

ABBASI & COMPANY (PRIVATE) LIMITED.

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

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

		December 31, 2021	June 30, 2021
	Note	Un-Audited	Audited
-----Rupees-----			
ASSETS			
NON CURRENT ASSETS			
Property and equipment	5.	220,222,437	218,030,745
Intangible assets	6.	1,426,636	1,169,470
Long term deposits	7.	5,441,700	5,441,700
Long term investment	8.	19,669,681	19,669,681
		246,760,454	244,311,596
CURRENT ASSETS			
Trade debts	9.	7,412,546	2,948,518
Short term investments	10.	57,520,872	55,169,418
Advances, deposits and prepayments	11.	51,720,825	72,842,243
Cash and bank balances	12.	278,443,223	275,444,546
		395,097,466	406,404,725
TOTAL ASSETS		641,857,920	650,716,321
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
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		18,309,681	18,309,681
		116,659,681	116,659,681
Revenue reserves			
General reserve		200,000,000	200,000,000
Unappropriated profit		47,914,135	67,836,986
		247,914,135	267,836,986
		434,683,816	454,606,667
CURRENT LIABILITIES			
Trade and other payables	13.	207,174,104	196,109,654
CONTINGENCIES AND COMMITMENTS			
	14.	-	-
TOTAL EQUITY AND LIABILITIES		641,857,920	650,716,321

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 HALF YEAR ENDED DECEMBER 31, 2021

	Note	Six months ended		Quarter ended	
		December 31, 2021 Un-Audited	December 31, 2020 Un-Audited	December 31, 2021 Un-Audited	December 31, 2020 Un-Audited
-----Rupees-----					
Operating revenue	15.	29,809,503	37,501,947	13,012,257	15,788,723
Capital (loss) / gain on sale of investments at FVTPL - net		478,085	3,060,527	(61,192)	33,239
Net fair value gain / (loss) on re-measurement of investments classified at FVTPL		(13,418,386)	8,135,246	(4,461,746)	2,666,944
		16,869,202	48,697,720	8,489,319	18,488,906
Finance cost		(29,702)	(1,202)	(16,937)	(616)
Administrative and operating expenses		(41,719,786)	(39,016,383)	(19,010,495)	(18,976,382)
Other income		5,676,688	5,151,401	2,993,325	3,276,083
Profit/(Loss) before taxation		(19,203,598)	14,831,536	(7,544,788)	2,787,991
Taxation		(719,253)	(1,698,595)	(440,001)	(19,700)
PROFIT/(LOSS) AFTER TAXATION		(19,922,851)	13,132,941	(7,984,789)	2,768,291
EARNING/(LOSS) PER SHARE - BASIC AND DILUTED	16.	(2.84)	1.87	(1.14)	0.39

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Chief Executive Officer


Director


Chief Financial Officer

ABBASI AND COMPANY (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 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	
	----- (IN RUPEES) -----						
Balance as at July 01, 2020 - as per originally reported	70,110,000	98,350,000	18,245,539.00	-	200,000,000	36,755,082	423,460,621
Adjustment for the first time application of IFRS-9	-	-	-	-	-	-	-
	-	-	-	-	-	31,081,904	31,081,904
Total comprehensive loss			64,142				64,142
Profit / (Loss) after taxation	-	-	64,142	-	-	31,081,904	31,146,046
Other comprehensive income for the year	-	-	-	-	-	-	-
	-	-	64,142	-	-	31,081,904	31,146,046
Balance as at June 30, 2021	70,110,000	98,350,000	18,309,681	-	200,000,000	67,836,986	454,606,667
Balance as at July 01, 2021	70,110,000	98,350,000	18,309,681	-	200,000,000	67,836,986	454,606,667
Total comprehensive income							
Profit / (Loss) after taxation	-	-	-	-	-	(19,922,851)	(19,922,851)
Other comprehensive income for the year	-	-	-	-	-	-	-
	-	-	-	-	-	(19,922,851)	(19,922,851)
Balance as at December 31, 2021	70,110,000	98,350,000	18,309,681	-	200,000,000	47,914,135	434,683,816

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 HALF YEAR ENDED DECEMBER 31, 2021

