

First Quarter Report
September 30, 2017
(Un-Audited)

TSBL

Trust Securities & Brokerage Limited

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COMPANY INFORMATION

Board of Directors

Mr. Ahmad Kamal	Chairman
Mr. Muhammad Ghayasuddin	Chief Executive
Mr. Junaid Shehzad Ahmad	Non-Executive
Mr. Abdul Basit	Executive Director
Mr. Muhammad Waqas	Non-Executive
Mr. Muhammad Ashraf	Non-Executive
Mr. Syed Javed Hussain	Non-Executive (Independent)

Audit Committee

Mr. Ahmad Kamal	Chairman
Mr. Muhammad Waqas	Member
Mr. Muhammad Ashraf	Member

HR & Remuneration Committee

Mr. Muhammad Ashraf	Chairman
Mr. Muhammad Ghayasuddin	Member
Mr. Abdul Basit	Member

Company Secretary & CFO

Mr. Umar Daraz

Auditors

Reanda Haroon Zakaria & Company
Chartered Accountants

Legal Advisor

Mr. Abdul Majid
Advocate

Share Registrar

Hameed Majeed Associates (Pvt.) Ltd.

Bankers

Habib Metropolitan Bank Limited
Bank Alfalah Limited
MCB Bank Limited
Al Baraka Bank (Pakistan) Limited

Registered Office

2nd Floor, Associated House, Building # 1 & 2,
7-Kashmir Road, Lahore-Pakistan.
Telephone : (042) 3637 3041-44
Fax : (042) 3637 3040

Office at LSE Financial Services Limited

Room # 607, 6th Floor, LSE Plaza
19-Khayaban-e-Aiwan-e-Iqbal, Lahore - Pakistan.
Telephone : (042) 3637 4710, 3630 0181

Website: www.trustsecu.com E-mail : info@trustsecu.com & tsbl@brain.net.pk

DIRECTORS' REVIEW

The Board of Directors presenting the brief overview of operational and financial performance of the company for the first quarter Un-audited Condensed Interim Financial Statements for the period ended September 30, 2017.

Financial Results	September 2017	September 2016
The summarized financial results are as follows:	Rupees	Rupees
Operating revenue	1,006,407	1,859,887
Gain on sale of securities	-	67,915
(Loss) on re-measurement of investments	(94,461)	(33,298)
	911,946	1,894,504
Operating and administrative expenses	(2,227,357)	(2,276,656)
Finance cost	(4,315)	(3,510)
Operating (loss)	(2,231,672)	(2,280,166)
	(1,319,726)	(385,662)
Other Charges	(50,237)	-
Other income	374,168	423,308
Profit/(loss) before taxation	(995,795)	37,646
Taxation	(15,000)	(30,000)
Profit/(loss) after taxation	(1,010,795)	7,646
Earnings/(loss) per share- basic and diluted	(0.101)	0.001

The KSE-100 Index was at 42,409 points at the end of September 30, 2017, decreased by approx. 9% from the beginning of this financial year.

During the quarter under review, the company recorded revenue of Rs. 1,286,114/- including other income of Rs. 374,168 during the quarter under review as compared to Rs.2,317,812/-in the corresponding period of the last year. The company sustained net loss of Rs.1,010,795/- for the first quarter ended September 30, 2017 which is due to disturbing political situation in the country. The share market shall neutralize and come back to normal condition, as soon as, political circumstances are controlled.

It is pertinent to mention that during the quarter under review, 74.05% shares were transferred from the two sponsors, the Emirates Global Investments Ltd., and Emirates Investments Group LLC, to new acquirers under an agreement; as follows:

1. Mr. Sikarder Mehmood 5,404,750 shares with 54.05% holding
2. Mr. Ahmad Kamal 1,000,000 shares with 10% holding
3. Mr. Junaid Shehzad Ahmed 1,000,000 shares with 10% holding

The approval was obtained in accordance with Regulation 4 (j) of Securities Brokers (Licensing and Operations) Regulations, 2016 from Securities & Exchange Commission of Pakistan.

Consequently, five new directors Mr. Muhammad Ghayas Uddin, Mr. Junaid Shehzad Ahmed, Mr. Ahmad Kamal, Mr. Muhammad Ashraf and Mr. Muhammad Waqas joined the Board replacing Mr. Muhammad Naeem Baig, Mr. Saeed Ur Rehman, Syed Noman Ali Shah, Mr. Shibli Muhammad Khan and Syed Mahmood Ali who resigned from Board of Directors.

