

**SPINZER EQUITIES  
(PRIVATE) LIMITED**

**Unaudited Financial Statements  
For the Half-Year Ended 31st December, 2020**

# SPINZER EQUITIES (PRIVATE) LIMITED

Balance Sheet

As at 31st December, 2020

	Note	31-Dec-2020 Rupees (Unaudited)	31-Jun-2020 Rupees (Audited)
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property and equipment	4	2,504,074	3,103,677
Intangible asset	5	2,500,000	2,500,000
Long term investments	6	32,819,235	32,819,235
Long term deposits	7	1,505,000	505,000
		<b>39,328,309</b>	<b>38,927,912</b>
<b>Current Assets</b>			
Trade and other receivables	8	12,306,365	4,015,113
Short term investments	9	12,373,049	9,492,997
Prepayments and advances	10	2,610,538	1,730,610
Income tax refundable	11	1,271,181	1,271,181
Cash and bank balances	12	42,134,686	15,070,380
		<b>70,695,819</b>	<b>31,580,281</b>
		<b>110,024,128</b>	<b>70,508,193</b>
<b>Equity and Liabilities</b>			
<b>Share Capital and Reserves</b>			
Issued, subscribed and paid-up capital		35,382,880	35,382,880
<b>Revenue Reserves</b>			
Unappropriated profit / (loss)		31,433,704	18,114,496
<b>Capital Reserves</b>			
Fair value reserves		1,935,283	1,935,283
		<b>68,751,867</b>	<b>55,432,659</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		1,146,863	1,146,863
<b>Current Liabilities</b>			
Trade and other payables	14	40,125,398	13,928,671
<b>Contingencies and commitments</b>			
	15	110,024,128	70,508,193

The annexed notes 1 to 23 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, 2020

	Note	31-Dec-2020 Rupees (Unaudited)	31-Jun-2020 Rupees (Audited)
Revenue		11,492,177	10,114,684
Operating and Administrative expenses	17	(9,388,923)	(8,488,729)
<b>Profit / (loss) from operation</b>		<b>2,103,254</b>	<b>1,625,955</b>
Financial charges	18	(12,022)	(20,733)
Other income/(Loss)	19	4,467,872	1,782,659
<b>Profit / (Loss) before taxation</b>		<b>6,559,104</b>	<b>3,387,881</b>
Taxation		-	(1,123,896)
<b>Profit / (Loss) after taxation</b>		<b>6,559,104</b>	<b>2,263,985</b>
<b>Earnings / (loss) per share - basic</b>		<b>18.54</b>	<b>6.40</b>

The annexed notes 1 to 23 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, 2020

	Note	31-Dec-2020 Rupees (Unaudited)	31-Jun-2020 Rupees (Audited)
Profit / (Loss) after Taxation		6,559,104	2,263,985
Other comprehensive income for the year		-	
Items that will not be reclassified subsequently to P/L			
Fair value gain on equity instruments at FVTOCI			(9,938,321)
Deffered tax			(537,922)
<b>Total Comprehensive income for the year</b>		<u><u>6,559,104</u></u>	<u><u>(8,212,258)</u></u>

The annexed notes 1 to 23 form an integral part of these financial statements.



