

**ABBASI & COMPANY (PRIVATE) LIMITED.**

**CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED MARCH 31, 2021**

**ABBASI AND COMPANY (PRIVATE) LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2021 (UN-AUDITED)**

	Note	March 31, 2021 Un-Audited	June 30, 2020 Audited
-----Rupees-----			
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property and equipment	5.	212,606,976	209,812,078
Intangible assets	6.	1,172,398	1,475,383
Long term deposits	7.	5,441,700	5,441,700
Long term investment	8.	19,605,539	19,605,539
		238,826,613	236,334,700
<b>CURRENT ASSETS</b>			
Trade debts	9.	11,473,098	2,450,330
Short term investments	10.	53,870,555	33,862,177
Advances, deposits and prepayments	11.	78,648,081	67,272,188
Cash and bank balances	12.	286,343,518	352,959,129
		430,335,252	456,543,824
<b>TOTAL ASSETS</b>		<b>669,161,865</b>	<b>692,878,524</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized capital			
20,000,000 (2020: 20,000,000) ordinary shares of Rs. 10 each		200,000,000	200,000,000
Share capital			
Issued, subscribed and paid up capital		70,110,000	70,110,000
Capital reserves			
Share premium reserve		98,350,000	98,350,000
Fair value reserve of long term investment at FVOCI		18,245,539	18,245,539
		116,595,539	116,595,539
Revenue reserves			
General reserve		200,000,000	200,000,000
Unappropriated profit		52,119,816	36,755,082
		252,119,816	236,755,082
		438,825,355	423,460,621
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13.	230,336,510	269,417,903
<b>CONTINGENCIES AND COMMITMENTS</b>			
	14.	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>669,161,865</b>	<b>692,878,524</b>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

**ABBASI AND COMPANY (PRIVATE) LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2021**

	Note	Nine Months Ended		Quarter ended	
		March 31, 2021 Un-Audited	March 31, 2020 Un-Audited	March 31, 2021 Un-Audited	March 31, 2020 Un-Audited
-----Rupees-----					
Operating revenue	15.	60,361,343	38,544,706	22,859,396	12,254,626
Capital (loss) / gain on sale of investments at FVTPL - net		2,013,083	(4,886,365)	(1,047,444)	(1,441,111)
Net fair value gain / (loss) on re-measurement of investments classified at FVTPL		4,018,791	(7,150,919)	(4,116,455)	(17,074,372)
		66,393,217	26,507,422	17,695,497	6,260,857
Finance cost		(18,132)	(27,589)	(16,930)	(1,433)
Administrative and operating expenses		(58,735,723)	(49,398,131)	(19,719,340)	(16,916,479)
Other income		10,523,370	9,366,174	5,371,969	1,834,448
Profit/(Loss) before taxation		18,162,732	(13,552,124)	3,331,196	(21,344,321)
Taxation		(2,797,998)	(342,178)	(1,099,403)	(54,232)
<b>PROFIT/(LOSS) AFTER TAXATION</b>		<b>15,364,734</b>	<b>(13,894,302)</b>	<b>2,231,793</b>	<b>(21,398,553)</b>
<b>EARNING/(LOSS) PER SHARE - BASIC AND DILUTED</b>	16.	<b>2.19</b>	<b>(1.98)</b>	<b>0.32</b>	<b>(3.05)</b>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

**ABBASI AND COMPANY (PRIVATE) LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTH ENDED MARCH 31, 2021**

	Nine Months Ended		Quarter ended		
	Note	March 31, 2021 Un-Audited	March 31, 2020 Un-Audited	March 31, 2021 Un-Audited	March 31, 2020 Un-Audited
		-----Rupees-----			
PROFIT/(LOSS) AFTER TAXATION		15,364,734	(13,894,302)	2,231,793	(21,398,553)
OTHER COMPREHENSIVE INCOME					
<i>Items that will not be reclassified subsequently to statement of profit or loss</i>					
<i>Surplus on re-measurement of investment at FVOCI</i>					
<b>TOTAL COMPREHENSIVE INCOME / (LOSS)</b>		<b>15,364,734</b>	<b>(13,894,302)</b>	<b>2,231,793</b>	<b>(21,398,553)</b>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

