

**PUNJAB CAPITAL SECURITIES  
(PRIVATE) LIMITED**

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**Three Month (Un-Audited)**

**For the Three Month Ended July 01, 2018 to September 30, 2018**

**PUNJAB CAPITAL SECURITIES (PRIVATE) LIMITED**  
**CONDENSED INTERIM BALANCE SHEET**  
**AS AT SEPTEMBER 30, 2018**

	Note	(Un-Audited) September 30, 2018 Rupees	(Audited) June 30, 2018 Rupees
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property and equipment	4	1,704,491	1,798,158
Cards and rooms	5	7,175,000	7,175,000
Long term security deposits	6	2,078,409	2,078,409
Long Term Investment	7	14,891,894	14,891,894
		<u>25,849,794</u>	<u>25,943,461</u>
<b>CURRENT ASSETS</b>			
Trade debts	8	18,576,848	9,531,173
Advances and deposits	9	10,905,440	8,690,805
Income tax refund due from Government		813,395	480,166
Cash and bank balances	10	18,289,803	30,959,104
		<u>48,585,486</u>	<u>49,661,248</u>
<b>TOTAL ASSETS</b>		<u><u>74,435,280</u></u>	<u><u>75,604,709</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital	11	76,500,000	76,500,000
Revaluation of Assets		300,500	300,500
Accumulated losses		<u>(11,473,751)</u>	<u>(11,520,265)</u>
		<u>65,326,749</u>	<u>65,280,235</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	9,023,508	10,268,605
Provision for taxation		85,024	55,870
		<u>9,108,532</u>	<u>10,324,475</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>74,435,280</u></u>	<u><u>75,604,709</u></u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	13		

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statement.

  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**

**PUNJAB CAPITAL SECURITIES (PRIVATE) LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2018**

	Note	03 Month Ended Sept 30, 2018	03 Month Ended Sept 30, 2017
		Rupees	Rupees
Operating revenues	14	2,332,307	109,772
Administrative & Operative Expenses	15	(3,048,702)	(1,889,369)
<b>Operating loss</b>		<b>(716,395)</b>	<b>(1,779,597)</b>
Finance charges	16	(638)	(5,266)
		<b>(717,033)</b>	<b>(1,784,863)</b>
Other Income	17	792,701	-
<b>Profit/(Loss) before taxation</b>		<b>75,668</b>	<b>(1,784,863)</b>
Taxation	18	29,154	-
<b>Profit/(Loss) after taxation</b>		<b>46,514</b>	<b>(1,784,863)</b>

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statement.

  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**

**PUNJAB CAPITAL SECURITIES (PRIVATE) LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2018**

Note	03 Month Ended Sept 30, 2018 Rupees	03 Month Ended Sept 30, 2017 Rupees
Profit/(Loss) after taxation	46,514	(1,784,863)
Items which will not be calssified in Profit & Loss Account		
Unrealized gain charged to OCI	-	544,409
Other Comprehansive income/ for the Period	-	544,409
Total Comprehansive income/ (loss) for the Period	46,514	(1,240,454)

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statement.

  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**

**PUNJAB CAPITAL SECURITIES (PRIVATE) LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2018**

	Issued, subscribed and paid-up capital	Share deposit money	Revaluation of Non- Current Asset	Accumulated loss	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at January 01, 2017	-	-	-	-	-
Share issued during the period	50,000,000	-	-	-	50,000,000
Loss for the period	-	-	-	(5,192,377)	(5,192,377)
Balance as at June 30, 2017	<u>50,000,000</u>	<u>-</u>	<u>-</u>	<u>(5,192,377)</u>	<u>44,807,623</u>
Balance as at July 01, 2017	50,000,000	-	-	(5,192,377)	44,807,623
Share deposit money received	-	(26,500,000)	-	-	(26,500,000)
Right Shares Issued	26,500,000	-	-	-	26,500,000
Revaluation of Assets	-	-	300,500	-	300,500
Loss for the period	-	-	-	(6,327,888)	(6,327,888)
Balance as at June 30, 2018	<u>76,500,000</u>	<u>(26,500,000)</u>	<u>300,500</u>	<u>(11,520,265)</u>	<u>38,780,235</u>
Balance as at July 01, 2018	76,500,000	(26,500,000)	300,500	(11,520,265)	38,780,235
Profit for the period	-	-	-	46,514	46,514
Balance as at September 30, 2018	<u>76,500,000</u>	<u>(26,500,000)</u>	<u>300,500</u>	<u>(11,473,751)</u>	<u>38,826,749</u>

