,778,753	2,307,471	449,748	252,629
Consultancy	3,038,305	3,235,131	1,210,938	1,128,399
Printing and stationery	369,248	239,866	161,334	61,192
Donation	-	-	-	-
	1,767,967,940	1,504,290,980	457,961,533	552,702,231
In production television programs				
- opening	92,774,464	6,998,811	52,158,884	10,833,050
In production television programs				
- closing	(75,826,981)	(13,530,850)	(75,826,981)	(13,530,850)
	1,784,915,423	1,497,758,941	434,293,436	550,004,431
Released / unreleased programs				
- opening	863,517,050	546,273,508	1,017,411,719	592,222,369
Released / unreleased programs				
- closing	(880,464,533)	(786,073,508)	(880,464,533)	(786,073,508)
	1,767,967,940	1,257,958,941	571,240,622	356,153,292

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2016

14. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company include subsidiaries, associates, retirement funds, directors and key management personnel. Details of transactions with related parties during the period, are as follows:

Related parties	Nature of transactions	March 31, 2016	March 31, 2015
		(Un-audited)	(Un-audited)
Subsidiaries	Investments made	<u>74,952,371</u>	<u>37,051,310</u>
	Receipt on behalf of the Company	<u>70,727,387</u>	<u>25,213,676</u>
	Payment on behalf of the Company	<u>31,707,313</u>	<u>14,489</u>
	Payment on behalf of subsidiaries	<u>5,169,321</u>	<u>-</u>
	Remittance from subsidiaries	<u>29,005,978</u>	<u>29,761,936</u>
	Subscription income	<u>103,435,500</u>	<u>89,996,440</u>
	Management Fee	<u>1,557,647</u>	<u>-</u>
Associates	Purchase of television programs	<u>340,341,964</u>	<u>200,583,970</u>
	Receipts on behalf of associates	<u>68,372,218</u>	<u>-</u>
Retirement fund	Contribution to fund	<u>16,667,225</u>	<u>14,030,318</u>
Key management personnel	Remuneration	<u>365,446,902</u>	<u>361,884,677</u>

15. DATE OF AUTHORIZATION

These unconsolidated condensed interim financial statements have been authorised for issue on April 29, 2016 by the Board of Directors.

16. SUBSEQUENT EVENT

The Board of Directors in its meeting held on April 29, 2016 declared an interim cash dividend of Rs. Nil per share.

17. GENERAL

Amounts have been rounded off to the nearest rupee.



MAZHAR-UL-HAQ SIDDIQUI
Chairman



DURAI DQURESHI
Chief Executive

**CONDENSED INTERIM
CONSOLIDATED
FINANCIAL STATEMENTS**

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET AS AT March 31, 2016

		March 31, 2016 (Un-audited)	June 30, 2015 (Audited)
Note		----- Rupees -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	277,236,779	264,079,326
Intangible assets		57,000,995	47,951,207
Long term deposits		33,023,627	31,575,692
Television program costs	5	470,481,850	434,836,050
Deferred tax asset		75,825,649	47,583,838
		913,568,900	826,026,113
CURRENT ASSETS			
Inventories		2,740,282	4,479,117
Current portion of television program costs	5	485,809,664	521,455,464
Trade debts	6	1,300,301,853	1,099,372,556
Advances	7	115,488,209	240,649,168
Trade deposits and short term prepayments		63,579,047	34,806,311
Other receivables		11,755,230	31,367,863
Taxation-net		59,764,007	-
Cash and bank balances		78,316,042	26,450,936
		2,117,754,334	1,958,581,415
TOTAL ASSETS		3,031,323,234	2,784,607,528
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up share capital		945,000,000	945,000,000
Reserves		813,366,738	671,233,709
		1,758,366,738	1,616,233,709
NON-CURRENT LIABILITIES			
Liabilities against assets subject to finance lease		38,005,750	39,939,206
CURRENT LIABILITIES			
Trade and other payables		708,507,047	700,541,805
Accrued markup		7,904,871	6,088,472
Short term borrowing	8	495,262,456	299,538,538
Unclaimed dividend		6,073,256	5,156,923
Taxation – net		-	98,444,857
Current portion of liabilities against assets subject to finance lease		17,203,116	18,664,018
		1,234,950,746	1,128,434,613
CONTINGENCIES AND COMMITMENTS	9		
TOTAL EQUITY AND LIABILITIES		3,031,323,234	2,784,607,528

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.


