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Corporate Member, Pakistan Stock Exchange (Guarantee) Ltd.

ASDA Securities (Private) Limited
Un- Audited Financial Statements
For the period Half Yearly December 31 2017

ASDA Securities (Private) Limited

Balance Sheet

As at December 31 2017

	Note	2017	2017
-----Rupees-----			
ASSETS			
Non-Current assets			
Property, Plant and Equipment	5	11,641,215	8,768,520
Intangible Assets	6	866,670	966,669
Long Term Investments	7	10,290,958	10,290,958
Long Term Loan to Staff		306,500	91,000
Long Term Deposits	8	1,505,109	1,505,109
		24,610,452	21,622,256
Current Assets			
Trade Debts	9	27,262,783	144,349,105
Loans and Advances	10	7,303,177	12,009,427
Trade Deposits and Prepayments	11	50,241,023	53,958,541
Short term investments	12	342,310,920	285,871,258
Cash and Bank Balances	13	12,711,341	12,513,349
		439,829,243	508,701,680
TOTAL ASSETS		464,439,695	530,323,936
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized Capital			
15,000,000 (2016: 15,000,000) ordinary shares of Rs. 10/- each		150,000,000	150,000,000
Issued, Subscribed and Paid-up capital	14	140,000,000	140,000,000
Unappropriated profit		50,496,874	104,553,457
		190,496,874	244,553,457
CURRENT LIABILITIES			
Trade and other payables	15	94,782,562	81,363,445
Accrued markup	16	3,675,140	3,041,060
Short term borrowings -secured	17	175,485,119	201,365,974
Provision for taxation - less payments		-	-
		273,942,821	285,770,479
Contingencies and commitments	18	-	-
		464,439,695	530,323,936

The annexed notes 1 to 32 form an integral part of these financial statements



Chief Executive



Director

ASDA Securities (Private) Limited
Profit and Loss Account
For The Year Ended December 31, 2017

	Note	2017	2017
		-----Rupees-----	
Operating Revenues	19	11,982,496	45,868,664
Unrealized gain on remeasurement of listed shares		10,776,353	1,832,939
Unrealized gain on remeasurement of mutual fund		-	-
Realized Profit on sale of PSX shares		-	43,279,731
Realized Profit on sale of Listed Share		(56,231,504)	8,839,481
		(33,472,655)	99,820,815
Administrative Expenses	20	13,326,535	27,013,844
Other operating Expenses	21	-	1,175,006
Finance Cost	22	6,754,718	14,056,676
		20,081,253	42,245,526
Profit before taxation		(53,553,908)	57,575,289
Provision for taxation	23	-	(12,179,605)
Profit after taxation		(53,553,908)	45,395,684
Other Comprehensive Income			
Fair value gain on initial recognition of available for sale investments			25,134,303
Total Comprehensive Income		(53,553,908)	70,529,987
Earning Per Share - Basic and diluted		(3.83)	5.04

The annexed notes 1 to 32 form an integral part of these financial statements


Chief Executive


Director

ASDA Securities (Private) Limited
Statement of Changes in Equity
For The Year Ended December 31, 2017

	Issued, Subscribed and Paid up Capital	Un-appropriated Profit	Total
	-----Rupees-----		
Balance as at July 01, 2016	140,000,000	34,023,183	174,023,183
Total Comprehensive income for the year	-	70,530,274	70,530,274
Balance as at June 30, 2017	<u>140,000,000</u>	<u>104,553,457</u> (502,675)	<u>244,553,457</u>
Total Comprehensive income for the year	-	(53,553,908)	(53,553,908)
Balance as at June 30 2017	<u>140,000,000</u>	<u>50,496,874</u>	<u>190,999,549</u>