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statement.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

**PUNJAB CAPITAL SECURITIES (PRIVATE) LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2018**

Note	03 Month Ended Sept 30, 2018 Rupees	03 Month Ended Sept 30, 2017 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
	75,668	(1,784,863)
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation	93,667	139,099
Accrued markup	(359,120)	-
Financial charges	638	5,266
<b>Operating loss before working capital changes</b>	(189,147)	(1,640,498)
<b>Effect on cash flow due to Working capital changes</b>		
<b>(Increase)/decrease in current assets</b>		
Advance, deposit, prepayments,& other receivables	(1,855,515)	12,030,178
Trade debts	(9,045,675)	(966,946)
<b>Increase in current liabilities</b>		
Trade and other payables	(1,245,097)	3,682,201
<b>Cash flows from operations</b>	(12,335,434)	13,104,935
Income tax paid	(333,229)	(1,318)
Financial charges paid	(638)	(5,266)
<b>Net cash generated from/(used in) operating activities</b>	(12,669,301)	13,098,351
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of operating fixed assets	-	(17,090)
Long Term Investment	-	(14,891,894)
Security deposit	-	(1,776,909)
<b>Net cash used in investing activities</b>	-	(16,685,893)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Share deposit money received	-	-
<b>Net cash generated from financing activities</b>	-	-
<b>Net increase in cash and cash equivalents</b>	(12,669,301)	(3,587,542)
Cash and cash equivalents at the beginning of the period	30,959,104	17,954,610
<b>Cash and cash equivalents at the end of the period</b>	18,289,803	14,367,068

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statement.

  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**



## 4. Property and equipment

## 4.1 Reconciliation of the carrying amounts at the end of the period is as follows. (Un-Audited)

Particulars	Cost			Rate	Accumulated Depreciation			Written down value as at September 30, 2018
	As at July 01, 2018	Additions during the period	As at September 30, 2018		As at July 01, 2018	Charge for the period	As at September 30, 2018	
	Rupees-----			%	Rupees-----			
Furniture and fixtures	721,485	-	721,485	15	147,592	21,375	168,967	552,518
Computers	1,175,180	-	1,175,180	30	495,663	51,392	547,055	628,125
Office equipments	707,002	-	707,002	15	162,254	20,900	183,154	523,848
	<u>2,603,667</u>	<u>-</u>	<u>2,603,667</u>		<u>805,509</u>	<u>93,667</u>	<u>899,176</u>	<u>1,704,491</u>

## 4.2 Reconciliation of the carrying amounts at the beginning of the period is as follows. (Audited)

Particulars	Cost			Rate	Accumulated Depreciation			Written down value as at June 31, 2018
	As at July 01, 2017	Additions during the period	As at June 30, 2018		As at July 01, 2017	Charge for the period	As at June 30, 2018	
	Rupees-----			%	Rupees-----			
Furniture and fixtures	667,635	53,850	721,485	15	53,541	94,051	147,592	573,893
Computers	1,170,180	5,000	1,175,180	30	204,782	290,881	495,663	679,517
Office equipments	694,912	12,090	707,002	15	60,805	101,449	162,254	544,748
	<u>2,532,727</u>	<u>70,940</u>	<u>2,603,667</u>		<u>319,128</u>	<u>486,381</u>	<u>805,509</u>	<u>1,798,158</u>

