HALF YEARLY
ACCOUNTS
31st December, 2019

PERVEZ AHMED
Consultancy Services Limited
(Formerly Pervez Ahmed Securities Limited)

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COMPANY INFORMATION

Board of Directors	Mr. Pervez Ahmed	Chief Executive
	Mrs. Rehana Pervez Ahmed	
	Mr. Ali Pervez Ahmed	
	Mrs. Ayesha Ahmed Mansoor	
	Mr. Muhammad Khalid Khan	
	Mr. Mazhar Pervaiz Malik	
	Mian Basit Rasheed	
Audit Committee	Mr. Muhammad Khalid Khan	Chairman
	Mrs. Ayesha Ahmed Mansoor	
	Mr. Mazhar Pervaiz Malik	
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 Directors of Pervez Ahmed Consultancy Services Limited (Formerly Pervez Ahmed Securities Limited) are pleased to present their review, together with the un-audited financial statements of the Company, for the six months ended December 31, 2019.

Financial Results of the Company

During the six months ended December 31, 2019, the Company made a profit of Rs. 386,755 versus the loss of Rs 850,617 in the same period of last year. The basic & diluted earning per share is Rs. 0.002. During the period Company has started earning income from a new business line of Management Consultancy.

Future Outlook

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

Acknowledgment

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
February 7, 2020

Ali Perez Ahmed
Director

Perez Ahmed
Chief Executive

Independent Auditor's Review Report
Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of PERVEZ AHMED CONSULTANCY SERVICES LIMITED (FORMERLY PERVEZ AHMED SECURITIES LIMITED) ['the Company'] as at December 31, 2019 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures for the three-month period ended December 31, 2019 of the condensed interim statement of profit or loss, condensed interim statement of comprehensive income have not been reviewed as we are required to review only cumulative figures for the six-month period ended on that date.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis of Adverse Conclusion

a) As referred to in note 2.2 to the interim financial statements, the Company has accumulated losses of Rs. 1,624.921 million. Its current liabilities exceed current assets by Rs. 638.78 million. Further, the Trading Rights Entitlement Certificate issued to the Company was inactive due to inadequate net capital balance and the same has been sold to another company. One of the bankers has filed a recovery suit against the Company. Further as referred to in note 10.1.2 to the interim financial statements, the Additional Registrar of Companies ['ARC'], Securities and Exchange Commission of Pakistan has filed a petition in the Lahore High Court against the Company and its directors whereby the ARC has prayed that the affairs of the Company be declared as being conducted in an unlawful manner which is prejudicial for the shareholders, that the Company and its Directors be ordered to buy back the shares of minority shareholders at a price to be determined in accordance with Rule Book of Pakistan Stock Exchange Limited and that the directors be held responsible for not conducting the brokerage business as envisaged in the memorandum of association of the Company. The Company also has overdue debt finances and interest/markup thereon, as referred to note 8 and note 9 to the interim financial statements. One of the creditors has also filed a suit against the Company for recovery of its debts. These factors indicate existence of material uncertainty that raises doubts about the Company's ability to continue as a going concern and that the company may not be able to discharge its liabilities and realize its assets in the normal course of business. We consider that in the absence of any favourable settlement with the providers of debt finances/creditors, ability to obtain further financing and revival of its operations, the Company may not be able to settle its liabilities and realize its assets in the normal course of business. Consequently, the use of going concern assumption in the preparation of annexed interim financial statements is not appropriate and adjustments may be required to the recorded asset amounts and classification of liabilities. The financial statements do not disclose this fact.

b) The Company has not recognized interest/markup on short term borrowings amounting to Rs. 89.77 million upto December 31, 2019. Had this interest/markup been recognized, accumulated losses as at December 31, 2019 and loss for the period then ended would have been higher by Rs. 83.528 million and Rs. 6.244 million respectively. The interim financial statements do not disclose this fact.

c) As referred to note 10.1.1 to the interim financial statements, 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 not recognized provision for late payment surcharge of Rs. 17.45 million. Had the provision been recognized, accumulated losses as at December 31, 2019 and loss for the period then ended would have been higher by Rs. 17.45 million.

