

AL Habib Capital Markets (Private) Limited

Financial Statements (Un-Audited)

For the quarter ended

September 30, 2019

AL Habib Capital Markets (Private) Limited

Balance Sheet (Un-Audited)

As at Sep 30, 2019

	Note	30 Sep 2019 (Rupees)
<u>ASSETS</u>		
NON-CURRENT ASSETS		
Property and equipment	1	9,603,505
Intangible assets	2	3,627,916
Long term investments	3	13,512,894
Long term loans, advances and deposits	4	1,561,500
Deferred tax asset - net		<u>5,142,833</u>
		33,448,647
CURRENT ASSETS		
Short term investments	5	215,173,091
Trade debts	6	10,734,321
Loans and advances	7	467,012
Deposits and prepayments	8	2,700,000
Other receivables	9	41,943,665
Taxation - net		27,779,387
Cash and bank balances	10	61,770,355
		360,567,833
		<u>394,016,481</u>
<u>EQUITY AND LIABILITIES</u>		
SHARE CAPITAL AND RESERVES		
Issued, subscribed and paid-up capital	11	300,000,000
Unappropriated profit		13,361,181
Unrealized gain on re-measurement of available-for-sale investments		(24,643,938)
		<u>288,717,244</u>
CURRENT LIABILITIES		
Short term borrowing	12	5,577,017
Trade payables, accrued expenses and other liabilities	13	99,661,905
Sales tax and FED payable		60,315
		105,299,237
		<u>394,016,481</u>

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 (Un-Audited)

For the quarter ended 30 Sep 2019

	<i>Note</i>	30 Sep 2019 (Rupees)
INCOME		
Brokerage revenue	14	5,923,551
Dividend income		910,350
Interest income from Pakistan Investment bond		4,441,922
Profit on saving and deposit accounts		125,896
Other income	15	<u>1,472,703</u>
		12,874,422
EXPENSES		
Administrative expenses	16	<u>(17,199,624)</u>
Provision for Worker's Welfare Fund		-
Finance cost	17	<u>(138,246)</u>
		(17,337,870)
PROFIT BEFORE TAXATION		<u>(4,463,448)</u>
Taxation - current		<u>(876,999)</u>
- deferred		<u>(249,120)</u>
		(1,126,119)
PROFIT FOR THE PERIOD		<u>(5,589,567)</u>
UNAPPROPRIATED PROFIT BROUGHT FORWARD		18,950,748
UNAPPROPRIATED PROFIT		<u><u>13,361,181</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

	30 Sep 2019							Rate of depreciation per annum
	Cost			Accumulated depreciation			Written down As at 30 Sep 2019	
	As at 01 July 2019	Additions / (disposals)	As at 30 Sep 2019	As at 01 July 2019	Charge for the period / (disposals)	As at 30 Sep 2019		
----- (Rupees) -----							%	
Room and booths	14,500,000	-	14,500,000	9,787,528	181,251	9,968,779	4,531,221	5
Motor vehicles	4,729,300	-	4,729,300	1,137,574	236,465	1,374,039	3,355,261	20
Furniture and fixture	2,307,782	-	2,307,782	1,818,701	16,098	1,834,799	472,983	10
Office equipments	6,520,544	50,800	6,571,344	5,759,429	70,393	5,829,822	741,522	20
Computer equipment	5,901,197	-	5,901,197	5,346,620	52,059	5,398,679	502,518	20
	33,958,823	50,800	34,009,623	23,849,852	556,266	24,406,118	9,603,505	

2. INTANGIBLE ASSETS

	30 Sep 2019							Rate of Amortisation per annum
	Cost			Accumulated amortisation / impairment			Written down As at 30 Sep 2019	
	As at 01 July 2019	Additions	As at 30 Sep 2019	As at 01 July 2019	Charge for the period	As at 30 Sep 2019		
----- (Rupees) -----							%	
Website	175,000	-	175,000	152,081	6,247	158,328	16,672	50
Computer software	4,629,849	250,000	4,879,849	3,589,853	178,752	3,768,605	1,111,244	50
Trading right entitlement certificate	2,500,000	-	2,500,000	-	-	-	2,500,000	-
	7,304,849	250,000	7,554,849	3,741,934	184,999	3,926,933	3,627,916	

3. LONG TERM INVESTMENTS	<i>Note</i>	30 Sep 2019 (Rupees)
Available for sale investments - (unquoted)		
Investment in shares of Pakistan Stock Exchange Limited		<u>13,512,894</u>
		<u><u>13,512,894</u></u>
4. LONG TERM LOANS, ADVANCES & DEPOSITS		
Long term loans		
Staff loan		23,502
Less: current portion of staff loan		<u>(23,502)</u>
Long term portion of staff loan		-
Security deposits		
- security deposit		1,550,000
-other deposit		11,500
		<u>-</u>
		1,561,500
		<u><u>1,561,500</u></u>
5. SHORT TERM INVESTMENTS		
Available-for-sale		
Listed shares	<i>5.1</i>	72,632,135
Pakistan Investment bond		142,540,956
		<u>215,173,091</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 *		283,609
Pakistan Petroleum Limited *		147,315
Habib Bank Limited *		87,000
Attock Petroleum Limited *		9,000
Engro Fertilizer Limited *		86,000
Pioneer Cement Limited *		88,000
Engro Corporation Limited *		25,200
Pakistan Stock Exchange Limited*		300,000
6. TRADE DEBTS - considered good		
Due from clients against trading of securities		10,734,321
	<i>6.1</i>	<u>10,734,321</u>
6.1 The aging analysis of the trade debts is as follows:		
Upto 5 days		5,112,751
More than 5 days*		<u>5,621,571</u>
		<u><u>10,734,322</u></u>
* The custody available against these receivable is Rs.4,415.305 million.		
7. LOANS AND ADVANCES		
Loan to employees - secured		23,502
Advances to employees - secured		410,510
Advance for expenses to contractors & suppliers		<u>33,000</u>
		<u><u>467,012</u></u>
8. DEPOSITS AND PREPAYMENTS		
Exposure deposit with National Clearing Company of Pakistan Limited		2,700,000
		<u><u>2,700,000</u></u>

9. OTHER RECEIVABLES	<i>Note</i>	30 Sep 2019 (Rupees)
Interest on PLS A/cs.		27,259
Dividend Receivable		801,600
Interest receivable on Pakistan Investment Bonds		2,625,046
Receivable from NCCPL-READY		37,690,555
Receivable from NCCPL-FORWA		756,931
Receivable from NCCPL-MTS		41,961
Others		314
		<u><u>41,943,665</u></u>

10. CASH AND BANK BALANCES

Cash in hand		52,997
Cash with banks in:		
- Current accounts		454,095
- Saving accounts	10.1	61,263,264
		61,717,358
		<u><u>61,770,355</u></u>

10.1 This includes Rs. 60.922 million kept in designated bank accounts maintained on behalf of clients.

11. SHARE CAPITAL

11.1 Authorised Capital

30 Sep 2019 (Number of shares)		30 Sep 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	66.66%
Companies	1,249,900	4.17%
Trust	1,249,998	4.17%
Individuals	7,500,502	25%
	<u>30,000,000</u>	<u>100.00%</u>

12. SHORT TERM BORROWING

Short Term Running Finance - Secured	12.1	<u>5,577,017</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>	30 Sep 2019 (Rupees)
Due to clients against trading of securities		95,577,294
Workers' Welfare Fund payable		509,179
Accrued expenses		2,730,376
Other liabilities		845,056
		<u>99,661,905</u>
14. BROKERAGE REVENUE		
Retail customers		2,520,753
Institutional customers		3,358,799
Proprietary trade		44,000
		<u>5,923,551</u>
15. OTHER INCOME		
Other income		1,472,703
		<u>1,472,703</u>
16. ADMINISTRATIVE EXPENSES		
Salaries and other benefits		10,135,694
Printing and stationery		126,286
Auditors' remuneration		119,700
Rent, rates and taxes		525,000
Vehicles running		820,778
Utilities		73,236
Legal and professional charges		265,945
Insurance		323,462
Newspapers and periodicals		17,855
Entertainment		2,270
Advertisement and business promotion		5,879
Computer expenses		262,372
Clearing house charges		920,467
Office security		158,169
Depreciation	<i>1</i>	556,266
Amortization	<i>2</i>	184,999
Repairs and maintenance		87,450
Conveyance and travelling		68,690
Communication		222,018
Fee and subscription		2,157,933
Lease rental of vehicles		-
Office supplies		99,487
Others		50,870
Postage		14,798
		<u>17,199,624</u>
17. FINANCE COST		
Mark-up on short term running finance		117,142
Bank charges		21,104
		<u>138,246</u>

Chief Executive

Chief Financial Officer