		(Un-Audited) September 30, 2018	(Audited) June 30, 2018
	Note	Rupees	Rupees
5.	<b>Cards and rooms</b>		
	LSE room	4,675,000	4,675,000
	Trading Right Entitlement Certificate(TREC)	2,500,000	2,500,000
		<u>7,175,000</u>	<u>7,175,000</u>
6.	<b>Long term security deposits</b>		
	National Clearing Company of Pakistan Limited	200,000	200,000
	Central Depository Company	100,000	100,000
	Deposit against base minimum capital	576,909	576,909
	Basic deposit for regular	200,000	200,000
	Basic deposit for future	1,000,000	1,000,000
	Others	1,500	1,500
		<u>2,078,409</u>	<u>2,078,409</u>
7.	<b>Long Term Investment</b>		
	<b>Available for Sale</b>		
	843,975 (June-2018: 843,975) shares of LSE Financial Services Limited	14,891,894	14,891,894
8.	<b>Trade debts</b>		
	- Considered good	<u>18,576,848</u>	<u>9,531,173</u>
9.	<b>Advances and deposits</b>		
	Advances to suppliers	433,738	430,310
	Advances to employees	171,333	137,500
	Prepayment	41,249	3,428
	Security deposit	9,900,000	7,960,120
	Accrued markup	359,120	159,447
		<u>10,905,440</u>	<u>8,690,805</u>



	(Un-Audited) September 30, 2018 Rupees	(Audited) June 30, 2018 Rupees
<b>10. Cash and bank balances</b>		
Cash at hand		-
Cash at bank		
Saving account	8,342,064	19,680,357
Current account	9,947,739	11,278,747
	<u>18,289,803</u>	<u>30,959,104</u>
<b>11. Share Capital</b>		
<b>Authorized</b>		
20,000,000 (June-2017: 10,000,000) ordinary shares of Rs.10 each	<u>200,000,000</u>	<u>100,000,000</u>
<b>11.1. Issued, subscribed and Paid up</b>		
7,650,000 (June-2017: 5,000,000) ordinary shares of Rs.10 each fully paid-up in cash	<u>76,500,000</u>	<u>76,500,000</u>
5,000,000 (June-2017: 5,000,000) ordinary shares of Rs.10 each fully paid-up in cash	50,000,000	50,000,000
2,650,000 (June-2017: Nil) Right shares of Rs.10 each fully paid-up in cash	26,500,000	26,500,000
	<u>76,500,000</u>	<u>76,500,000</u>
<b>12. Trade and other payables</b>		
Trade payables	8,195,731	9,392,002
Others payable	827,777	876,603
	<u>9,023,508</u>	<u>10,268,605</u>
<b>12.1.0</b>		
Accrued liabilities	115,395	-
Provident fund payable	284,440	579,158
Other Payables	327,942	197,445
Audit fee payable	100,000	100,000
	<u>827,777</u>	<u>876,603</u>

**13. Contingencies and commitments**

There are no material contingencies and commitments at the balance sheet date.

	Note	03 Month Ended Sept 30, 2018 Rupees	03 Month Ended Sept 30, 2017 Rupees
<b>14. Operating revenues</b>			
Commission income		2,332,307	109,772
		<u>2,332,307</u>	<u>109,772</u>
<b>15. Administrative &amp; Operative Expenses</b>			
Salaries, allowances and other benefits		2,246,903	1,269,854
Rent, rates and taxes		-	12,412
Repairs and Maintenance		36,810	55,385
Utilities		113,184	28,968
Fees & subscription		88,200	31,000
PSX, Clearing house and CDC charges, etc.		169,543	30,156
Insurance charges		4,860	20,573
Travelling and conveyance		7,600	-
Depreciation		93,667	139,099
Communication, printing and stationery		25,493	87,012
Legal and professional charges		69,251	153,270
Commission paid to Trader		165,112	43,849
Entertainment		27,679	17,791
Misc Expenses		400	-
		<u>3,048,702</u>	<u>1,889,369</u>
<b>16. Finance Cost</b>			
Bank charges		638	187
FED charges		-	212
		<u>638</u>	<u>399</u>
<b>17. Other income</b>			
<b>Income from financial assets</b>			
Profit on Bank deposit		178,230	-
Margin finance income		258,588	-
Margin Trading income		526	-
Return on exposure deposit with PSX		55,344	-
commission receivable on MF		113,575	-
income receivable on MF		163,191	-
Misc. Income		23,247	-
		<u>792,701</u>	<u>-</u>