Adverse Conclusion

Our review indicated that, because of the matters discussed in Basis for Adverse Conclusion paragraph, accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is ZUBAIR IRFAN MALIK

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Engagement Partner: ***ZUBAIR IRFAN MALIK***
Date: ***FEBRUARY 27, 2020***
Place: ***LAHORE***

PERVEZ AHMED SECURITIES LIMITED

Condensed Interim Statement of Financial Position as at DECEMBER 31, 2019

	Note	December 31, 2019	June 30, 2019
		Rupees	*Rupees*
		(Un-audited)	*(Audited)*
NON CURRENT ASSETS			
Property and equipment	6	**57,954**	137,740
Long term investments	7	**81,426,811**	81,804,485
Long term deposits		**350,000**	350,000
		81,834,765	82,292,225
CURRENT ASSETS			
Short term investments		**1,914,981**	1,762,852
Advances and prepayments		**483,105**	-
Current taxation		**6,511,133**	6,439,733
Cash at banks		**2,409,118**	1,474,331
		11,318,337	9,676,916
CURRENT LIABILITIES			
Trade and other payables		**(489,240,220)**	(488,443,014)
Unclaimed dividend		**(885,404)**	(885,404)
Accrued interest/markup	8	**(21,757,327)**	(21,757,327)
Short term borrowings	9	**(89,839,551)**	(89,839,551)
Due to related parties		**(48,375,452)**	(48,375,452)
		(650,097,954)	(649,300,748)
NET CURRENT ASSETS		**(638,779,617)**	(639,623,832)
NON-CURRENT LIABILITIES		**-**	-
.			
NET ASSETS		**(556,944,852)**	(557,331,607)
REPRESENTED BY:			
Authorized capital			
230,000,000 (June 30, 2019: 230,000,000) ordinary shares of Rs. 10 each		**2,300,000,000**	2,300,000,000
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		**(1,624,920,762)**	(1,625,307,517)
		(577,567,702)	(577,954,457)
Advance against issue of ordinary shares		**20,622,850**	20,622,850
TOTAL EQUITY		**(556,944,852)**	(557,331,607)
CONTINGENCIES AND COMMITMENTS	10	**-**	-
		(556,944,852)	(557,331,607)

The annexed notes from 1 to 17 form an integral part of these interim financial statements.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

PERVEZ AHMED SECURITIES LIMITED

Condensed Interim Statement of Profit or Loss
(Un-Audited)
For The Six Months Period Ended December 31, 2019

		Six month ended		Three month ended	
	Note	**December 31, 2019**	December 31, 2018	**December 31, 2019**	December 31, 2018
		Rupees	*Rupees*	***Rupees***	*Rupees*
Revenue		**1,000,000**	-	**500,000**	-
Administrative expenses		**(726,300)**	(1,003,251)	**(448,972)**	(166,110)
Operating profit/(loss)		**273,700**	(1,003,251)	**51,028**	(166,110)
Changes in fair value of investments at fair value through profit or loss		**152,129**	161,251	**239,109**	110,481
Other income		**353,600**	-	**-**	-
Other charges		**-**	(1,886)	**-**	(1,886)
		779,429	(843,886)	**290,137**	(57,515)
Share of loss of associate		**(377,674)**	(6,731)	**2,389,951**	136,173
Profit/(loss) before taxation		**401,755**	(850,617)	**2,680,088**	78,658
Taxation	*11*	**(15,000)**	-	**(15,000)**	-
Profit/(loss) after taxation		**386,755**	(850,617)	**2,665,088**	78,658
Earning/(loss) per share - ***basic and diluted***		**0.002**	(0.005)	**0.014**	0.000

The annexed notes from 1 to 17 form an integral part of these interim financial statements.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

