

**SPINZER EQUITIES
(PRIVATE) LIMITED**

**Un-Audited Financial Statements
For the Half-Year Ended 31st December, 2017**

SPINZER EQUITIES (PRIVATE) LIMITED

Balance Sheet

As at 31st December, 2017

		2017
	<i>Note</i>	Rupees
Non-Current Assets		
Fixed assets		
Property and equipment	4.1	5,297,709
Intangible asset	4.2	4,071,250
		9,368,959
Long term investments	6	30,346,030
Long term deposits	7	505,000
		30,851,030
Current Assets		
Accounts receivables	8	8,837,581
Short Term Investments	9	12,267,341
Advances, deposits and prepayments	10	805,554
Cash and bank balances	11	4,645,398
		26,555,874
		66,775,863
Equity and Liabilities		
Authorized	12	30,000,000
Issued, subscribed and paid up	13	17,100,000
Unappropriated profit / (loss)		22,121,688
		39,221,688
Adv. For increase in Capital		18,282,787
Current Liabilities		
Trade creditors	14	8,842,812
Accrued and Other payable	15	428,576
		9,271,388
Contingencies and commitments	16	66,775,863

The annexed notes 1 to 24 form an integral part of these financial statements.



Chief Executive



Director

SPINZER EQUITIES (PRIVATE) LIMITED

Profit and Loss Account

For the Half-Year ended 31st December, 2017

	<i>Note</i>	2017 Rupees
Revenue		
Income from brokerage	<i>17</i>	2,231,304
Un-realised gain/(loss) on investment	<i>9</i>	(1,269,499)
		<u>961,805</u>
Operating and Administrative expenses	<i>18</i>	(4,169,774)
Profit / (loss) from operation		<u>(3,207,969)</u>
Financial charges	<i>19</i>	(3,873)
Other income/(Loss)	<i>20</i>	595,364
Profit / (Loss) before taxation		<u>(2,616,478)</u>
Taxation		-
Profit / (Loss) after taxation		<u><u>(2,616,478)</u></u>

The annexed notes 1 to 24 form an integral part of these financial statements.



Chief Executive



Director


SPINZER EQUITIES (PRIVATE) LIMITED

Statement of Comprehensive Income

For the Half-Year ended 31 December, 2017

	2017
	0
Note	
Profit / (Loss) after Taxation	(2,616,478)
Other comprehensive income for the year	-
Total Comprehensive income for the year	<u><u>(2,616,478)</u></u>

The annexed notes 1 to 24 form an integral part of these financial statements.



Chief Executive



Director

SPINZER EQUITIES (PRIVATE) LIMITED

Statement of Changes in Equity

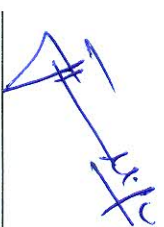
For the Half-Year ended 31st December, 2017

	Share capital Rupees	Share premium Rupees	General Reserve Rupees	Unappropriated profit/ (Loss) Rupees	Total Rupees
Balance as at 01 July 2016	17,100,000	-	-	23,392,466	40,492,466
Net profit / (loss) for the year ended 30 June, 2016	-	-	-	1,345,700	1,345,700
Balance as at 30 June, 2017	17,100,000	-	-	24,738,166	41,838,166
Balance as at 01 July 2017	17,100,000	-	-	24,738,166	41,838,166
Further Issuance of shares	-	-	-	-	-
Net profit / (loss) for the half-year ended 31 Dec, 2017	-	-	-	(2,616,478)	(2,616,478)
Balance as at 31 December, 2017	17,100,000	-	-	22,121,688	39,221,688

The annexed notes 1 to 24 form an integral part of these financial statements.



Chief Executive



Director

SPINZER EQUITIES (PRIVATE) LIMITED

Notes to the Financial Statements

For the Year ended 30 June, 2017

1 The Company's operations and registered office

The company was incorporated on January 01, 2014 under the Companies Ordinance 1984 as a Private Limited company under the Companies Ordinance 1984 as a Private Limited company at Islamabad and is primarily engaged in the business of stocks, brokerage, portfolio management and in secondary capital market operations. It is also actively taking part in the initial public offerings(IPO's) and providing all relative services to the general public to promote investment and company does not hold assets in fiduciary capacity. Company office is situated at Stock Exchange Building Islamabad.

2 Statement of compliance

These accounts have been prepared in accordance with the approved International Accounting Standards (IAS) as applicable in Pakistan. Approved Accounting Standards comprise of such International Financial Reporting Standards (IFRS) issued by International Accounting Standard Board as are notified under the repealed Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the repealed Companies Ordinance, 1984 shall prevail.

The financial statements of the company have been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984 as per the directives of Securities and Exchange Commission of Pakistan issued vide Circular No.17 dated July 20, 2017

3 Significant accounting policies

3.1 Accounting Convention

The financial statements have been prepared under the historical cost convention except for certain financial assets and liabilities which are stated at their fair value or amortized cost as applicable.

The preparation of financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

3.2 Property and equipment

These are stated at historical cost less accumulated depreciation and impairment losses, if any, except freehold land and capital work in progress are stated at Cost.

Depreciation is calculated using the reducing balance method, at the rates specified in the fixed assets schedule, which are considered appropriate to write off the cost of the assets over their estimated useful lives. The Depreciation on property and equipment is charged on monthly basis.

3.3 Intangible assets

This is stated at cost less impairment losses, if any. The carrying amounts are reviewed at each balance sheet date to assess whether these are recorded in excess of their recoverable amounts, and where carrying value is in excess of recoverable amount, these are written down to their estimated recoverable amount.

3.4 Long Term Deposits and Loans

Long term deposits and Loans are stated at Cost.

3.5 Account Receivables

Account Receivables are recognized and carried at original amount which is fair value of the consideration to be received in future. Debts considered irrecoverable are written-off.

3.6 Taxation

The charge for current taxation is based on taxable income at current rate of taxation of the Income Tax Ordinance, 2001 after taking into account applicable tax credits and rebates, if any. On Income subject to Normal Taxation and on presumptive basis on Income subject to Final Taxation.

3.7 Trade and settlement date accounting

All " regular way" purchases and sales of listed securities are recognized on the trade date, i.e. the date that the Company commits to purchase/ sell the asset. Regular way purchase or sale of financial assets are those, the contract for which requires delivery of assets within the time frame established generally by regulation or convention in the market place concerned.

3.8 Securities under repurchase/reverse repurchase agreements

Transactions of repurchase/ reverse repurchase of investment securities are entered into at contracted rate for specified periods of time.

3.9 Revenue recognition

- a) Brokerage, advisory fees, commission and other income are accrued as and when due.
- b) Dividend income on equity investments is recognized, when receive the same.
- c) Gains or losses on sale of investments are recognized in the period in which they arise.
- d) Unrealized capital gains/(losses) arising from marking to market of investments classified as 'financial assets at fair value through profit or loss - held for trading are included in profit and loss account in the period in which they arise.

3.10 Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

3.11 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents comprise of cash in hand, balance with banks on current and deposit accounts and short term running finance account.

3.12 Contingencies and Commitments

A contingent liability is disclosed when the Company has a possible obligation as a result of past event, existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past event, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

			31-Dec-17
4	Property and equipment	4.1	5,297,709
	Intangible	4.2	4,071,250
			<u>9,368,959</u>

4	Property and Equipmmt PARTICULARS	COST		DEPRECIATION			Book value as at Dec 2017		
		As at 1 July 2017	Additions/ (Deletion)during the year	As at Dec 2017	As at 1 July 2017	For the period		As at Dec 2017	
4.1	Tangible				Rate				
	OWNED								
	Office equipments	324,100	(65,500)	258,600	10	67,335	9,890	77,225	181,375
	Computer equipments	301,060	37,500	338,560	30	164,573	27,174	191,747	146,813
	Furniture and Fixture	168,500	45,500	214,000	10	55,265	7,710	62,975	151,025
	Vehicle	-	5,209,184	5,209,184	15	-	390,688	390,688	4,818,496
	Rupees June, 2017	793,660	5,226,684	6,020,344		287,173	435,462	722,635	5,297,709

4.2	Intangible	2017	
	Trading Rights Entitlement Certificate	-	4,000,000
	Back-Office Software	71250	
		4,071,250	

9 Short Term Investments

S.N.	Symbol	Company Name (Listed)	Qty	Price	Amount
1	BYCO	PETROLEUM	70,000	12.8	896,000
2	EFERT	ENGRO FERTILIZER	40,000	67.72	2,708,800
3	EFOODS	ENGRO FOODS	6,000	80.31	481,860
4	FATIMA	FATIMA FERTILIZER	70,000	30.88	2,161,600
5	FFC	FAUJI FERTILIZER	14,000	79.11	1,107,540
6	GAIL	GHANI AUTO INDUSTRIES	20,000	6.76	135,200
7	KEL	K ELECTRIC	120,000	6.31	757,200
8	NRL	NATIONAL REFINERY	2,000	430.87	861,740
9	PACE	PACE PAKISTAN	60,000	4.14	248,400
10	PIBITL	PAKISTAN BULK TERMINAL	80,000	14.95	1,196,000
11	POWER	POWER CEMENT	80,000	8.74	699,200
12	PSO	PAKISTAN STATE OIL	1,190	293.11	348,801
13	PTC	PAKISTAN TELECOMMUNICATION	40,000	13.05	522,000
14	TPL	TPL TRAKKER	20,000	7.15	143,000

12,267,341

SPINZER EQUITIES (PRIVATE) LIMITED

	<i>Note</i>	2017
		Rupees
6 Long term investments		
ISE Towers REIT Management Limited (Formerly Islamabad Stock Exchange - Unquoted)		3,034,603
Price		<u>10</u>
		<u>30,346,030</u>
6.1		
These represent the shares received from ISE Towers REIT Management Limited (Formerly Islamabad Stock Exchange (ISE) in pursuance of corporatization and demutualization of ISE as public company limited by shares in accordance with the requirement of the Stock Exchanges (Corporatization, Demutualization and Integration Act, 2012 (the Act)). In addition, the company has also received Trading Right Entitlement Certificate (TREC) from ISE which now has become TREC of Pakistan Stock Exchange Limited after Integration of the Stock Exchanges.		
6.2		
Accordingly, the company has been allotted 3,034,603 shares of ISE of Rs. 10/- each based on the valuation of their assets and liabilities as approved by the SECP. The company has received 40% equity shares i.e. 1,213,841 shares of ISE. The remaining 60% shares are transferred to CDC sub-account in company's name under ISE's participant IDs with the CDC which will remain blocked until these are divested to strategic investor's), general public and financial institutions. Now all these shares as 3,034,603 are pledged with PSX's participant IDs to maintain the Base Minimum Capital "BMC". As the fair value of both the asset transfer and assets obtain can not be determined with reasonable accuracy, the investment in shares has been recorded at the face value of Rs. 10/- each in the Company's book.		
6.3		
No tax provision has been made on Gain on exchange of membership card with TREC, as such gain is exempted from tax under clause 110B of Second Schedule of Income Tax Ordinance , 2001.		
7 Long term deposits		
CDC deposits ISETRMCL		100,000
NCCPL membership		205,000
PSX Security deposit		<u>200,000</u>
		<u>505,000</u>
8 Accounts receivables		
Accounts receivables		8,837,581
	<i>8.1</i>	<u>8,837,581</u>
8.1		
Receivables from clients relate to operating revenues, are secured and considered good by the Management.		
9 Short Term Investments		
Cost of investment in listed securities		13,536,840
Un-realised gain/(loss) on investment		<u>(1,269,499)</u>
	<i>5</i>	<u>12,267,341</u>
This amount represents the investment in different listed securities valued at the closing market rates as at Decemeber 31, 2017		

SPINZER EQUITIES (PRIVATE) LIMITED

	<i>Note</i>	2017 Rupees
17	Income from brokerage	
	Commission Income - Net	2,231,304
		<u>2,231,304</u>
18	Operating and Administrative expenses	
	Staff Salaries	2,229,715
	Communication charges	53,864
	Legal & Professional Charges	80,000
	Rent, Rates, and Taxes	720,000
	Postage & Courier	3,390
	Printing and Stationery	8,238
	Website Charges	8,000
	EOBI	27,300
	Fee and Subscription	28,015
	Entertainment	38,527
	Misc Charges	6,909
	CDC Charges	87,718
	NCCPL Charges	50,299
	Electricity Charges	91,881
	PSX Charges	170,394
	Service Charges	120,062
	Newspaper and periodicals	-
	Repair and Maintenance	10,000
	Depreciation & Amortization	4.1 435,462
		<u>4,169,774</u>
19	Financial charges	
	Bank charges	3,873
		<u>3,873</u>
20	Other Income / (loss)	
	Other Income	206,904
	Dividend income	388,460
	Unrealized gain of revaluation of asset (Long term investment)	-
		<u>595,364</u>

21 Accounting Estimates And Judgments

21.1 Property, plant and equipment

The Company reviews the rate of depreciation/useful life, residual values and value of assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding affect on the depreciation charge and impairment.

21.2 Intangible assets

The Company reviews the rate of amortization and value of intangible assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of respective items of intangible asset with a corresponding affect on the amortization charge and impairment.

21.3 Investment stated at fair value

The Company has determined fair value of certain investments by using quotations from active market. Fair value estimates are made at a specific point in time based on market conditions and information about financial instruments. These estimates are subjective in nature and involve uncertainties and matter of judgments (e.g. valuation, interest rates, etc.) and therefore cannot be determined with precision.

SPINZER EQUITIES (PRIVATE) LIMITED

2017

Note

Rupees

21.4 **Trade debts**

The Company reviews its debts portfolio regularly to assess amount of any provision required against such debtors.

22 **Number of employees**

Total number of employees at the end of year was 8 (2016: 6). Average number of employees was 8 (2016: 6)

23 **Authorization**

23.1 These financial statements were authorized for issue on 27 Feb 2018 by the Board of Directors of the Company.

24 **General**

24.1 Figures have been rounded off to the nearest of rupee.

24.2 Corresponding figures have been rearranged, wherever necessary for the purposes of comparison. However, no significant rearrangement / reclassification have been made in these financial statements.

The annexed notes 1 to 24 form an integral part of these financial statements.



Chief Executive



Director