

**SPINZER EQUITIES
(PRIVATE) LIMITED**

**Un-Audited Financial Statements
For the 1st Quarter Ended 30th September, 2017**

SPINZER EQUITIES (PRIVATE) LIMITED

Balance Sheet

As at 30th September, 2017

	Note	30-Sep-2017 Rupees (Un-Audited)	30-Jun-2017 Rupees (Un-Audited)
Non-Current Assets			
Fixed assets			
Property and equipment	4.1	5,517,900	506,487
Intangible asset	4.2	4,073,125	4,000,000
		9,591,025	4,506,487
Long term investments	6	30,346,030	30,346,030
Long term deposits	7	505,000	505,000
		30,851,030	30,851,030
Current Assets			
Accounts receivables	8	2,778,880	3,379,271
Loan to Directors		-	2,473,897
Short Term Investments	9	1,344,500	330,560
Advances, deposits and prepayments	10	547,710	402,510
Cash and bank balances	11	8,015,892	10,037,443
		12,686,982	16,623,681
		53,129,037	51,981,198
Equity and Liabilities			
Authorized Share Capital		40,000,000	30,000,000
4,000,000 (2017:3,000,000) Ordinary Shares of Rupees 10/- each			
Issued, subscribed and paid up			
1,710,000 (2017: 1,710,000) Ordinary Shares of Rupees 10/- each fully paid		17,100,000	17,100,000
Unappropriated profit / (loss)		23,888,117	24,738,166
		40,988,117	41,838,166
Funds for increase in Capital		5,447,787	-
Current Liabilities			
Trade creditors	12	6,255,036	9,102,468
Accrued and Other payable	13	438,097	1,040,564
		12,140,920	10,143,032
Contingencies and commitments	14	53,129,037	51,981,198

The annexed notes 1 to 22 form an integral part of these financial statements.

Chief Executive



Director

SPINZER EQUITIES (PRIVATE) LIMITED

Profit and Loss Account

For the Three Months ended 30th September, 2017

	Note	30-Sep-2017 Rupees (Un-Audited)	30-Jun-2017 Rupees (Un-Audited)
Revenue			
Income from brokerage	15	1,246,870	13,030,712
Un-realised gain/(loss) on investment	9	32,760	(128,321)
		<u>1,279,630</u>	<u>12,902,391</u>
Operating and Administrative expenses	16	(2,334,461)	(10,818,337)
Profit / (loss) from operation		<u>(1,054,831)</u>	<u>2,084,054</u>
Financial charges	17	(1,768)	(12,583)
Other income/(Loss)	18	206,550	265,373
Profit / (Loss) before taxation		<u>(850,049)</u>	<u>2,336,844</u>
Taxation		-	(991,144)
Profit / (Loss) after taxation		<u><u>(850,049)</u></u>	<u><u>1,345,700</u></u>

The annexed notes 1 to 22 form an integral part of these financial statements.



Chief Executive




Director

SPINZER EQUITIES (PRIVATE) LIMITED
 Statement of Comprehensive Income
 For the Three Months ended 30th September, 2017

	Note	30-Sep-2017 Rupees (Un-Audited)	30-Jun-2017 Rupees (Un-Audited)
Profit / (Loss) after Taxation		(850,049)	1,345,700
Other comprehensive income for the year		-	-
Total Comprehensive income for the year		(850,049)	1,345,700

The annexed notes 1 to 22 form an integral part of these financial statements.



 Chief Executive





 Director

SPINZER EQUITIES (PRIVATE) LIMITED

Statement of Changes in Equity

For the Three Months ended 30th September, 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, 2017	-	-	-	1,345,700	1,345,700
Balance as at 30 June, 2017	17,100,000	-	-	24,738,167	41,838,166
Balance as at 01 July 2017	17,100,000	-	-	24,738,167	41,838,166
Further Issuance of shares	-	-	-	-	-
Net profit /(loss) for the three months ended 30 Sept, 2017	-	-	-	(850,049)	(850,049)
Balance as at 30 September, 2017	17,100,000	-	-	23,888,118	40,988,117

The annexed notes 1 to 22 form an integral part of these financial statements.



 Chief Executive





 Director

SPINZER EQUITIES (PRIVATE) LIMITED

Notes to the Financial Statements

For the Three Months ended 30th September, 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 Companies Act, 2017. In case requirements differ, the provisions or directives of the repealed Companies Act, 2017 shall prevail.

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.

		30-Sep-17	30-Jun-17	
4	Property and equipment	4.1	5,517,900	506,487
	Intangible	4.2	4,073,125	4,000,000
			<u>9,591,025</u>	<u>4,506,487</u>

4 Property and Equipmnt

PARTICULARS	COST			Rate	DEPRECIATION			Book value
	As at 1 July 2017	Additions/ (Deletion)during the year	As at Sept 2017		As at 1 July 2017	For the period	As at Sept 2017	as at Sept 2017
4.1 Tangible								
OWNED								
Office equipments	258,600	-	258,600	10	60,785	4,945	65,730	192,870
Computer equipments	346,560	-	346,560	30	170,574	13,199	183,773	162,787
Furniture and Fixture	214,000	-	214,000	15	59,814	5,782	65,596	148,404
Vehicle	-	5,209,184	5,209,184	15	-	195,344	195,344	5,013,840
Rupees	819,160	5,209,184	6,028,344		291,173	219,271	510,444	5,517,900