**ABBASI AND COMPANY (PRIVATE) LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2021**

	SHARE CAPITAL		CAPITAL RESERVES				REVENUE RESERVES		TOTAL
	Issued, Subscribed and Paid up Capital	Share Premium Reserve	Fair Value Reserve of Long Term Investment at FVOCI	Surplus / (Deficit) on Remeasurement of Investments Available for Sale	General Reserve	Unappropriated Profit			
Balance as at July 01, 2019 - as per originally reported	70,110,000	98,350,000	-	(3,794,533)	200,000,000	70,663,234	439,123,234		
Adjustment for the first time application of IFRS-9	-	-	-	3,794,533	-	(25,186,893)	(21,392,360)		
Balance as at July 01, 2018 - as adjusted	70,110,000	98,350,000	-	-	200,000,000	45,476,341	417,730,874		
Total comprehensive loss	-	-	-	-	-	(8,721,259)	(8,721,259)		
Profit/(Loss) after taxation	-	-	-	-	-	(8,721,259)	(8,721,259)		
Other comprehensive income for the year	-	-	-	-	-	(8,721,259)	(8,721,259)		
Balance as at June 30, 2020	70,110,000	98,350,000	-	-	200,000,000	36,755,082	409,009,615		
Balance as at July 01, 2020	70,110,000	98,350,000	18,245,539	-	200,000,000	36,755,082	423,460,621		
Total comprehensive income	-	-	-	-	-	15,364,734	15,364,734		
Profit/(Loss) after taxation	-	-	-	-	-	15,364,734	15,364,734		
Other comprehensive income for the year	-	-	-	-	-	15,364,734	15,364,734		
Balance as at March 31, 2021	70,110,000	98,350,000	18,245,539	-	200,000,000	52,119,816	438,825,355		

(IN RUPEES)

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

  
 Chief Executive Officer

  
 Director

  
 Chief Financial Officer

**ABBASI AND COMPANY (PRIVATE) LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2021**

	<i>Note</i>	<i>March 31, 2021</i> <i>Un-Audited</i>
		<b>Rupees</b>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Profit before taxation		18,162,732
Adjustments for:		
Depreciation		5,561,114
Amortisation		302,985
Net fair value (gain) / loss on re-measurement of investments		(4,018,791)
Capital (loss) / gain		(2,013,083)
Allowances for expected credit loss		-
Gain on sale of property and equipment		(4,689,704)
Dividend income		(1,402,216)
<hr/>		
Cash flow from operating activities before working capital changes		11,903,037
Adjustments for working capital changes:		
<u>(Increase) / decrease in current assets</u>		
Trade debts		(9,022,768)
Short term investments		(13,976,504)
Advances, deposits and prepayments		(29,040,935)
<u>Increase / (decrease) in current liabilities</u>		(52,040,207)
Trade and other payables		(22,796,869)
<hr/>		
Cash generated from / (used in) operating activities		(74,837,076)
Income tax paid		(1,417,480)
<hr/>		
Net cash generated from / (used in) operating activities		(64,351,519)
 <b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Sale proceeds from disposal of property and equipment		16,527,860
Payment for acquisition of property and equipment		(20,194,170)
(Increase) / decrease in long term deposits		-
Payment for acquisition of intangible asset		-
Dividend received		1,402,216
<hr/>		
Net cash generated from / (used in) investing activities		(2,264,094)
 <b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
<hr/>		
Net cash generated from financing activities		-
<hr/>		
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(66,615,613)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		352,959,129
CASH AND CASH EQUIVALENTS AT THE END OF NINE MONTHS	18.	286,343,516

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

**ABBASI AND COMPANY (PRIVATE) LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2021**

**Note**

**1. STATUS AND NATURE OF BUSINESS**

Abbasi and company (private) limited (the Company) was incorporated as a private limited company in Pakistan on February 13, 1999. The Company is a TREC holder of Pakistan Stock Exchange Limited and has also acquired membership of the Pakistan Mercantile Exchange Limited. It is principally engaged in the business of brokerage, underwriting, buying and selling of stocks, shares, modaraba certificates, etc. The Corporate Office of the Company is situated at 6-Shadman, Lahore. The branch office of the Company is situated at 42-Shahrah-e-Quaid-e-Azam, Lahore.

**1.1. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS**

<u>Sr#</u>	<u>Particulars of Immovable Property</u>	<u>Geographical Location</u>
1.	Corporate Office	6 - Shadman, Near China Chowk, Lahore, Pakistan
2.	Branch Office	42 - Shahrah-e-Quaid-i-Azam, Lahore, Pakistan

**2. BASIS OF PREPARATION**

**2.1 Statement of Compliance**

These condensed interim financial statements ('the 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 comprise of:

- Interim Accounting Standards 34: Interim Financial Reporting (IAS 34), issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017 (the Act)
- provisions of and directives issued under the Companies Act, 2017.