The new sponsors have a feasible plan to make expansion in the company in respect of marketing, efficient management and widening operations by putting in further capital.

In the end, the Board is pleased with the continuous support of our valued clients and co-operation received from Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange.

For and on behalf of the Board

Lahore
October 26, 2017

Sd/-
(Muhammad Ghayas Uddin)
Chief Executive Officer

**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2017**

	Note	(Un-audited) September 30, 2017	(Audited) June 30, 2017
		----- Rupees -----	
ASSETS			
Non-Current Assets			
Property and equipment	5	1,002,117	1,035,402
Intangibles	6	1,542,600	1,542,600
Long term investments	7	2,720,000	2,720,000
Long term deposits	8	525,149	525,149
		5,789,866	5,823,151
Current Assets			
Short term investments	9	86,100	180,561
Trade debts	10	2,373,085	2,178,629
Advances, prepayments and other receivables	11	2,929,693	3,232,925
Tax refunds due from government	12	1,681,975	1,609,204
Cash and bank balances	13	49,989,047	21,530,797
		57,059,900	28,732,116
Total Assets		62,849,766	34,555,267
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized Capital			
10,000,000 ordinary shares of Rs.10/- each		100,000,000	100,000,000
Issued, subscribed and paid-up capital			
10,000,000 ordinary shares of Rs.10/- each	14	100,000,000	100,000,000
Reserves			
Accumulated losses		(88,980,594)	(87,969,799)
Shareholders' Equity		11,019,406	12,030,201
Current Liabilities			
Retirement benefits	15	1,831,653	1,999,004
Trade and other payables	16	49,998,707	20,526,062
		51,830,360	22,525,066
Contingency and Commitments	17	-	-
Total Equity and Liabilities		62,849,766	34,555,267

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

Sd/-

Chief Executive

Sd/-

Director

Sd/-

Chief Financial Officer

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017**

		(Un-audited) First quarter ended September 30, 2017	(Un-audited) First quarter ended September 30, 2016
	Note	----- Rupees -----	
Operating revenue	18	1,006,407	1,859,887
Gain on sale of securities		-	67,915
(Loss) on re-measurement of investments		(94,461)	(33,298)
		<u>911,946</u>	<u>1,894,504</u>
Operating and administrative expenses	19	<u>(2,227,357)</u>	<u>(2,276,656)</u>
Finance cost	20	<u>(4,315)</u>	<u>(3,510)</u>
		<u>(2,231,672)</u>	<u>(2,280,166)</u>
Operating (loss)		(1,319,726)	(385,662)
Other charges	21	(50,237)	-
Other income	22	374,168	423,308
Profit / (loss) before taxation		(995,795)	37,646
Taxation		(15,000)	(30,000)
Profit / (loss) after taxation		(1,010,795)	7,646
Earnings / (loss) per share - basic and diluted		(0.101)	0.001

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

Sd/-

Chief Executive

Sd/-

Director

Sd/-

Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017**

	(Un-audited) First quarter ended September 30, 2017	(Un-audited) First quarter ended September 30, 2016
----- Rupees -----		
Profit / (loss) for the first quarter	(1,010,795)	7,646
Other comprehensive income :		
Items that will be reclassified to profit & loss account in subsequent period		
Available-for-sale financial assets		
Gain arising due to remeasurement	-	27,123
Total comprehensive income / (loss) for the first quarter	<u><u>(1,010,795)</u></u>	<u><u>34,769</u></u>

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

Sd/-

Chief Executive

Sd/-

Director

Sd/-

Chief Financial Officer

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

	(Un-audited) First quarter ended September 30, 2017	(Un-audited) First quarter ended September 30, 2016
	----- Rupees -----	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	(995,795)	37,646
Adjustment for non-cash charges and other items		
Depreciation	33,285	34,926
Provision for doubtful debts	50,237	-
Reversal of provision for doubtful debts	(184,195)	(135,196)
(Gain) on disposal of property and equipment	-	(884)
Unrealised loss on remeasurement of investments	94,461	33,298
	(6,212)	(67,856)
Operating (loss) before working capital changes	(1,002,007)	(30,210)
Changes in Working Capital :		
(Increase) / decrease in current assets		
Trade debts	(60,498)	(2,411,065)
Advances, prepayments and other receivables	303,232	(2,857,331)
	242,734	(5,268,396)
Increase / (decrease) in current liabilities		
Trade and other payables	29,472,645	17,016,926
Cash generated from / (used in) operations after working capital changes	28,713,372	11,718,320
Taxes paid	(87,771)	(200,129)
Payment of employees compensated absences	(167,351)	-
	(255,122)	(200,129)
Net cash generated from / (used in) operating activities	28,458,250	11,518,191
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property and equipment	-	10,880
Investments-net	-	460,441
Net cash generated from investing activities	-	471,321
Net increase / (decrease) in cash and cash equivalents (A+B)	28,458,250	11,989,512
Cash and cash equivalents at the beginning of the period	21,530,797	18,374,515
Cash and cash equivalents at the end of the period	49,989,047	30,364,027