MAZHAR-UL-HAQ SIDDIQUI
Chairman


DURAIID QURESHI
Chief Executive

**CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016
(UN-AUDITED)**

	Note	Nine months period ended		Quarter-ended	
		March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
		----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----
Revenue – net	10	2,966,641,543	2,727,266,256	1,041,978,593	885,293,393
Cost of production	11	(1,799,948,266)	(1,257,958,941)	(562,893,922)	(355,662,742)
Transmission cost		(163,119,255)	(130,990,973)	(63,803,962)	(38,903,849)
		(1,963,067,521)	(1,388,949,914)	(626,697,884)	(394,566,591)
Gross profit		1,003,574,022	1,338,316,342	415,280,709	490,726,802
Distribution costs		(318,974,591)	(365,286,857)	(99,569,866)	(137,532,065)
Administrative expenses		(317,366,438)	(328,708,939)	(116,640,655)	(113,019,320)
		367,232,993	644,320,546	199,070,188	240,175,417
Other operating income		64,585,766	92,835,933	27,608,044	32,486,156
		431,818,759	737,156,479	226,678,232	272,661,573
Finance costs		(27,616,871)	(15,218,065)	(9,706,376)	(7,879,791)
Other charges		-	(15,169,653)	-	(5,423,462)
Profit before taxation		404,201,888	706,768,761	216,971,856	259,358,320
Taxation					
- current		(126,292,143)	(228,634,915)	(72,407,718)	(77,295,270)
- deferred		28,224,877	38,819,272	18,510,314	(2,072,909)
		(98,067,266)	(189,815,643)	(53,897,404)	(79,368,179)
Net profit for the period		306,134,622	516,953,118	163,074,452	179,990,141
Earnings per share – basic and diluted		0.32	0.55	0.17	0.19

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.


MAZHAR-UL-HAQ SIDDIQUI
Chairman


DURAIID QURESHI
Chief Executive

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016
(UN-AUDITED)**

	Nine months ended		Quarter-ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	----- Rupees -----		----- Rupees -----	
Net profit for the period	306,134,622	516,953,118	163,074,452	179,990,141
Other comprehensive income	1,373,407	(3,175,120)	924,480	(279,909)
Total comprehensive income for the period	307,508,029	513,777,998	163,998,932	179,410,232

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.



MAZHAR-UL-HAQ SIDDIQUI
Chairman



DURAIQ QURESHI
Chief Executive

**CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016
(UN-AUDITED)**

	March 31, 2016	March 31, 2015
	———— (Rupees) ————	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	404,201,888	706,768,761
Adjustments for:		
Depreciation	49,036,602	37,957,082
Amortization	3,433,316	4,749,896
Finance costs	27,616,871	15,218,065
Profit on deposit accounts	(2,374,218)	(5,241,667)
Gain on disposal of property, plant and equipment	(394,157)	(591,000)
Exchange gain	963,215	1,484,065
Exchange difference on translation of foreign currency	3,410,894	(3,175,120)
Worker's Welfare Fund	-	15,169,653
	<u>81,692,523</u>	<u>65,570,974</u>
Operating profit before working capital changes	485,894,411	772,339,735
(Increase)/decrease in current assets		
Inventories	1,738,835	(661,790)
Current portion of television program costs	35,645,800	(30,543,258)
Trade debts	(200,929,297)	(201,673,169)
Advances, deposits and prepayments	96,388,224	(147,623,460)
Other receivables	19,612,633	(17,019,295)
	<u>(47,543,805)</u>	<u>(397,520,972)</u>
Increase in current liabilities		
Trade and other payables	7,002,025	166,733,371
Cash generated from operations	445,352,631	541,552,134
Taxes paid	(284,517,941)	(193,734,785)
Finance costs paid	(25,800,472)	(9,265,136)
Profit received on deposit accounts	2,374,218	5,241,667
Long-term deposits	(1,447,935)	(4,755,597)
Television program costs	(35,645,800)	(215,788,781)
Net cash generated from operating activities	<u>100,314,701</u>	<u>123,249,502</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangibles	(77,266,339)	(80,676,740)
Excess cash paid over net assets acquired on acquisition	-	(11,803,791)
Proceeds from sale of property, plant and equipment	945,850	591,000
Net cash used in investing activities	<u>(76,320,489)</u>	<u>(91,889,531)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(164,458,667)	(306,805,003)
Payment of liabilities against assets subject to finance lease	(3,394,358)	19,728,267
Short term borrowings obtained	195,723,919	296,833,188
Net cash used in financing activities	<u>27,870,894</u>	<u>9,756,452</u>
Net increase / (decrease) in cash and cash equivalents	51,865,106	41,116,423
Cash and cash equivalents at the beginning of the period	26,450,936	120,518,338
Cash and cash equivalents at the end of the period	<u>78,316,042</u>	<u>161,634,761</u>

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.