4.2 Intangible

	30-Sep-17 Rupees	30-Jun-17 Rupees
Trading Rights Entitlement Certificate	4,000,000	4,000,000
Back-Office Software	73,125	0
	4,073,125	4,000,000

30-Sep-2017
Rupees

5 Short Term Investments

S N.	Symbol	Company Name (Listed)	Qty	Price	Amount
3	EFOODS	ENGRO FOODS	6,000	95.03	570,180
5	FFC	FAUJI FERTILIZER	4,000	83.14	332,560
12	PSO	PAKISTAN STATE OIL	1,000	441.76	441,760

1,344,500

SPINZER EQUITIES (PRIVATE) LIMITED

	<i>Note</i>	30-Sep-2017 Rupees	30-Jun-2017 Rupees
6 Long term investments			
ISE Towers REIT Management Limited (Formerly Islamabad Stock Exchange - Unquoted)		3,034,603	3,034,603
Price		10	10
		<u>30,346,030</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/- (2017: 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".		
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	100,000
NCCPL membership		205,000	205,000
PSX Security deposit		200,000	200,000
		<u>505,000</u>	<u>505,000</u>
8 Accounts receivables			
Accounts receivables		2,778,880	3,379,271
	<i>8.1</i>	<u>2,778,880</u>	<u>3,379,271</u>
8.1	Receivables from clients relate to operating revenues, are secured and considered good by the Management.		
9 Short Term Investments			
Investments at the beginning		1,311,740	580,660
Un-realised gain/(loss) on investment		32,760	(250,100)
	<i>5</i>	<u>1,344,500</u>	<u>330,560</u>

This amount represents the investment in different listed securities valued at the closing market rates as at

September 30, 2017

SPINZER EQUITIES (PRIVATE) LIMITED

	<i>Note</i>	30-Sep-2017 Rupees	30-Jun-2017 Rupees
10 Advances, deposits and prepayments			
Advances to Staff		457	457
Income Tax Refundable		29,828	29,828
Advance Income Tax		517,425	372,225
		<u>547,710</u>	<u>402,510</u>
11 Cash and bank balances			
Cash in hand		6,156	647
Cash in Bank			
In saving/ Profit Accounts		-	-
In Current Accounts		8,009,736	10,036,796
		<u>8,009,736</u>	<u>10,036,796</u>
		<u>8,015,892</u>	<u>10,037,443</u>
12 Trade creditors			
Trade creditors		6,255,036	9,102,468
		<u>6,255,036</u>	<u>9,102,468</u>
13 Accrued and Other payable			
Tax payable		73,826	380,112
Other payable		262,470	70,075
Accrued expenses		101,801	590,377
		<u>438,097</u>	<u>1,040,564</u>
14 Contingencies and Commitments			
14.1	The Company has pledged/hypothecated TRE Certificate of Pakistan Stock Exchange Limited (PSX) and 3,034,603 ordinary shares of ISEREIT with PSX in compliance with Base Minimum Capital (BMC) requirement under Regulation 2.1 of the Regulations Governing Risk Management of the PSX.		

SPINZER EQUITIES (PRIVATE) LIMITED

	<i>Note</i>	30-Sep-2017	30-Jun-2017
		Rupees	Rupees
15 Income from brokerage			
Commission Income - Net		1,246,870	13,030,712
		<u>1,246,870</u>	<u>13,030,712</u>
16 Operating and Administrative expenses			
Staff Salaries		1,379,963	8,322,863
Communication charges		23,310	83,720
Legal & Professional Charges		65,000	85,000
Rent, Rates, and Taxes		349,500	612,000
Postage & Courier		2,359	6,629
Printing and Stationery		558	75,878
Website Charges		-	16,900
EOBI		13,650	37,310
Fee and Subscription		10,000	215,825
Auditors Remuneration		-	70,000
Entertainment		18,806	117,715
Misc Charges		1,000	63,766
CDC Charges		44,277	275,125
NCCPL Charges		22,923	167,035
Electricity Charges		58,502	125,706
PSX Charges		29,024	272,714
Service Charges		66,443	123,171
Software Expense		21,000	-
Repair and Maintenance		7,000	47,375
Depreciation & Amortization	<i>4.1</i>	221,146	99,605
		<u>2,334,461</u>	<u>10,818,337</u>
17 Financial charges			
Bank charges		1,768	12,583
		<u>1,768</u>	<u>12,583</u>
18 Other Income / (loss)			
Other Income		206,550	72,211
Dividend income			397,325
Unrealized gain of revaluation of asset (Long term investment)		-	23,821,030
		<u>206,550</u>	<u>24,290,566</u>

19 Accounting Estimates And Judgments

19.1 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.

19.2 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.

19.3 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

SPINZER EQUITIES (PRIVATE) LIMITED

Note	30-Sep-2017	30-Jun-2017
	Rupees	Rupees

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.

19.4 **Trade debts**

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

20 **Number of employees**

Total number of employees at the end of period was 9 (2017: 8). Average number of employees was 9 (2017: 8)

21 **Authorization**

21.1 These financial statements were authorized for issue on 31 Oct, 2017 by the Board of Directors of the Company.

22 **General**

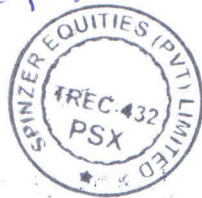
22.1 Figures have been rounded off to the nearest of rupee.

22.2 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 22 form an integral part of these financial statements.



Chief Executive





Director