The annexed notes 1 to 32 form an integral part of these financial statements


Chief Executive


Director

Note 2017 2017
-----Rupees-----

6 INTANGIBLE ASSETS

Membership Entitlements			
Pakistan Stock Exchange Limited TREC	'6.1 & 7.1	200,000	200,000
Less : Impairment loss		-	-
		200,000	200,000
Computer Software			
Computer software - Purchase Cost		-	26,400
less: Amortization during the year (1/5th amortization)		-	(26,400)
		-	-
Computer software - Back office		766,669	966,667
less: Amortization during the year (1/5th amortization)		(99,999)	(199,998)
		666,670	766,669
		866,670	966,669

6.1 During the year Pakistan Stock Exchange Limited has been demutualized and in terms whereof it's members have been allowed in exchange of membership, "Trading Right Entitlement Certificate (TREC)" along with shareholding in Pakistan Stock Exchange Ltd. The Company has recorded the value of membership in the KSE at Rs.50.5 Million as Intangibles while Pakistan Stock Exchange vide letter no: KSE/SECP-2013/1 have indicated notional value whereof at Rs. 15 Million. The Company have however allocated the carrying value/cost to the TREC at Rs.10.426 Million and taken the balance to the value of Pakistan Stock Exchange Limited shares. Fair value of the TREC has been re-evaluated and impairment loss being difference of projected bid price of TREC and recorded value has been provided for.

7 LONG TERM INVESTMENTS

Available for Sale			
1,602,953 (2016: 4,007,383) Shares of Rs. 10 each of Pakistan Stock Exchange Limited	'6.1 & 7.1	41,163,833	41,163,833
Less: Investment classified in short term investment		(30,872,875)	(30,872,875)
		10,290,958	10,290,958

7.1 Face value of shares allotted by Pakistan Stock Exchange Limited in lieu of membership of the PSX works out at Rs.40.074 Million, while the recorded value of the membership card as Intangible asset was Rs. 50.5 Million, however the company have recorded the face value of the shares allotted and classified as available for sale and will follow the re-measurement method upon initiation of active market for these shares. In accordance with the demutualization policy 60% of allotted shares 2,404,430 have been kept in blocked account with Central Depository Company of Pakistan Limited while 1,602,953 shares are credited to Companies CDC account. During the period PSX has transferred 1,602,953 shares from blocked account to new investor and proceed whereof has been given to the Company. Furthermore, 13,000 shares of PSX has also moved from CDC account by PSX which will be returned / adjusted upon completion of final transaction.

During the year, the Company has received sale proceed of Rs. 40.39 million against disposal of 1,602,953 shares representing 90% of sale proceed as initially agreed with Chinese Consortium through sale purchase agreement. the Company has also received sale proceed of Rs. 22 million against disposal of 801,477 shares representing 20% holding to general public.

Furthermore, PSX notified vide letter dated June 23, 2017 that SECP has approved the application for formal listing and quotation of shares of PSX pursuant to Stock Exchange (Corporatisation, Demutualisation and Integration) Act, 2012. The shares of PSX have been listed on June 29, 2017 on its ready counter , accordingly the company has recorded its remaining shares at a price of Rs. 25.68 being fair market value of such shares as of June 30, 2017. However CDC has kept these shares as frozen instead of blocked.

Further as per section 5(2) of Public Offering Regulations, 2017, the Company is required to retain not less than 25% of the total paid up capital for a period of not less than three financial years format he last date for the public subscription. The investment to the extent of 25% of ordinary shares of PSX has been classified as long term investment while the remaining investment in such shares has been classified as short term investment.

8 LONG TERM DEPOSITS			
Deposit with Pakistan Stock Exchange Ltd		200,000	200,000
Deposit with CDC Pakistan Ltd		100,000	100,000
Deposit with National Clearing Company of Pak Ltd		1,200,000	1,200,000
Base Minimum Capital Requirement PSX		5,109	5,109
		<u>1,505,109</u>	<u>1,505,109</u>
9 TRADE DEBTS			
Unsecured			
Considered Good	9.1	<u>27,262,783</u>	<u>144,349,105</u>
		<u>27,262,783</u>	<u>144,349,105</u>
9.1 This includes an amount of Rs.11,100,167 (2016: Rs.3,396) receivable from Chief Executive. None of the amount is past due.			
9.2 Aging analysis of amount due from customers			
Not exceeding 5 days from trade date		758,146	42,422,103
Exceeding 5 days but not exceeding 14 days		<u>3,654,818</u>	<u>36,751,991</u>
		<u>4,412,964</u>	<u>79,174,094</u>
Exceeding 14 days against which listed securities held		22,849,819	65,175,011
Value after Hair cut applied on the basis of VAR		<u>261,646,660</u>	<u>23,017,744</u>
Comparative figures are not available as disclosure regime has been applied for the first time.			
10 LOANS AND ADVANCES-Considered good, Unsecured			
Current Portion of Long term loan to staff		51,500	9,000
Purchase of car - Honda Atlas Cars Ltd.		2,491,380	8,959,000
Advance Income tax - net of provisions		<u>4,760,297</u>	<u>3,041,427</u>
		<u>7,303,177</u>	<u>12,009,427</u>
11 TRADE DEPOSITS AND OTHER RECEIVABLES			
Trade deposits - (NCCPL - Ready Exposure Margin)		-	500,000
Trade deposits - (NCCPL - MTS Exposure Margin)		3,026,489	20,755,368
Trade deposits - (NCCPL - Future Exposure / Losses in DFC)		5,245,932	4,848,900
Receivable from Stock Exchange		4,925,402	4,488,268
Receivable from PSX Proceed of 20% Shares		-	22,441,342
Receivable from NCPL		-	-
Other Receivable from Chief Executive	11.1	9,092,000	924,663
Sales tax input - SRB		-	-
MFS Trades		<u>27,951,200</u>	-
		<u>50,241,023</u>	<u>53,958,541</u>

11.1 This represents amount of Rs.924,663 (2016:Rs.2,845,039) receivable from Chief Executive.

2017 2017
-----Rupees-----

12 SHORT TERM INVESTMENTS

At fair value through profit or loss

In Listed Companies	12.1	311,438,045	247,750,383
NIT Units - NIT Islamic Equity Fund	12.2	-	-
Un-Listed Company - For New Subscription of Loads Ltd.		-	7,248,000
		311,438,045	254,998,383

Available for Sale Investment:

Pakistan Stock Exchange Limited	7.1	30,872,875	30,872,875
		342,310,920	285,871,258

12.1 In Listed Shares

Cost of Investments including held under MTS	300,661,692	245,917,444
Unrealized remeasurement gain	10,776,353	1,832,939
Net Carrying Values being market values	311,438,045	247,750,383

12.2 In Mutual Fund - NIT Islamic Equity Fund

Opening	-	1,043,000
Disposed during the year	-	(1,043,000)
Unrealized remeasurement gain	-	-
Net Carrying Values being Net Asset values	-	-

Value of shares held in CDC house or customers	584,630,362	755,859,847
Value of shares under pledge house or Director	294,827,898	430,775,240

Comparative figures are not available as disclosure regime has been applied for the first time.

13 CASH AND BANK BALANCES

Js Bank Ltd - K.S.E Branch (Client A/c) - Stock Exchange Br	6,611,104	9,762,498
NIB Bank Ltd (Client A/c) - Stock Exchange Br	49,386	-
Meezan Bank Ltd (Client A/c) - Stock Exchange Br	23,810	2,723,810
Cash at bank - Client's current accounts balances	6,684,300	12,486,308

MCB Bank Ltd - K.S.E Branch	16,431	16,431
NIB Bank Ltd (O/D) - K.S.E Branch	-	-
Summit Bank Ltd - K.S.E Branch	1,000	1,000
Meezan Bank Ltd (O/D) - K.S.E Branch	6,009,610	9,610
Cash at bank - Current Accounts	6,027,041	27,041
	12,711,341	12,513,349

14 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2017	2016		2017	2016
Ordinary Shares of Rs. 10 each issued for consideration				
4,500,000	4,500,000	Allotted for consideration paid in cash	45,000,000	45,000,000
9,500,000	9,500,000	Allotted for consideration other than cash, (Conversion of KSE membership)	95,000,000	95,000,000
14,000,000	14,000,000		140,000,000	140,000,000

14.1 Pattern of shareholding

Name of share holders	% of Holding	No of shares
1. Mr. Aftab Sattar	49.99%	6,999,000
2. Mr. Abdul Rauf	10.00%	1,400,000
3. Mr. Aznim Bilwani	25.00%	3,500,000
4. Mr. Muhammad Rafiq	15.00%	2,100,000
5. Others less than 5 %	0.01%	1,000
	100%	14,000,000

There is no change in shareholding from the corresponding period.

		2017	2017
		-----Rupees-----	
15 TRADE AND OTHER PAYABLES			
Creditors for sale of shares on behalf of clients	15.1	6,684,301	12,481,743
MTS unreleased payable		86,578,008	61,181,912
		93,262,309	73,663,655
Traders share in commission payable	15.2	43,822	6,232,047
Accrued Expenses		417,084	237,960
Other Liabilities	15.3	1,059,347	1,229,782
		<u>94,782,562</u>	<u>81,363,445</u>
15.1	This includes an amount of Rs.6,640 (2016: Rs. 20,343) payable to director.		
15.2	This includes Rs. 4,742,193 (2016: Rs. Nil) payable to Chief Executive.		
15.3 Other Liabilities			
Withholding tax		5,613	-
Sindh sales tax on IPO Income		32,178	26,299
Sindh sales tax on commission		122,944	374,564
NCCPL CGT Payable M/o Nov 2017		69,693	
Workers welfare fund	15.2.1	828,919	828,919
		<u>1,059,347</u>	<u>1,229,782</u>
15.2.1	Workers welfare fund is adjustable from income tax refundable as appearing in note 10.		
16 ACCRUED MARKUP			
Accrued mark-up on running finance - secured - NIB		2,046,853	
Accrued mark-up on running finance - secured - JSBL		1,628,287	
Accrued mark-up on running finance - secured		<u>3,675,140</u>	<u>3,041,060</u>
17 SHORT TERM BORROWINGS -Secured			
Secured, Markup Bearing			
Running finances from bank - NIB	17.1	99,737,119	47,264,907
Running finances from bank - JSBL	17.1	75,748,000	154,101,067
Running finances from bank	17.1	175,485,119	201,365,974
		<u>175,485,119</u>	<u>201,365,974</u>
17.1	The facilities for running finance available from a commercial banks aggregating to Rs.300 Million (June-2016 : Rs.150 million) and carry mark-up at the rate 3 M Kibor + 200 points spread (June-2016 : 3 M. Kibor + 200 pints spread) per annum calculated on a daily product basis chargeable and payable quarterly. These arrangements are secured against pledge/hypothecation of marketable securities, movable assets and personal guarantee of all the directors.		
		<u>129,501,901</u>	<u>139,780,637</u>
		<u>122,181,872</u>	<u>234,793,088</u>

Comparative figures are not available as disclosure regime has been applied for the first time.

18 Contingencies and Commitments

There were no guarantees given by the company on behalf of any related party during the year.
There were no contingencies and commitments at the year end.

2017 2017

-----Rupees-----

21 OTHER OPERATING EXPENSES


Loss on disposal of property, plant & equipment
Impairment loss on TREC
Workers welfare fund

-	-
-	-
-	1,175,006
<u>-</u>	<u>1,175,006</u>

22 FINANCE COST

Mark-up on short term running finances

<u>6,754,718</u>	<u>14,056,676</u>
<u>6,754,718</u>	<u>14,056,676</u>



Chief Executive



Director