

**SPINZER EQUITIES  
(PRIVATE) LIMITED**

**Unaudited Financial Statements  
For the Half-Year Ended 31st December, 2019**

# SPINZER EQUITIES (PRIVATE) LIMITED

## Balance Sheet

As at 31st December, 2019

|   | Note | 31-Dec-2019<br>Rupees<br>(Un-audited) | 30-Jun-2019<br>Rupees<br>(Audited) |
|---|------|---------------------------------------|------------------------------------|
| <b>Non-Current Assets</b>   |      |                                       |                                    |
| Fixed assets  |      |                                       |                                    |
| Property and equipment  | 4.1  | 3,459,145                             | 3,713,960                          |
| Intangible asset  | 4.2  | 2,554,675                             | 2,560,750                          |
| Long term investments   | 6    | 42,757,556                            | 42,757,556                         |
| Long term deposits  | 7    | 505,000                               | 505,000                            |
|   |      | <b>49,276,376</b>                     | <b>49,537,266</b>                  |
| <b>Current Assets</b>   |      |                                       |                                    |
| Accounts receivables  | 8    | 4,407,408                             | 1,291,199                          |
| Deposits, prepayments and other receivables   | 9    | 4,182,840                             | 4,105,950                          |
| Income tax refundable   |      | 471,194                               | 1,895,527                          |
| Short term investments  | 5    | 8,622,927                             | 7,469,132                          |
| Cash and bank balances  | 10   | 17,644,815                            | 4,709,372                          |
|   |      | <b>35,329,184</b>                     | <b>19,471,180</b>                  |
|   |      | <b>84,605,560</b>                     | <b>69,008,446</b>                  |
| <b>Equity and Liabilities</b>   |      |                                       |                                    |
| <b>Authorized</b>   |      | <b>40,000,000</b>                     | <b>40,000,000</b>                  |
| 4,000,000 (2018: 4,000,000) Ordinary Shares of Rupees 10/- each                         |      |                                       |                                    |
| <b>Issued, subscribed and paid up</b>   |      |                                       |                                    |
| 3,538,288 (2018: 3,538,288) Ordinary Shares of Rupees 10/- each fully paid              |      |                                       |                                    |
| Unrealized surplus / (deficit) on re-measurement of investment measured at market value |      | 12,411,526                            | 12,411,526                         |
| <b>Unappropriated profit / (loss)</b>   |      | 20,134,409                            | 15,850,511                         |
|   |      | <b>67,928,815</b>                     | <b>63,644,917</b>                  |
| <b>Current Liabilities</b>  |      |                                       |                                    |
| Trade and other payables  | 11   | 16,676,745                            | 5,082,352                          |
| Provision for taxation  |      | -                                     | 281,177                            |
|   |      | <b>16,676,745</b>                     | <b>5,363,529</b>                   |
| <b>Contingencies and commitments</b>  |      |                                       |                                    |
|   | 12   | -                                     | -                                  |
|   |      | <b>84,605,560</b>                     | <b>69,008,446</b>                  |

The annexed notes 1 to 20 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, 2019

|  | Note | 31-Dec-2019<br>Rupees<br>(Un-audited) | 30-Jun-2019<br>Rupees<br>(Audited) |
|--|------|---------------------------------------|------------------------------------|
| <b>Revenue</b>   |      |                                       |                                    |
| Income from brokerage                                    | 13   | 4,957,599                             | 6,755,057                          |
| Gain / (loss) on short term investments                  |      | 1,153,795                             | (180,834)                          |
| Unrealized gain / (loss) on remeasurement of investments |      | 1,250,041                             | (2,980,122)                        |
|  |      | <u>7,361,435</u>                      | <u>3,594,101</u>                   |
| Operating and Administrative expenses                    | 14   | (4,331,853)                           | (8,138,379)                        |
| <b>Profit / (loss) from operation</b>                    |      | <u>3,029,582</u>                      | <u>(4,544,278)</u>                 |
| Financial charges  | 15   | (3,379)                               | (16,535)                           |
| Other income / (loss)                                    | 16   | 1,257,695                             | 1,592,710                          |
| <b>Profit / (Loss) before taxation</b>                   |      | <u>4,283,898</u>                      | <u>(2,968,103)</u>                 |
| Taxation   |      | -                                     | (281,176)                          |
| <b>Profit / (Loss) after taxation</b>                    |      | <u>4,283,898</u>                      | <u>(3,249,279)</u>                 |

The annexed notes 1 to 20 form an integral part of these financial statements.



