

AL Habib Capital Markets (Private) Limited

Financial Statements

For the Quarter ended

March 31, 2019

AL Habib Capital Markets (Private) Limited

Balance Sheet

As at 31 March 2019

	<i>Note</i>	31 March 2019 (Rupees)
<u>ASSETS</u>		
NON-CURRENT ASSETS		
Property and equipment	<i>1</i>	10,639,352
Intangible assets	<i>2</i>	3,747,916
Long term investments	<i>3</i>	26,304,459
Long term loans, advances and deposits	<i>4</i>	1,561,500
Deferred tax asset - net		4,208,272
		<hr/> 46,461,499
CURRENT ASSETS		
Short term investments	<i>5</i>	237,309,240
Trade debts	<i>6</i>	55,406,408
Loans and advances	<i>7</i>	565,671
Deposits and prepayments	<i>8</i>	2,000,000
Other receivables	<i>9</i>	1,939,501
Taxation - net		28,511,443
Cash and bank balances	<i>10</i>	46,722,390
		<hr/> 372,454,652
		<hr/> 418,916,152
<u>EQUITY AND LIABILITIES</u>		
SHARE CAPITAL AND RESERVES		
Issued, subscribed and paid-up capital	<i>11</i>	300,000,000
Unappropriated profit		24,466,122
Unrealized gain on re-measurement of available-for-sale investments		13,195
		<hr/> 324,479,317
CURRENT LIABILITIES		
Short term borrowing	<i>12</i>	3,248,048
Trade payables, accrued expenses and other liabilities	<i>13</i>	89,522,414
Sales tax and FED payable		1,666,374
		<hr/> 94,436,836
		<hr/> 418,916,152

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

Chief Executive

Chief Financial Officer

AL Habib Capital Markets (Private) Limited

Profit and Loss Account

For the quarter ended 31 March 2019

	<i>Note</i>	31 March 2019 (Rupees)
INCOME		
Brokerage revenue	14	7,894,298
Share subscription income		1,702,000
Dividend income		456,750
Interest income from Treasury Bills		2,111,448
Interest income from Pakistan investment bond		1,674,675
Profit on saving and deposit accounts		208,383
Other income	15	<u>67,915</u>
		14,115,469
EXPENSES		
Administrative expenses	16	<u>(16,690,646)</u>
Provision for Worker's Welfare Fund		-
Finance cost	17	<u>(153,167)</u>
		(16,843,814)
PROFIT BEFORE TAXATION		<u>(2,728,345)</u>
Taxation - current		<u>(667,377)</u>
- deferred		<u>(759,713)</u>
		(1,427,090)
PROFIT FOR THE PERIOD		<u>(4,155,435)</u>
UNAPPROPRIATED PROFIT BROUGHT FORWARD		28,621,557
UNAPPROPRIATED PROFIT		<u><u>24,466,122</u></u>

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

Chief Executive

Chief Financial Officer

1. PROPERTY AND EQUIPMENT

	31 March 2019							Rate of depreciation per annum
	Cost		Accumulated depreciation			Written down		
	As at 01 Jan 2019	Additions / (disposals)	As at 31 March 2019	As at 01 Jan 2019	Charge for the period / (disposals)	As at 31 March 2019		
----- (Rupees) -----							%	
Room and booths	14,500,000	-	14,500,000	9,425,026	181,251	9,606,277	4,893,723	5
Motor vehicles	3,490,600	1,414,700 (176,000)	4,729,300	815,229	215,821 (129,941)	901,109	3,828,191	20
Furniture and fixture	2,307,782	-	2,307,782	1,729,437	44,633	1,774,070	533,712	10
Office equipments	6,469,544	-	6,469,544	5,626,532	65,921	5,692,453	777,091	20
Computer equipment	5,901,197	-	5,901,197	5,226,717	67,845	5,294,562	606,635	20
	<u>32,669,123</u>	<u>1,414,700</u>	<u>33,907,823</u>	<u>22,822,941</u>	<u>575,471</u>	<u>23,268,471</u>	<u>10,639,352</u>	

2. INTANGIBLE ASSETS

	31 March 2019							Rate of Amortisation per annum
	Cost		Accumulated amortisation / impairment			Written down		
	As at 01 Jan 2019	Additions	As at 31 March 2019	As at 01 Jan 2019	Charge for the period	As at 31 March 2019		
----- (Rupees) -----							%	
Website	175,000	-	175,000	139,583	6,252	145,835	29,165	50
Computer software	4,629,849	-	4,629,849	3,232,349	178,749	3,411,098	1,218,751	50
Trading right entitlement certificate	2,500,000	-	2,500,000	-	-	-	2,500,000	-
	<u>7,304,849</u>	<u>-</u>	<u>7,304,849</u>	<u>3,371,932</u>	<u>185,001</u>	<u>3,556,933</u>	<u>3,747,916</u>	

