

First Quarter Accounts
for the Period Ended
September 30, 2016

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.	
Share Registrars	THK Associates (Pvt.) Limited Ground Floor, State Life Building No 3, Dr. Ziauddin Ahmed Road, Karachi - 75530	
Website	www.pervezahmed.net	

DIRECTORS' REPORT

The Board of Directors of Pervez Ahmed Securities Limited is pleased to present the Company's unaudited financial statements for the first quarter ended September 30, 2016.

Capital Market Review

Foreign portfolio investors have become more active since MSCI announces in June 2016 the reclassification of Pakistan Market from its frontier index to emerging market index. This greater foreign participation has been mirrored in domestic investor activity pickup also, with average daily value traded around 30% higher in this period versus in the whole financial year 2015-16.

Financial Results of the Company

During the first quarter ended September 30, 2016 the Company posted profit of Rs. 4.82 million versus loss of Rs. 2.80 million in the same period of last year. Profit for the period is mainly due to share of profit of associated undertaking and remeasurement of investments at fair value.

Future Outlook

Pakistan's economic growth at the macro level has continued to improve with Financial Year 2016-17 real GDP growth projected at 5% or better and the IMF has also endorsed this expected rate of economic growth. The Government's own public sector development outlays are also rising. With inflation relatively benign, interest rates at a decade low level, spurring growth in bank leading to the private sector.

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 31, 2016

Perez Ahmed
Chief Executive

PERVEZ AHMED SECURITIES LIMITED

CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2016

	Note	Sep. 30 2016 (Un-Audited) Rupees	June 30 2016 (Audited) Rupees
Non Current Assets			
Property and equipment		288,107	306,382
Long term investment in associate		393,259,622	392,971,256
Long term security deposits		350,000	1,055,000
		393,897,729	394,332,638
Current Assets			
Short term investments		18,895,481	13,555,385
Advances and other receivables		9,000,000	9,000,000
Advance taxation		6,409,048	6,409,048
Bank balances		1,802,243	2,117,842
		36,106,772	31,082,275
Current Liabilities			
Trade and other payables		(490,243,228)	(490,481,917)
Accrued interest / mark up		(21,757,327)	(21,757,327)
Short term borrowings		(107,940,931)	(107,940,931)
Due to related parties		(53,472,097)	(53,465,072)
		(673,413,583)	(673,645,247)
Net Current Assets		(637,306,811)	(642,562,972)
Non Current Liabilities			
Deferred liability		(3,101,244)	(3,099,244)
NET ASSETS		(246,510,326)	(251,329,578)
REPRESENTED BY			
Issued, subscribed and paid up capital		1,865,684,870	1,865,684,870
Discount on issue of shares		(818,331,810)	(818,331,810)
Unappropriated losses		(1,314,486,236)	(1,319,305,488)
		(267,133,176)	(271,952,428)
Advance against issue of ordinary shares		20,622,850	20,622,850
		(246,510,326)	(251,329,578)
Contingencies and Commitments	4	-	-
		(246,510,326)	(251,329,578)

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, 2016**

	July 1 to September 30 2016 (Un-Audited) Rupees	July 1 to September 30 2015 (Un-Audited) Rupees
Operating income - Net	714	-
Administrative expenses	(809,924)	(686,156)
Operating (Loss)	(809,210)	(686,156)
Other operating charges	-	(23,003)
Surplus / (deficit) on remeasurement of investments at fair value through profit and loss - Net	(809,210)	(709,159)
	<u>5,340,096</u>	<u>(1,258,569)</u>
Profit / (Loss) before Taxation and Share from Associated Undertaking	4,530,886	(1,967,728)
Share of profit / (loss) from associated undertaking	288,366	(829,955)
Taxation	-	-
Profit / (Loss) after Taxation	<u>4,819,252</u>	<u>(2,797,683)</u>
Profit / (Loss) per Share	<u>0.03</u>	<u>(0.01)</u>

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, 2016

	July 1 to September 30 2016 (Un-Audited) Rupees	July 1 to September 30 2015 (Un-Audited) Rupees
Profit / (loss) after taxation	4,819,252	(2,797,683)
Other comprehensive income	-	-
Total comprehensive profit / (loss) for the quarter	<u>4,819,252</u>	<u>(2,797,683)</u>

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, 2016**

	July 1 to September 30 2016 (Un-Audited) Rupees	July 1 to September 30 2015 (Un-Audited) Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	4,819,252	(2,797,683)
Adjustments for:		
- (Surplus) / Deficit on remeasurement of investments at fair value through profit and loss - Net	(5,340,096)	1,258,569
- Share of (profit) / loss from investment in associate	(288,366)	829,955
- Provision for gratuity	2,000	2,000
- Depreciation	18,275	24,691
	<u>(5,608,187)</u>	<u>2,115,215</u>
Operating (Loss) before Working Capital Changes	(788,935)	(682,468)
(increase) / decrease in current assets		
- Short term investments	-	-
- Advances and other receivables	-	-
Increase / (decrease) in current liabilities:		
- Trade and other payables	(238,689)	227,821
	<u>(238,689)</u>	<u>227,821</u>
Cash used in Operations	(1,027,624)	(454,647)
Taxes paid	-	(4,500)
Net Cash used in Operating Activities	(1,027,624)	(459,147)
CASH FLOW FROM INVESTING ACTIVITIES		
- Long term security deposits	705,000	-
- Received from associated undertaking	7,025	-
Net Cash from Financing Activities	-	-
Net Increase in Cash and Cash Equivalents	(315,599)	(459,147)
Cash and cash equivalents at the beginning of the period	2,117,842	1,961,947
Cash and Cash Equivalents at the End of the period	<u>1,802,243</u>	<u>1,502,800</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, 2016

	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)
Balance as at July 1, 2015	1,865,684,870	20,622,850	(818,331,810)	(1,082,647,717)	(14,671,807)
Total comprehensive income for the quarter ended September 30, 2015	-	-		(2,797,683)	(2,797,683)
Balance as at September 30, 2015	<u>1,865,684,870</u>	<u>20,622,850</u>	<u>(818,331,810)</u>	<u>(1,085,445,400)</u>	<u>(17,469,490)</u>
Balance as at July 1, 2016	1,865,684,870	20,622,850	(818,331,810)	(1,319,305,488)	(251,329,578)
Total comprehensive profit for the quarter ended September 30, 2016	-	-		4,819,252	4,819,252
Balance as at September 30, 2016	<u>1,865,684,870</u>	<u>20,622,850</u>	<u>(818,331,810)</u>	<u>(1,314,486,236)</u>	<u>(246,510,326)</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, 2016**

Note 1

The Company and its Operations

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.

Note 2

Basis of Preparation

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, 2016. Comprehensive balance sheet is extracted from annual audited financial statements for the year ended June 30, 2016 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, 2015.

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

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 30,2016.

Note 4

Contingencies and Commitments

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, 2016: Nil).

Note 5

Transactions with Related Parties

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, 2016 Rupees	July 1 to September 30, 2015 Rupees
Associated undertaking		
Funds received from associated undertaking	7,025	-
Directors		
Funds received from director(s)	-	-

Note 6

Authorization of Financial Statements

These interim financial information have been authorized for issue on October 31, 2016 by the Board of Directors of the Company.

Note 7

General

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.

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