	Note	03 Month Ended Sept 30, 2018	03 Month Ended Sept 30, 2017
		Rupees	Rupees
<b>18. Taxation</b>			
Current period		29,154	-
		<u>29,154</u>	<u>-</u>

#### 18.2 Relationship between federal tax expense and accounting profit

In view of available income tax losses, provision for current taxation for the period ended september 30, 2018 is based on "Minimum Tax" u/s 113 of Income Tax Ordinance, 2001, there was no relationship between aggregate tax expense and accounting profit. Owing to accounting and tax losses and charging minimum tax, the reconciliation of average effective tax rate with applicable tax rate is not given.

#### 19. Remuneration of Chief executive, Director and Executives

The aggregate amount charged in the financial statements for the period for remuneration, including all benefits, to the Chief Executive, Director and Executives of the Company are as follows:

	Chief Executive		Executives	
	03 Month Ended Sept 30, 2018	03 Month Ended Sept 30, 2017	03 Month Ended Sept 30, 2018	03 Month Ended Sept 30, 2017
	Rupees	Rupees	Rupees	Rupees
Managerial remuneration	600,000	600,000	605,000	411,819
Other benefits	235,273	213,782	44,426	-
Provident fund	31,239	44,255	19,527	-
	<u>866,512</u>	<u>858,037</u>	<u>668,953</u>	<u>411,819</u>
<b>No. of persons</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>2</b>

19.2 No remuneration is paid to any Director other than Chief Executive.

#### 20. Related party transaction

The related parties comprise parent, associates, directors and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under respective notes of these financials statement. Other significant transactions with related parties are as follows:

Relationship with the Con Nature of transactions		03 Month Ended Sept 30, 2018	03 Month Ended Sept 30, 2017
		Rupees	Rupees
Company	Preliminary expenses	-	-
Other Related Parties	Commission Income	37,630	3,925
Key Management	Commission Income	74,829	400
Provident fund	Employer contribution	50,766	44,255
	Employee contribution	50,766	44,255

21. Financial instruments and related disclosures  
21.2 Maturities of financial assets and liabilities

As At September 30, 2018 (Un-Audited)

	Mark-up bearing maturity				Non-mark-up bearing maturity				Total
	Upto one year	Over one year upto five years	Over five years	Sub-total	Upto one year	Over one year upto five years	Over five years	Sub-total	
-----Rupees-----									
Financial assets									
Long term security deposits	-	-	-	-	-	-	2,078,409	2,078,409	2,078,409
Trade Debts					18,576,848			18,576,848	18,576,848
Advances and deposits	9,900,000	-	-	9,900,000	1,005,440	-	-	1,005,440	10,905,440
Long Term Investment	-	-	-	-	-	-	14,891,894	14,891,894	14,891,894
Cash and bank balances	8,342,064	-	-	8,342,064	9,947,739	-	-	9,947,739	18,289,803
	18,242,064	-	-	18,242,064	29,530,027	-	16,970,303	46,500,330	64,742,394
Financial liabilities									
On balance sheet									
Trade and other payables	-	-	-	-	9,023,508	-	-	9,023,508	9,023,508
	-	-	-	-	9,023,508	-	-	9,023,508	9,023,508
Off balance sheet	-	-	-	-	-	-	-	-	-
	-	-	-	-	9,023,508	-	-	9,023,508	9,023,508

