

ABA ALI HABIB SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM BALANCE SHEET (Unaudited)
AS ON DECEMBER 31, 2019

<u>CAPITAL & LIABILITIES</u>	Notes	31-Dec-19 (UN-AUDITED) (Rupees)	30-Jun-19 AUDITED (Rupees)
Authorized Capital		<u>200,000,000</u>	<u>200,000,000</u>
Issued, Subscribed & Paid up Capital	3	200,000,000	200,000,000
Loan from Sponsor - Related party	7	129,633,718	-
Unappropriated profit		459,836,325	373,914,111
Shareholder's Equity		789,470,043	573,914,111
<u>NON CURRENT LIABILITIES</u>			
Deferred taxation			1,207,954
<u>CURRENT LIABILITIES</u>			
Short term loan from related parties-unsecured	4	68,143,873	68,143,873
Short term borrowing	5	139,586,868	223,377,350
Trade and other payable	6	105,023,259	134,895,116
Accrued Markup			2,479,257
		312,754,000	428,895,596
		<u>1,102,224,043</u>	<u>1,004,017,661</u>
<u>PROPERTY & ASSETS</u>			
Property, Plant & Equipment	8	13,609,575	11,952,857
Intangible Assets	9	2,500,000	2,500,000
Long Term Investments			-
Long Term Deposit	10	2,115,000	2,115,000
		18,224,575	16,567,857
<u>CURRENT ASSETS</u>			
Trade Debts - Considered Good	12	325,935,286	163,262,774
Short Term Investment	11	576,042,341	589,546,743
Short Term deposits			15,531,015
Advance to staff and other receivables		8,384,391	68,461,685
Advance income tax/Refundable		118,622,200	117,958,982
Cash & Bank Balances	13	55,015,250	32,688,605
		1,083,999,468	987,449,804
CONTINGENCIES AND COMMITMENTS	14	<u>1,102,224,043</u>	<u>1,004,017,661</u>

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 (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	Notes	Dec-19 (Rupees)	Dec-18 (Rupees)
Operating Revenue	15	50,611,234	14,251,726
Operating Expenses	16	(27,242,830)	(23,715,428)
Operating Profit		<u>23,368,403</u>	<u>(9,463,702)</u>
Unrealized (Gain)		111,428,259	(75,148,288)
Capital (Loss)		(68,628,152)	
Other Income	17	18,308,684	48,291,821
Financial Charges	18	(2,483,482)	(11,766,568)
(Loss)/Profit for the Period		<u>81,993,713</u>	<u>(48,086,737)</u>
Unappropriated Profit brought forward		377,842,613	431,110,202
Unappropriated Loss / Profit carried forward		<u>459,836,325</u>	<u>383,023,465</u>
Earnings per share	19	<u>4.100</u>	<u>(2.404)</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, 2019

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**

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-19	Jun-19
			(RUPEES)	(RUPEES)
	Dec-19	Jun-19		
	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>
				<u>200,000,000</u>
4 <u>Short term loan from related parties-unsecured</u>				
			Loan from Abid Ali Habib Securities (Pvt) Ltd	68,143,873
				<u>68,143,873</u>
5 <u>Short term borrowings</u>				
			Bank Alfalah	64,815,883
			Soneri Bank Limited	34,925,630
			Askari Bank Limited	72,569,970
				1,737,878
				115,881,750
				<u>139,586,868</u>
				<u>223,377,350</u>
6 <u>Trade and other payable</u>				
			Trade Payables	40,058,557
			Sales tax payable	42,541,942
			Capital value tax	887,355
			Base minimum capital	320,135
			Accrued expenses	77,788
			Dealer payables	82,619
			Other payable	4,809
				4,854,634
				5,267,280
				1,162,240
				189,843
				5,077,373
				1,256,807
				<u>105,023,259</u>
				<u>134,895,116</u>
7 <u>Loan from Related Party</u>				
			Loan from Directors	129,633,718
				-
				<u>129,633,718</u>
				<u>-</u>
8 <u>Fixed Assets</u>				
			As per attached schedule	13,609,575
				<u>11,952,857</u>
9 <u>INTANGIBLE ASSETS</u>				
			Trading Right Entitlement Certificate	
			Pakistan Stock Exchange Limited	2,500,000
				<u>2,500,000</u>
10 <u>Long term Deposits</u>				
			KSE CLEARING HOUSE DEPOSIT	100,000
			LSE CLG HOUSE/CDC/NCSS	100,000
			BOOTH INVESTMENT	330,000
			NCCL DEPOSIT KSE	75,000
			CDC DEPOSIT KSE	1,300,000
			SLB EXPOSURE	200,000
			Broker's association deposit	100,000
				-
				<u>2,115,000</u>
				<u>2,115,000</u>

11 Short Term Investment	Dec-19 (RUPEES)	Jun-19 (RUPEES)
Investment in Shares	575,888,129	589,546,743
Money Market fund	154,212	-
	<u>576,042,341</u>	<u>589,546,743</u>

12 Trade & Other receivables -Secured-Considered Good.

Receivable under Margin Finance	290,520,943	
Trade debts- considered good	35,414,343	
	<u>325,935,286</u>	<u>23,696,989</u>

13 Bank balances	Dec-19 (RUPEES)	Jun-19 (RUPEES)
Cash in hand	53,912	2,409
Balance with banks in Saving Account	19,405,709	331,421
Current Account	35,555,629	32,354,775
	<u>55,015,250</u>	<u>32,688,605</u>

14 Contingencies and Commitments

A bank guarantee of Rs. 35 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

15 Operating Revenue	Dec-19 (RUPEES)	Dec-18 (RUPEES)
Commission income and it's related income	50,611,234	14,251,726
Capital gain/(Loss) on disposal of investments - net	-	-
Gain/(Loss) on remeasurement of investments carried at fair value through profit and loss	-	-
	<u>50,611,234</u>	<u>14,251,726</u>

16 Operating Expenses	Dec-19 (RUPEES)	Dec-18 (RUPEES)
Salary Expenses	9,493,691	10,074,737
Printing & Stationary	41,099	33,159
Legal & professional charges	3,644,759	306,450
Auditor Remuneration	163,200	-
CDC Expenses	982,292	949,180
Laga Expenses	7,652,437	6,929,448
Computer Software subscription fees & Hardware	1,093,831	1,402,425
Office Maintenance & Rent Expenses	455,800	837,771
Depreciation Expense		
Telephone & Mobile Expenses	328,319	305,395
Electricity Expenses	415,991	68,440
Vehicle running and maintenance charges	220,573	23,662
Vehicle Insurance		-
Conveyance		-
Entertainment expenses	162,170	132,436
Travelling expenses		-
Misc & General Expenses	2,051,468	2,149,940
Research & Publication (Subscription)	150,000	165,430
Donation Expense	351,570	291,535
Courier & Postage Expense	35,631	45,420
	<u>27,242,830</u>	<u>23,715,428</u>

17 Other Income - Financial Assets

	Dec-19 (RUPEES)	Dec-18 (RUPEES)
Profit on Bank Deposit	1,622,219	942,408
Profit on cash margin KSE	716,885	437,545
Income from MFS/MTS	14,595,449	36,885,424
Dividend Income	1,374,131	10,026,444
	<u>18,308,684</u>	<u>48,291,821</u>

18 Financial Charges

	Dec-19 (RUPEES)	Dec-18 (RUPEES)
Bank mark up and charges	<u>2,483,482</u>	<u>11,766,568</u>

19 Earnings per share- Basic and diluted

	Dec-19 (RUPEES)	Dec-18 (RUPEES)
Profit after taxation	459,836,325	245,067,384
Number of ordinary share	<u>20,000,000</u>	<u>20,000,000</u>
Earnings per share	<u>22.992</u>	<u>12.253</u>

20 Corresponding Figures

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

21 Date of Authorisation for Issue

These financial statements were authorised for issue on 29 January 2020 by the Board of Directors of the Company

CHIEF EXECUTIVE

DIRECTOR