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

Sd/-

Chief Executive

Sd/-

Director

Sd/-

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

	Reserves						Shareholders' Equity
	Share Capital	Capital		Revenue		Grand Total	
		Fair Value Reserve	General Reserve	Accumulated	Sub Total		
				Losses			
Balance as at June 30, 2016	100,000,000	27,849	3,500,000	(88,879,958)	(85,379,958)	(85,352,109)	14,647,891
Total comprehensive profit / (loss) for the first quarter							
Profit / (loss) for the first quarter ended September 30, 2016				7,646	7,646	7,646	7,646
Other Comprehensive Income							
Gain / (loss) arises due to remeasurement of investments		27,123				27,123	27,123
Total comprehensive profit / (loss) for the first quarter ended September 30, 2016		27,123		7,646	7,646	34,769	34,769
Balance as at September 30, 2016	100,000,000	54,972	3,500,000	(88,872,312)	(85,372,312)	(85,317,340)	14,682,660
Balance as at June 30, 2017	100,000,000	-	-	(87,969,799)	(87,969,799)	(87,969,799)	12,030,201
Total comprehensive profit / (loss) for the first quarter							
Profit / (loss) for the first quarter ended September 30, 2017				(1,010,795)	(1,010,795)	(1,010,795)	(1,010,795)
Other Comprehensive Income							
Gain / (loss) arises due to remeasurement of investments							
Total comprehensive profit / (loss) for the first quarter ended September 30, 2017				(1,010,795)	(1,010,795)	(1,010,795)	(1,010,795)
Balance as at September 30, 2017	100,000,000	-	-	(88,980,594)	(88,980,594)	(88,980,594)	11,019,406

Balance as at June 30, 2016

Total comprehensive profit / (loss) for the first quarter

Profit / (loss) for the first quarter ended September 30, 2016

Other Comprehensive Income

Gain / (loss) arises due to remeasurement of investments

Total comprehensive profit / (loss) for the first quarter ended September 30, 2016

Balance as at September 30, 2016

Balance as at June 30, 2017

Total comprehensive profit / (loss) for the first quarter

Profit / (loss) for the first quarter ended September 30, 2017

Other Comprehensive Income

Gain / (loss) arises due to remeasurement of investments

Total comprehensive profit / (loss) for the first quarter ended September 30, 2017

Balance as at September 30, 2017

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

Sd/-

Chief Executive

Sd/-

Director

Sd/-

Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

1 THE COMPANY AND ITS OPERATIONS

The Company was incorporated as a Public Limited Company on October 19, 1993 in Pakistan and is listed on Pakistan Stock Exchange Limited. The Company is the Trading Right Entitlement Certificate holder of the Pakistan Stock Exchange Limited. The registered office of the Company is situated at 2nd Floor, Associated House, Building 1 & 2, 7 - Kashmir Road, Lahore. The Company is principally engaged in shares brokerage, investments, consultancy and underwriting services.

2 BASIS OF PREPARATION

2.1) Statement of Compliance

The Companies Act 2017 (the Act) was promulgated on 30th May, 2017; however, Securities and Exchange Commission of Pakistan vide its circular No.21 of 2017 dated October 04, 2017 communicated that the Commission has decided that the companies whose financial year closes on or before December 31,2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Accordingly these condensed interim financial statements of the Company for the first quarter ended September 30,2017 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions and directives issued under the repealed Companies Ordinance, 1984. In case where requirements differ, the provisions or directives issued under the Companies Ordinance, 1984 have been followed.

These condensed interim financial statements are unaudited do not include all of the information and disclosures required in the Financial Statements, and should be read in conjunction with the Company's Annual Financial Statements for the year ended June 30, 2017.

