

# PERVEZ AHMED SECURITIES LIMITED

First Quarter Accounts  
For the Period Ended  

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30th September, 2011

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COMPANY INFORMATION

Board of Directors	Mr. Pervez Ahmed Mrs. Rehana Pervez Ahmed Mrs. Ayesha Ahmed Mansoor Mr. Ali Pervez Ahmed Mr. Hassan Ibrahim Ahmed Mr. Suleman Ahmed Mr. Muhammad Khalid Khan	Chief Executive
Audit Committee	Mr. Muhammad Khalid Khan Mr. Ali Pervez Ahmed Mr. Suleman Ahmed	Chairman
Chief Financial Officer	Mr. Muhammad Yousuf	
Company Secretary	Mr. Rizwan Atta	
Auditors	M/s Horwath Hussain Chaudhury & Co. Chartered Accountants	
Legal Advisor	Cornelius, Lane & Mufti Advocates & Solicitors	
Banks	Burj Bank Limited Dubai Islamic Bank (Pakistan) Limited MCB Bank Limited NIB Bank Limited Summit Bank Limited	
Registered Office	20-K, Gulberg II, Lahore.	
Stock Exchange Office	Room No. 317, Third Floor, Lahore Stock Exchange Building, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.	
Share Registrars	Gangjees Registrar Services (Pvt.) Limited 516-Clifton Centre, Khayaban-e-Roomi, Block - 5, Clifton, Karachi - 75600	
Website	<a href="http://www.pervezahmed.net">www.pervezahmed.net</a>	

## DIRECTORS' REPORT

On behalf of the Board of Directors of Pervez Ahmed Securities Limited, I present to you the Company's un-audited financial statements for the first quarter ended September 30, 2011.

### Capital Market Review

In the current quarter July-September 2011 the KSE-100 has witnessed a decline of 5.9%. The factors leading to decline are bad law and order situation in Karachi, growing tensions between Pakistan and United States, looming financial crises in Europe and United States and also stressed political environment.

### Financial Results of the Company

The Company incurred a loss of Rs. 6.8 million as against loss of Rs. 3.5 million during the corresponding period of last year. To make the profitable we have sought shareholders' approval for change in the object clause to align its objective with the proposed diversification in the forthcoming Annual General Meeting.

### Future Outlook

The management of the Company is committed to run the affairs of the Company and efforts are being made to revive the Company by way of right issue and make the Company profitable by diversifying its operations.

### Acknowledgement

The Board is thankful to its valued shareholders for their confidence in the Company, its clients, the Securities & Exchange Commission of Pakistan and to the management of Karachi & Lahore Stock Exchanges for their valuable support, assistance and guidance. The Board also appreciates the employees of the Company for their dedication and hard work.

For and on behalf of the Board

Lahore: October 28, 2011

Pervez Ahmad  
(Chief Executive)

**PERVEZ AHMED SECURITIES LIMITED**

**CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2011**

	Note	Sep. 30 2011 (Un-Audited) Rupees	June 30 2011 (Audited) Rupees
<b>Non Current Assets</b>			
Property and equipment		1,245,317	1,334,364
Intangible assets		30,000,000	30,000,000
Long term investment in associate		102,337,554	102,337,554
Long term security deposits		<u>4,055,000</u>	<u>4,055,000</u>
		137,637,871	137,726,918
<b>Current Assets</b>			
Short term investments		10,185,040	11,496,766
Advances, tax refundable and other receivables		7,025,073	7,022,073
Assets held for sale		-	19,000,000
Bank balances		<u>1,540,383</u>	<u>1,678,966</u>
		18,750,496	39,197,805
<b>Current Liabilities</b>			
Trade and other payables		(533,293,713)	(551,536,362)
Accrued interest / mark up		(32,423,420)	(27,923,420)
Current & overdue portion of long term financing		(8,683,158)	(7,641,179)
Short term borrowings		<u>(107,940,931)</u>	<u>(107,940,931)</u>
		(682,341,222)	(695,041,892)
<b>Net Current Assets</b>		(663,590,726)	(655,844,087)
<b>Non Current Liabilities</b>			
Long term financing		2,778,610	3,820,589
Deferred liability		<u>2,985,405</u>	<u>2,959,655</u>
		5,764,015	6,780,244
<b>NET ASSETS</b>		<u>(531,716,870)</u>	<u>(524,897,413)</u>
<b>REPRESENTED BY</b>			
Issued, subscribed and paid up capital		774,575,790	774,575,790
Share deposit money		291,500,120	291,500,120
Unappropriated losses		<u>(1,597,792,780)</u>	<u>(1,590,973,323)</u>
		(531,716,870)	(524,897,413)
Contingencies and Commitments	4	-	-
		<u>(531,716,870)</u>	<u>(524,897,413)</u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

**PERVEZ AHMED SECURITIES LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2011**

	July 1 to September 30 2011 (Un-Audited) Rupees	July 1 to September 30 2010 (Un-Audited) Rupees
Operating income - Net	-	(22,562)
Administrative expenses	(796,431)	(864,454)
Operating (Loss)	(796,431)	(887,016)
Finance cost	(4,506,300)	-
Other operating charges	(205,000)	(7,423)
	(5,507,731)	(894,439)
(Deficit) on remeasurement of investments at fair value through profit and loss - Net	(1,311,726)	(2,639,884)
(Loss) before Taxation	(6,819,457)	(3,534,323)
Taxation	-	-
(Loss) after Taxation	(6,819,457)	(3,534,323)
Loss per Share	(0.09)	(0.05)

The annexed notes form an integral part of these accounts.

**PERVEZ AHMED SECURITIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE**  
**INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2011**

	July 1 to September 30 2011 (Un-Audited) Rupees	July 1 to September 30 2010 (Un-Audited) Rupees
Loss after taxation	(6,819,457)	(3,534,323)
Other comprehensive income	-	-
Total comprehensive loss for the quarter	<u>(6,819,457)</u>	<u>(3,534,323)</u>

The annexed notes form an integral part of these accounts.

**PERVEZ AHMED SECURITIES LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2011**

	July 1 to September 30 2011 (Un-Audited) Rupees	July 1 to September 30 2010 (Un-Audited) Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss) before taxation	(6,819,457)	(3,534,323)
Adjustments for:		
- Deficit / (Surplus) on remeasurement of investments at fair value through profit and loss - Net	1,311,726	2,639,884
- Dividend income	-	-
- Provision for gratuity	25,750	25,750
- Depreciation	89,047	125,262
- Gain on disposal of property & equipments	-	-
- Finance cost	4,506,300	-
	<u>5,932,823</u>	<u>2,790,896</u>
Operating (Loss) before Working Capital Changes	(886,634)	(743,427)
(increase) / decrease in current assets		
- Short term investments	-	395,063
- Advances and other receivables	(3,000)	10,172
Increase / (decrease) in current liabilities:		
- Trade and other payables	(18,242,649)	1,629,085
	<u>(18,245,649)</u>	<u>2,034,320</u>
Cash used in Operations	(19,132,283)	1,290,893
Taxes paid	-	-
Gratuity paid	-	-
Finance costs paid	(6,300)	-
Dividend income received	-	-
Net Cash used in Operating Activities	(19,138,583)	1,290,893
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Assets held for sale	19,000,000	-
Net Cash generated from Investing Activities	19,000,000	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term financing	-	(1,041,978)
Short term borrowings	-	-
Net Cash from Financing Activities	-	(1,041,978)
Net Increase in Cash and Cash Equivalents	(138,583)	248,915
Cash and cash equivalents at the beginning of the period	1,678,966	1,482,044
Cash and Cash Equivalents at the End of the period	<u>1,540,383</u>	<u>1,730,959</u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR



**PERVEZ AHMED SECURITIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2011**

	Share Capital Rupees (Un-Audited)	Share Deposit Money Rupees (Un-Audited)	Unappropriated (Loss) Rupees (Un-Audited)	Total Rupees (Un-Audited)
Balance as at July 1, 2010	774,575,790	299,000,120	(1,579,990,019)	(506,414,109)
Total comprehensive loss for the quarter ended September 30, 2010	-	-	(3,534,323)	(3,534,323)
Balance as at Sep 30, 2010	<u>774,575,790</u>	<u>299,000,120</u>	<u>(1,583,524,342)</u>	<u>(509,948,432)</u>
Balance as at July 1, 2011	774,575,790	291,500,120	(1,590,973,323)	(524,897,413)
Total comprehensive loss for the quarter ended September 30, 2011			(6,819,457)	(6,819,457)
Balance as at Sep 30, 2011	<u>774,575,790</u>	<u>291,500,120</u>	<u>(1,597,792,780)</u>	<u>(531,716,870)</u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

## **PERVEZ AHMED SECURITIES LIMITED**

### **NOTES TO THE CONDENSED INTERIM UN-AUDITED FINANCIAL INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2011**

#### Note 1

##### The Company and its Operations

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Pervez Ahmed Securities Limited was incorporated under the Companies Ordinance, 1984 on June 8, 2005 as a single member company and was listed on Karachi and Lahore Stock Exchanges on June 21, 2007. The principal activities of the Company include shares brokerage and trading, consultancy services and underwriting. The registered office of the Company is situated at 20-K Gulberg II, Lahore.

#### Note 2

##### Basis of Preparation

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These accounts have been prepared in accordance with the requirements of the Companies Ordinance, 1984 and International accounting Standard, IAS 34 " Interim Financial Reporting."

This condensed interim financial information should be read in conjunction with annual audited financial statements for the year ended June 30, 2011. Comprehensive balance sheet is extracted from annual audited financial statements for the year ended June 30, 2011 whereas comparative profit & loss account, statement of comprehensive income, statement of changes in equity and cash flow statement are stated from unaudited interim financial information for the quarter ended on September 30, 2010.

These accounts are un-audited and are being submitted to the shareholders as required by Section 245 of the Companies Ordinance 1984.

#### Note 3

##### Accounting Policies

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The accounting policies and methods of computation followed in the preparation of these financial statements are the same as those of the published annual financial statements of the Company for the year ended June 30,2011.

#### Note 4

##### Contingencies and Commitments

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##### Contingencies

There are no material contingencies outstanding at the close of the balance sheet date (June 30, 2011: Nil).

##### Commitments

There are no material commitments outstanding at the close of the balance sheet date (June 30, 2011: Nil).

Note 5  
Transactions with Related Parties

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The related parties comprise related group companies, associated companies, directors and key management personnel. Transactions with related parties other than remuneration and benefits to key management personnel under the terms of their employment.

	July 1 to September 30, 2011 Rupees	July 1 to September 30, 2010 Rupees
Associated undertaking		
Funds received from associated undertaking	650,000	900,000
Directors		
Funds (repaid to) / received from director(s)	(18,900,000)	1,041,978

Note 6  
Authorization of Financial Statements

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These interim financial information have been authorized for issue on October 28, 2011 by the Board of Directors of the Company.

Note 7  
General

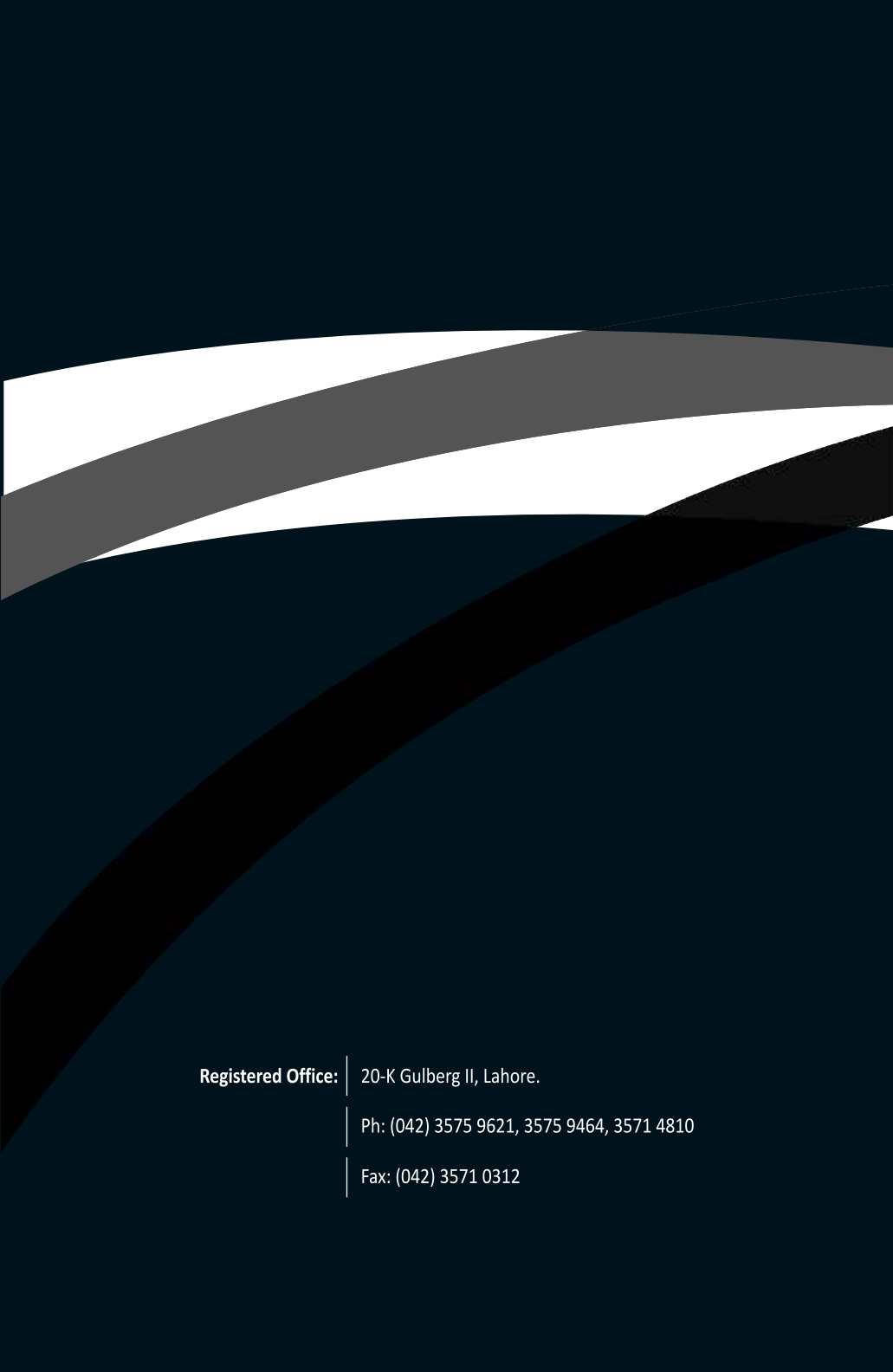
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Figures have been rounded off to the nearest rupees.

Figures of the corresponding period have been re-arranged , wherever necessary, to facilitate comparison. No material rearrangement has been made during the period.

CHIEF EXECUTIVE

DIRECTOR



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