

First Quarter Accounts
for the Period Ended
September 30, 2018

PERVEZ AHMED

SECURITIES LIMITED

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

COMPANY INFORMATION

Board of Directors	Mr. Pervez Ahmed Mrs. Rehana Pervez Ahmed Mr. Ali Pervez Ahmed Mrs. Ayesha Ahmed Mansoor Mr. Muhammad Khalid Khan Mr. Mazhar Pervaiz Malik Mian Basit Rasheed	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	Al Baraka Bank (Pakistan) Limited Dubai Islamic Bank Pakistan Limited MCB Bank Limited Summit Bank Limited	
Registered Office	20-K, Gulberg II, Lahore.	
Share Registrars	THK Associates (Pvt.) Limited First Floor, 40-C, Block - 6 P.E.C.H.S. Karachi - 75400	
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, 2018.

Capital Market Review

During the first quarter ended September 30, 2018 the Pakistan Stock Exchange 100-Index decreased by 912 points from 41,910 points to 40,998 points mainly due to foreign selling of US\$ 189 million and uncertainty in the Capital market.

Financial Results of the Company

During the first quarter ended September 30, 2018 the Company suffered loss of Rs. 0.929 million versus loss of Rs 0.622 million in the same period of last year. The basic & diluted loss per share is Rs. 0.005

Future Outlook

Instability and uncertainty is prevailing in the local businesses backed by adverse economic circumstances, such as raising inflation, high oil prices, high interest rates and a weaker rupee. However Government is making efforts to take financial assistance from friendly countries to cover up the gap of balance of payments and to control the rupee devolution which will help the local industry in reviving businesses.

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 Pakistan Stock Exchange Limited 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 29, 2018

Perez Ahmed
Chief Executive

PERVEZ AHMED SECURITIES LIMITED

CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2018

	Sep. 30 2018	June 30 2018
Note	(Un-Audited) Rupees	(Audited) Rupees
Non Current Assets		
Property and equipment	168,493	178,744
Long term investment in associate	98,851,166	98,994,070
Long term security deposits	350,000	350,000
	99,369,659	99,522,814
Current Assets		
Short term investments	1,729,309	1,678,539
Due from related parties	3,655,616	3,725,616
Advance taxation	6,437,782	6,437,782
Bank balances	1,469,857	1,467,716
	13,292,564	13,309,653
Current Liabilities		
Trade and other payables	(489,133,570)	(488,374,539)
Unclaimed dividend	(885,404)	(885,404)
Accrued interest / mark up	(21,757,327)	(21,757,327)
Short term borrowings	(90,998,931)	(94,598,931)
Due to related parties	(49,216,072)	(45,616,072)
	(651,991,304)	(651,232,273)
Net Current Assets	(638,698,740)	(637,922,620)
Non Current Liabilities		
Deferred liability	(3,115,244)	(3,115,244)
NET ASSETS	(542,444,325)	(541,515,050)
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)
Accumulated losses	(1,610,420,235)	(1,609,490,960)
	(563,067,175)	(562,137,900)
Advance against issue of ordinary shares	20,622,850	20,622,850
	(542,444,325)	(541,515,050)
Contingencies and Commitments	4	-
	(542,444,325)	(541,515,050)

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

CHIEF EXECUTIVE

DIRECTOR

PERVEZ AHMED SECURITIES LIMITED**CONDENSED INTERIM PROFIT OR LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2018**

	July 1 to September 30 2018 (Un-Audited) Rupees	July 1 to September 30 2017 (Un-Audited) Rupees
Operating income - Net	-	(98,684)
Administrative expenses	(837,141)	(881,483)
Operating (Loss)	(837,141)	(980,167)
Surplus on remeasurement of investments at fair value through profit and loss - Net	50,770	609,075
(Loss) before Taxation and Share from Associated Undertaking	(786,371)	(371,092)
Share of (loss) of associated undertaking	(142,904)	(250,635)
Taxation	-	-
(Loss) after Taxation	(929,275)	(621,727)
(Loss) per Share	(0.005)	(0.003)

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, 2018

	July 1 to September 30 2018 (Un-Audited) Rupees	July 1 to September 30 2017 (Un-Audited) Rupees
(loss) after taxation	(929,275)	(621,727)
Other comprehensive income	-	-
Total comprehensive (loss) for the quarter	<u>(929,275)</u>	<u>(621,727)</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, 2018**

	July 1 to September 30 2018 (Un-Audited) Rupees	July 1 to September 30 2017 (Un-Audited) Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before taxation	(929,275)	(621,727)
Adjustments for:		
- (Surplus) on remeasurement of investments at fair value through profit and loss - Net	(50,770)	(609,075)
- Share of loss from investment in associated undertaking	142,904	250,635
- Depreciation	10,251	13,635
	<u>102,385</u>	<u>(344,805)</u>
Operating (Loss) before Working Capital Changes	(826,890)	(966,532)
(increase) / decrease in current assets	-	-
Increase / (decrease) in current liabilities:		
- Trade and other payables	759,031	509,253
	<u>759,031</u>	<u>509,253</u>
Cash used in Operations	(67,859)	(457,279)
Taxes paid	-	(111,652)
Net Cash used in Operating Activities	(67,859)	(568,931)
CASH FLOW FROM INVESTING ACTIVITIES		
- Proceeds from sale of investments	-	2,857,559
- Funds received from related parties	3,670,000	(2,000,000)
	<u>3,602,141</u>	<u>288,628</u>
Net Cash from Financing Activities		
- Short term borrowings	(3,600,000)	-
Net Increase in Cash and Cash Equivalents	2,141	288,628
Cash and cash equivalents at the beginning of the period	1,467,716	1,589,383
Cash and Cash Equivalents at the End of the period	<u>1,469,857</u>	<u>1,878,011</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, 2018

	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, 2017	1,865,684,870	20,622,850	(818,331,810)	(1,549,302,079)	(481,326,169)
Total comprehensive loss for the quarter ended September 30, 2017	-	-		(621,727)	(621,727)
Balance as at September 30, 2017	1,865,684,870	20,622,850	(818,331,810)	(1,549,923,806)	(481,947,896)
Balance as at July 1, 2018	1,865,684,870	20,622,850	(818,331,810)	(1,609,490,960)	(541,515,050)
Total comprehensive loss for the quarter ended September 30, 2018	-	-		(929,275)	(929,275)
Balance as at September 30, 2018	1,865,684,870	20,622,850	(818,331,810)	(1,610,420,235)	(542,444,325)

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, 2018**

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 Act, 2017 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, 2018. Comprehensive balance sheet is extracted from annual audited financial statements for the year ended June 30, 2018 whereas comparative profit or 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, 2017.

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 30,2018.

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.

The Additional Registrar of Companies has filed a petition in the Lahore High Court against the Company and its directors. The petition is pending adjudication. (As explained in note 22 of the annual accounts for the year ended June 30, 2018)

Commitments

There are no material commitments outstanding at the close of the balance sheet date (June 30, 2018: 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, 2018 Rupees	July 1 to September 30, 2017 Rupees
Associated undertaking		
Funds received from / (repaid to) associated undertaking	70,000	(2,000,000)
Directors		
Funds received from / (repaid to) director(s)	3,600,000	-

Note 6

Authorization of Financial Statements

These interim financial information have been authorized for issue on October 29, 2018 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**

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