	December 31, 2021 Un-Audited	June 30, 2021 Audited
	Note	
		Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(19,203,598)	33,569,078
Adjustments for:		
Depreciation	5,026,274	7,731,196
Amortisation	110,334	405,913
Net fair value (gain) / loss on re-measurement of investments	13,418,386	(15,534,348)
Capital (loss) / gain	(478,085)	(3,311,844)
Allowances for expected credit loss	-	319,180
Gain on sale of property and equipment	(977,134)	(5,348,003)
Dividend income	(1,892,578)	(1,809,542)
Cash flow from operating activities before working capital changes	(3,996,401)	16,021,630
Adjustments for working capital changes:		
(Increase) / decrease in current assets		
Trade debts	(4,464,028)	(817,367)
Short term investments	(15,291,755)	(2,461,049)
Advances, deposits and prepayments	21,121,418	(6,141,057)
	1,365,636	(9,419,472)
Increase / (decrease) in current liabilities		
Trade and other payables	11,064,450	(73,308,249)
Cash generated from / (used in) operating activities	12,430,086	(82,727,721)
Income tax paid	(719,254)	(1,916,172)
Net cash generated from / (used in) operating activities	7,714,431	(68,622,263)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale proceeds from disposal of property and equipment	2,425,000	23,672,721
Payment for acquisition of property and equipment	(8,665,832)	(34,274,583)
(Increase) / decrease in long term deposits	-	-
Payment for acquisition of intangible asset	(367,500)	(100,000)
Dividend received	1,892,578	1,809,542
Net cash generated from / (used in) investing activities	(4,715,754)	(8,892,320)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash generated from financing activities	-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	2,998,677	(77,514,583)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	275,444,546	352,959,129
CASH AND CASH EQUIVALENTS AT THE END OF HALF YEAR	18. 278,443,223	275,444,546

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 HALF YEAR ENDED DECEMBER 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

Sr#	Particulars of Immovable Property	Geographical Location
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, 2021. 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, 2021, 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 six month ended December 31, 2020.

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, 2021.

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, 2021.

ABBASI AND COMPANY (PRIVATE) LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	December 31, 2021 Un-Audited	June 30, 2021 Audited
Note		
	Rupees	
5	<u>PROPERTY AND EQUIPMENT</u>	
Owned assets	220,222,437	218,030,745
	220,222,437	218,030,745
6	<u>INTANGIBLE ASSETS</u>	
Computer Software	786,636	529,470
Trading rights entitlement certificate	640,000	640,000
	1,426,636	1,169,470
7	<u>LONG TERM DEPOSITS</u>	
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
	5,441,700	5,441,700
8	<u>LONG TERM INVESTMENT</u>	
<i>Investment at fair value through other comprehensive income - unquoted:</i>		
LSE Financial Services Limited (unquoted) - at cost	19,669,681	19,605,539
Adjustment for remeasurement to fair value	-	64,142
	19,669,681	19,669,681
9	<u>TRADE DEBTS</u>	
<i>Considered good and secured</i>		
Trade debts	7,412,546	2,948,518
Trade debts - PMEX	-	-
	7,412,546	2,948,518
<i>Considered doubtful</i>		
	1,070,170	1,070,170
	8,482,716	4,018,688
Less: Allowance for expected credit loss	(1,070,170)#	(1,070,170)
	7,412,546	2,948,518
9.1	<u>Ageing Analysis</u>	
Up to fourteen days	5,397,021	137,140
More than fourteen days	3,085,695	3,881,548
	8,482,716	4,018,688
10	<u>SHORT TERM INVESTMENTS</u>	
<i>At fair value through profit or loss:</i>		
Shares of listed companies - at fair value	57,520,872	55,169,418
	57,520,872	55,169,418
11	<u>ADVANCES, DEPOSITS AND PREPAYMENTS</u>	
Advances to employees	7,657,500	6,634,000
Tax refund due from government	7,097,326	6,282,338
Short term deposits	36,136,501	59,376,578
Other advances	33,251	23,991
Prepayments and Other Receivable	796,247	525,336
	51,720,825	72,842,243
11.1	This includes the margin deposit and clearing deposit with PMEX and margin deposit with NCCPL that are shown below:	
Clearing deposit with PMEX	10,586,501	8,876,578
Margin deposit with NCCPL	25,550,000	50,500,000
	36,136,501	59,376,578

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	Dec 31, 2021		Jun 30, 2021	
		Carrying Value	Fair Value	Carrying Value	Fair Value
----- Rupees -----					
Financial assets carried at fair value:					
Long term investment	Level 2	19,669,681	19,669,681	19,669,681	19,669,681
Short term investments	Level 1	57,520,872	57,520,872	55,169,418	55,169,418

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	December 31,	December 31,
		2021	2020
		Un-Audited	Un-Audited
Rupees			
Cash in hand		842,099	167,328
Cash at bank		277,601,124	279,051,560
- in house accounts		72,485,228	109,900,195
- at client accounts		205,115,896	169,151,365

19. DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 18 February 2022 by the Board of Directors of the Company.


Chief Executive Officer


Director


Chief Financial Officer