PERVEZ AHMED SECURITIES LIMITED
Condensed Interim Statement of Comprehensive Income
(Un-Audited)
For The Six Months Period Ended December 31, 2019

	Six month ended		Three month ended	
	December 31, 2019	December 31, 2018	**December 31, 2019**	December 31, 2018
	Rupees	*Rupees*	***Rupees***	*Rupees*
Profit/(loss) after taxation	**386,755**	(850,617)	**2,665,088**	78,658
Other comprehensive income	**-**	-	**-**	-
Total comprehensive income/(loss)	**386,755**	(850,617)	**2,665,088**	78,658

The annexed notes from 1 to 17 form an integral part of these interim financial statements.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

PERVEZ AHMED SECURITIES LIMITED

Condensed Interim Statement of Cash Flows (Un-Audited)
For The Six Months Period Ended December 31, 2019

	Six month ended	
	December 31, 2019	December 31, 2019
	Rupees	*Rupees*
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	**386,755**	(850,617)
Adjustments for non-cash items	**(119,669)**	(134,018)
Operating profit/(loss) before changes in working capital	**267,086**	(984,635)
Changes in working capital		
Trade and other payables	**797,206**	635,382
Advances and prepayments	**(483,105)**	-
Due from related parties	**-**	1,345,000
	314,101	1,980,382
Net cash generated from operations	**581,187**	995,747
Payments for:		
Income tax	**(71,400)**	-
Net cash used in operating activities	**509,787**	995,747
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property and equipment	**425,000**	-
Net cash generated from investing activities	**425,000**	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings	**-**	(4,759,380)
Borrowings from related parties	**-**	4,759,380
Net cash generated from financing activities	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	**934,787**	995,747
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE PERIOD	**1,474,331**	1,589,383
CASH AND CASH EQUIVALENTS AS AT END OF THE PERIOD	**2,409,118**	2,585,130

The annexed notes from 1 to 17 form an integral part of these interim financial statements.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

PERVEZ AHMED SECURITIES LIMITED

Condensed Interim Statement of Changes In Equity (Un-Audited)
For The Six Months Period Ended December 31, 2019

	Share capital	Capital reserves		Revenue reserve	
	Issued subscribed and paid-up capital	Advance against issue of ordinary shares	Discount on issue of shares	Accumulated profit	Total equity
	Rupees	*Rupees*	*Rupees*	*Rupees*	*Rupees*
Balance as at June 30, 2018 - *Audited*	1,865,684,870	20,622,850	(818,331,810)	(1,609,490,960)	(541,515,050)
Comprehensive income					
Loss after taxation	-	-	-	(850,617)	(850,617)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	-	-	(850,617)	(850,617)
Transaction with owners	-	-	-	-	-
Balance as at December 31, 2018 - *Un-audited*	1,865,684,870	20,622,850	(818,331,810)	(1,610,341,577)	(542,365,667)
Balance as at January 01, 2019 - *Un-audited*	1,865,684,870	20,622,850	(818,331,810)	(1,610,341,577)	(542,365,667)
Comprehensive income					
Loss after taxation	-	-	-	(14,965,940)	(14,965,940)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	-	-	(14,965,940)	(14,965,940)
Transaction with owners	-	-	-	-	-
Balance as at June 30, 2019 - *Audited*	1,865,684,870	20,622,850	(818,331,810)	(1,625,307,517)	(557,331,607)
Balance as at July 01, 2019 - *Audited*	**1,865,684,870**	**20,622,850**	**(818,331,810)**	**(1,625,307,517)**	**(557,331,607)**
Comprehensive income					
Profit after taxation	**-**	**-**	**-**	**386,755**	**386,755**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**
Total comprehensive profit	**-**	**-**	**-**	**386,755**	**386,755**
Transaction with owners	**-**	**-**	**-**	**-**	**-**
Balance as at December 31, 2019 - *Un-audited*	**1,865,684,870**	**20,622,850**	**(818,331,810)**	**(1,624,920,762)**	**(556,944,852)**

