

PERVEZ AHMED SECURITIES LIMITED

**3rd Quarter & Nine Month Accounts
for the Period Ended
March 31, 2013**

CONTENTS

Company Information	2
Directors' Report	3
Condensed Interim Balance Sheet	4
Condensed Interim Profit & Loss Account	5
Condensed Interim Statement of Comprehensive Income	6
Condensed Interim Cash Flow Statements	7
Condensed Interim Statement of Changes in Equity	8
Notes to the Condensed Interim Un-audited Financial Information	9

Quarterly Report March 31, 2013

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

Quarterly Report March 31, 2013

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 nine months ended March 31, 2013.

Capital Market Review

The Stock market has shown moderate performance during the three months under review. The KSE Benchmark 100 Index gained 6.7% during the quarter ended March 31, 2013, closing at above 18,000 level. This positive performance was backed by strong corporate results that boosted local and foreign buying at local bourses. Foreigners remained net buyers during this quarter of US\$ 70 million. The quarterly CPI numbers hit 7.36%, the lowest level since IQFY08. The discount rate remained stable this quarter at 9.5%. These cumulative factors resulted in positive activity in the stock market during this quarter.

Financial Results of the Company

During the first nine months, the Company earned profit after tax of Rs. 6.44 million as against a net loss of Rs. 14.53 million during the corresponding period of last year. Profit for the period is mainly due to appreciation in the value of short-term investments.

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 back of improving economic indicators.

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.

Lahore
April 25, 2013

For & on behalf of the Board

Perez Ahmed
Chief Executive

Quarterly Report March 31, 2013

PERVEZ AHMED SECURITIES LIMITED CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2013

	December 31, March 31 2013	June 30, June 30 2012
Note	(Un-Audited) Rupees	(Audited) Rupees
Non Current Assets		
Property and equipment	5 786,792	978,177
Intangible assets	25,000,000	25,000,000
Long term investment in associate	86,618,569	85,481,434
Long term security deposits	<u>1,055,000</u>	<u>1,055,000</u>
	113,460,361	112,514,611
Current Assets		
Short term investments	<u>19,552,558</u>	<u>12,809,661</u>
Advances, tax refundable and other receivables	6,952,568	7,030,634
Bank balances	<u>1,463,267</u>	<u>2,005,392</u>
	27,968,393	21,845,687
Current Liabilities		
Trade and other payables	<u>(534,424,190)</u>	<u>(530,861,629)</u>
Accrued interest / mark up	(27,923,420)	(27,923,420)
Current & overdue portion of long term financing	-	(11,461,768)
Short term borrowings	<u>(116,402,699)</u>	<u>(107,940,931)</u>
Provision for taxation	-	(78,066)
	(678,750,309)	(678,265,814)
Net Current Assets	(650,781,916)	(656,420,127)
Non Current Liabilities		
Deferred liability	3,202,818	3,061,623
NET ASSETS	<u>(540,524,373)</u>	<u>(546,967,139)</u>
REPRESENTED BY		
Issued, subscribed and paid up capital	774,575,790	774,575,790
Share deposit money	293,400,120	293,400,120
Unappropriated losses	<u>(1,608,500,283)</u>	<u>(1,614,943,049)</u>
	(540,524,373)	(546,967,139)
Contingencies and Commitments	4 -	-
	<u>(540,524,373)</u>	<u>(546,967,139)</u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

Quarterly Report March 31, 2013

PERVEZ AHMED SECURITIES LIMITED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND NINE MONTH ENDED MARCH 31, 2013

	Quarter Ended March 31,		Nine Month Ended March 31,	
	2013	2012	2013	2012
	(Un-Audited) Rupees	(Un-Audited) Rupees	(Un-Audited) Rupees	(Un-Audited) Rupees
Operating income - Net	(256,963)	-	61,641	5,220
Administrative expenses	(166,354)	(460,004)	(1,287,476)	(1,932,159)
Operating (Loss)	(423,317)	(460,004)	(1,225,835)	(1,926,939)
Finance cost	(3,420)	(18,375)	(10,028)	(29,581)
Other operating charges	(48,680)	(37,149)	(95,994)	(17,096,342)
Surplus on remeasurement of investments at fair value through profit and loss - Net	(475,417)	(515,528)	(1,331,857)	(19,052,862)
	73,574	6,587,942	6,742,897	4,972,315
(Loss) / profit before Taxation and Share from Associated Undertaking	(401,843)	6,072,414	5,411,040	(14,080,547)
Share of profit / (loss) from Associated Undertaking	-	-	1,154,449	(444,830)
(Loss) / profit before taxation	(401,843)	6,072,414	6,565,489	(14,525,377)
Taxation	(7,278)	-	(122,723)	-
(Loss) / profit after Taxation	(409,121)	6,072,414	6,442,766	(14,525,377)
(Loss) / profit per Share	(0.01)	0.08	0.08	(0.19)

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

Quarterly Report March 31, 2013

PERVEZ AHMED SECURITIES LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(UN-AUDITED)
FOR THE QUARTER AND NINE MONTH ENDED MARCH 31, 2013