\_\_\_\_\_  
Chief Executive



\_\_\_\_\_  
Director


**SPINZER EQUITIES (PRIVATE) LIMITED**

Statement of Comprehensive Income


For the Half-Year ended 31st December, 2019

|  | <i>Note</i> | <b>31-Dec-2019</b><br><b>Rupees</b><br><b>(Un-audited)</b> | <b>30-Jun-2019</b><br><b>Rupees</b><br><b>(Audited)</b> |
|--|-------------|--|---|
| Profit / (Loss) after Taxation                 |             | 4,283,898  | (3,249,279)   |
| Other comprehensive income for the year        |             | -  | -   |
| <b>Total Comprehensive income for the year</b> |             | <u><u>4,283,898</u></u>                                    | <u><u>(3,249,279)</u></u>                               |

The annexed notes 1 to 20 form an integral part of these financial statements.

  
\_\_\_\_\_  
Chief Executive



  
\_\_\_\_\_  
Director

**SPINZER EQUITIES (PRIVATE) LIMITED**

Statement of Changes in Equity

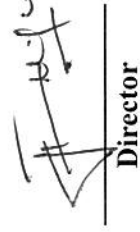
For the Half-Year ended 31st December, 2019

|  | Share capital<br>Rupees | Share premium<br>Rupees | Unrealized Surplus<br>Rupees | Unappropriated profit/(Loss)<br>Rupees | Total<br>Rupees   |
|--|-------------------------|-------------------------|------------------------------|--|-------------------|
| Balance as at 01 July 2018                               | 17,100,000              | -                       | 12,411,526                   | 19,099,790                             | 48,611,316        |
| Shares issued during the period                          | 18,282,880              | -                       | -                            | -                                      | 18,282,880        |
| Net profit / (loss) for the year ended 30 June, 2019     | -                       | -                       | -                            | (3,249,279)                            | (3,249,279)       |
| <b>Balance as at 30 June, 2019</b>                       | <b>35,382,880</b>       | <b>-</b>                | <b>12,411,526</b>            | <b>15,850,511</b>                      | <b>63,644,917</b> |
| Balance as at 01 July 2019                               | 35,382,880              | -                       | 12,411,526                   | 15,850,511                             | 63,644,917        |
| Net profit / (loss) for the half-year ended 31 Dec, 2019 | -                       | -                       | -                            | 4,283,898                              | 4,283,898         |
| <b>Balance as at 31 December, 2019</b>                   | <b>35,382,880</b>       | <b>-</b>                | <b>12,411,526</b>            | <b>20,134,409</b>                      | <b>67,928,815</b> |

The annexed notes 1 to 20 form an integral part of these financial statements.



Chief Executive

  
Director

# **SPINZER EQUITIES (PRIVATE) LIMITED**

## **Notes to the Financial Statements**

*For the Half-Year ended 31st December, 2014*

### **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**

#### **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-15 | 30-Jun-15        |                  |
|---|------------------------|-----------|------------------|------------------|
| 4 | Property and equipment | 4.1       | 3,459,145        | 354,867          |
|   | Intangible             | 4.2       | 2,554,675        | 4,000,000        |
|   |                        |           | <u>6,013,820</u> | <u>4,354,867</u> |

4 Property and Equipmmt

| PARTICULARS           | COST              |                                       |                   | DEPRECIATION |                   |                | Book value as at 30-Dec 2019 |
|-----------------------|-------------------|---------------------------------------|-------------------|--------------|-------------------|----------------|------------------------------|
|                       | As at 1 July 2019 | Additions/(Deletion)during the period | As at 30-Dec 2019 | Rate         | As at 1 July 2019 | For the period |                              |
| 4.1 Tangible          |                   |                                       |                   |              |                   |                |                              |
| OWNED                 |                   |                                       |                   |              |                   |                |                              |
| Office equipments     | 324,100           | 51,400                                | 375,500           | 10           | 116,120           | 12,969         | 246,411                      |
| Computer equipments   | 314,910           | 57,865                                | 372,775           | 30           | 234,528           | 20,737         | 117,510                      |
| Furniture and Fixture | 168,500           | 8,000                                 | 176,500           | 10           | 76,780            | 4,986          | 94,734                       |
| Vehicle               | 5,209,184         | -                                     | 5,209,184         | 20           | 1,875,306         | 333,388        | 3,000,490                    |
| <b>Rupees</b>         | <b>6,016,694</b>  | <b>117,265</b>                        | <b>6,133,959</b>  |              | <b>2,302,734</b>  | <b>372,080</b> | <b>3,459,145</b>             |

4.2 Intangible

|  | 30-Dec-19        |
|--|------------------|
| Trading Rights Entitlement Certificate | Rupees 2,500,000 |
| Accounting Software                    | 75,000           |
| Less: Acc. Depreciation                | 20,325           |
|  | 54,675           |
|  | <b>2,554,675</b> |



5 Short term investments

| S.N. | Symbol | Company Name ( Listed)                       | Qty     | Price  | Amount    |
|------|--------|--|---------|--------|-----------|
| 1    | ATRL   | ATTOCK REFINERY LIMITED                      | 1,000   | 111.69 | 111,690   |
| 2    | BYCO   | BYCO PETROLEUM LIMITED                       | 70,000  | 6.82   | 477,400   |
| 3    | EBERT  | ENGRO FERTILIZER LIMITED                     | 6,000   | 73.43  | 440,580   |
| 4    | FATIMA | FATIMA FERTILIZER LIMITED                    | 70,000  | 26.59  | 1,861,300 |
| 5    | FCEPL  | ENGRO FOODS LIMITED                          | 6,000   | 79.3   | 475,800   |
| 6    | PFC    | FAUJI FERTILIZER COMPANY LIMITED             | 15,000  | 101.47 | 1,522,050 |
| 7    | GAIL   | GHANI AUTO INDUSTRIES LIMITED                | 20,000  | 4.83   | 96,600    |
| 8    | HASCOL | HASCOL LIMITED                               | 5,000   | 26.9   | 134,500   |
| 9    | HCAR   | HONDA ATLAS                                  | 2,000   | 218.94 | 437,880   |
| 10   | KEL    | KARACHI ELECTRIC                             | 120,000 | 4.37   | 524,400   |
| 11   | NRL    | NATIONAL REFINERY LIMITED                    | 2,000   | 141.08 | 282,160   |
| 12   | PACE   | PACE PAKISTAN LIMITED                        | 60,000  | 2.34   | 140,400   |
| 13   | PIBTL  | PAKISTAN INTERNATIONAL BULK TERMINAL LIMITED | 50,000  | 10.81  | 540,500   |
| 14   | POWER  | POWER CEMENT LIMITED                         | 80,000  | 6.15   | 492,000   |
| 15   | PSO    | PAKISTAN STATE OIL LIMITED                   | 3,413   | 191.64 | 654,067   |
| 16   | PSX    | PAKISTAN STOCK EXCHANGE LIMITED              | 5,000   | 12.48  | 62,400    |
| 17   | PTC    | PAKISTAN TELECOMMUNICATIONS CO. LIMITED      | 30,000  | 9.36   | 280,800   |
| 18   | TPL    | TPL CORPORATION                              | 20,000  | 4.42   | 88,400    |

8,622,927

**SPINZER EQUITIES (PRIVATE) LIMITED**

|   | <i>Note</i> | <b>31-Dec-2019</b>       | <b>30-Jun-2019</b>       |
|---|-------------|--------------------------|--------------------------|
|   |             | <b>Rupees</b>            | <b>Rupees</b>            |
| <b>6 Long term investments</b>  |             |                          |                          |
| ISE Towers REIT Mgmt Ltd (unquoted)   |             | <u>42,757,556</u>        | <u>42,757,556</u>        |
|   |             | <u><b>42,757,556</b></u> | <u><b>42,757,556</b></u> |
| <b>6.1</b> 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)).   |             |                          |                          |
| <b>6.2</b> 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 ISE's participant IDs to maintain the Base Minimum Capital "BMC". |             |                          |                          |
| <b>7 Long term deposits</b>   |             |                          |                          |
| CDC deposits  |             | 100,000                  | 100,000                  |
| NCCPL deposits  |             | 205,000                  | 205,000                  |
| Pakistan Stock Exchange Ltd deposits  |             | <u>200,000</u>           | <u>200,000</u>           |
|   |             | <u><b>505,000</b></u>    | <u><b>505,000</b></u>    |
| <b>8 Accounts receivables</b>   |             |                          |                          |
| Accounts receivables  |             | <u>4,407,408</u>         | 1,291,199                |
|   | <i>8.1</i>  | <u><b>4,407,408</b></u>  | <u><b>1,291,199</b></u>  |
| <b>8.1</b> Receivables from clients relate to operating revenues, are secured and considered good by the Management.  |             |                          |                          |
| <b>9 Deposits, prepayments and other receivables</b>  |             |                          |                          |
| Rent and other prepayments  |             | 2,569,350                | 2,834,775                |
| NCSS receivables  |             | -                        | 1,247,277                |
| Advance tax   |             | 1,593,048                | -                        |
| other receivables   |             | <u>20,442</u>            | <u>23,898</u>            |
|   |             | <u><b>4,182,840</b></u>  | <u><b>4,105,950</b></u>  |
| <b>10 Cash and bank balances</b>  |             |                          |                          |
| Cash in hand  |             | 8,262                    | 15,565                   |
| Cash at Bank  |             |                          |                          |
| In proprietary account  |             | <u>48,597</u>            | <u>553,425</u>           |
| In client account   |             | <u>17,587,956</u>        | <u>4,140,382</u>         |
|   |             | <u>17,636,553</u>        | <u>4,693,807</u>         |
|   |             | <u><b>17,644,815</b></u> | <u><b>4,709,372</b></u>  |
| <b>11 Trade and other payables</b>  |             |                          |                          |

