

Third Quarter Report  
March 31, 2018  
(Un-Audited)

**TSBL**

**Trust Securities & Brokerage Limited**

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## COMPANY INFORMATION

### Board of Directors :

Mr. Ahmad Kamal	Chairman
Mr. Abdul Basit	Chief Executive Officer
Mr. Junaid Shehzad Ahmad	Non-Executive
Mr. Khizer Hayat Farooq	Non-Executive (Independent)
Mr. Talha Muhammad Razi	Non-Executive
Mr. Muhammad Ashraf	Non-Executive
Mr. Syed Javed Hussain	Non-Executive

### Audit Committee :

Mr. Khizer Hayat Farooq	Chairman
Mr. Ahmad Kamal	Member
Mr. Muhammad Ashraf	Member

### Human Resource and Remuneration Committee :

Mr. Muhammad Ashraf	Chairman
Mr. Khizer Hayat Farooq	Member
Mr. Abdul Basit	Member

### Company Secretary & CFO :

Mr. Umar Daraz

### Auditors :

Reanda Haroon Zakaria & Company  
Chartered Accountants

### Share Registrar :

Hameed Majeed Associates (Pvt.) Ltd.  
H.M. House, 7-Bank Square, Lahore.  
Tel: (92-42) 37235081-82 Fax: (92-42) 37358817

### Internal Auditors :

H.A.M.D & Company  
Chartered Accountants

### Legal Advisor :

Mr. Abdul Majid  
Advocate

### Bankers :

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

### Corporate Office :

Suite No. 608 & 609, 6<sup>th</sup> Floor  
Business & Finance Centre, I.I. Chundrigar Road,  
Karachi (PAKISTAN).  
UAN : (92-21) 111-000-875, Tel: (92-21) 32469044-48  
Fax #: (92-21) 32467660

### Branch Office :

2nd Floor, Associated House  
Building # 1 & 2, 7-Kashmir Road  
Lahore (PAKISTAN).  
Telephone : (92-42) 36310241-44  
Fax : (92-42) 36373040

Website: [www.tsbl.com.pk](http://www.tsbl.com.pk) E-mail: [info@tsbl.com.pk](mailto:info@tsbl.com.pk) & [tsbl@brain.net.pk](mailto:tsbl@brain.net.pk)

**DIRECTORS' REPORT**

On behalf of the the Board of Directors of the company, we are pleased to present the Un-Audited Interim Financial Statements for the period ended March 31, 2018.

**Financial Results:**

The summarized financial results are as follows:

	<b>(Un-Audited)</b>		<b>(Un-Audited)</b>	
	<b>Nine months ended</b>		<b>Third quarter ended</b>	
	<b>March 31,</b>	<b>March 31,</b>	<b>March 31,</b>	<b>March 31,</b>
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>----- Rupees -----</b>			
Operating revenue	<b>2,362,691</b>	6,765,457	<b>525,876</b>	2,116,566
Gain on sale of securities	-	120,885	-	-
Gain on re-measurement of investments	<b>102,799</b>	9,722	<b>181,680</b>	43,840
	<b>2,465,490</b>	6,896,064	<b>707,556</b>	2,160,406
Operating and administrative expenses	<b>(11,883,583)</b>	(7,433,900)	<b>(4,678,822)</b>	(2,577,741)
Finance cost	<b>(216,627)</b>	(9,739)	<b>(123,942)</b>	(3,140)
	<b>(12,100,210)</b>	(7,443,639)	<b>(4,802,764)</b>	(2,580,881)
<b>Operating loss</b>	<b>(9,634,720)</b>	(547,575)	<b>(4,095,208)</b>	(420,475)
Other charges	<b>(99,457)</b>	(2,762,707)	<b>(49,220)</b>	-
Other operating income	<b>758,546</b>	1,125,298	<b>21,145</b>	249,957
<b>Loss before taxation</b>	<b>(8,975,631)</b>	(2,184,984)	<b>(4,123,283)</b>	(170,518)
Taxation	<b>(35,000)</b>	(200,000)	<b>(5,000)</b>	(92,894)
<b>Loss after taxation</b>	<b>(9,010,631)</b>	(2,384,984)	<b>(4,128,283)</b>	(263,412)
	<b>----- Rupees -----</b>			
		(Restated)		(Restated)
<b>Loss per share - basic and diluted</b>	<b>(0.78)</b>	(0.21)	<b>(0.34)</b>	(0.02)

Pakistan Stock Exchange Limited (PSX) 100 Index closed at 45,560 points on March 31, 2018. The Company earned total revenue of Rs.2,465,490/- as compared to Rs. 6,896,064/- in the corresponding period of the last year. On the expenditure side, the operating expenses were Rs.11,883,583/- as compared to Rs.7,433,900/- of the same period of last year. The main reason for increasing in operating expenses, is payment of challan fee of Rs.2.6 million to SECP for increase in the Authorized Capital and also Rs.1.77 million of Right Share Issuance Expenses of the company during the period ended March 31, 2018.

The Company through extra ordinary general meeting has increased its authorized capital from Rs. 100 million to 750 million. Subsequently, the Board of Directors in their meeting held on January 05, 2018 decided to raise the paid-up capital of the company upto Rs.300 million by issuing the 200% right shares to support the company's operations. Consequently during the period the company has successfully received amount of Rs.200 million against right shares subscription and allotment has been made accordingly.

We express our appreciation to our valued clients and shareholders for their continued relationship and we would also like to appreciate the SECP and Pakistan Stock Exchange Limited for their efforts to strengthen the Capital Markets. Our efforts are continued for positive improvement of the business of the company in volatile economic conditions.

**For and on behalf of the Board**

**Karachi**  
**April 27, 2018**

**Sd/-**  
**(ABDUL BASIT)**  
**Chief Executive**

# Trust Securities & Brokerage Limited

# TSBL

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT MARCH 31, 2018

	Note	(Un-Audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property and equipment	5	1,042,339	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
		<u>5,830,088</u>	<u>5,823,151</u>
<b>Current Assets</b>			
Short term investments	9	343,360	180,561
Trade debts	10	1,824,911	2,178,629
Advances, prepayments, deposits and other receivables	11	2,947,532	3,232,925
Tax refunds due from government	12	1,855,341	1,609,204
Cash and bank balances	13	216,552,072	21,530,797
		<u>223,523,216</u>	<u>28,732,116</u>
<b>Total Assets</b>		<u><u>229,353,304</u></u>	<u><u>34,555,267</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
<b>Authorized Capital</b>			
75,000,000 (June 2017 : 10,000,000) Ordinary shares of Rs.10 each		<u>750,000,000</u>	<u>100,000,000</u>
<b>Issued, subscribed and paid-up capital</b>	14	<b>300,000,000</b>	100,000,000
<b>Reserves</b>			
Accumulated losses		<u>(95,869,734)</u>	<u>(87,969,799)</u>
<b>Shareholders' Equity</b>		<u>204,130,266</u>	<u>12,030,201</u>
<b>Non-Current Liabilities</b>			
Long term financing	15	7,996,549	-
<b>Current Liabilities</b>			
Trade and other payables	16	17,226,489	22,525,066
<b>Contingency and Commitment</b>	17	-	-
<b>Total Equity and Liabilities</b>		<u><u>229,353,304</u></u>	<u><u>34,555,267</u></u>

The annexed notes form an integral part of these interim financial information.

Sd/-  
\_\_\_\_\_  
Chief Executive

Sd/-  
\_\_\_\_\_  
Director

Sd/-  
\_\_\_\_\_  
Chief Financial Officer

# Trust Securities & Brokerage Limited

# TSBL

## CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE NINE MONTHS & THIRD QUARTER ENDED MARCH 31, 2018

	Note	(Un-Audited) Nine months ended		(Un-Audited) Third quarter ended	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
----- Rupees -----					
Operating revenue	18	2,362,691	6,765,457	525,876	2,116,566
Gain on sale of securities		-	120,885	-	-
Gain on re-measurement of investments		102,799	9,722	181,680	43,840
		<u>2,465,490</u>	<u>6,896,064</u>	<u>707,556</u>	<u>2,160,406</u>
Operating and administrative expenses	19	(11,883,583)	(7,433,900)	(4,678,822)	(2,577,741)
Finance cost	20	(216,627)	(9,739)	(123,942)	(3,140)
		<u>(12,100,210)</u>	<u>(7,443,639)</u>	<u>(4,802,764)</u>	<u>(2,580,881)</u>
<b>Operating loss</b>		<b>(9,634,720)</b>	<b>(547,575)</b>	<b>(4,095,208)</b>	<b>(420,475)</b>
Other charges	21	(99,457)	(2,762,707)	(49,220)	-
Other operating income	22	758,546	1,125,298	21,145	249,957
<b>Loss before taxation</b>		<b>(8,975,631)</b>	<b>(2,184,984)</b>	<b>(4,123,283)</b>	<b>(170,518)</b>
Taxation		(35,000)	(200,000)	(5,000)	(92,894)
<b>Loss after taxation</b>		<b>(9,010,631)</b>	<b>(2,384,984)</b>	<b>(4,128,283)</b>	<b>(263,412)</b>
----- Rupees -----					
			(Restated)		(Restated)
<b>Loss per share - basic and diluted</b>		<b>(0.78)</b>	<b>(0.21)</b>	<b>(0.34)</b>	<b>(0.02)</b>

The annexed notes form an integral part of these interim financial information.

Sd/-  
\_\_\_\_\_  
Chief Executive

Sd/-  
\_\_\_\_\_  
Director

Sd/-  
\_\_\_\_\_  
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS & THIRD QUARTER ENDED MARCH 31, 2018**

	(Un-Audited)		(Un-Audited)	
	Nine months ended		Third quarter ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
----- Rupees -----				
Loss after tax for the period	(9,010,631)	(2,384,984)	(4,128,283)	(263,412)
<b>Other comprehensive income :</b>				
Present value adjustment of interest free loan	1,110,696	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(7,899,935)</b>	<b>(2,384,984)</b>	<b>(4,128,283)</b>	<b>(263,412)</b>

The annexed notes form an integral part of these interim financial information.

Sd/-  
\_\_\_\_\_  
Chief Executive

Sd/-  
\_\_\_\_\_  
Director

Sd/-  
\_\_\_\_\_  
Chief Financial Officer



## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS & THIRD QUARTER ENDED MARCH 31, 2018

	(Un-Audited) March 31, 2018	(Un-Audited) March 31, 2017
	----- Rupees -----	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(8,975,631)	(2,184,984)
<b>Adjustment for non-cash charges and other items</b>		
Depreciation	102,498	105,398
Provision for doubtful debts	99,457	2,762,707
Reversal of provision for doubtful debts	(18,718)	-
(Gain) on disposal of property and equipment	-	(884)
Financial charges on long term financing.	207,245	-
Unrealised (gain)/loss on remeasurement of investments	(102,799)	(9,722)
	<u>287,683</u>	<u>2,857,499</u>
	(8,687,948)	672,515
<b>Changes in Working Capital :</b>		
<b>Decrease / (increase) in current assets</b>		
Trade debts	272,979	(1,848,508)
Advances, prepayments and other receivables	285,393	(2,772,468)
	558,372	(4,620,976)
<b>(Decrease) / increase in current liabilities</b>		
Trade and other payables	(5,298,577)	8,660,824
<b>Cash (used in) / generated from operations after working capital changes</b>	(13,428,153)	4,712,363
Taxes paid	(281,137)	(712,352)
<b>Net cash (used in) / generated from operating activities</b>	<u>(13,709,290)</u>	<u>4,000,011</u>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure incurred	(109,435)	(31,500)
Disposal / (addition) to capital work in progress	-	2,467,608
Proceeds from sale of property and equipment	-	10,880
Investments-net	(60,000)	472,016
Long term loan received	8,900,000	-
<b>Net cash generated from investing activities</b>	<u>8,730,565</u>	<u>2,919,004</u>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	200,000,000	-
<b>Net increase in cash and cash equivalents (A+B+C)</b>	195,021,275	6,919,015
<b>Cash and cash equivalents at the beginning of the period</b>	21,530,797	18,374,515
<b>Cash and cash equivalents at the end of the period</b>	<u>216,552,072</u>	<u>25,293,530</u>

The annexed notes form an integral part of these interim financial information.

Sd/-	Sd/-	Sd/-
Chief Executive	Director	Chief Financial Officer

**STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE MONTHS & THIRD QUARTER ENDED MARCH 31, 2018**

	Share Capital	Capital		Reserves		Grand Total	Shareholders' Equity
		Fair Value Reserve	General Reserve	Revenue Accumulated Losses	Sub Total		
----- Rupees -----							
<b>Balance as at June 30, 2016</b>	100,000,000	27,849	3,500,000	(88,879,958)	(85,379,958)	(85,352,109)	14,647,891
Loss for the nine months ended March 31, 2017	-	-	-	(2,384,984)	(2,384,984)	(2,384,984)	(2,384,984)
Reserve transferred to profit & loss on disposal of investments available for sale	-	(27,849)	-	-	-	(27,849)	(27,849)
Balance as at March 31, 2017	100,000,000	-	3,500,000	(91,264,942)	(87,764,942)	(87,764,942)	12,235,058
<b>Balance as at June 30, 2017</b>	100,000,000	-	-	(87,969,799)	(87,969,799)	(87,969,799)	12,030,201
Issue of right shares	200,000,000	-	-	-	-	-	200,000,000
Loss for the nine months ended March 31, 2018	-	-	-	(9,010,631)	(9,010,631)	(9,010,631)	(9,010,631)
Present value adjustment of long term loan	-	-	-	1,110,696	1,110,696	1,110,696	1,110,696
<b>Balance as at March 31, 2018</b>	200,000,000	-	-	(7,899,935)	(7,899,935)	(7,899,935)	192,100,065
<b>Balance as at March 31, 2018</b>	300,000,000	-	-	(95,869,734)	(95,869,734)	(95,869,734)	204,130,266

The annexed notes form an integral part of these interim financial information.

Sd/-  
Chief Executive

Sd/-  
Director

Sd/-  
Chief Financial Officer

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS & THIRD QUARTER ENDED MARCH 31, 2018

### 1 THE COMPANY AND ITS OPERATION

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 principal activities of the company include brokerage trading of shares and securities. The registered office of the Company is situated at Suite No. 608 & 609, 6th Floor, Business & Finance Centre, I. I. Chundrigar Road, Karachi.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of Compliance

This condensed interim financial information of the company for the nine months period ended March 31, 2018 has been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

This condensed interim financial information does not include all of the information required for full annual financial statement and should be read in conjunction with the audited annual financial statements as at and for the year ended June 30, 2017.

#### 2.2 Functional and Presentation Currency

These condensed interim financial statements have been presented in Pak Rupees, which is the functional currency of the Company.

### 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 operations 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 uncertainty were the same as those that applied to the financial statements for the year ended June 30, 2017.

# Trust Securities & Brokerage Limited

# TSBL

			(Un-Audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
<b>5</b>	<b>PROPERTY AND EQUIPMENT</b>			
	Operating fixed assets	5.1	<u>1,042,339</u>	<u>1,035,402</u>
<b>5.1</b>	<b>Operating fixed assets</b>			
	Opening written down value		1,035,402	1,135,687
	Addition during the period		109,435	54,000
	Disposals during the period		-	(32,125)
	Depreciation charge on disposal		-	22,129
	Depreciation charge for the period		<u>(102,498)</u>	<u>(144,289)</u>
			<u>1,042,339</u>	<u>1,035,402</u>
<b>6</b>	<b>INTANGIBLES</b>			
	<b>Trading Rights Entitlement Certificate (TREC)</b>			
	Pakistan Stock Exchange Limited		1,280,000	1,280,000
	<b>Offices</b>			
	LSE Financial Services Limited (LFSL)		<u>262,600</u>	<u>262,600</u>
			<u>1,542,600</u>	<u>1,542,600</u>
<b>7</b>	<b>LONG TERM INVESTMENTS</b>			
	<b>- At Cost - In Shares of Unquoted Company</b>			
			<b>Carrying Value</b>	
			(Un-Audited)	(Audited)
	March 31, 2018	June 30, 2017	March 31, 2018	June 30, 2017
	<b>Number of Shares</b>		<b>Rupees</b>	
	843,975	843,975	2,720,000	2,720,000
		LSE Financial Services Limited		
	<b>- Available for sale - In Shares of Quoted Companies</b>			
	March 31, 2018	June 30, 2017		
	<b>Number of shares</b>			
	5,000	5,000	1,650	1,650
		Sunshine Cotton Mills Ltd.	1,650	1,650
		Provision for Impairment	<u>(1,650)</u>	<u>(1,650)</u>
			<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.

The net asset value of shares of LSE financial service limited Rs. 18.08 per share based on the half yearly reviewed financial statements as at December 31, 2017.

	Note	(Un-Audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
<b>8 LONG TERM DEPOSITS</b>			
- Unsecured - Considered good			
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>
<b>9 SHORT TERM INVESTMENTS</b>			
- At fair value through profit or loss - Initially designated			
In shares of quoted company	9.1	313,360	150,561
In shares of unquoted company	9.2	30,000	30,000
		<u>343,360</u>	<u>180,561</u>
<b>9.1 In shares of quoted company</b>			
(Un-Audited) (Audited)			
March 31, June 30,			
2018 2017			
Number of Shares Name of Securities			
8,000 8,000 Fauji Foods Limited		313,360	150,561
		<u>313,360</u>	<u>150,561</u>
<b>9.2 In shares of unquoted company</b>			
(Un-Audited) (Audited)			
March 31, June 30,			
2018 2017			
Number of Shares Name of Company			
5,000 5,000 Takaful Pakistan Limited		60,000	60,000
Less: Provision for impairment		(30,000)	(30,000)
		<u>30,000</u>	<u>30,000</u>
<b>10 TRADE DEBTS</b>			
Considered good		1,824,911	2,178,629
Considered doubtful		54,405,354	54,324,615
		56,230,265	56,503,244
Provision for doubtful receivables	10.1	(54,405,354)	(54,324,615)
		<u>1,824,911</u>	<u>2,178,629</u>

	Note	(Un-Audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
<b>10.1 Provision for doubtful receivables</b>			
Balance at beginning of the period		54,324,615	52,537,467
Additional provision made during the period		99,457	2,848,604
Considered bad debts written off		-	(449,464)
		<u>54,424,072</u>	<u>54,936,607</u>
Reversal of excess provision		(18,718)	(611,992)
Balance at end of the period		<u>54,405,354</u>	<u>54,324,615</u>
<b>10.1.1</b> The total value of securities pertaining to clients are Rs. 49.489 million held in sub-accounts of the company. No security is pledged by clients to the financial institutions.			
	Note	(Un-Audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
<b>11 ADVANCES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES</b>			
- Considered good			
Advances to staff		42,000	18,000
Short term prepayments		-	42,990
Exposure deposits with NCCPL		2,500,000	3,000,000
Other receivables		405,532	171,935
		<u>2,947,532</u>	<u>3,232,925</u>
<b>12 TAX REFUNDS DUE FROM GOVERNMENT</b>			
Opening tax refundable		1,609,204	879,404
Provision for the period		(35,000)	(128,778)
		<u>1,574,204</u>	<u>750,626</u>
Tax paid during the period		281,137	858,578
		<u>1,855,341</u>	<u>1,609,204</u>
<b>13 CASH AND BANK BALANCES</b>			
Cash in hand		29,354	7,460
<b>Cash at banks</b>			
In current accounts		211,873,784	12,540,080
In saving account		4,648,934	8,983,257
	13.1	<u>216,522,718</u>	<u>21,523,337</u>
		<u>216,552,072</u>	<u>21,530,797</u>
<b>13.1 Balance pertaining to</b>			
- clients		11,679,748	16,251,927
- brokerage house		204,842,970	5,271,410
		<u>216,522,718</u>	<u>21,523,337</u>

			(Un-Audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
<b>14 ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>				
	(Un-Audited)	(Audited)		
	March 31, 2018	June 30, 2017		
	<b>Number of Shares</b>			
	<u>30,000,000</u>	<u>10,000,000</u>	<u>300,000,000</u>	<u>100,000,000</u>
		Ordinary shares of Rs.10/- each fully paid in cash	(Un-Audited) March 31, 2018 Number of Shares	(Audited) June 30, 2017 Number of Shares
<b>14.1 Movement of number of shares are as follows:</b>				
Opening shares at the beginning of the period			10,000,000	10,000,000
Right shares issued during the period	14.2		20,000,000	-
Closing shares			<u>30,000,000</u>	<u>10,000,000</u>
<b>14.2</b>				
During the period, the new management has taken over the Company effective on October 03, 2017. The Company through extra ordinary general meeting has increased its authorised capital from Rs. 100 million to 750 million. Subsequently, the Board of Directors in their meeting held on January 05, 2018 decided to raise the paid-up capital of the company upto Rs.300 million by issuing the 200% right shares. Consequently during the period the company has successfully received amount of Rs.200 million against right shares subscription and allotment has been made accordingly.				
			(Un-Audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
<b>15 LONG TERM FINANCING</b>				
<b>From related party</b>				
<b>- Sponsor</b>				
Original value of loan			8,900,000	-
Less: Present value adjustment	15.1		(1,110,696)	-
Add: Interest charged to profit and loss account to date			207,245	-
			<u>7,996,549</u>	<u>-</u>
<b>15.1</b>				
These loans have been obtained from sponsor and is unsecured and interest free. In accordance with International Accounting Standard 39, Financial Instruments: Recognition and Measurement, these loans have been measured at amortized cost calculated at three months kibar rate.				

	(Un-Audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
<b>16 TRADE AND OTHER PAYABLES</b>		
<b>Trade</b>		
Payable to customers	14,179,748	19,251,927
<b>Others</b>		
Creditors for services	784,219	1,077,600
Accrued and other liabilities	446,049	196,535
Employee compensated expenses payables	1,816,473	1,999,004
	<u>17,226,489</u>	<u>22,525,066</u>

**17 CONTINGENCY AND COMMITMENT**

**17.1 Contingencies**

There are no major changes in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2017.

	Note	(Un-Audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
<b>17.2 Commitments</b>			
For purchase of shares		<u>3,562,990</u>	<u>5,132,855</u>
For sale of shares		<u>3,062,292</u>	<u>3,979,254</u>

	(Un-Audited) Nine months ended		(Un-Audited) Third Quarter ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Note	----- Rupees -----			

**18 OPERATING REVENUE**

<b>Brokerage Income</b>				
- Retail customers	1,492,370	6,222,152	473,483	2,087,279
- Institutional customers	447,743	121,317	52,006	29,287
	<u>1,940,113</u>	<u>6,343,469</u>	<u>525,488</u>	<u>2,116,566</u>
Brokerage Income from Initial Public Offers	388	-	388	-
Dividend income	422,190	421,988	-	-
	<u>2,362,691</u>	<u>6,765,457</u>	<u>525,876</u>	<u>2,116,566</u>



Note	(Un-Audited) Nine months ended		(Un-Audited) Third Quarter ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	----- Rupees -----			
<b>19 OPERATING AND ADMINISTRATIVE EXPENSES</b>				
Salaries, benefits and allowances	3,645,447	4,173,863	1,217,279	1,430,514
Commission and clearing house charges	39,250	163,657	10,533	60,004
Communication expenses	359,741	232,420	238,266	73,136
Printing and stationery	127,597	152,553	56,598	73,435
Entertainment expense	116,894	101,735	36,457	43,403
Traveling and lodging expense	103,208	76,930	38,174	12,090
Repair and maintenance	209,451	267,428	67,506	77,508
Advertisement and sale promotion	91,825	32,952	47,993	15,152
Electricity and utilities	266,785	245,758	72,208	67,631
Insurance	3,035	6,318	-	-
Depreciation	102,498	105,398	35,928	35,630
Internet and software maintenance charges	336,128	302,760	165,446	198,469
Legal and professional charges	300,069	195,037	165,364	70,063
Fees and subscriptions	3,172,550	292,164	326,871	52,547
Rent, rates and taxes	799,257	685,031	298,801	226,829
Right share issuance expenses	1,768,940	-	1,768,940	-
Auditors remuneration	251,250	255,000	83,750	85,000
Miscellaneous expense	189,658	144,896	48,708	56,330
	<b>11,883,583</b>	<b>7,433,900</b>	<b>4,678,822</b>	<b>2,577,741</b>
<b>20 FINANCE COST</b>				
Bank charges	9,382	9,739	2,592	3,140
Amortisation of interest free loan	207,245	-	121,350	-
	<b>216,627</b>	<b>9,739</b>	<b>123,942</b>	<b>3,140</b>
<b>21 OTHER CHARGES</b>				
Provision for doubtful debts	99,457	2,762,707	49,220	-
<b>22 OTHER OPERATING INCOME</b>				
<b>Income from financial assets</b>				
- Interest on saving account	690,190	861,058	171,204	216,245
- Interest income on exposure deposited	49,638	61,797	15,418	33,712
	<b>739,828</b>	<b>922,855</b>	<b>186,622</b>	<b>249,957</b>
<b>Income from other than financial assets</b>				
- Gain on sale of fixed assets	-	884	-	-
- Reversal of provision for doubtful debts	18,718	201,559	(165,477)	-
	<b>18,718</b>	<b>202,443</b>	<b>(165,477)</b>	<b>-</b>
	<b>758,546</b>	<b>1,125,298</b>	<b>21,145</b>	<b>249,957</b>

**23 PATTERN OF SHAREHOLDINGS**

Following are the shareholders having more than 5% holding after the allotment of shares of right issue, as at March 31, 2018:

Name of Shareholder	Note	No. of Shares Held	Percentage %
<b>Associated, undertakings &amp; related parties</b>			
- Mr. Sikander Mahmood		10,606,250	35.35%
- Mr. Junaid Shehzad Ahmed		3,000,000	10.00%
- Mr. Ahmed Kamal		1,800,000	6.00%
		<b>15,406,250</b>	<b>51.35%</b>
<b>Others</b>			
- Paramount Commodities (Pvt) Limited		4,092,645	13.64%
- Hawa Hameed Adamjee		1,695,000	5.65%
		<b>5,787,645</b>	<b>19.29%</b>
		<b>21,193,895</b>	<b>70.65%</b>

- 23.1** In the beginning of the period 7,405,250 shares have been acquired by Mr. Sikander Mahmood, Mr. Ahmed Kamal and Mr. Junaid Shehzad Ahmed out of total ordinary 10,000,000 shares of the company, in accordance with Regulation 4(j) of the Securities Brokers (Licensing and Operations) Regulations, 2016 from below shareholders :

Name of Shareholder	No. of Shares Held	Percentage %
- Emirates Global Investments Ltd	3,777,375	37.77%
- Emirates Investment Group LLC	3,627,375	36.27%
	<b>7,404,750</b>	<b>74.05%</b>

**24 TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise directors of the company sponsor and key management employees . The Company continues to have a policy whereby all transactions with related parties are entered into at commercial terms and conditions.

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

	(Un-Audited) Nine months ended		(Un-Audited) Third Quarter ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	----- Rupees -----			
<b>Transactions with other related parties</b>				
Commission paid to Chief Executive	125,087	290,218	14,869	99,501
Commission received from:				
- Chief Executive	31,253	27,704	10,847	4,584
- Director	7,950	-	4,625	-
Salary drawn by Chief Executive	1,085,232	1,041,620	361,744	361,744
Expenses incurred by Chief Executive	160,459	139,510	43,200	37,100
Disposal of fixed asset to Ex-Director	-	2,800,000	-	-
Long term loan from sponsor	8,900,000	-	-	-
	<b>10,309,981</b>	<b>4,299,052</b>	<b>435,285</b>	<b>502,929</b>

## 25 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on April 27, 2018.

## 26 GENERAL

- 26.1 Figures have been rounded off to the nearest rupee.
- 26.2 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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