MAZHAR-UL-HAQ SIDDIQUI
Chairman


DURAIQ QURESHI
Chief Executive

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016
(UN-AUDITED)**

	Issued, subscribed and paid-up capital	Foreign exchange translation reserve	Reserves		Total
			Unappropriated Profit	Sub-total	
Balance as at July 01, 2014	945,000,000	(2,512,152)	414,668,721	412,156,569	1,357,156,569
Profit for the period	-	-	516,953,118	516,953,118	516,953,118
Other comprehensive income	-	(3,175,120)	-	(3,175,120)	(3,175,120)
Total comprehensive income	-	(3,175,120)	516,953,118	513,777,998	513,777,998
Final cash dividend for the year ended June 30,2014 @ Rs. 1.5 per share	-	-	(141,750,000)	(141,750,000)	(141,750,000)
Interim cash dividend for the period ending September 30, 2014 @ Rs. 1.75 per share	-	-	(165,375,000)	(165,375,000)	(165,375,000)
Interim cash dividend for the period ending December 31, 2014 @ Rs. 1.75 per share	-	-	(165,375,000)	(165,375,000)	(165,375,000)
Balance as at March 31, 2015	945,000,000	(5,687,272)	459,121,839	453,434,567	1,398,434,567
Balance as at July 01, 2015	945,000,000	(4,360,306)	675,594,015	671,233,709	1,616,233,709
Profit for the period	-	-	306,134,622	306,134,622	306,134,622
Other comprehensive income	-	1,373,407	-	1,373,407	1,373,407
Total comprehensive income	-	1,373,407	306,134,622	307,508,029	307,508,029
Final cash dividend for the year ended June 30, 2015 @ Rs. 0.175 per share	-	-	(165,375,000)	(165,375,000)	(165,375,000)
Balance as at March 31, 2016	945,000,000	(2,986,899)	816,353,637	813,366,738	1,758,366,738

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.


MAZHAR-UL-HAQ SIDDIQUI
Chairman


DURAID QURESHI
Chief Executive

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

1. THE COMPANY AND ITS OPERATIONS

The 'Group' consists of

1.1 Holding Company

HUM Network Limited (the Company) was incorporated in Pakistan as a public limited company under the Companies Ordinance, 1984 (the Ordinance). The shares of the Company are quoted on Karachi Stock Exchange. The registered office of the Holding Company is situated at Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi, Pakistan.

The Holding Company's principal business is to launch transnational satellite channels and aims at presenting a wide variety of cultural heritage. Its core areas of operation are production, advertisement, entertainment and media marketing. It covers a wide variety of programmes with respect to information, entertainment, news, education, health, food, music and society.

1.2 Subsidiary Companies

HUM TV, Inc. (the subsidiary company), having registered office at 4546 El Camino Real, #223 Los Altos, CA 94022 and HUM Network UK LTD having registered office at Office suit 505, Fiargate house, 205, Kings road, Tyseley, Birmingham, B11, 24-A, United Kingdom have been established with the purpose of providing entertainment programmes to the South Asian community by increasing presence in the United States of America (USA), Canada and UK respectively. The subsidiary companies will also serve as a platform for the Holding Company to explore avenues for greater distribution of the Holding Company brands in USA, Canada and UK and will establish relations with advertisers, as well as develop US and UK based media materials, such as dramas, documentaries and other entertainment shows and events.

HUM TV, Inc is a wholly owned subsidiary of the Holding Company with effect from April 01,2011. HUM Network UK LTD is a wholly owned subsidiary of the Holding Company and was incorporated in United Kingdom on August 22, 2013.

The company also have a wholly owned subsidiary in the name of Skyline Publication (private) Limited which is engaged in the publication of books and magazines.

During the year, the network has started process of incorporation of 100% owned subsidiary in UAE with the name of "HUM Network FZ-LLC". Over the last decade UAE has become a global hub of media business. Therefore, it is strategically important for the network to have an independent entity in UAE.

