

**PUNJAB CAPITAL SECURITIES
(PRIVATE) LIMITED**

CONDENSED INTERIM FINANCIAL STATEMENTS

Nine Month (Un-Audited)

For the Nine Month Ended July 01, 2018 to March 31, 2019

PUNJAB CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2019

	Note	(Un-Audited) March 31, 2019 Rupees	(Audited) June 30, 2018 Rupees
ASSETS			
NON - CURRENT ASSETS			
Property and equipment	4	1,546,174	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>25,691,477</u>	<u>25,943,461</u>
CURRENT ASSETS			
Trade debts	8	16,891,077	9,531,173
Advances and deposits	9	13,678,722	9,170,971
Cash and bank balances	10	61,873,569	30,959,104
		<u>92,443,368</u>	<u>49,661,248</u>
TOTAL ASSETS		<u>118,134,845</u>	<u>75,604,709</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	11	76,500,000	76,500,000
Revaluation of Assets		300,500	300,500
Accumulated losses		(10,164,260)	(11,520,265)
		<u>66,636,240</u>	<u>65,280,235</u>
CURRENT LIABILITIES			
Trade and other payables	12	51,356,892	10,268,605
Provision for taxation		141,713	55,870
		<u>51,498,605</u>	<u>10,324,475</u>
TOTAL EQUITY AND LIABILITIES		<u>118,134,845</u>	<u>75,604,709</u>
CONTINGENCIES AND COMMITMENTS			
	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 MARCH 31, 2019

	Note	09 Month Ended Mar 31, 2019	09 Month Ended Mar 31, 2018	03 Month Ended Mar 31, 2019	03 Month Ended Mar 31, 2018
		Rupees	Rupees	Rupees	Rupees
Operating revenues	14	7,630,487	2,317,997	2,556,683	1,661,110
Administrative & Operative Expenses	15	(9,426,172)	(5,525,373)	(3,317,305)	(2,083,009)
Operating loss		(1,795,685)	(3,207,376)	(760,622)	(421,899)
Finance charges	16	(6,392)	(6,567)	(2,789)	0.00
		(1,802,077)	(3,213,943)	(763,411)	(421,899)
Other Income	17	3,243,925	751,408	1,080,651	306,520
Gain on remeasurement of investment classified as 'held for trading'		-	367,174	-	-
Profit/(Loss) before taxation		1,441,848	(2,095,360)	317,240	(115,379)
Taxation	18	85,843	(1,604,081)	28,763	450,879
Profit/(Loss) after taxation		1,356,005	(491,279)	288,477	(566,258)

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 MARCH 31, 2019

Note	09 Month Ended Mar 31, 2019	09 Month Ended Mar 31, 2018	03 Month Ended Mar 31, 2019	03 Month Ended Mar 31, 2018
	Rupees	Rupees	Rupees	Rupees
Profit/(Loss) after taxation	1,356,005	(491,279)	288,477	566,258
Items which will not be classified in Profit & Loss Account				
Unrealized gain charged to OCI	-	-	-	-
Other Comprehensive income/ (loss) for the Period	-	-	-	-
Total Comprehensive income/ (loss) for the Period	1,356,005	(491,279)	288,477	(566,258)

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 MARCH 31, 2019

	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>-</u>	<u>300,500</u>	<u>(11,520,265)</u>	<u>65,280,235</u>
Balance as at July 01, 2018	76,500,000	-	300,500	(11,520,265)	65,280,235
Profit for the period	-	-	-	1,356,005	1,356,005
Balance as at March 31, 2019	<u>76,500,000</u>	<u>-</u>	<u>300,500</u>	<u>(10,164,260)</u>	<u>66,636,240</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 MARCH 31, 2019

Note	09 Month Ended Mar 31, 2019	09 Month Ended Mar 31, 2018
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
	1,441,848	(2,095,360)
Adjustments for non-cash charges and other items:		
Depreciation	279,484	345,460
Unrealized re-measurement gain on investment	-	(367,174)
Accrued markup	(707,227)	-
Dividend income	(421,988)	(421,988)
Financial charges	6,392	6,567
Operating loss before working capital changes	598,510	(2,532,495)
Effect on cash flow due to Working capital changes		
(Increase)/decrease in current assets		
Advance, deposit, prepayments, & other receivables	(3,800,524)	8,804,299
Trade debts	(7,359,904)	(15,177,380)
Increase in current liabilities		
Trade and other payables	41,088,287	15,250,308
Cash flows from operations	30,526,369	6,344,732
Income tax paid	-	(275,170)
Financial charges paid	(6,392)	(6,567)
Dividend income received	421,988	421,988
Net cash generated from/(used in) operating activities	30,941,965	6,484,983
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of operating fixed assets	(27,500)	(48,090)
Purchase of cards and rooms	-	-
Long Term Investment	-	(15,259,068)
Security deposit	-	(1,776,909)
Net cash used in investing activities	(27,500)	(17,084,067)
CASH FLOWS FROM FINANCING ACTIVITIES		
Share deposit money received	-	26,500,000
Net cash generated from financing activities	-	26,500,000
Net increase in cash and cash equivalents	30,914,465	16,268,090
Cash and cash equivalents at the beginning of the period	30,959,104	17,951,610
Cash and cash equivalents at the end of the period 10	61,873,569	34,219,700