These condensed interim financial statements of the Company for the first quarter ended September 30, 2017 has been prepared on the settlement date basis.

2.2) Functional and Presentation Currency

These condensed interim Financial Statements are presented in Pakistan, Rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest rupee.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report are the same as those applied in the preparation of the Financial Statements for the year ended June 30, 2017.

Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the Company's operation or did not have any impact on the accounting policies of the Company.

4 ESTIMATES

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation of uncertainty were the same as those that applied to the financial statements for the year ended June 30, 2017.

		(Un-audited) First quarter ended September 30, 2017	(Audited) Year ended June 30, 2017
	Note	----- Rupees -----	
5 PROPERTY AND EQUIPMENTS			
Property and equipment	5.1	1,002,117	1,035,402
		<u>1,002,117</u>	<u>1,035,402</u>
5.1) Property and equipment			
Opening written down value		1,035,402	1,135,687
Total additions during the period		-	54,000
Total disposals during the period		-	(32,125)
Depreciation charge for the period		-	22,129
Depreciation charged on disposal		(33,285)	(144,289)
Closing written down value		<u>1,002,117</u>	<u>1,035,402</u>

		(Un-audited) First quarter ended September 30, 2017	(Audited) Year ended June 30, 2017
		----- Rupees -----	
6 INTANGIBLES			
Trading Rights Entitlement Certificate (TREC)			
Pakistan Stock Exchange Limited	6.1	1,280,000	1,280,000
Offices			
LSE Financial Services Limited (LFSL)	6.2	262,600	262,600
		<u>1,542,600</u>	<u>1,542,600</u>

- 6.1)** Pursuant to the promulgation of the Stock Exchanges (Corporatisation, Demutualization and Integrations) Act, 2012 (The Act), the ownership in a stock exchange has been segregated from the right to trade on the exchange. Accordingly, the company has received the equity shares of LSE Financial Services Limited (LFSL) and a Trading Right Entitlement Certificate (TREC) in lieu of its membership card of Lahore Stock Exchange (Guarantee) Limited.
- 6.2)** This represents cost of offices given by LSE Financial Services Limited within definite useful life. These are considered to be indefinite as there is no foreseeable limit on the period during which an entity expects to consume the future economic benefits
- 6.3)** The company has pledged/hypothecated Trading Right Entitlement Certificate (TREC) and 337,590 ordinary shares of LSE Financial Services Limited (LFSL) in compliance with Base Minimum Capital (BMC) requirement under Regulations of Pakistan Stock Exchange Limited.

7 LONG TERM INVESTMENTS

September 30, 2017	June 30, 2017	Name of Securities	Note	(Un-audited)	(Audited)
				First quarter ended September 30, 2017	Year ended June 30, 2017
Number of Shares				----- Rupees -----	
In shares of Un-quoted company - At cost					
843,975	843,975	LSE Financial Services Limited	7.1	2,720,000	2,720,000
Available for sale - In shares of quoted companies					
5,000	5,000	Sunshine Cotton Mills Limited		1,650	1,650
		Provision for impairment		(1,650)	(1,650)
				-	-
				<u>2,720,000</u>	<u>2,720,000</u>

7.1) This represents unquoted shares of LSE Financial Services Limited received by the Company in pursuance of Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012. The total number of shares received by the Company were 843,975 shares with a face value of Rs.10 each. Out of total number of shares owned, 60% shares (i.e. 506,385 shares) of the said entity are held in separate CDC blocked account, to restrict the sale of these shares by the members. Where as 40% of total shares i.e. 337,590 for Rs.10 each have been credited to the Company's CDC house account and are pledged in favour of Pakistan Stock Exchange Limited.

7.2) The net asset value of shares of LSE financial service limited Rs. 18.29 per share based on Annual Audited Financial Statements as at June 30, 2017.