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements are required to be presented to the shareholders under Section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of the International Accounting Standard (IAS) - 34, "Interim Financial Reporting", as applicable in Pakistan. These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2015.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

3. ACCOUNTING POLICES

The accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those of the previous financial year except as follows:

The Company has adopted the following standards which became effective during the period:

IFRS 10 – Consolidated Financial Statement

IFRS 11 – Joint Arrangements

IFRS 12 – Disclosure of Interest in Other Entities

IFRS 13 – Fair Value Measurement

The adoption of the above accounting standards and interpretations did not have any effect on the consolidated condensed interim financial statements.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

		March 31, 2016 (Un-audited)	June 30, 2015 (Audited)
	Note	----- Rupees -----	
4. PROPERTY, PLANT AND EQUIPMENT			
Operating assets	4.1	277,236,779	244,107,428
Capital work-in-progress		-	19,971,898
		<u>277,236,779</u>	<u>264,079,326</u>
4.1 Operating assets			
Opening balance – at book value		244,107,428	199,008,368
Additions during the period/year	4.1.1	<u>82,216,120</u>	<u>151,765,562</u>
		<u>326,323,548</u>	<u>350,773,930</u>
Less:			
Disposals during the period / year - at book value		50,167	52,353,605
Depreciation charged during the period/year		<u>49,036,602</u>	<u>54,312,897</u>
		<u>49,086,769</u>	<u>106,666,502</u>
Closing balance – at book value		<u>277,236,779</u>	<u>244,107,428</u>
4.1.1 Additions during the period / year			
Owned			
Leasehold improvements		23,252,066	19,392,440
Furniture and fittings		-	554,661
Vehicles		2,445,098	14,969,972
Audio visual equipment		14,193,975	28,897,538
Office equipment		15,423,244	5,785,873
Computers		14,595,737	17,952,278
Leased			
Vehicles		12,306,000	35,112,800
Audio visual equipment		-	19,440,000
Uplinking equipment		-	9,660,000
		<u>82,216,120</u>	<u>151,765,562</u>
5. TELEVISION PROGRAM COSTS			
Unreleased / released less amortization		880,464,533	863,517,050
In production		<u>75,826,981</u>	<u>92,774,464</u>
		<u>956,291,514</u>	<u>956,291,514</u>
Less: Current portion shown under current assets		<u>485,809,664</u>	<u>521,455,464</u>
		<u>470,481,850</u>	<u>434,836,050</u>
6. TRADE DEBTS			
Considered good		1,300,301,853	1,099,372,556
Considered doubtful		<u>26,557,297</u>	<u>26,557,297</u>
		<u>1,326,859,150</u>	<u>1,125,929,853</u>
Less: Provision for doubtful debts		<u>26,557,297</u>	<u>26,557,297</u>
		<u>1,300,301,853</u>	<u>1,099,372,556</u>
7. ADVANCES – considered good			
Include advance given to a related party M.D Productions (Private) Limited amounting to Rs. 1,928,645 (June 30, 2015: Rs. 8,887,155).			

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016**

		March 31, 2016 (Un-audited)	June 30, 2015 (Audited)
		----- Rupees -----	
8 SHORT TERM BORROWINGS– secured			
Running finance		442,572,579	299,538,538
Short term loan	8.1	<u>52,689,877</u>	<u>-</u>
		<u>495,262,456</u>	<u>299,538,538</u>

8.1 Represents, short term loan obtained from a financial institution, repayable in 3 equal installments by June 2016 and is secured by way of equitable mortgage over the building of the Company. This carries mark-up rate of 6 months KIBOR plus 4.50% per annum.

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

The Additional Commissioner Inland Revenue had initiated audit for the tax years 2008 to 2013 and raised a demand of Rs. 80,917,889 in respect of non-withholding of tax on agency commission by the company for the tax year 2008. The company is currently contesting the said order before the appellate forum as well as the Honorable High Court of Sindh in constitutional petition. The management, based on the legal and tax advice, is confident that the ultimate outcome will be in favor of the Company and accordingly, no provision has been made in this respect in these consolidated condensed interim financial statements.

9.2 Commitments

Purchase of television programs commitments with M.D Production (Private) Limited, a related party as at March 31, 2016 amounted to Rs. 216,284,900 (June 30, 2015 Rs. 207,497,500). Commitment for purchase of television programs with other than related parties as at March 31, 2016 amounted to Rs. 172,104,680 (June 30, 2015 Rs. 435,464,193).

	Nine months period ended		Quarter-ended	
	March 31, 2016 (Un-audited)	March 31, 2015 (Un-audited)	March 31, 2016 (Un-audited)	March 31, 2015 (Un-audited)
	----- Rupees -----		----- Rupees -----	
10. REVENUE – net				
Advertisement revenue	3,714,107,185	3,690,449,224	1,348,152,162	1,207,203,091
Less: Agency commission	488,343,532	454,789,290	175,529,795	147,955,786
Sales tax	416,448,502	457,279,381	152,554,470	150,335,720
Discount to customers	214,357,392	214,592,299	69,973,392	68,411,818
	<u>1,119,149,426</u>	<u>1,126,660,970</u>	<u>398,057,657</u>	<u>366,703,324</u>
	2,594,957,759	2,563,788,254	950,094,505	840,499,767
Production revenue	89,228,006	89,117,467	29,975,259	51,875,909
Digital sales revenue	32,599,430	9,562,823	4,065,795	3,696,831
	<u>121,827,436</u>	<u>98,680,290</u>	<u>34,041,054</u>	<u>55,572,740</u>
Less: Agency commission	4,558,974	5,368,304	2,254,210	3,560,514
Sales tax	15,248,054	12,843,178	4,184,507	7,218,600
	<u>19,807,028</u>	<u>18,211,482</u>	<u>6,438,717</u>	<u>10,779,114</u>
	2,696,978,167	2,644,257,062	977,696,842	885,293,393
Subscription Income - international operations	33,985,028	83,009,194	13,121,199	-
Film Distribution Revenue	235,678,348	-	51,160,552	-
	<u>2,966,641,543</u>	<u>2,727,266,256</u>	<u>1,041,978,593</u>	<u>885,293,393</u>

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

	Nine months period ended		Quarter-ended	
	March 31, 2016 (Un-audited) ----- Rupees -----	March 31, 2015 (Un-audited) ----- Rupees -----	March 31, 2016 (Un-audited) ----- Rupees -----	March 31, 2015 (Un-audited) ----- Rupees -----
11. COST OF PRODUCTION				
Cost of outsourced programs	1,206,842,543	1,007,063,518	263,500,527	363,940,367
Cost of in-house programs	164,073,420	154,381,925	54,638,763	74,173,491
Inventories consumed	-	251,435	-	-
Salaries and benefits	330,615,883	238,030,744	100,260,492	87,209,728
Depreciation	22,183,063	18,955,294	7,711,533	6,636,017
Amortisation	2,756,330	2,165,331	918,762	730,520
Traveling and conveyance	18,415,394	15,767,729	4,635,221	5,707,880
Utilities	9,327,003	8,830,388	2,630,846	2,229,463
Rent, rates and taxes	8,007,618	27,806,325	2,624,987	1,788,809
Insurance	4,883,502	5,346,193	2,061,308	1,232,130
Repair and maintenance	12,500,534	9,606,336	2,860,485	3,368,256
Fee and subscription	4,246,298	5,021,506	1,639,758	1,764,775
Communication expense	5,907,454	5,281,788	2,689,279	1,997,912
Security charges	1,778,753	2,307,471	449,748	252,629
Consultancy	3,038,305	3,235,131	1,210,938	1,123,201
Training	39,904	-	19,602	-
Printing and stationery	5,332,262	239,866	1,762,584	56,503
	1,799,948,266	1,504,290,980	449,614,833	552,211,681
In production television programs				
- opening	92,774,464	6,998,811	52,158,884	10,833,050
In production television programs				
- closing	(75,826,981)	(13,530,850)	(75,826,981)	(13,530,850)
	1,816,895,749	1,497,758,941	425,946,736	549,513,881
Released / unreleased programs				
- opening	863,517,050	546,273,508	1,017,411,719	592,222,369
Released / unreleased programs				
- closing	(880,464,533)	(786,073,508)	(880,464,533)	(786,073,508)
	1,799,948,266	1,257,958,941	562,893,922	355,662,742

12. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company includes subsidiaries, associates, retirement funds, directors and key management personnel. Details of transactions with related parties during the period, are as follows:

Transactions during the period	Nature of transactions	March 31, 2016	March 31, 2015
		(Un-audited) ----- Rupees -----	(Un-audited) ----- Rupees -----
Related parties			
Associates	Purchase of television programs	<u>418,349,509</u>	<u>200,583,970</u>
	Receipt on behalf of associate	<u>68,372,218</u>	<u>-</u>
Retirement fund	Contribution to fund	<u>16,667,225</u>	<u>14,030,318</u>
Key management personnel	Remuneration	<u>369,806,902</u>	<u>374,619,397</u>

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2016

13. DATE OF AUTHORIZATION

These condensed interim consolidated financial statements have been authorized for issue on April 29, 2016 by the Board of Directors of the Holding Company.

14. SUBSEQUENT EVENT

The Board of Directors of the Holding Company in its meeting held on April 29, 2016 declared an interim cash dividend of Rs. Nil per share.

15. GENERAL

Amounts have been rounded off to the nearest rupee.



MAZHAR-UL-HAQ SIDDIQUI
Chairman



DURAIID QURESHI
Chief Executive

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