

ABA ALI HABIB SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM BALANCE SHEET
AS ON DECEMBER 31, 2017

<u>CAPITAL & LIABILITIES</u>	Notes	31-Dec-17 (UN-AUDITED) (Rupees)	30-Jun-17 AUDITED (Rupees)
Authorized Capital		200,000,000	200,000,000
Issued, Subscribed & Paid up Capital	3	200,000,000	200,000,000
Loan from Sponsor - Related party	4	83,500,000	83,500,000
Unappropriated profit		380,353,084	674,082,849
Shareholder's Equity		663,853,084	957,582,849
 <u>CURRENT LIABILITIES</u>			
Short term borrowing	5	58,751,334	63,814,935
Trade and other payable	6	105,130,201	378,779,863
Payable to related party	7	271,676,063	188,677,780
		435,557,598	631,272,578
		1,099,410,682	1,588,855,427
 <u>PROPERTY & ASSETS</u>			
Property, Plant & Equipment	8	345,427	431,783
Intangible Assets	9	5,000,000	5,000,000
Long Term Investments		-	49,603,583
Deffered Tax		34,049	34,049
Long Term Deposit	10	2,115,000	1,615,000
		7,494,476	56,684,415
 <u>CURRENT ASSETS</u>			
Short Term Investment	11	874,026,543	827,366,171
Trade Debts - Considered Good	11	12,459,581	25,490,122
Short Term deposits and other receivables		40,060,652	161,858,124
Advance to staff		2,012,659	359,726,359
Advance income tax/Refundable		90,158,861	88,011,243
Cash & Bank Balances	12	73,197,911	69,718,993
		1,091,916,207	1,532,171,012
CONTINGENCIES AND COMMITMENTS	13	1,099,410,683	1,588,855,427

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

ABA ALI HABIB SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM PROFIT AND LOSS
FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	Notes	Dec-17 (Rupees)	Dec-16 (Rupees)
Operating Revenue	14	39,630,882	279,299,440
Operating Expenses	15	(22,468,562)	26,029,750
Operating Profit		<u>17,162,320</u>	<u>253,269,691</u>
Unrealized (loss)		(16,239,155.00)	
Capital (Loss)		(298,873,978.70)	
Other Income	16	13,811,339	954,253
Financial Charges	17	(9,590,291)	8,133,857
Profit Before Taxation		<u>(293,729,765)</u>	<u>246,090,087</u>
Taxation			
Current			1,022,703
Prior year			-
			1,022,703
(Loss)/Profit After Taxation		<u>(293,729,765)</u>	<u>245,067,384</u>
Unappropriated Profit brought forward		674,082,849	246,661,356
Unappropriated Loss / Profit carried forward		<u>380,353,084</u>	<u>491,728,740</u>
Earnings per share	18	<u>(14.686)</u>	<u>12.253</u>

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

ABA ALI HABIB SECURITIES (PRIVATE) LIMITED
NOTES TO THE INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2017

STATUS AND NATURE OF BUSINESS

1

1.1 The company was incorporated on 8th May 1996 as a private limited company under the Companies Ordinance, 1984.

The main object of the company is the business of brokerage in stock, shares, securities and other related jobs.
The registered office of the Company is 419, Stock Exchange Building, Stock Exchange Road, Karachi.

Significant Accounting Policies

2 2.1 **Basis of preparation**

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of Accounting and financial Reporting Standard for Medium-Sized Entities (MSEs) issued by the Institute of Chartered Accountants of Pakistan and provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

2.2 **Accounting Convention:**

These accounts have been prepared under the historical cost convention.

2.3 **Taxation**

Current

Provision for current taxation is based on taxable income at current rates of taxation after taking into account tax credit and tax rebates available, if any.

2.4 **Property and Equipment**

These are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation on property, plant and equipment are charged on yearly basis to income by applying diminishing method at the rates specified in note 7 to the financial statements. Full year depreciation is charged on additions during the year while no depreciation is charged on assets disposed off during the year.

2.5 **Intangible assets**

Membership cards, rights and privileges.

These assets have an indefinite useful life and are stated at acquisition cost. Provision are made for permanent diminution in value of these assets, if any, Gains and losses on disposal, if any, are taken to profit and loss account.

2.6 **Investments**

Investments are initially recognized on trade-date at cost, comprising of consideration paid and cost of transaction. For listed securities, closing quotations of stock exchange on last working day of the accounting year are considered for determining fair value, while for unquoted securities, fair value is determined considering break-up value of the securities.

2.7 **Trade debts and Other receivables**

These are stated net of provision for doubtful debts. Full provision is made against the debts considered doubtful.

2.8 **Deferred Cost**

Deferred cost is to be amortized over a period of five years from the year of commercial activity.

3	ISSUED , SUBSCRIBED AND PAID-UP-CAPITAL		Dec-17	Jun-17
			(RUPEES)	(RUPEES)
	Jun-17	Jun-17		
	No.of shares	No.of shares		
	13,500,000	13,500,000	ordinary shares of Rs.10/- each in consideration other than cash.	135,000,000
	6,500,000	6,500,000	ordinary shares of Rs.10/- each in cash.	65,000,000
	<u>20,000,000</u>	<u>20,000,000</u>		<u>200,000,000</u>

Consideration other than cash represents membership card of Karachi Stock Exchange of the Sponsoring director of the company transferred to the company.