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 March 31, 2019
	As at July 01, 2018	Additions during the period	As at March 31, 2019		As at July 01, 2018	Charge for the period	As at March 31, 2019	
	Rupees-----			%	Rupees-----			
Furniture and fixtures	721,485	27,500	748,985	15	147,592	64,740	212,332	536,653
Computers	1,175,180	-	1,175,180	30	495,663	152,866	648,529	526,651
Office equipments	707,002	-	707,002	15	162,254	61,878	224,132	482,870
	<u>2,603,667</u>	<u>27,500</u>	<u>2,631,167</u>		<u>805,509</u>	<u>279,484</u>	<u>1,084,993</u>	<u>1,546,174</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 30, 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) March 31, 2019 Rupees	(Audited) June 30, 2018 Rupees
	Note		
5.	Cards and rooms		
	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.	Long term security deposits		
	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.	Long Term Investment Available for Sale		
	843,975 (June-2018: 843,975) shares of LSE Financial Services Limited	<u>14,891,894</u>	<u>14,891,894</u>
8.	Trade debts		
	- Considered good	<u>16,891,077</u>	<u>9,531,173</u>
9.	Advances and deposits		
	Advances to suppliers	430,310	430,310
	Advances to employees	369,944	137,500
	Prepayment	15,002	3,428
	Security deposit	10,600,000	7,960,120
	Income tax refund due from Government	1,556,239	480,166
	Accrued markup	707,227	159,447
		<u>13,678,722</u>	<u>9,170,971</u>

	(Un-Audited) March 31, 2019 Rupees	(Audited) June 30, 2018 Rupees
10. Cash and bank balances		
Cash at hand	16,966	-
Cash at bank		
Saving account	10,016,171	19,680,357
Current account	51,840,432	11,278,747
	<u>61,873,569</u>	<u>30,959,104</u>
11. Share Capital		
Authorized		
20,000,000 (June-2018: 20,000,000) ordinary shares of Rs.10 each	<u>200,000,000</u>	<u>200,000,000</u>
11.1. Issued, subscribed and Paid up		
7,650,000 (June-2018: 7,650,000) 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-2018: 5,000,000) ordinary shares of Rs.10 each fully paid-up in cash	50,000,000	50,000,000
2,650,000 (June-2018: 2,650,000) 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>
12. Trade and other payables		
Trade payables	50,365,942	9,392,002
Others payable	990,950	876,603
	<u>51,356,892</u>	<u>10,268,605</u>
12.1.		
Accrued liabilities	33,780	-
Provident fund payable	569,136	579,158
Other Payables	388,034	197,445
Audit fee payable	-	100,000
	<u>990,950</u>	<u>876,603</u>

13. Contingencies and commitments

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

Note	09 Month Ended Mar 31, 2019	09 Month Ended Mar 31, 2018
	Rupees	Rupees
14. Operating revenues		
Commission income	7,630,487	2,317,997
	<u>7,630,487</u>	<u>2,317,997</u>
15. Administrative & Operative Expenses		
Salaries, allowances and other benefits	7,211,968	3,848,064
Rent, rates and taxes	13,027	12,412
Repairs and Maintenance	128,350	104,357
Utilities	274,629	200,999
Fees & subscription	285,542	49,000
PSX, Clearing house and CDC charges, etc.	488,622	34,717
Insurance charges	8,288	67,337
Travelling and conveyance	21,580	7,600
Depreciation	279,484	345,460
Communication, printing and stationery	78,482	75,109
Legal and professional charges	300,977	433,620
Commission paid to Trader	265,188	240,952
Entertainment	68,899	48,308
Auditor Remunirationom	-	-
Misc Expenses	1,136	57,438
	<u>9,426,172</u>	<u>5,525,373</u>
15.1 Auditor Remunirationom		
Statutory audit	-	-
Others	-	-
	<u>-</u>	<u>-</u>
16. Finance Cost		
Bank charges	6,389	5,127
FED charges	3	1,440
	<u>6,392</u>	<u>6,567</u>
17. Other income		
Income from financial assets		
Profit on Bank deposit	272,472	218,765
Dividend Income	421,988	421,988
Margin finance income	1,374,886	-
Margin Trading income	7,768	-
Return on exposure deposit with PSX	526,555	110,656
Commission receivable on MF	90,134	-
Profit receivable on MF	525,410	-
Misc. Income	24,712	-
	<u>3,243,925</u>	<u>751,408</u>