	Quarter Ended March 31,		Nine Month Ended March 31,	
	2013	2012	2013	2012
	(Un-Audited) Rupees	(Un-Audited) Rupees	(Un-Audited) Rupees	(Un-Audited) Rupees
(Loss) / Profit after taxation	(409,121)	6,072,414	6,442,766	(14,525,377)
Other comprehensive income	-	-	-	-
Total Comprehensive (loss) / income for the Period	<u>(409,121)</u>	<u>6,072,414</u>	<u>6,442,766</u>	<u>(14,525,377)</u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

Quarterly Report March 31, 2013

PERVEZ AHMED SECURITIES LIMITED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTH ENDED MARCH 31, 2013

	Nine Month Ended March 31,	
	2013	2012
	(Un-Audited) Rupees	(Un-Audited) Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	6,565,489	(14,525,377)
Adjustments for:		
- (Surplus) / Deficit on remeasurement of investments at fair value through profit and loss - Net	(6,742,897)	(4,972,315)
- Provision for gratuity	25,750	77,250
- Depreciation	191,385	267,141
- Share of (Profit) / loss from associated undertaking	(1,154,449)	444,830
- Finance cost	10,028	29,581
- Impairment in valuation of investment in associate	17,314	16,760,692
	<u>(7,652,869)</u>	<u>12,607,179</u>
Operating (Loss) before Working Capital Changes	(1,087,380)	(1,918,198)
(increase) / decrease in current assets		
- Short term investments	-	-
- Advances and other receivables	78,066	(3,522)
Increase / (decrease) in current liabilities:		
- Trade and other payables	3,562,561	(17,405,002)
	<u>3,640,627</u>	<u>(17,408,524)</u>
Cash used in Operations	2,553,247	(19,326,722)
Taxes paid	(85,344)	-
Finance costs paid	(10,028)	(29,581)
Net Cash used in Operating Activities	2,457,875	(19,356,303)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of assets held for sale	-	19,000,000
Net Cash generated from Investing Activities	-	19,000,000
CASH FLOW FROM FINANCING ACTIVITIES		
Long term financing repaid	(3,000,000)	-
Long term security deposit	-	3,000,000
Net Cash from Financing Activities	<u>(3,000,000)</u>	<u>3,000,000</u>
Net Increase in Cash and Cash Equivalents	(542,125)	2,643,697
Cash and cash equivalents at the beginning of the period	2,005,392	1,678,966
Cash and Cash Equivalents at the End of the period	<u>1,463,267</u>	<u>4,322,663</u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

PERVEZ AHMED SECURITIES LIMITED

07

Quarterly Report March 31, 2013

PERVEZ AHMED SECURITIES LIMITED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTH ENDED MARCH 31, 2013

	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, 2011	774,575,790	291,500,120	(1,590,973,323)	(524,897,413)
Total comprehensive income for the nine month period ended March 31, 2012	-	-	(14,525,377)	(14,525,377)
Balance as at March 31, 2012	<u>774,575,790</u>	<u>291,500,120</u>	<u>(1,605,498,700)</u>	<u>(539,422,790)</u>
Balance as at July 1, 2012	774,575,790	293,400,120	(1,614,943,049)	(546,967,139)
Total comprehensive income for the nine month period ended March 31, 2013			6,442,766	6,442,766
Balance as at March 31, 2013	<u>774,575,790</u>	<u>293,400,120</u>	<u>(1,608,500,283)</u>	<u>(540,524,373)</u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

Quarterly Report March 31, 2013

PERVEZ AHMED SECURITIES LIMITED

NOTES TO THE CONDENSED INTERIM UN-AUDITED FINANCIAL INFORMATION FOR THE NINE MONTH ENDED MARCH 31, 2013

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 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

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, 2012. Comprehensive balance sheet is extracted from annual audited financial statements for the year ended June 30, 2012 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 nine month period ended March 31, 2012

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 annual financial statements of the Company for the year ended June 30,2012.

Note 4

Contingencies and Commitments

Contingencies

Last year, JS Global Capital Limited, one of the creditors, filed a suit against the Company for recovery of Rs. 36.574 million including late payment surcharge aggregating to Rs. 17.455. 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 litigation.

Commitments

There are no material commitments outstanding at the close of the balance sheet date (June 30, 2012: Nil).

Quarterly Report March 31, 2013

Note 5

Property and Equipment

	March 31, 2013	June 30, 2012
	(Un-audited)	(Audited)
	Rupees	Rupees
Opening written down value	978,177	1,334,364
Addition / (Deletions) during the period / year	-	-
	<u>978,177</u>	<u>1,334,364</u>
Depreciation charge for the period / year	<u>(191,385)</u>	<u>(356,187)</u>
	<u>786,792</u>	<u>978,177</u>

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.

	Nine Month Ended March 31	
	2013	2012
	(Un-audited)	(Un-audited)
	Rupees	Rupees
Associated undertaking		
Funds (repaid to) / received from associated undertaking	(25,000)	1,921,158
Directors		
Funds received from / (repaid to) director	5,979,100	(18,700,000)

Note 6

Authorization of Financial Statements

These interim financial information have been authorized for issue on March 25, 2013 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.

CHIEF EXECUTIVE

DIRECTOR