The annexed notes from 1 to 17 form an integral part of these interim financial statements.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

PERVEZ AHMED SECURITIES LIMITED

Notes To The Condensed Interim Financial Statement (Un-Audited) For The Six Months Period Ended December 31, 2019

1 LEGAL STATUS AND OPERATIONS

Pervez Ahmed Consultancy Services Limited (formerly Pervez Ahmed Securities Limited) ['the Company'] was incorporated in Pakistan on June 08, 2005 as a Single Member Company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and was later converted to Public Limited Company and listed on Pakistan Stock Exchanges Limited. The Company was primarily a brokerage house engaged in the shares brokerage and trading, consultancy services and underwriting. However, the Company has amended its memorandum of association to change its principal activity to act as consultants and advisors to individual, corporations, financial institutions, Government bodies and departments, Companies, corporations and other entities. The registered office of the Company is situated at 20-K Gulberg II, Lahore.

2 BASIS OF PREPARATION

The interim financial statements are un-audited and has been presented in condensed form and do not include all the information as is required to be provided in a full set of annual financial statements. These interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2019.

This interim financial statements have been subjected to limited scope review by the auditors of the company, as required by the Companies Act, 2017 under section 237. The comparative condensed interim statement of financial position as at June 30, 2019 and the related notes to the interim financial statements are based on audited financial statements. The comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and related notes to the condensed interim financial statements for the six month period ended December 31, 2018 are based on unaudited, reviewed interim financial statements. The condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended December 31, 2019 and December 31, 2018 are neither audited

2.1 Statement of compliance

These interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprises of:

- International Accounting Standard 34 - Interim Financial Reporting, issued by International Accounting Standards Board [IASB] as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Going concern assumption

The Company has accumulated losses of Rs. 1,624.921 million. Its current liabilities exceed current assets by Rs. 638.78 million. Further, the Trading Rights Entitlement Certificate issued to the Company was inactive due to inadequate net capital balance and the same has been transferred to third party. These factors indicates existense of material uncertainty that raise doubts about the Company's ability to continue as a going concern and that the Company may not be able to discharge its liabilities and realize its assets in the normal course of bussiness. However, these interim financial statements have been prepared on a going concern basis based on the following:

- The Company has amended its memorandum of association and changed its principal activity to act as consultants and advisors to individual, corporations, financial institutions, Government bodies and departments, Companies, corporations and other entities.
- Negotiations with lenders regarding settlement of overdue debt finances.
- The Company has continued financial support of its sponsors and associted companies in the form of interest free

2.3 Basis of measurement

These interim financial statements have been prepared under the historical cost convention except for certain financial instruments at fair value/amortized cost and employees retirement benefits at present value. In this financial information, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual

2.4 Judgments, estimates and assumptions

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.5 Functional currency

These interim financial statements are prepared in Pak Rupees which is the Company's functional currency.

2.6 Date of authorisation for issue

This interim financial statements have been approved by the Board of Directors of the Company and authorized for issue on February 27, 2020.

3 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS EFFECTIVE DURING THE PERIOD.

The following new and revised standards, interpretations and amendments are effective in the current period but are either not relevant to the Company or their application does not have any material impact on the interim financial statements of the Company other than presentation and disclosures.

3.1 IFRS 16 - Leases (2016)

IFRS 16 - Leases (2016) specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

3.2 IFRIC 23 - Uncertainty over Income Tax Treatments

The interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. It specifically considers:

- Whether tax treatments should be considered collectively
- Assumptions for taxation authorities' examinations
- The determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- The effect of changes in facts and circumstances

3.3 Applying IFRS 9 - Financial Instruments with IFRS 4 - Insurance Contracts (Amendments to IFRS 4 - Insurance

IFRS 4 Insurance Contracts have been amended to provide two options for entities that issue insurance contracts within the scope of IFRS 4:

- an option that permits entities to reclassify, from profit or loss to other comprehensive income, some of the income or expenses arising from designated financial assets; this is the so-called overlay approach;
- an optional temporary exemption from applying IFRS 9 for entities whose predominant activity is issuing contracts within the scope of IFRS 4; this is the so-called deferral approach

The application of both approaches is optional and an entity is permitted to stop applying them before the new insurance contracts standard is applied.