3. LONG TERM INVESTMENTS	<i>Note</i>	31 March 2019 (Rupees)
Available for sale investments - (unquoted)		
Investment in shares of Pakistan Stock Exchange Limited		26,304,459
		<u>26,304,459</u>
4. LONG TERM LOANS, ADVANCES & DEPOSITS		
Long term loans		
Staff loan		88,079
Less: current portion of staff loan		<u>(88,079)</u>
Long term portion of staff loan		-
Security deposits		
- National Clearing Company of Pakistan Limited		1,550,000
- Others		<u>11,500</u>
		1,561,500
		<u>1,561,500</u>
5. SHORT TERM INVESTMENTS		
Available-for-sale		
Listed shares	5.1	85,524,842
Treasury Bills	5.2	74,763,911
Pakistan Investment bond		<u>77,020,487</u>
		<u>237,309,240</u>
5.1 * These shares are pledged against PSX exposure. Details of shares pledged are as follows:		
		(Number of Shares)
The Hub Power Company Limited *		50,000
Pakistan Petroleum Limited *		147,315
Habib Bank Limited *		57,000
Attock Petroleum Limited *		9,000
Engro Fertilizer Limited *		86,000
Pioneer Cement Limited *		88,000
Engro Corporation Limited *		32,000
Pakistan Stock Exchange Limited*		821,759
5.2 These Treasury Bills will mature on 10 May 2018. These are placed in the IPS account maintained with Bank AL Habib Limited (refer note 12).		
6. TRADE DEBTS - considered good		
Due from clients against trading of securities		55,406,406
	6.1	<u>55,406,406</u>
6.1 The aging analysis of the trade debts is as follows:		
Upto 5 days		49,180,272
More than 5 days*		<u>6,226,136</u>
		<u>55,406,408</u>
* The custody available against these receivable is Rs. 4,178.414 million.		
7. LOANS AND ADVANCES		
Loan to employees - secured		88,079
Advances to employees - secured		425,092
Advance for expenses to contractors & suppliers		<u>52,500</u>
		<u>565,671</u>
8. DEPOSITS AND PREPAYMENTS		
Exposure deposit with National Clearing Company of Pakistan Limited		2,000,000
Prepayments		-
- Insurance		-
- Others		-
		<u>2,000,000</u>

9. OTHER RECEIVABLES	<i>Note</i>	31 March 2019 (Rupees)
Interest on PLS A/cs		27,022
Dividend Receivable		366,756
Interest receivable on Pakistan Investment Bonds		1,332,758
Others		212,965
		<u>1,939,501</u>

10. CASH AND BANK BALANCES

Cash in hand		19,922
Cash with banks in:		
- Current accounts		594,769
- Saving accounts	10.1	46,107,699
- Call treasury deposit account		-
		46,702,468
		<u>46,722,390</u>

10.1 This includes Rs. 43.846 million kept in designated bank accounts maintained on behalf of clients.

11. SHARE CAPITAL

11.1 Authorised Capital

31 December 2018 (Number of shares)		31 March 2019 (Rupees)
<u>50,000,000</u>	Ordinary shares of Rs. 10/- each fully paid in cash	<u>500,000,000</u>

11.2 Issued, subscribed and paid-up share capital

<u>30,000,000</u>	Ordinary shares of Rs. 10/- each fully paid in cash	<u>300,000,000</u>
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11.3 Pattern of shareholding

Categories of Shareholders	Number of shares held	% of shares held
Bank AL Habib Limited (Holding Company)	19,999,600	66.67%
Companies	1,249,900	4.17%
Individuals		
- Salman H. Habib	1,874,997	6.25%
- Other Individuals	6,875,503	22.91%
	<u>30,000,000</u>	<u>100.00%</u>

12. SHORT TERM BORROWING

Short Term Running Finance - Secured	12.1	<u>3,248,048</u>
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12.1 The running finance facilities available to the Company at period end amounts to Rs. 175 million and Rs. 100 million from Bank Al Habib Ltd (BAHL) & Bank Alfalah Ltd (BAFL) respectively. The facilities carry mark-up rate at 3 month Avg KIBOR Ask +1 %. These facilities are secured by pledge of listed equity securities, Govt. securities and in case of BAHL there is also secured against hypothecation charge on book debts of the company.

13. TRADE PAYABLES, ACCRUED EXPENSES AND OTHER LIABILITIES	<i>Note</i>	31 March 2019 (Rupees)
Due to clients against trading of securities		60,327,512
Due to NCCPL		26,093,402
Workers' Welfare Fund payable		509,179
Accrued expenses		<u>2,592,322</u>
		<u><u>89,522,414</u></u>
 14. BROKERAGE REVENUE		
Retail customers		4,712,839
Institutional customers		3,181,219
Proprietary trade		240
		<u>7,894,298</u>
 15. OTHER INCOME		
Other income		67,915
		<u>67,915</u>
 16. ADMINISTRATIVE EXPENSES		
Salaries and other benefits		10,120,706
Printing and stationery		16,400
Auditors' remuneration		165,259
Rent, rates and taxes		525,000
Vehicles running		600,886
Utilities		36,758
Legal and professional charges		294,402
Insurance		378,812
Newspapers and periodicals		1,240
Entertainment		20,855
Advertisement and business promotion		40,235
Computer expenses		209,616
Clearing house charges		949,364
Office security		144,769
Depreciation	<i>1</i>	575,471
Amortization	<i>2</i>	185,001
Repairs and maintenance		35,110
Conveyance and travelling		1,470
Communication		206,287
Fee and subscription		1,898,363
Lease rental of vehicles		148,680
Office supplies		71,516
Others		53,401
Postage		11,045
		<u>16,690,646</u>
 17. FINANCE COST		
Mark-up on short term running finance		126,027
Bank charges		27,141
		<u>153,167</u>

Chief Executive

Chief Financial Officer