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




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**Director**

**SPINZER EQUITIES (PRIVATE) LIMITED**

Cash Flow Statement

For the Year Ended 30 June, 2020

	31-Dec-2020 Rupees (Unaudited)	31-Jun-202 Rupees (Audited)
<i>Note</i>		
<b>Cash flows from operating activities</b>		
Profit before taxation	6,559,104	3,387,8
<b>Adjustments for non cash items:</b>		
Depreciation and Impairment	599,603	743,4
Realised loss / (gain) on short term investments	-	(57,9
Un realised (gain) / Loss on short term investment	2,880,052	(232,4
Intangible written-off	-	60,7
Dividend income	(1,406,789)	(1,073,7
Finance cost	12,022	
	<u>2,084,888</u>	<u>(559,9</u>
<b>Operating profit before working capital changes</b>	<b>8,643,992</b>	<b>2,827,9</b>
<b>Changes in operating assets and liabilities</b>		
<i>(Increase)/decrease in:</i>		
Trade debts - net	(8,291,252)	(2,723,9
Deposits, prepayments and other receivables	(879,928)	2,375,3
	<u>(9,171,180)</u>	<u>(348,5</u>
<i>Increase/(decrease) in:</i>		
Trade and other payables	26,196,727	8,846,3
<b>Cash generated from / (used in) operations</b>	<b>25,669,539</b>	<b>11,325,7</b>
Proceeds from net sales of / (acquisition of) short term investments	-	(1,733,4
Finance cost	(12,022)	
Dividend received	1,406,789	1,073,7
Taxes paid	-	(171,7
	<u>1,394,767</u>	<u>(831,5</u>
<b>Net cash generated from / (used in) operating activities</b>	<b>27,064,306</b>	<b>10,494,1</b>
<b>Cash flows from investing activities</b>		
Acquisition of property and equipment	-	(133,1
<b>Net cash generated from / (used in) investing activities</b>	<b>-</b>	<b>(133,1</b>
<b>Cash flows from financing activities</b>	<b>-</b>	
<b>Net cash generated from financing activities</b>	<b>-</b>	
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>27,064,306</b>	<b>10,361,00</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>15,070,380</b>	<b>4,709,37</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>42,134,686</b>	<b>15,070,38</b>

The annexed notes 1 to 23 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, 2020

	Share capital Rupees	Fair value Reserve Rupees	Unappropriated profit/(Loss) Rupees	Total Rupees
Balance as at 01 July 2019	35,382,880	12,411,526	15,850,511	63,644,917
Net profit/(loss) for the year ended 30 June, 2020	-	-	2,263,985	2,263,985
Other comprehensive income / (loss) deferred tax	-	(9,938,321) (537,922)	-	(9,938,321) (537,922)
<b>Balance as at 30 June, 2020</b>	<b>35,382,880</b>	<b>1,935,283</b>	<b>18,114,496</b>	<b>55,432,659</b>
Balance as at 01 July 2020	35,382,880	1,935,283	18,114,496	55,432,659
Net profit / (loss) for the half-year ended 31 Dec, 2020	-	-	13,319,208	13,319,208
<b>Balance as at 31 December, 2020</b>	<b>35,382,880</b>	<b>3,870,566</b>	<b>31,433,704</b>	<b>68,751,867</b>

The annexed notes 1 to 23 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, 2020

### **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.

4	Property and equipment	4.1	31-Dec-20	31-Dec-19
			2,504,074	5,297,709
	Intangible	4.2	2,500,000	4,071,250
			<u>5,004,074</u>	<u>9,368,959</u>





	<i>Note</i>	<b>31-Dec-20</b> <b>Rupees</b>	<b>30-Jun-20</b> <b>Rupees</b>
<b>5 Intangible assets</b>			
Trading Right Entitlement Certificate (TREC)		<u>2,500,000</u>	<u>2,500,000</u>
		<u><b>2,500,000</b></u>	<u><b>2,500,000</b></u>
<b>6 Long term investments at FVTOCI</b>			
ISE REIT shares		<u><b>32,819,235</b></u>	<u><b>32,819,235</b></u>
<b>6.1</b> This represents investments in ISE REIT Management Company Limited and includes 60% (1,820,762 shares) which are held in a separate Central Depository Company Limited (CDC) sub-account marked as blocked			
<b>7 Long term deposits</b>			
CDC deposits ISETRMCL		100,000	100,000
NCCPL membership		1,205,000	205,000
PSX Security deposit		<u>200,000</u>	<u>200,000</u>
		<u><b>1,505,000</b></u>	<u><b>505,000</b></u>
<b>8 Trade and other receivables</b>			
Trade and other receivables		<u>12,306,365</u>	<u>4,015,113</u>
	<i>8.1</i>	<u><b>12,306,365</b></u>	<u><b>4,015,113</b></u>
<b>8.1</b> Receivables from clients relate to operating revenues, are secured and considered good by the Management.			
<b>9 Short Term Investments</b>			
Listed equity securities		<u>12,373,049</u>	<u>9,492,997</u>
	<i>5</i>	<u><b>12,373,049</b></u>	<u><b>9,492,997</b></u>
This amount represents the investment in different listed securities valued at the closing market rates as at Decemeber 31, 2020			

	<i>Note</i>	<b>31-Dec-20</b> <b>Rupees</b>	<b>30-Jun-20</b> <b>Rupees</b>
<b>10 Advances, deposits and prepayments</b>			
Advances to Staff		-	18,883
Rent and other prepayments		2,610,538	1,711,727
		<u>2,610,538</u>	<u>1,730,610</u>
<b>11 Income Tax Refundable</b>		<u>1,271,181</u>	<u>1,271,181</u>
<b>12 Cash and bank balances</b>			
Cash in hand		7,729	5,000
Cash in Bank			
In saving/ Profit Accounts		-	-
In Current Accounts		42,126,957	15,065,380
		<u>42,126,957</u>	<u>15,065,380</u>
		<u>42,134,686</u>	<u>15,070,380</u>
<b>13 Share Capital</b>			
<b>Authorised Share Capital</b>		<u>40,000,000</u>	<u>40,000,000</u>
(4,000,0000 shares of Rs. 10 each)			
<b>Issued subscribed and paid-up capital</b>		<u>35,382,880</u>	<u>35,382,880</u>
(3,538,288 ordinary shares of Rs. 10 each)			
<b>14 Trade and other payables</b>			
Trade creditors		40,125,398	12,549,354
Accrued and other payables		1,463,767	1,379,317
		<u>40,125,398</u>	<u>13,928,671</u>
<b>15 Contingencies and Commitments</b>			
<b>15.1</b> 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.			

	<i>Note</i>	31-Dec-20 Rupees	30-Jun-20 Rupees
<b>16 Revenue</b>			
Commission Income - Net		11,492,177	10,114,684
		<u>11,492,177</u>	<u>10,114,684</u>
<b>17 Operating and Administrative expenses</b>			
Staff Salaries, allowances and other benefits		6,055,527	2,928,442
Directors remuneration		510,151	938,329
Room rent :		871,200	1,623,600
Communication expense		69,770	142,346
Postage and courier		580	5,247
Entertainment		43,489	82,663
Printing and Stationery		32,364	80,705
CDC Charges		135,997	174,835
NCCPL Charges		248,887	178,712
PSX Charges		161,621	526,197
Provision for doubtful debts		-	-
Travelling and conveyance		7,000	16,652
Legal and professional charges		-	5,000
Fee and subscription		293,630	86,139
Website charges		7,400	8,000
EOBI Expense		26,341	50,274
Software expense		44,870	173,100
Repair and maintenance		14,520	37,960
Auditor remuneration		-	174,000
Utilities		237,431	486,512
Misc. expenses		28,542	26,568
Depreciation		599,603	743,448
		<u>9,388,923</u>	<u>8,488,729</u>
<b>18 Financial charges</b>			
Bank charges		12,022	20,733
		<u>12,022</u>	<u>20,733</u>
<b>19 Other Income / (loss)</b>			
Other Income		181,031	418,536
Dividend income		1,406,789	1,073,745
Gain / (loss) on sale of equity instruments		-	57,966
Unrealized gain of revaluation of equity instruments		2,880,052	232,412
		<u>4,467,872</u>	<u>1,782,659</u>
<b>20 Accounting Estimates And Judgments</b>			
<b>20.1 Property, plant and equipment</b>			
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.			
<b>20.2 Intangible assets</b>			
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.			
<b>20.3 Investment stated at fair value</b>			
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			

Note

31-Dec-20  
Rupees

30-Jun-20  
Rupees

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.

**20.4 Trade debts**

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

**21 Number of employees**

Total number of employees at the end of period was 8 (2019: 8). Average number of employees was 8 (2019: 8) :

**22 Authorization**

22.1 These financial statements were authorized for issue on 28-Feb-2021 by the Board of Directors of the Company.

**23 General**

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

23.2 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 23 form an integral part of these financial statements.**



Chief Executive



Director