8 LONG TERM DEPOSITS

Unsecured - Considered good

	(Un-Audited)	(Audited)
	First quarter ended September 30, 2017	Year ended June 30, 2017
	----- Rupees -----	
LSE Financial Services Limited	50,000	50,000
National Clearing Company of Pakistan Limited	300,000	300,000
Central Depository Company of Pakistan Limited	100,000	100,000
Utility deposits	75,149	75,149
	<u>525,149</u>	<u>525,149</u>

9 SHORT TERM INVESTMENTS

At fair value through profit or loss - Initially designated

September 30, 2017	June 30, 2017	Name of Securities	(Un-audited) First quarter ended September 30, 2017	(Audited) Year ended June 30, 2017
Number of Shares			----- Rupees -----	
		In shares of quoted company		
2,000	2,000	Fauji Foods Limited	56,100	150,561
		In shares of unquoted company		
5,000	5,000	Takaful Pakistan Limited-(Ex-related party)	60,000	60,000
		Less: Provision for impairment	(30,000)	(30,000)
			30,000	30,000
			86,100	180,561

Note

10 TRADE DEBTS

	(Un-audited) First quarter ended September 30, 2017	(Audited) Year ended June 30, 2017
Considered good	2,373,085	2,178,629
Considered doubtful	54,190,657	54,324,615
	56,563,742	56,503,244
Provision for doubtful debts	(54,190,657)	(54,324,615)
	2,373,085	2,178,629

Note

10.1) Provision for doubtful debts

	(Un-audited) First quarter ended September 30, 2017	(Audited) Year ended June 30, 2017
Balance at beginning of the period	54,324,615	52,537,467
Provision made during the period	50,237	2,848,604
	54,374,852	55,386,071
Reversal of excess provision	(184,195)	(611,992)
Considered bad debts written off	-	(449,464)
	54,190,657	54,324,615

Note

10.2) Clients securities pledged

The total value of securities pertaining to clients are Rs.255.47 million (June 30, 2017: Rs. 383.86 million) held in sub-accounts of the company. No security is pledged by client to the financial institutions except with NCCPL of amounting Rs. 0.27 million for exposure.

10.3) Aging analysis

The aging analysis of trade debts is as follows:

Note	As at September 30, 2017		As at June 30, 2017	
	Amount	Custody value	Amount	Custody value
	-----Rupees-----		-----Rupees-----	
Upto five days	78,717	78,717	300,436	300,436
More than five days	56,485,025	2,294,368	56,202,808	1,878,193
	56,563,742	2,373,085	56,503,244	2,178,629

10.4) Adequate provision of Rs. 54.191 million (June 30,2017:Rs. 54.324 million) has been provided in respect of amount due from customers for more than five days against which collateral securities are held after applying haircut margin.

Note	(Un-audited)	(Audited)
	First quarter ended September 30, 2017	Year ended June 30, 2017
	----- Rupees -----	
11 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES		
- Considered good		
Advances to staff	73,000	18,000
Exposure deposit with NCCPL	2,500,000	3,000,000
Short term prepayments	204,352	42,990
Other receivables	152,341	171,935
	2,929,693	3,232,925
12 TAX REFUNDS DUE FROM GOVERNMENT		
- Considered good		
Opening tax refund	1,609,204	879,404
Provision for the period	(15,000)	(128,778)
	1,594,204	750,626
Tax paid during the period	87,771	858,578
	1,681,975	1,609,204
13 CASH AND BANK BALANCES		
Cash in Hand	13,035	7,460
Cash at banks		
In Current account	9,216,308	12,540,080
In saving account	40,759,704	8,983,257
	49,976,012	21,523,337
	49,989,047	21,530,797

	(Un-audited) First quarter ended September 30, 2017	(Audited) Year ended June 30, 2017
Note	----- Rupees -----	
13.1) Balance pertaining to		
- clients	46,238,948	16,251,927
- brokerage house	3,737,064	5,271,410
	49,976,012	21,523,337

14 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

September 30, 2017	June 30, 2017		Note	September 30, 2017	June 30, 2017
Number of Shares					
10,000,000	10,000,000	Ordinary shares of Rs.10 each fully paid in cash	14.1	100,000,000	100,000,000

14.1) Pattern of shareholdings

	As at September 30, 2017		As at June 30, 2017	
	Number of shares held	% of shares held	Number of shares held	% of shares held
More than five percent				
Associated Companies, Undertakings and Related Parties				
- Mr. Sikander Mahmood	5,404,750	54.0475%	-	-
- Mr. Ahmad Kamal	1,000,000	10.0000%	-	-
- Mr. Junaid Shehzad Ahmed	1,000,000	10.0000%	-	-
- Emirates Global Investments Ltd	-	-	3,777,375	37.7738%
- Emirates Investment Group LLC	-	-	3,627,375	36.2738%
	7,404,750.00	74.0475%	7,404,750	74.0475%
Others				
- Din Capital Limited	679,500	6.7950%	-	-
	8,084,250	80.8425%	7,404,750	74.0475%
Others not more than five percent	1,915,750	19.1575%	2,595,250	25.9525%
	10,000,000	100.0000%	10,000,000	100.0000%