As At June 30, 2018 (Audited)

	Mark-up bearing maturity				Non-mark-up bearing maturity				
	Upto one year	Over one year upto five years	Over five years	Sub-total	Upto one year	Over one year upto five years	Over five years	Sub-total	Total
	Rupees								
<b>Financial assets</b>									
Long term security deposits	-	-	-	-	-	-	2,078,409	2,078,409	2,078,409
Trade debts					9,531,173			9,531,173	9,531,173
Advances and deposits	7,960,120	-	-	7,960,120	-	730,685	-	730,685	8,690,805
Long Term Investment							14,891,894	14,891,894	14,891,894
Cash and bank balances	19,680,357	-	-	19,680,357	11,278,747	-	-	11,278,747	30,959,104
	27,640,477	-	-	27,640,477	20,809,920	730,685	16,970,303	38,510,908	66,151,385
<b>Financial liabilities</b>									
<b>On balance sheet</b>									
Trade and other payables					10,268,605			10,268,605	10,268,605
	-	-	-	-	10,268,605	-	-	10,268,605	-
<b>Off balance sheet</b>									
	-	-	-	-	10,268,605	-	-	10,268,605	10,268,605
	-	-	-	-	10,268,605	-	-	10,268,605	-



**21.3 Interest / mark-up rate risk**

Interest / mark-up rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. Sensitivity to interest / mark up rate risk arises from mismatches of financial assets and liabilities that mature or re-price in a given period. The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The Company is not exposed to any short term borrowing arrangements having variable rate pricing.

**21.4 Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash & cash equivalents and marketable securities and the ability to close out market positions due to dynamic nature of the business. Currently, there is no liquidity risk.

**21.5 Credit risk**

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Company believes that it is not exposed to major concentration of credit risk. To manage exposure to credit risk, Company applies credit limits and deal with credit worthy parties. It makes full provision against those balances considered doubtful and by dealing with variety of major banks and financial institutions.. The Company is not materially exposed to credit risk.

**21.6 Fair values of financial instruments**

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The estimated fair values of all the financial assets and liabilities are not materially different from their book values as at the balance sheet date.

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities

**Level 2:** other techniques for which all inputs which have a significant effect on the recorded fair value are observable either, directly or indirectly

**Level 3:** techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The carrying values of financial assets and financial liabilities reflected in financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each

**21.7 Foreign exchange risk**

Currency risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises from sales, purchases and resulting balances that are denominated in a currency other than functional currency. The Company is currently not exposed to foreign exchange risk.

**21.8 Capital Risk Management**

The Company's prime objective when managing capital is to safeguard its ability to continue as a going concern in order to provide adequate returns for shareholders and benefits for other shareholders and to maintain an optimal capital structure to reduce the cost of capital. Currently, the Company has zero borrowing at balance sheet thus minimizing the gearing ratio.



**22. Provident fund and related disclosures**

The following information is based on latest unaudited financial statements of the Fund as on 30th June:

	(Un-Audited) September 30, 2018 Rupees	(Audited) June 30, 2018 Rupees
Size of the fund	<u>284,440</u>	<u>579,158</u>
Cost of investments made	<u>-</u>	<u>-</u>
Percentage of investments made	<u>-</u>	<u>-</u>
Fair value of investments	<u>-</u>	<u>-</u>

The investments out of the provident fund have not been made in accordance with the provisions of Section 227 of the repealed Companies Ordinance, 1984 and rules formulated for this purpose.

**23. No. of employees**

The total and average number of employees respectively are as follows:

	(Un-Audited) September 30, 2018 Number	(Audited) June 30, 2018 Number
Number of employees	<u>9</u>	<u>10</u>
Average number of employees	<u>9</u>	<u>7</u>

**24. Date of authorization**

These financial statements have been authorized for issue by the Board of Directors of the Company on 22 Oct, 2018

**25. General**

Figures have been rounded off to the nearest rupees.

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR