

ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
BALANCE SHEET

AS AT DEC 31, 2020

UNAUDITED

	Note	DEC 31, 2020
------(Rupees)-----		
ASSETS		
NON-CURRENT ASSETS		
Property and equipment		-
Intangible assets	4	2,525,000
Long Investments - available for sale	5	26,954,953
Long-term deposits	6	2,780,000
Long term loan		-
		32,259,953
CURRENT ASSETS		
Trade debts	7	20,316
Short-term investments	8	41,837,428
Trade deposits and short-term prepayments	9	5,014,099
Advance Tax	10	92,304
Cash and bank balances	11	6,727,615
		53,691,762
Total Assets		85,951,715
EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	12	97,000,000
Unappropriated Profit		(22,936,566)
Total equity		74,063,434
CURRENT LIABILITIES		
Trade and other payables	14	10,581,356
Short term loan		1,020,628
Provision for Taxation	15	286,297
		11,888,281
Contingencies and Commitments	16	-
		11,888,281
		85,951,715

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

Chief Executive Officer

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ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED**PROFIT AND LOSS ACCOUNT**

FOR THE PERIOD ENDED DEC 31, 2020

UN-AUDITED

	<i>Note</i>	DEC 31, 2020
		----- (Rupees) -----
Operating revenue	17	1,162,268
Operating and administrative expenses	18	(1,004,819)
Operating (loss) / profit		<u>157,449</u>
Other Income	19	13,576,712
Finance cost	20	(1,821)
Loss / (Gain) on re-measurement of Investments at fair value through P/L	21	-
		<u>13,732,340</u>
Taxation	22	
- current tax expense		-
- deferred tax expense / (income)		-
		-
(Loss) / profit after taxation		<u><u>13,732,340</u></u>

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements

Chief Executive Officer

Note	DEC 2020 Rupees
	92,304

11 CASH AND CASH EQUIVALENTS

Cash in Hand		-
Cash at Bank	132-20311-714-110923	682,160
Cash at Client Bank Account	132-20610-714-113383	6,045,455
		<u>6,727,615</u>

12 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

	2018	2017		
Number of shares				
	<u>9,700,000</u>	<u>9,700,000</u>	Ordinary shares of Rs. 10/- each fully paid	<u>97,000,000</u>

13 SHORT TERM LOAN

Loan from Director	1,020,628
	<u>1,020,628</u>

Note	DEC 2020 Rupees
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14 TRADE AND OTHER LIABILITIES

Trade Creditors	10,393,683
NCCPL payable	-
Other Payables	186,173
Audit Fee Payable	1,500
	<u>10,581,356</u>

Note	DEC 2020 Rupees
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15 Provision for taxation - Net

Opening Balance	-
Add: Taxation for the Period	-
Less:	-
Adjusted against Advance Tax	-
	<u>-</u>

16 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2016 (2015: Nil) to which the Company is a party.

17 COMMISSION INCOME

1,162,268

	Note	DEC 2020 Rupees
4 INTANGIBLE ASSETS		
Software (LSE Back Office)		25,000
Trading Right Entitlement Certificate (TREC)	4.1	2,500,000
Room Rights - LSE Plaza South Tower		-
		<u>2,525,000</u>

- 4.1 Pursuant to Memorandum of Understanding was signed between Karachi Stock Exchange Limited (KSE), Lahore Stock Exchange Limited (LSE) & Islamabad Stock Exchange Limited (ISE) for integration of all three stock exchanges in Pakistan as envisaged in the Stock Exchanges (Corporatization, Demutualization and Integration) Act 2012 (XV of 2012) [the Act], the Company has been issued TREC's of Pakistan Stock Exchange, in lieu of TREC of LSE previously issued. These have been carried at Cost less impairment.

5 LONG TERM INVESTMENTS

Investmet in:

NMDA (Pvt) Ltd - at cost		8,117,430
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At fair value through profit or loss - designated on initial recognition

LSE Financial Services Limited (formerly Lahore Stock Exchange Limited - LSEL)	5.1	18,837,523
		<u>26,954,953</u>

- 5.1 Pursuant to the promulgation of Stock Exchanges (Corporation, Demutualization and intergration) Act 2012 , the Company (Stock Broker) has received of 843,975 shares at Rs. 10 each with a total face value of Rs. 8,439,750 and Trading Right Entitlement Certificate (TREC) to the Company by the LSE Financial Services Limited (formerly LSEL). Out of total shares issued by the LSE Financial Services Limited, the Company has received 40% equity shares i.e. 337,590 shares in its CDC Pledged account. The remaining 60% i.e. 506,385 shares have been transferred to CDC sub-account in the Company's name under the LSE's participant IDs with the CDC.

The above mentioned face value (Rs.8,439,750) of the shares issued by the LSE Financial Services Limited (formerly LSEL) to its members including the Company has been determined on the basis of the fair valuation of the underlying assets and liabilities of the Stock Exchange in accordance with the requirements of the Demutualization Act. In other words, shares worth Rs. 8,439,750 received by the Company represent its share in the fair value of the net assets of the LSE Financial Services Limited. Under the current circumstances where active market is not available for such shares, this net asset value based valuation has been considered as the closest estimate of the fair value of the shares.

During the period, a memorandum of understanding was signed between Karachi Stock Exchange (KSE), the Lahore stock exchange (LSE) and the Islamabad stock exchange (ISE) for integration of all three stock exchanges in Pakistan as envisaged in the stock exchanges (Corporatization, Demutualization) Act 2012 (XV of 2012) vide SECP's order 01/2016 dated January 11, 2016. As a consequence of the integration scheme, the business model of ISE and LSE have been changed and they have obtained the license to operate as NBFC as per NBFC rules and KSE would carry the same business as Stock Exchange under the name of Pakistan Stock Exchange Limited.

The Company has recognised the investment at fair value through profit or loss on the basis of break up value of shares of LSEFSL after considering the latest available financial information.

Note	DEC 2020 Rupees
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	Note	DEC 2020 Rupees
6 LONG TERM SECURITY DEPOSITS		
National Clearing Company of Pakistan Limited		1,400,000
Central Depository Company of Pakistan Limited		100,000
Lahore Stock Exchange Ltd.		30,000
Pakistan Mercantile exchange		1,250,000
		<u>2,780,000</u>

7 TRADE DEBTORS & Other Receivables		
Trade Receivables		9842
Other Receivables		0
Unearned Commission		10474
Unsecured- Considered good		<u>20,316</u>

8 SHORT TERM INVESTMENTS

At fair value through profit or loss - held for trading	7.1	<u>41,837,428</u>
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8.1 Financial assets at fair value through profit or loss - held for trading

Average cost of LOTCHEM		-
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9 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Deposit against DFC Trading Exposure		1,375,000
CGT		556
NCSS		3,638,543
Capital Value Tax		-
		<u>5,014,099</u>

	Note	DEC 2020 Rupees
10 Advance Tax		
WHT Tax		3,686
WHT Tax on dividend		88,618
Advance Tax		-

Note	DEC 2020 Rupees
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18 OPERATING AND ADMINISTRATIVE EXPENSES

Staff Salaries ,Wages and Bonuses	367,820 ✓
Traders' Commission	320,040 ✓
Fee & Subscription	-
Documentation Fee	3,800 ✓
Audit Fee	-
NCCPL Trade Fee Charge to House	76,171 ✓
Rate and taxes	16,198 ✓
Telecommunication Charges	27,246 ✓
PSX Charges or Annual	63,213 ✓
CDC Collection	28,455 ✓
Back Office Charges to LSEFSL	4,725 ✓
Rent expense	-
Bank Charges	-
PMEX Fee	-
Clearing Fee	25,872 ✓
Investor Port & Secp	10,242 ✓
Trading Charges	-
LSE Room No. 305 Charges	59,163 ✓
Office Registration - PSX	-
Misc. Expenses	1,874 ✓
	<u>1,004,819 ✓</u>

19 OTHER INCOME

Dividend Income	590,783
Gain on Sale of Securities	12,982,429 ✓
Profit on Short Term Deposit with Bank	-
Other Income	3,500 ✓
Remeasurement of securities value	-
	<u>13,576,712</u>

20 FINANCE COST

Bank Charges	1,821
	<u>1,821</u>

21 LOSS / (GAIN) ON RE-MEASUREMENT OF INVESTMENTS AT FAIR VALUE THROUGH PROFIT

Gain on re-measurement of shares of LSE/ Listed Securities	-
Loss Remeasurement Of Trec Certificates	-
	<u>-</u>

Note	DEC 2020 Rupees
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22 TAXATION

Current	-
Prior year	-
Capital Gain Tax	-
	<u>-</u>

Note	DEC
	2020
	Rupees
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