14.1.1) During the last financial year ended June 30,2017, the approval of the Securities and Exchange Commission of Pakistan has been obtained regarding the sale of 74.05% ordinary share capital by the major shareholders Emirates Global Investments Ltd and Emirates Investment Group LLC to Mr.Sikander Mahmood, Mr. Ahmad Kamal, Mr. Junaid Shehzad Ahmed, in accordance with Regulation 4(j) of the Securities Brokers (Licensing and Operations) Regulations, 2016. In this regard the compliance with take over and other regulatory requirements for transfer of shares has been completed and subsequent the respective shares were transferred to the Acquirers.

	(Un-audited) First quarter ended September 30, 2017	(Audited) Year ended June 30, 2017
	----- Rupees -----	
15 RETIREMENT BENEFITS		
Employees compensated absences	1,831,653	1,999,004
16 TRADE AND OTHER PAYABLES		
Trade creditors	48,738,948	19,251,927
Accrued & other liabilities	1,259,759	1,274,135
	49,998,707	20,526,062

Note

17 CONTINGENCY AND COMMITMENTS**Contingencies**

There were no change in contingencies since the last audited financial statements for the period ended June 30, 2017.

	(Un-audited) First quarter ended September 30, 2017	(Audited) Year ended June 30, 2017
	----- Rupees -----	
Commitments		
For purchase of shares	1,499,075	5,132,855
For sale of shares	146,154	3,979,254

Note

18 OPERATING REVENUE

Brokerage income from :

	(Un-audited) First quarter ended September 30, 2017	(Un-audited) First quarter ended September 30, 2016
- Retail customers	612,470	1,811,857
- Institutional customers	393,937	48,030
	1,006,407	1,859,887

18.1) No dividend income received during the quarter period ended September 30 ,2017 (September 30, 2016: Nil).

	(Un-audited) First quarter ended September 30, 2017	(Un-audited) First quarter ended September 30, 2016
	----- Rupees -----	
19 OPERATING AND ADMINISTRATIVE EXPENSES		
Salaries, benefits and allowances	1,209,818	1,311,227
Commission and Clearing house charges	20,412	49,680
Communication expenses	52,776	74,491
Printing and stationery	18,358	17,257
Entertainment expense	43,759	25,805
Traveling & Lodging expense	23,110	6,680
Repair and maintenance	78,806	118,455
Advertisement and sale promotion	26,000	-
Electricity and utilities	107,484	95,131
Insurance	-	3,142
Depreciation	33,285	34,926
Internet and software maintenance charges	79,042	2,801
Legal and professional charges	45,856	53,565
Fees and subscriptions	100,384	130,056
Rent, rates and taxes	238,032	230,013
Auditors remuneration	83,750	85,000
Miscellaneous expense	66,485	38,427
	2,227,357	2,276,656
20 FINANCE COST		
Bank charges	4,315	3,510
21 OTHER CHARGES		
Provision for doubtful debts	50,237	-
22 OTHER INCOME - Net		
Income from financial assets		
- Interest on saving account	166,753	283,684
- Interest income on exposure deposited	23,220	3,544
- Reversal of provision for doubtful debts	184,195	135,196
	374,168	422,424
Income from other than financial assets		
- Gain / (loss) on sale of fixed assets	-	884
	374,168	423,308

23 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, directors of the Company, key management employees and staff retirement benefits. The Company continues to have a policy where by all transactions with related parties are entered into at commercial terms and conditions.

Transactions with associated undertakings and key management personnels under the term of their employment, are as follows:

	(Un-audited) First quarter ended September 30, 2017	(Un-audited) First quarter ended September 30, 2016
Note	----- Rupees -----	
Transactions with other related parties / associated underakings		
Commission paid to Chief Executive	71,238	72,907
Commission received from Chief Executive	6,330	11,960
Commission received from Director	1,575	-
Salary drawn by Chief Executive	361,744	328,285
Expenses incurred by the Chief Executive	37,084	61,600

24 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on October 26, 2017.

25 GENERAL

25.1) Figures have been rounded off to the nearest rupee.

25.2) Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of better presentation with no impact in the net profit/loss or earning/loss of the share of the company.

Sd/-

Chief Executive

Sd/-

Director

Sd/-

Chief Financial Officer



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