

**First Quarter Accounts  
for the Period Ended  
September 30, 2014**

**Pervez Ahmed Securities Limited**

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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. Muhammad Khalid Khan Mr. Mazhar Pervaiz Malik	Chief Executive
Audit Committee	Mr. Muhammad Khalid Khan Mrs. Ayesha Ahmed Mansoor Mr. Mazhar Pervaiz Malik	Chairman
Chief Financial Officer	Mr. Muhammad Yousuf	
Company Secretary	Mr. Rizwan Atta	
Auditors	M/s Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants	
Legal Advisor	Cornelius, Lane & Mufti Advocates & Solicitors	
Banks	Burj Bank Limited Dubai Islamic Bank Pakistan Limited MCB Bank Limited NIB Bank Limited Silk 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	THK Associates (Pvt.) Limited Ground Floor, State Life Building No 3, Dr. Ziauddin Ahmed Road, Karachi - 75530	
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, 2014.

### **Capital Market Review**

The stock market remained directionless during 1QFY15 with the KSE benchmark 100 index gained only 74 points. Foreign investors once again continued their buying spree and bought shares with US\$ 157 million during the three months ended September 30, 2014. The major reason behind this performance was political unrest. The soft solution to this political problem and healthy corporate results will be the key to decide the future of the market.

### **Financial Results of the Company**

During the first quarter ended September 30, 2014 the Company suffered net loss of Rs. 13.71 million as against loss of Rs. 12.99 million during the corresponding period of last year. Loss for the period is mainly due to share of loss of associated undertaking.

### **Future Outlook**

Besides the political and law and order challenges positive economic activity is expected on the back of lowering inflation and interest rates. We might see a stable positive development in the Karachi Stock market on the improvement on the political front.

### **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 & on behalf of the Board

Lahore  
October 30, 2014

Perez Ahmed  
Chief Executive

PERVEZ AHMED SECURITIES LIMITED

CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2014

	Note	Sep. 30 2014 (Un-Audited) Rupees	June 30 2014 (Audited) Rupees
<b>Non Current Assets</b>			
Property and equipment		505,146	538,698
Intangible assets -TREC of Lahore Stock Exchange Limited		-	5,000,000
Room at Lahore Stock Exchange Limited		2,000,000	2,000,000
Long term investment in associate		637,804,609	651,447,462
Long term security deposits		1,055,000	1,055,000
		<u>641,364,755</u>	<u>660,041,160</u>
<b>Current Assets</b>			
Short term investments		19,575,593	19,062,512
Advances, tax refundable and other receivables		6,332,358	6,326,358
Bank balances		1,636,272	1,635,421
		27,544,223	27,024,291
<b>Current Liabilities</b>			
Trade and other payables		(548,844,801)	(553,290,121)
Accrued interest / mark up		(21,757,327)	(21,757,327)
Short term borrowings		(107,940,931)	(107,940,931)
		(678,543,059)	(682,988,379)
<b>Net Current Assets</b>		(650,998,836)	(655,964,088)
<b>Non Current Liabilities</b>			
Deferred liability		(3,085,244)	(3,083,244)
<b>NET ASSETS</b>		<u>(12,719,325)</u>	<u>993,828</u>
<b>REPRESENTED BY</b>			
Issued, subscribed and paid up capital		1,865,684,870	1,865,684,870
Advance against issue of ordinary shares		20,622,850	20,622,850
Discount on issue of shares		(818,331,810)	(818,331,810)
Unappropriated losses		(1,080,695,235)	(1,066,982,082)
		(12,719,325)	993,828
<b>Contingencies and Commitments</b>	4	-	-
		<u>(12,719,325)</u>	<u>993,828</u>

The annexed notes form an integral part of these un-audited accounts.

CHIEF EXECUTIVE

DIRECTOR

PERVEZ AHMED SECURITIES LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2014

	July 1 to September 30 2014 (Un-Audited) Rupees	July 1 to September 30 2013 (Un-Audited) Rupees
Operating income - Net	(6,330)	-
Administrative expenses	(740,401)	(594,008)
<b>Operating (Loss)</b>	(746,731)	(594,008)
Other operating charges	(126,570)	(519,693)
Surplus on remeasurement of investments at fair value through profit and loss - Net	(873,301)	(1,113,701)
	803,001	2,792,069
<b>(Loss) / Profit before Taxation and Share from Associated Undertaking</b>	(70,300)	1,678,368
Share of loss from associated undertaking	(13,642,853)	(14,667,266)
Taxation	-	-
<b>(Loss) after Taxation</b>	(13,713,153)	(12,988,898)
<b>(Loss) per Share</b>	(0.07)	(0.07)

The annexed notes form an integral part of these un-audited accounts.

CHIEF EXECUTIVE

DIRECTOR

**PERVEZ AHMED SECURITIES LIMITED**

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE  
INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2014

	<b>July 1 to September 30 2014</b>	<b>July 1 to September 30 2013</b>
	<b>(Un-Audited) Rupees</b>	<b>(Un-Audited) Rupees</b>
(Loss) after taxation	(13,713,153)	(12,988,898)
Other comprehensive income	-	-
<b>Total comprehensive (loss) for the quarter</b>	<b><u>(13,713,153)</u></b>	<b><u>(12,988,898)</u></b>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

**PERVEZ AHMED SECURITIES LIMITED**

**CONDENSED INTERIM CASH FLOW STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

	<b>July 1 to September 30 2014 (Un-Audited) Rupees</b>	<b>July 1 to September 30 2013 (Un-Audited) Rupees</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss) before taxation	(13,713,153)	(12,988,898)
Adjustments for:		
- (Surplus) on remeasurement of investments at fair value through profit and loss - Net	(803,001)	(2,792,069)
Share of loss from investment in associate	13,642,853	14,667,266
Decrease in short term investments	289,920	-
Increase in Advances & tax refundable	(6,000)	-
- Provision for gratuity	2,000	4,000
- Depreciation	33,552	46,075
- Finance cost	-	-
	<u>13,159,324</u>	<u>11,925,272</u>
<b>Operating (Loss) before Working Capital Changes</b>	<b>(553,829)</b>	<b>(1,063,626)</b>
(increase) / decrease in current assets		
- Short term investments	-	-
- Advances and other receivables	-	-
Increase / (decrease) in current liabilities:		
- Trade and other payables	(4,445,320)	935,586
	<u>(4,445,320)</u>	<u>935,586</u>
<b>Cash used in Operations</b>	<b>(4,999,149)</b>	<b>(128,040)</b>
Finance costs paid	-	-
<b>Net Cash used in Operating Activities</b>	<b>(4,999,149)</b>	<b>(128,040)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
sale of TREC of Lahore Stock Exchange Limited	5,000,000	-
<b>Net Cash from Financing Activities</b>	<u>5,000,000</u>	<u>-</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>851</b>	<b>(128,040)</b>
Cash and cash equivalents at the beginning of the period	1,635,421	1,590,748
<b>Cash and Cash Equivalents at the End of the period</b>	<u><b>1,636,272</b></u>	<u><b>1,462,708</b></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, 2014

	Share Capital Rupees (Un-Audited)	Share Deposit Money Rupees (Un-Audited)	Discount on Issue of Shares Rupees (Un-Audited)	Unappropriated (Loss) Rupees (Un-Audited)	Total Rupees (Un-Audited)
<b>Balance as at July 1, 2013</b>	1,865,684,870	20,622,850	(818,331,810)	(1,564,796,994)	(496,821,084)
Total comprehensive income for the quarter ended September 30, 2013	-	-		(12,988,898)	(12,988,898)
<b>Balance as at September 30, 2013</b>	<u><u>1,865,684,870</u></u>	<u><u>20,622,850</u></u>	<u><u>(818,331,810)</u></u>	<u><u>(1,577,785,892)</u></u>	<u><u>(509,809,982)</u></u>
<b>Balance as at July 1, 2014</b>	1,865,684,870	20,622,850	(818,331,810)	(1,066,982,082)	993,828
Total comprehensive loss for the quarter ended September 30, 2014	-	-		(13,713,153)	(13,713,153)
<b>Balance as at September 30, 2014</b>	<u><u>1,865,684,870</u></u>	<u><u>20,622,850</u></u>	<u><u>(818,331,810)</u></u>	<u><u>(1,080,695,235)</u></u>	<u><u>(12,719,325)</u></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, 2014**

**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 trading of shares, consultancy services and underwriting. The registered office of the Company is situated at 20-K Gulberg II, Lahore. During the period, the Company has sold / transferred Trading Rights Entitlement Certificate (TREC) of Lahore Stock Exchange Limited to its Associated Undertaking.

**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, 2014. Comprehensive balance sheet is extracted from annual audited financial statements for the year ended June 30, 2014 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, 2013.

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 in the annual financial statements of the Company for the year ended June 30,2014.

**Note 4**

**Contingencies and Commitments**

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**Contingencies**

One of the creditors of the Company filed suit against the Company for the recovery of Rs. 36.57 million including late payment surcharge amounting to Rs. 17.45. million. The Company has filed a counter claim of Rs. 18.86 million against the creditor. No additional liability has been provided as management expects favourable outcome of the suit.

**Commitments**

There are no material commitments outstanding at the close of the balance sheet date (June 30, 2014: 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.

	<b>July 1 to September 30, 2014 Rupees</b>	<b>July 1 to September 30, 2013 Rupees</b>
Associated undertaking		
Funds received from associated undertaking	-	-
Sale of Trading Rights Entitlement Certificate (TREC) of Lahore Stock Exchange Limited	5,000,000	
Directors		
Funds received from director(s)	40,000	485,000

Note 6

**Authorization of Financial Statements**

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These interim financial information have been authorized for issue on October 30, 2014 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.

**Registered Office:** | 20-K Gulberg II, Lahore.

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