4	Directors' Loan	Dec-17	Jun-17
		(RUPEES)	(RUPEES)
	Loan from sponsor	83,500,000	83,500,000

4.1 This represents an interest free loan from a member of the company and payable at the discretion of the company.

5	Short term borrowings	Dec-17	Jun-17
		(RUPEES)	(RUPEES)
	Summit bank Limited	28,753,120	34,061,832
	Soneri Bank Limited	29,998,215	29,679,463
	Askari Bank Limited	-	73,640
		<u>58,751,334</u>	<u>63,814,935</u>

6	Trade and other payable	Dec-17	Jun-17
		(RUPEES)	(RUPEES)
	Trade Payables	69,205,251	71,035,623
	Client deposit held with exchange	25,860,045	99,581,576
	Sales tax payable	271,668	436,791
	CDC & NCSS Payable	-	743,346
	Withholding tax payable	345,780	1,947,671
	CVT	38,830	65,482
	CG Withheld	1,749,891	-
	Accrued expenses	462,295	653,050
	Dealer payables	360,397	-
	Payable against Repo	-	198,765,630
	Slaries and allowances payable	-	2,858,088
	Interest payable	5,760,939	2,484,671
	Other payable	1,075,105	207,935
		<u>105,130,201</u>	<u>378,779,863</u>
		35,924,950	

7	Loan from Related Party		
	Loan from Directors	213,532,190	152,819,002
	Payable to Abid Ali Habib Securitiies	58,143,873	35,858,778
		<u>271,676,063</u>	<u>188,677,780</u>

8	Fixed Assets		
	As per attached schedule	345,427	431,783

9	INTANGIBLE ASSETS		
	Trading Right Entitlement Certificate		
	Pakistan Stock Exchange Limited	5,000,000	5,000,000

8.1 These represent shares of Pakistan Stock Exchange Limited (PSX) and Trading Right Entitlement Certificate (TREC) received from PSX in accordance with the requirements of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012.

10 Long term Deposits	Dec-17 (RUPEES)	Jun-17 (RUPEES)
Clearing house Deposit	100,000	100,000
Karachi Stock Exchange - new building	10,000	10,000
LSE Clg/NCCS Deposit	330,000	330,000
Booth Deposit	75,000	75,000
SLB Exposure	100,000	100,000
National Clearing Company	1,300,000	800,000
Central Deposit Company	200,000	200,000
	<u>2,115,000</u>	<u>1,615,000</u>

11 Short Term Investment	Dec-17 (RUPEES)	Jun-17 (RUPEES)
Investment in Shares	874,026,543	827,366,171
	-	-
	<u>874,026,543</u>	<u>827,366,171</u>

11 Trade & Other receivables -Secured-Considered Good.	<u>12,459,581</u>	<u>83,191,562</u>
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12 Bank balances	Dec-17 (RUPEES)	Jun-17 (RUPEES)
Cash in hand	21,272	24,573
Balance with banks in Saving Account	10,012,557	43,076
Current Account	63,164,082	53,534,096
	<u>73,197,911</u>	<u>53,601,744</u>

13 Contingencies and Commitments

A bank guarantee of Rs. 10 million has been provided to the Pakistan Stock Limited - National Clearing Company of Pakistan Limited for deposit of Margin/Exposure to Pakistan Stock Exchange Limited/National Clearing Company of Pakistan Limited against the Security of Pledge of shares and Personal Guarantee of only one sponsor director Mr. Aba Ali Habib

14 Operating Revenue	Dec-17 (RUPEES)	Dec-16 (RUPEES)
Commission income and it's related income	39,630,882	32,565,634
Capital gain/(Loss) on disposal of investments - net	-	41,254,602
Gain/(Loss) on remeasurement of investments carried at fair value through profit and loss	-	205,479,205
		<u>279,299,440</u>

15 Operating Expenses	Dec-17 (RUPEES)	Dec-16 (RUPEES)
Salary Expenses	9,445,351	12,071,351
Printing & Stationary	73,029	103,327
Legal & professional charges	182,369	242,670
Auditor Remuneration	70,000	75,000
CDC Expenses	806,965	957,975
Laga Expenses	8,081,669	7,383,172
Computer Software subscription fees & Hardware	1,292,082	1,271,187
Office Maintenance & Rent Expenses	172,850	168,630
Depreciation Expense	86,357	-
Telephone & Mobile Expenses	433,854	391,804
Electricity Expenses	439,532	873,490
Vehicle running and maintenance charges	311,701	563,132
Vehicle Insurance	-	-
Conveyance	-	-
Entertainment expenses	102,180	51,785
Travelling expenses	-	-
Misc & General Expenses	204,630	864,917
Research & Publication (Subscription)	511,800	685,000
Donation Expense	213,900	288,311
Courier & Postage Expense	40,294	37,998
	<u>22,468,562</u>	<u>26,029,750</u>

16 Other Income - Financial Assets

	<u>Dec-17</u> (RUPEES)	<u>Dec-16</u> (RUPEES)
Profit on Bank Deposit	454,671	34,834
Profit on cash margin KSE	465,160	374,857
Dividend Income	12,891,508	544,563
	<u>13,811,339</u>	<u>954,253</u>

17 Financial Charges

	<u>Dec-17</u> (RUPEES)	<u>Dec-16</u> (RUPEES)
Bank mark up and charges	9,590,291	8,133,857

18 Earnings per share- Basic and diluted

	<u>Dec-17</u> (RUPEES)	<u>Dec-16</u> (RUPEES)
Profit after taxation	380,353,084	245,067,384
Number of ordinary share	20,000,000	20,000,000
Earnings per share	<u>19.018</u>	<u>12.253</u>

19 Corresponding Figures

Corresponding figures have been re arranged and/or re-classified for the purpose of better presentation, wherever considered appropriate.

20 Date of Authorisation for Issue

These financial statements were authorised for issue on 29 January 2016 by the Board of Directors of the Company

CHIEF EXECUTIVE

DIRECTOR