**SPINZER EQUITIES (PRIVATE) LIMITED**

|   | <b>31-Dec-2019</b>       | <b>30-Jun-2019</b>      |
|---|--------------------------|-------------------------|
| <i>Note</i>   | <b>Rupees</b>            | <b>Rupees</b>           |
| Trade creditors   | 14,327,710               | 4,545,390               |
| NCSS payables   | 1,359,882                | -                       |
| Tax payable   | 194,448                  | 67,377                  |
| Accrued expenses and other payables   | 794,705                  | 469,585                 |
|   | <u><b>16,676,745</b></u> | <u><b>5,082,352</b></u> |
| <b>12 Contingencies and Commitments</b>   |                          |                         |
| 12.1 The Company has pledged/hypothecated TRE Certificate of Pakistan Stock Exchange Limited (PSX) and 3,034,603 ordinary shares of LSEFSL with PSX in compliance with Base Minimum Capital (BMC) requirement under Regulation 2.1 of the Regulations Governing Risk Management of the PSX. |                          |                         |
| <b>13 Income from brokerage</b>   |                          |                         |
| Commission Income - Net   | 4,957,599                | 6,755,057               |
|   | <u><b>4,957,599</b></u>  | <u><b>6,755,057</b></u> |
| <b>14 Operating and Administrative expenses</b>   |                          |                         |
| Staff Salaries  | 1,967,453                | 3,324,388               |
| Communication charges   | 43,058                   | 130,100                 |
| Legal & Professional Charges  | 31,138                   | 45,000                  |
| Rent, Rates, and Taxes  | 792,000                  | 1,584,000               |
| Postage & Courier   | 4,827                    | 941                     |
| Printing and Stationery   | 48,635                   | 50,773                  |
| Website Charges   | 8,000                    | 86,000                  |
| EOBI  | 14,208                   | 42,970                  |
| Fee and Subscription  | 50,000                   | 66,060                  |
| Provision for doubtful debts  | -                        | 38,172                  |
| Entertainment   | 55,884                   | 182,137                 |
| Misc Charges  | 27,900                   | 54,249                  |
| CDC Charges   | 86,744                   | 277,177                 |
| NCCPL Charges   | 87,142                   | 190,461                 |
| ISE Charges   | 208,403                  | 523,637                 |
| PSX Charges   | 404,616                  | 481,486                 |
| Software  | 21,140                   | -                       |
| Repair and Maintenance  | 7,550                    | 8,300                   |
| Auditors remuneration   | 95,000                   | 150,000                 |
| Depreciation & Amortization   | 378,155                  | 902,528                 |
|   | <u><b>4,331,853</b></u>  | <u><b>8,138,379</b></u> |
| <b>15 Financial charges</b>   |                          |                         |
| Bank charges  | 3,379                    | 16,535                  |
|   | <u><b>3,379</b></u>      | <u><b>16,535</b></u>    |
| <b>16 Other Income / (loss)</b>   |                          |                         |
| Other Income  | 317,200                  | 306,682                 |
| Dividend income   | 940,495                  | 1,286,028               |
|   | <u><b>1,257,695</b></u>  | <u><b>1,592,710</b></u> |

SPINZER EQUITIES (PRIVATE) LIMITED

| Note | 31-Dec-2019<br>Rupees | 30-Jun-2019<br>Rupees |
|------|-----------------------|-----------------------|
|------|-----------------------|-----------------------|

**17 Accounting Estimates And Judgments**

**17.1 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.

**17.2 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.

**17.3 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.

**17.4 Trade debts**

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

**18 Number of employees**

Total number of employees at the end of year was 8.

**19 Authorization**

19.1 These financial statements were authorized for issue on 27-Feb-2020 by the Board of Directors of the Company.

**20 General**

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

20.2 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 20 form an integral part of these financial statements.**

  
\_\_\_\_\_  
Chief Executive



  
\_\_\_\_\_  
Director