	09 Month Ended Mar 31, 2019	09 Month Ended Mar 31, 2018
	Rupees	Rupees
18. Taxation		
Current period	85,843	92,778
Transaction tax		187,170
Deferred tax		(1,884,029)
	<u>85,843</u>	<u>(1,604,081)</u>

18.1 Relationship between federal tax expense and accounting profit

In view of available income tax losses, provision for current taxation for the period ended December 31, 2017 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	
	09 Month Ended Mar 31, 2019	09 Month Ended Mar 31, 2018	09 Month Ended Mar 31, 2019	09 Month Ended Mar 31, 2018
	Rupees	Rupees	Rupees	Rupees
Managerial remuneration	1,800,000	1,800,000	1,610,000	1,125,000
Other benefits	702,742	658,818	64,426	-
Provident fund	93,717	93,717	62,481	39,054
	<u>2,596,459</u>	<u>2,552,535</u>	<u>1,736,907</u>	<u>1,164,054</u>
No. of persons	<u>1</u>	<u>1</u>	<u>3</u>	<u>2</u>

19.1 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		09 Month Ended Mar 31, 2019	09 Month Ended Mar 31, 2018
		Rupees	Rupees
Other Related Parties	Commission Income	95,430	362,938
Key Management	Commission Income	127,001	49,668
Provident fund*	Employer contribution	156,198	132,771
	Employee contribution	156,198	132,771

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

As At March 31, 2019 (Un-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-----								
Financial assets									
Long term security deposits	-	-	-	-	-	-	2,078,409	2,078,409	2,078,409
Trade Debts					16,891,077			16,891,077	16,891,077
Advances and deposits	10,600,000	-	-	10,600,000	1,522,483	-	-	1,522,483	12,122,483
Long Term Investment	-	-	-	-	-	-	14,891,894	14,891,894	14,891,894
Cash and bank balances	10,016,171	-	-	10,016,171	51,840,432	-	-	51,840,432	61,856,603
	<u>20,616,171</u>	<u>-</u>	<u>-</u>	<u>20,616,171</u>	<u>70,253,992</u>	<u>-</u>	<u>16,970,303</u>	<u>87,224,295</u>	<u>107,840,466</u>
Financial liabilities									
On balance sheet									
Trade and other payables	-	-	-	-	51,356,892	-	-	51,356,892	51,356,892
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,356,892</u>	<u>-</u>	<u>-</u>	<u>51,356,892</u>	<u>51,356,892</u>
Off balance sheet									
	-	-	-	-	51,356,892	-	-	51,356,892	51,356,892
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,356,892</u>	<u>-</u>	<u>-</u>	<u>51,356,892</u>	<u>51,356,892</u>

21.2 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	Total
Rupees								
Financial assets								
Long term security deposits	-	-	-	-	-	-	2,078,409	2,078,409
Trade debts					9,531,173		2,078,409	9,531,173
Advances and deposits	7,960,120	-	-	7,960,120	-	730,685	-	8,690,805
Long Term Investment							14,891,894	14,891,894
Cash and bank balances	19,680,357	-	-	19,680,357	11,278,747	-	-	30,959,104
	<u>27,640,477</u>	<u>-</u>	<u>-</u>	<u>27,640,477</u>	<u>20,809,920</u>	<u>730,685</u>	<u>16,970,303</u>	<u>66,151,385</u>
Financial liabilities								
On balance sheet								
Trade and other payables	-	-	-	-	10,268,605	-	-	10,268,605
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,268,605</u>	<u>-</u>	<u>-</u>	<u>10,268,605</u>
Off balance sheet								
	-	-	-	-	10,268,605	-	-	10,268,605
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,268,605</u>	<u>-</u>	<u>-</u>	<u>10,268,605</u>

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) March 31, 2019 Rupees	(Audited) June 30, 2018 Rupees
Size of the fund	<u>569,136</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) March 31, 2019 Number	(Audited) June 30, 2018 Number
Number of employees	<u>10</u>	<u>10</u>
Average number of employees	<u>8</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 16-APR-19.

25. General

Figures have been rounded off to the nearest rupees.


CHIEF EXECUTIVE OFFICER


DIRECTOR