Where 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.

These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2020. Comparative figures for condensed interim statement of financial position are stated from annual audited financial statement of the company for the year ended June 30, 2020, whereas comparative for condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flow are extracted from the condensed interim financial information of the company for nine month ended March 31, 2021.

**2.2 Basis of Measurement**

These condensed interim financial statements have been prepared on the basis of 'historical cost' convention, except for certain short term investments which are stated at fair value and as otherwise stated in respective policy notes.

These condensed interim financial statements have been prepared following accrual basis of accounting except for cash flow information.

**2.3 Functional and presentation currency**

Items included in the condensed interim financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the functional currency), which is the Pakistan Rupee (Rs).

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principle accounting policies applied in the preparation of these interim financial statements are the same as those applied in the preparation of the financial statements of the company for the year ended June 30, 2020.

**4. USE OF ESTIMATES AND JUDGEMENTS**

The preparation of condensed interim financial statements in conformity with International Accounting Standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the Company in applying accounting policies and the key sources of estimating uncertainty are the same as those that applied to financial statements as at June 30, 2020.

**ABBASI AND COMPANY (PRIVATE) LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2021**

	Note	March 31, 2021 Un-Audited		June 30, 2020 Audited
<b>Rupees</b>				
<b>5 PROPERTY AND EQUIPMENT</b>				
Owned assets		212,606,976		209,812,078
		<b>212,606,976</b>		<b>209,812,078</b>
<b>6 INTANGIBLE ASSETS</b>				
Computer Software		532,398		835,383
Trading rights entitlement certificate		640,000		640,000
		<b>1,172,398</b>		<b>1,475,383</b>
<b>7 LONG TERM DEPOSITS</b>				
Deposit with Central Depository Company of Pakistan Limited		100,000		100,000
Mobile deposit		101,500		101,500
Electricity and Sui gas deposit		110,200		110,200
Deposit with NCCPL		300,000		300,000
Building deposit with PMEX		2,500,000		2,500,000
Deposit for Sialkot and Faisalabad trading floors and booth		50,000		50,000
Security deposit LSE Financial Services Limited		30,000		30,000
Security deposit (NCCPL) - DFC		1,000,000		1,000,000
Deposit with PSO		400,000		400,000
Security deposit - Murabaha shares		100,000		100,000
Security deposit membership card- PMEX		750,000		750,000
		<b>5,441,700</b>		<b>5,441,700</b>
<b>8 LONG TERM INVESTMENT</b>				
<i>Investment at fair value through other comprehensive income - unquoted:</i>				
LSE Financial Services Limited (unquoted) - at cost		19,605,539		1,360,000
Adjustment for remeasurement to fair value		-		18,245,539
		<b>19,605,539</b>		<b>19,605,539</b>
<b>9 TRADE DEBTS</b>				
<i>Considered good and secured</i>				
Trade debts		11,473,098		2,204,437
Trade debts - PMEX		-		245,893
		<b>11,473,098</b>		<b>2,450,330</b>
<i>Considered doubtful</i>		-		750,990
		<b>11,473,098</b>		<b>3,201,320</b>
Less: Allowance for expected credit loss		-		750,990
		<b>11,473,098</b>		<b>2,450,330</b>
<b>9.1 Ageing Analysis</b>				
Upto fourteen days		8,835,195		173,604
More than fourteen days		2,637,903		2,030,833
		<b>11,473,098</b>		<b>2,204,437</b>
<b>10 SHORT TERM INVESTMENTS</b>				
<i>At fair value through profit or loss:</i>				
Shares of listed companies - at fair value		53,870,555		33,862,177
		<b>53,870,555</b>		<b>33,862,177</b>
<b>11 ADVANCES, DEPOSITS AND PREPAYMENTS</b>				
Advances to employees		6,774,500		5,251,500
Tax refund due from government		8,270,820		6,853,340
Short term deposits	11.1	58,070,835		54,855,690
Other advances		41,926		10,456
Prepayments		5,490,000		301,202
		<b>78,648,081</b>		<b>67,272,188</b>
<b>11.1</b> This includes the margin deposit and clearing deposit with PMEX and margin deposit with NCCPL that are shown below:				
Clearing deposit with PMEX		7,570,835		5,989,657
Margin deposit with PMEX		-		18,866,033
Margin deposit with NCCPL		50,500,000		30,000,000
		<b>58,070,835</b>		<b>54,855,690</b>



## 12 CASH AND BANK BALANCES

### Cash and cash equivalents

Cash in hand		951,508	832,325
Cash at bank			
-In current accounts		186,277,102	253,011,896
-In saving accounts		99,114,908	99,114,908
	12.1	285,392,010	352,126,804
		286,343,518	352,959,129

12.1 Cash at bank			
-House account		42,433,698	71,956,252
-Client account		223,396,030	246,144,456
-PMEX account		19,562,282	34,026,096
		285,392,010	352,126,804

## 13 TRADE AND OTHER PAYABLES

Creditors	223,396,030	246,144,456
Accrued expenses	95,215	591,449
PST payable	1,136,264	575,886
Provision For Taxation	2,797,998	19,082,522
Other liabilities	2,911,003	3,023,590
	230,336,510	269,417,903

## 14 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at 31 March 2021 (30 June 2020: Nil)

	Nine Months Ended		Quarter ended	
	March 31, 2021 Un-Audited	March 31, 2020 Un-Audited	March 31, 2021 Un-Audited	March 31, 2020 Un-Audited
15 OPERATING REVENUE	-----Rupees-----			
Brokerage income - Pakistan Stock Exchange	57,893,724	32,342,800	22,118,494	3,840,621
Brokerage income - Pakistan Mercantile Exchange Limited	2,467,619	6,201,906	740,902	383,985
	60,361,343	38,544,706	22,859,396	4,224,606

## 16 EARNING/(LOSS) PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic loss per share of the company, which is based on :

Profit/(Loss) after taxation	15,364,734	(13,894,302)	2,231,793	(21,398,553)
Weighted average number of ordinary shares	7,011,000	7,011,000	7,011,000	7,011,000
Earning/(Loss) per share ( Rupees )	2.19	(1.98)	0.32	(3.05)

## 17 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

### 17.1 Risk management framework

The Company's financial risk measurement objectives and policies are consistent with those disclosed in the preceding audited annual financial statements of the Company for the year ended June 30, 2020.

### 17.2 Fair values estimate

In case of equity instruments, the Company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 : Quoted market price (unadjusted) in an active market.

Level 2 : Valuation techniques based on observable inputs.

Level 3 : Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

#### i) Fair value at initial recognition

The Company takes in to account factors specific to the transaction and to the asset or liability, when determining whether or not the fair value at initial recognition equals the transaction price. Except for long term deposits and employee vehicle scheme the fair value of financial assets and financial liabilities recognized in these financial statements equals the transaction price at initial recognition. Due to immaterial effect the fair value of the long-term deposits and employee vehicle scheme has not been determined and their carrying value has been assumed to be equal to their fair value.

ii) Valuation techniques and inputs used

Fair values of financial assets that are traded in active markets are based on quoted market prices. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length. The Company uses widely recognized valuation techniques, for determining the fair value of assets and liabilities, that use only observable market data and require little management judgement and estimation. The short term investments at fair value through profit or loss are measured at level 1 while long term investments at fair value through other comprehensive income are measured at level 2 due to unavailability of active market of blocked shares of LSE financial services limited.

	Level	March 31, 2021		Jun 30, 2020	
		Carrying Value	Fair Value	Carrying Value	Fair Value
----- Rupees -----					
<b>Financial assets carried at fair value:</b>					
Long term investment	Level 2	19,605,539	19,605,539	19,605,539	19,605,539
Short term investments	Level 1	53,870,555	53,870,555	33,862,177	33,862,177

iii) Fair value of the Company's financial assets and liabilities that are not measured at fair value after initial recognition

The carrying amount of financial assets and financial liabilities recognized in these financial statements approximate their respective fair values. Fair values of financial assets and liabilities carried at amortized cost.

iv) Determination of fair values:

Fair values of financial assets that are traded in active markets are based on quoted market prices for all other financial instruments the Company determines fair values using valuation techniques unless the instruments do not have a market / quoted price in an active market and for such financial instruments company uses observable inputs like net assets values

18 CASH AND CASH EQUIVALENT

Cash and cash equivalents at the end of reporting periods as shown in the condensed interim statement of cash flows are reconciled to the related items in the condensed interim statement of financial position as follows:

	Note	March 31, 2021	March 31, 2020
		Un-Audited	Un-Audited
Rupees			
Cash in hand		951,508	764,470
Cash at bank		285,392,010	301,483,444
- in house accounts		61,995,980	103,483,463
- at client accounts		223,396,030	197,999,981

19. DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 30 April 2021 by the Board of Directors of the Company.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer