*DAWOOD MOHAMMED SECURITIES (PVT)LIMITED*
*BALANCE SHEET*
*AS AT DECEMBER 31, 2017*

| | Note | 31-Dec-17 Rupees | 2017 Rupees |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| Property and equipment | 4 | **52,540** | 55,305 |
| Intangible asset | 5 | **2,500,000** | 5,000,000 |
| Long term investments | 6 | **35,906,147** | 41,163,833 |
| Long term deposits | 7 | **510,000** | 12,510,000 |
| | | **38,968,687** | 58,729,138 |
| **Current Assets** | | | |
| Short term investment | 8 | **35,470** | 41,230 |
| Tax refunds due from government | | **44,549** | 44,549 |
| Other receivables | 10 | **4,717,778** | 4,612,614 |
| Bank balances | 11 | **67,442,662** | 54,854,759 |
| | | **72,240,459** | 59,553,152 |
| **Total Assets** | | **111,209,146** | 118,282,290 |
| **EQUITY AND LIABILITY** | | | |
| **Share Capital and Reserve** | | | |
| **Authorized capital** | | | |
| 5,500,000 Ordinary shares of Rs.10 each | | **55,000,000** | 55,000,000 |
| **Issued, subscribed and paid-up capital** | | | |
| 5,400,000 Ordinary shares of Rs. 10 each | | **54,000,000** | 54,000,000 |
| Reserves | | **57,209,146** | 64,155,990 |
| **Shareholders' equity** | | **111,209,146** | 118,155,990 |
| **Current Liabilities** | | | |
| Accrued liabilities | | - | 126,300 |
| **Total Equity and Liabilities** | | **111,209,146** | 118,282,290 |

The annexed notes form an integral part of these financial statements

*Director & Chief Executive*

# *DAWOOD MOHAMMED SECURITIES (PVT) LIMITED*
## *PROFIT AND LOSS ACCOUNT*
## *FOR THE YEAR ENDED DECEMBER 31, 2017*

| | Note | *31-Dec-17* *Rupees* | *2017* *Rupees* |
|---|---|---|---|
| Operating revenue | 13 | **1,595,930** | 1,049,255 |
| Capital gain on investment - net | | - | 43,279,729 |
| Unrealized (loss) / gain on investment | | **(5,760)** | 1,780 |
| | | **1,590,170** | 44,330,764 |
| Operating and administrative expenses | 14 | **(533,506)** | (1,409,162) |
| Other charges | 15 | **(2,519,500)** | (126,300) |
| **(Loss) / profit before taxation** | | **(1,462,836)** | 42,795,302 |
| Taxation | 16 | **(226,322)** | (115,965) |
| **(Loss) / profit after taxation** | | **(1,689,158)** | 42,679,337 |

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

*Director & Chief Executive*

## *DAWOOD MOHAMMED SECURITIES (PVT) LIMITED*
## *STATEMENT OF COMPREHENSIVE INCOME*
Unsupported Personality: PCL
## *FOR THE YEAR ENDED DECEMBER 31, 2017*

| | ***Dec-17*** | *2017* |
|---|---|---|
| | ***Rupees*** | *Rupees* |
| **(loss) / Profit for the year** | **(1,689,158)** | 42,679,337 |
| **Other comprehensive income** | | |
| ***Item that may be reclassified subsequently to profit or loss account*** | | |
| (Loss) / Gain on re-measurement of investment available for sale | **(5,271,876)** | 25,134,303 |
| **Total comprehensive profit / (loss) for the year** | **(6,961,034)** | 67,813,640 |

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

*Director & Chief Executive*

***DAWOOD MOHAMMED SECURITIES (PVT) LIMITED***
***STATEMENT OF CHANGES IN EQUITY***
***FOR THE YEAR ENDED DECEMBER 31, 2017***

| | | ***Reserves*** | | | |
|---|---|---|---|---|---|
| ***Description*** | ***Issued, subscribed & paid up capital*** | ***Accumulated (loss) / profit*** | ***Gain or (Loss) on remeasurement of available for sale investment*** | ***Total Reserves*** | ***Total*** |
| | | ***---------- Rupees ----------*** | | | |
| **Balance as at June 30, 2015** | **54,000,000** | **677,571** | **-** | **677,571** | **54,677,571** |
| Loss for the year | - | (4,335,221) | - | (4,335,221) | (4,335,221) |
| **Balance as at June 30, 2016** | **54,000,000** | **(3,657,650)** | **-** | **(3,657,650)** | **50,342,350** |
| Profit for the year | - | 42,679,337 | - | 42,679,337 | 42,679,337 |
| Other comprehensive income | - | - | 25,134,303 | 25,134,303 | 25,134,303 |
| **Balance as at June 30, 2017** | **54,000,000** | **39,021,687** | **25,134,303** | **64,155,990** | **118,155,990** |
| Profit for the 6 months ended 31st Dec 201 | - | (1,689,158) | - | (1,689,158) | (1,689,158) |
| Other comprehensive loss | - | - | (5,257,686) | (5,257,686) | (5,257,686) |
| | 54,000,000 | 37,332,529 | 19,876,617 | 57,209,146 | 111,209,146 |

The annexed notes form an integral part of these financial statements

| | Note | 31-Dec-17 Rupees | 2017 Rupees |
|---|---|---|---|

## 4 PROPERTY AND EQUIPMENT

| | | | |
|---|---|---|---|
| **Office furniture** | | | |
| Net book value | | **55,305** | 61,450 |
| Depreciation for the Half Year | | **(2,765)** | (6,145) |
| **Net book value as at 31st December** | | **52,540** | 55,305 |
| Cost | | **84,293** | 84,293 |
| Accumulated depreciation | | **(31,753)** | (28,988) |
| **Net book value as at 31st December** | | **52,540** | 55,305 |
| **Rate of depreciation** | | 10% | 10% |

## 5 INTANGIBLE ASSET

| | | | |
|---|---|---|---|
| Trading Right Entitlement Certificate of Pakistan Stock Exchange Limited | 5.1 | **2,500,000** | 5,000,000 |

*5.1* This certificate is subject to hypothecation charge in favor of Pakistan Stock Exchange Limited.

## 6 LONG TERM INVESTMENTS
*- Available for sale - at fair value - Quoted*

| 2017 Number of Shares | 2016 Number of Shares | Name of Securities | Note | 31-Dec-17 Rupees | 2017 Rupees |
|---|---|---|---|---|---|
| **1,602,953** | 4,007,383 | Pakistan Stock Exchange Limited | 6.1 | **35,906,147** | 41,163,833 |

*6.1* Investment in shares of Pakistan Stock Exchange Limited is carried at the fair value. Sixty percent ol Pakistan Stock Exchange Limited were sold during the year, while forty percent of the total shares have b the Company's CDC account which are freezed.

| | 31-Dec-17 Rupees | 2017 Rupees |
|---|---|---|

## 7 LONG TERM DEPOSIT

| | | |
|---|---|---|
| Deposit with National Clearing Company of Pakistan Limited | **400,000** | 400,000 |
| Deposit with Central Depository Company Limited | **100,000** | 100,000 |
| Deposit with Pakistan Stock Exchange Limited | **10,000** | 12,010,000 |
| | **510,000** | 12,510,000 |

## 8 SHORT TERM INVESTMENT
*- At fair value through profit or loss*

| 2017 | 2016 | Name of Securities | 31-Dec-17 | 2017 |
|---|---|---|---|---|
| *Number of Shares* | | | *Rupees* | *Rupees* |
| **1,000** | 1,000 | Arif Habib Corporation Limited | **35,470** | 41,230 |

## 10 OTHER RECEIVABLES
*- Considered good*

| | | 2017 |
|---|---|---|
| | | *Rupees* |
| Interest receivable | **229,510** | 124,346 |
| Chinese consortium | **4,488,268** | 4,488,268 |
| | **4,717,778** | 4,612,614 |

## 11 BANK BALANCES

| | Note | | 2017 |
|---|---|---|---|
| | | | *Rupees* |
| Current account | | **37,613** | 24,982 |
| Deposit account | 11.1 | **67,405,049** | 54,829,777 |
| | | **67,442,662** | 54,854,759 |

### ### Balance pertaining to

| | | |
|---|---|---|
| - clients | **500** | 500 |
| - brokerage house | **67,442,162** | 54,854,259 |
| | **67,442,662** | 54,854,759 |

## 12 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

| 2017 | 2016 | | | 2017 |
|---|---|---|---|---|
| *Number of Shares* | | | *Rupees* | *Rupees* |
| | | **Ordinary shares of Rs.10 each fully paid:** | | |
| **392,617** | 392,617 | In cash | **3,926,170** | 3,926,170 |
| **1,000,000** | 1,000,000 | Against trading right entitlement certificate | **10,000,000** | 10,000,000 |
| **4,007,383** | 4,007,383 | Against shares of Pakistan Stock Exchange Ltd | **40,073,830** | 40,073,830 |
| **5,400,000** | 5,400,000 | | **54,000,000** | 54,000,000 |

## 13 OPERATING REVENUE

| | | |
|---|---|---|
| Equity brokerage income - retail | **175** | 480 |
| Dividend income | **323,591** | 443,312 |
| Bank profit | **1,272,164** | 605,463 |
| | **1,595,930** | 1,049,255 |

## 14 *OPERATING AND ADMINISTRATIVE EXPENSES*

| | | | |
|---|---|---|---|
| Salaries and other benefits | | **382,000** | 610,000 |
| Utility expenses | | **16,551** | 14,387 |
| Fees and subscription | | **21,700** | 59,335 |
| Legal and professional charges | | **19,890** | 654,295 |
| Entertainment expense | | **78,600** | 43,000 |
| Travelling and conveyance | | - | 10,000 |
| Office service charges | | **12,000** | 12,000 |
| Depreciation | 4 | **2,765** | 6,145 |
| | | **533,506** | 1,409,162 |

| | | | |
|---|---|---|---|
| | | | *2017* |
| | *Note* | | *Rupees* |

## 15 *OTHER CHARGES*

| | | | |
|---|---|---|---|
| Auditors' remuneration | 15.1 | **19,500** | 126,300 |
| Impairment of trading right entitlement certificate | | **2,500,000** | - |
| | | **2,519,500** | 126,300 |

### ### *Auditors' remuneration*

| | | |
|---|---|---|
| Statutory audit fee | - | 75,000 |
| Other certification fee | **19,500** | 51,300 |
| | **19,500** | 126,300 |

## 16 *TAXATION*

| | | |
|---|---|---|
| Current | 226,322 | 115,965 |
| | 226,322 | 115,965 |