3.4 Prepayment Features with Negative Compensation (Amendments to IFRS 9 - Financial Instruments)

IFRS 9 - Financial Instruments have been amended regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

3.5 Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28 - Investments in Associates and Joint Ventures)

IAS 28 - Investments in Associates and Joint Ventures have been amended to clarifies that an entity applies IFRS 9 Financial Instruments to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

3.6 Annual Improvements to IFRS Standards 2015 – 2017 Cycle

The annual improvements have made amendments to the following standards:

- **IFRS 3 - Business Combinations and IFRS 11 - Joint Arrangements** - The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.
- **IAS 12 - Income Taxes** - The amendments clarify that the requirements in the former paragraph 52B (to recognize the income tax consequences of dividends where the transactions or events that generated distributable profits are recognized) apply to all income tax consequences of dividends by moving the paragraph away from paragraph 52A that only deals with situations where there are different tax rates for distributed and undistributed profits.
- **IAS 23 - Borrowing Costs** - The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings.

3.7 Plan Amendment, Curtailment or Settlement (Amendments to IAS 19 - Employee Benefits)

The amendments in Plan Amendment, Curtailment or Settlement (Amendments to IAS 19) are:

- If a plan amendment, curtailment or settlement occurs, it is now mandatory that the current service cost and the net interest for the period after the remeasurement are determined using the assumptions used for the remeasurement.
- In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling.

4 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT YET EFFECTIVE.

	Effective date (annual periods beginning on or after)
IFRS 17 - Insurance contracts (2017)	January 01, 2021
Sale or contribution of assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures).	Deferred Indefinitely
Amendments to References to the Conceptual Framework in IFRS Standards	January 01, 2020
Definition of a Business (Amendments to IFRS 3 - Business Combinations)	January 01, 2020
Definition of Material (Amendments to IAS 1 - First-time Adoption of International Financial Reporting Standards and IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors)	January 01, 2020
Interest Rate Benchmark Reform (Amendments to IFRS 9 - Financial Instruments, IAS 39 - Financial Instruments: Recognition and Measurements, and IFRS 7 - Financial Instruments: Disclosures)	January 01, 2020

Other than afore-mentioned standards, interpretations and amendments, IASB has also issued the following standards which have not been notified by the Securities and Exchange Commission of Pakistan ['SECP']:

IFRS 1 - First Time Adoption of International Financial Reporting Standards
IFRS 14 - Regulatory Deferral Accounts
IFRS 17 – Insurance contracts (2017)

The Company intends to adopt these new and revised standards, interpretations and amendments on their effective dates, subject to, where required, notification by Securities and Exchange Commission of Pakistan under section 225 of the Companies Act, 2017 regarding their adoption. The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the Company's financial statements other than in presentation/disclosures.

5 ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted in the preparation of these interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2019.

	Note	December 31, 2019	June 30, 2019
		Rupees	Rupees
		(Un-Audited)	(Audited)
6 PROPERTY AND EQUIPMENT			
Net book value at the beginning of the period/year		**137,740**	178,744
Depreciation for the period/year		**(8,386)**	(41,004)
Disposal during the period/year		**(71,400)**	-
Net book value at end of the period/year		**57,954**	137,740
7 LONG TERM INVESTMENTS			
Investment in related parties	7.1	**78,895,311**	79,272,985
Other investments	7.2	**2,531,500**	2,531,500
		81,426,811	81,804,485
7.1 Investment in related parties			
Pervez Ahmed Capital (Private) Limited	7.1.1	**78,895,311**	79,272,985
Origins Fabrics (Private) Limited	7.1.2	**-**	-
		78,895,311	79,272,985

7.1.1 Pervez Ahmed Capital (Private) Limited

This represents investment in ordinary shares of Pervez Ahmed Capital (Private) Limited, an associate within the definition of 'Associate' under International Accounting Standard 28 - Investment in Associates and Joint Ventures. Accordingly, the investment Pervez Ahmed Capital (Private) Limited has been accounted for using the equity method. Particulars of investment are as follows:

	December 31, 2019	June 30, 2019
	Rupees	Rupees
	(Un-Audited)	(Audited)
Cost of investment		
8,498,300 (June 30, 2019: 8,498,300) fully paid ordinary shares of Rs. 10 each	**84,983,000**	84,983,000
Share of post acquisition losses	**(6,087,689)**	(5,710,015)
	78,895,311	79,272,985
Percentage of ownership interest	**49.36%**	49.36%

Extracts of financial statements of associate

The assets and liabilities of Pervez Ahmed Capital (Private) Limited as at the reporting date and related revenue and loss based on the associate's unaudited financial statements for the reporting period are as follows:

	December 31, 2019	June 30, 2019
	Rupees	Rupees
	(Un-Audited)	(Audited)
Assets	**160,068,931**	160,931,736
Liabilities	**228,807**	326,455
Loss for the period/year	**765,157**	29,824,175
Share of loss	**377,674**	14,721,085

	December 31, 2019	June 30, 2019
	Rupees	*Rupees*
	(Un-Audited)	*(Audited)*
7.1.2 Origins Fabrics (Private) Limited		
Cost of investment	**9,000,000**	9,000,000
Changes in fair value	**(9,000,000)**	(9,000,000)
	-	-

This represents investment in 900,000 ordinary shares of Origins Fabric (Private) Limited ['OFPL']. OFPL was incorporated for the purpose of acquiring exclusive rights of ORIGINS LAWN, an extension of an already established and renowned retail brand ORIGINS READY TO WEAR. The Company's shareholding in OFPL comprises 10,000 voting ordinary shares of Rs. 10 each and 890,000 non-voting ordinary shares of Rs. 10 each. The voting power held by the Company does not constitute control or significant influence. Therefore the investment has been accounted for under IFRS 9 - 'Financial Instruments' and mandatorily classified as 'financial asset at fair value through profit or loss'.

The investment was made by the Company with a view to profit from total return of the investee in the form of dividends and changes in fair value. However, as the Company lacks future prospects, the management believes that the fair value of the investment is nil.

	December 31, 2019	June 30, 2019
	Rupees	*Rupees*
	(Un-Audited)	*(Audited)*
7.2 Other investments		
These represent investments in the following un-quoted equity securities.		
Available for sale investments		
Dawood Family Takaful Limited	**5,000,000**	5,000,000
Change in fair value	**(2,468,500)**	(2,468,500)
	2,531,500	2,531,500

7.2.1 These represent 500,000 (June 30, 2019: 500,000) ordinary shares of Rs. 10 each. The investment is held for an indefinite period and has been mandatorily classified as 'financial asset at fair value through profit or loss'. The fair value of investment has been determined on the basis of break-up value per share based on most recent audited financial statements available of the investee for the year ended December 31, 2018.

8 ACCRUED INTEREST/MARKUP

This represents over-due interest/markup on borrowings.

9 SHORT TERM BORROWINGS

The represents overdue borrowings. The Company does not have any lines of credit arrangements as the reporting date.

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

10.1.1 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 provision has been made in this regard as the management of the Company expects favourable outcome of the suit.

10.1.2 The Additional Registrar of Companies ['ARC'] Securities and Exchange Commission of Pakistan has filed a petition in the Lahore High Court against the Company and its directors whereby the ARC has prayed that the affairs of the Company be declared as being conducted in an unlawful manner which is prejudicial for the shareholders, that the Company and its Directors be ordered to buy back the shares of minority shareholders at a price to be determined in accordance with Rule Book of Pakistan Stock Exchange Limited and that the directors be held responsible for not conducting the brokerage business as envisaged in the memorandum of association of the Company. The prayer has been made on the following

a) The Company is not being run in accordance with the law and the state of affairs of the Company are prejudicial to the interest of the minority shareholders as the some minority shareholders have filed a complaint to that effect.

b) The Company has not declared any dividends 2008-09 and its does not have a bright future outlook as the directors have no concrete plan for the revival of business of the Company.

c) The Company is principally a brokerage house and has sold its Trading Rights EntitlementCertificate ['TREC']of Lahore Stock Exchange, without which the Company cannot operate as a brokerage house. (The TRECwas sold without the authority of shareholders in general meeting for which the directors of the Company have already been fined Rs. 700,000 vide Securities and Exchange Commission of Pakistan's order dated June 14, 2016).

d) The Company has not recognized any provision against debt owed to a creditor of Rs. 36.57 million including late payment surcharge amounting to Rs. 17.45 million.

e) The Company has not recognized interest/markup on short term borrowings amounting to Rs. 89.77 upto Dec 31, 2019.

f) The Company has failed to comply with the best practices of the Code of Corporate Governance.

The petition is pending adjudication. The outcome of the petition cannot be ascertained as at the reporting date with certainty.

11 TAXATION

11.1 Current taxation

Provision for taxation has been made in accordance with section 113 of the Income Tax Ordinance, 2001.

11.2 The Company has net deferred tax asset amounting to Rs. 336.578 millionas at December 31, 2019 which has not been recognized as future taxable profits are not expected to be available in future against which the deferred tax asset could

12 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise associates and associated undertakings, sponsors and directors, and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Chief Executive and Directors of the Company. Key management personnel do not draw any compensation from the Company. Transactions with sponsors and directors are limited to provision of temporary interest free loans to the Company. Transactions with associates and associated undertakings are limitedto provision of interest free loans to the Company.
Details of transactions with related parties are as follows:

		Six months ended	
		December 31, 2019	December 31, 2018
		Rupees	*Rupees*
		(Un-Audited)	*(Un-Audited)*
12.1 Transactions with related parties			
Nature of relationship	**Nature of transactions**		
Associates companies and undertakings	Received against sale investment	**-**	1,345,000
Sponsors and directors	Temporary loan (repaid)/obtained - *net*	**-**	4,759,380

		December 31, 2019	June 30, 2019
		Rupees	*Rupees*
		(Un-Audited)	*(Audited)*
12.2 Balances with related parties			
Nature of relationship	**Nature of balance**		
Associates companies and undertakings	Borrowings	**13,400,000**	13,400,000
	Investment in equity securities	**78,895,311**	79,272,985
	Advance against issue of ordinary shares	**20,622,850**	20,622,850
Sponsors and directors	Borrowings	**34,975,452**	34,975,452

13 FINANCIAL INSTRUMENTS

The carrying amounts of the Company's financial instruments by class and category are as follows:

	December 31, 2019	June 30, 2019
	Rupees	*Rupees*
	(Un-Audited)	*(Audited)*
13.1 Financial assets		
Financial assets at amortized cost		
Long term deposits	**350,000**	350,000
Bank balances	**2,409,118**	1,474,331
Financial assets mandatorily measured at fair value *through profit or loss*		
Long term investments	**2,531,500**	2,531,500
Short term investments	**1,914,981**	1,762,852
	7,205,599	6,118,683
13.2 Financial liabilities		
Financial liabilities at amortized cost		
Short term borrowings	**89,839,551**	89,839,551
Accrued interest/markup	**21,757,327**	21,757,327
Trade creditors	**473,017,644**	473,017,644
Accrued liabilities	**2,052,331**	2,131,081
Payable against purchase of investment	**4,086,600**	4,086,600
Other payables	**1,091,031**	205,251
	591,844,484	591,037,454

14 FAIR VALUE MEASUREMENTS

The Company measures some of its assets at fair value at the end of each reporting period. Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements and has the following levels.

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value hierarchy of financial instruments measured at fair value and the information about how the fair values of these financial instruments are determined are as follows:

14.1 Financial instruments measured at fair value

14.1.1 Recurring fair value measurements

	Hierarchy	Valuation technique	December 31, 2019	June 30, 2019
			Rupees	*Rupees*
			(Un-Audited)	*(Audited)*
Investment in unquoted equity securities (Long term investment)	Level 2	Break-up value	**2,531,500**	2,531,500
Investment in unquoted equity securities (Short term investments)	Level 1	Quoted bid prices in	**1,914,981**	1,762,852

14.1.2 Non-recurring fair value measurements

There are no non-recurring fair value measurements as at the reporting date.

14.2 Financial instruments not measured at fair value

The management considers the carrying amount of all financial instruments not measured at fair value to approximate their carrying values.

14.3 Assets and liabilities other than financial instruments.

None of the assets and liabilities other than financial instruments are measured at fair value.

15 EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period that may require adjustment of and/or disclosure in these interim financial statements.

16 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these interim financial statements.

17 GENERAL

17.1 There are no other significant activities since June 30, 2019 affecting the interim financial statements.

17.2 Corresponding figures have been re-arranged where necessary to facilitate comparison. However, there are no significant reclassifications during the period.

17.3 Figures have been rounded off to the nearest Rupee.

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR**

مجلسِ نظماء کی رپورٹ

پرویز احمد کنسلٹنسی سروسز لمیٹڈ (سابقہ پرویز احمد سیکورٹیز لمیٹڈ) کی مجلسِ نظماء 31 دسمبر 2019ء کو ختم ہونے والی ششماہی کے لئے کمپنی کے غیر نظر ثانی شدہ گوشوارے معہ اپنی جائزہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتی ہے۔

کمپنی کے مالیاتی نتائج

31 دسمبر 2019 کو ختم ہونے ششماہی کے دوران، کمپنی نے 386,755 روپے منافع کمایا جبکہ پچھلے سال کی اسی مدت میں 850,617 روپے کا خسارہ ہوا تھا۔ بنیادی اور معتدل فی شیئر آمدنی 0.002 روپے ہے۔ زیرِ جائزہ مدت کے دوران کمپنی نے مینجمنٹ کنسلٹنسی کی نئی کاروباری لائن سے آمدنی کمانا شروع کردی۔

مستقبل کا نقطہ نظر

بڑھتے ہوئے افراطِ زر، تیل کی اعلیٰ قیمتوں، شرح سود اور کمزور روپیہ جیسے منفی معاشی حالات کے پیشِ نظر مقامی کاروباروں میں عدم استحکام اور غیر یقینی صورتحال غالب آرہی ہے۔ تاہم، حکومت ادائیگیوں کے توازن کے خلاء پُر کرنے اور روپیہ کی قدر میں کمی کو کنٹرول کرنے کے لئے دوست ممالک سے مالی مدد حاصل کرنے کی کوششیں کر رہی ہے جس سے کاروباروں کی بحالی میں مقامی صنعت کو مدد ملے گی۔

اظہارِ تشکر

مجلسِ نظماء بھرپور حمایت، مدد اور رہنمائی کے لئے اپنے قابل قدر حصص یافتگان، بینکوں، سیکورٹیز اینڈ ایکسچینج کمیشن اور پاکستان اسٹاک ایکسچینج کی انتظامیہ کی شکر گزار ہے۔ بورڈ کمپنی کے عملے اور کارکنوں کی خدمات، وفاداری اور مسلسل فراہم کی جانے والی کوششوں کو بھی سراہتا ہے۔

منجانب بورڈ

پرویز احمد	علی پرویز احمد
چیف ایگزیکٹو	ڈائریکٹر

لاہور،

تاریخ: 27 فروری 2020ء

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