

**First Quarter Accounts
for the Period Ended
September 30,2013**

Pervez Ahmed Securities Limited

CONTENTS

Company Information	2
Directors' Report	3
Condensed Interim Balance Sheet	4
Condensed Interim Profit & Loss Account	5
Condensed Interim Statement of Comprehensive Income	6
Condensed Interim Cash Flow Statements	7
Condensed Interim Statement of Changes in Equity	8
Notes to the Condensed Interim Un-audited Financial Information	9

Company Information

Board of Directors	Mr. Pervez Ahmed Mrs. Rehana Pervez Ahmed Mrs. Ayesha Ahmed Mansoor Mr. Ali Pervez Ahmed Mr. Hassan Ibrahim Ahmed Mr. Suleman Ahmed Mr. Muhammad Khalid Khan	Chief Executive
Audit Committee	Mr. Muhammad Khalid Khan Mrs. Ayesha Ahmed Mansoor Mr. Suleman Ahmed	Chairman
Chief Financial Officer	Mr. Muhammad Yousuf	
Company Secretary	Mr. Rizwan Atta	
Auditors	M/s Horwath Hussain Chaudhury & Co. Chartered Accountants	
Legal Advisor	Cornelius, Lane & Mufti Advocates & Solicitors	
Banks	Burj Bank Limited Dubai Islamic Bank Pakistan Limited MCB Bank Limited NIB Bank Limited Silk Bank Limited Summit Bank Limited	
Registered Office	20-K, Gulberg II, Lahore.	
Stock Exchange Office	Room No. 317, Third Floor, Lahore Stock Exchange Building, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.	
Share Registrars	THK Associates (Pvt.) Limited Ground Floor, State Life Building No 3, Dr. Ziauddin Ahmed Road, Karachi - 75530	
Website	www.pervezahmed.net	

DIRECTORS' REPORT

On behalf of the Board of Directors of Pervez Ahmed Securities Limited, I present to you the Companies' un-audited financial statements for the first quarter ended September 30, 2013.

Capital Market Review

The stock market of Pakistan showed modest growth in the first quarter of new financial year. The KSE benchmark 100 index gained mere 3.94% during the quarter ended September 30, 2013. Foreign investors remained net sellers and they pulled out funds worth US\$ 94 million during the period. During the period under review the index remained range bound and tried to break 24,000 mark many times. The volumes also remained low as compared to the last quarter.

Financial Results of the Company

During the quarter ended September 30, 2013 the Company suffered loss of Rs. 12.99 million as against profit of Rs. 1.23 million during the corresponding period of last year. Loss for the period is mainly due to share of loss of associated undertaking. The management is making efforts to revive the Company by way of right issue.

Future Outlook

Besides the political and law and order challenges positive economic activity is expected on the back of lowering inflation and interest rates. We might see a stable positive development in the Karachi Stock market on the back of improving economic indicators

Acknowledgement

The Board is thankful to its valued shareholders for their confidence in the Company, its clients, the Securities & Exchange Commission of Pakistan and to the management of Karachi & Lahore Stock Exchanges for their valuable support, assistance and guidance. The Board also appreciates the employees of the Company for their dedication and hard work.

For & on behalf of the Board

Lahore
October 29, 2013

Perez Ahmed
Chief Executive

PERVEZ AHMED SECURITIES LIMITED

CONDENSED INTERIM BALANCE SHEET

AS AT SEPTEMBER 30, 2013

	Note	Sep. 30 2013 (Un-Audited) Rupees	June 30 2013 (Audited) Rupees
Non Current Assets			
Property and equipment		676,921	722,996
Intangible assets		9,360,000	9,360,000
Long term investment in associate		116,997,002	131,664,268
Long term security deposits		<u>1,055,000</u>	<u>1,055,000</u>
		128,088,923	142,802,264
Current Assets			
Short term investments		29,551,277	26,759,208
Advances, tax refundable and other receivables		6,974,072	6,974,072
Bank balances		<u>1,462,708</u>	<u>1,590,748</u>
		37,988,057	35,324,028
Current Liabilities			
Trade and other payables		(543,109,460)	(542,173,874)
Accrued interest / mark up		(21,757,327)	(21,757,327)
Short term borrowings		<u>(107,940,931)</u>	<u>(107,940,931)</u>
		(672,807,718)	(671,872,132)
Net Current Assets		(634,819,661)	(636,548,104)
Non Current Liabilities			
Deferred liability		(3,079,244)	(3,075,244)
NET ASSETS		<u>(509,809,982)</u>	<u>(496,821,084)</u>
REPRESENTED BY			
Issued, subscribed and paid up capital		1,865,684,870	1,865,684,870
Share deposit money		20,622,850	20,622,850
		(818,331,810)	(818,331,810)
Unappropriated losses		<u>(1,577,785,892)</u>	<u>(1,564,796,994)</u>
		(509,809,982)	(496,821,084)
Contingencies and Commitments			
	4	-	-
		<u>(509,809,982)</u>	<u>(496,821,084)</u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

PERVEZ AHMED SECURITIES LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	July 1 to September 30 2013 (Un-Audited) Rupees	July 1 to September 30 2012 (Un-Audited) Rupees
Operating income - Net	-	179,527
Administrative expenses	(594,008)	(559,860)
Operating (Loss)	(594,008)	(380,333)
Other operating charges	(519,693)	(2,403)
Surplus on remeasurement of investments at fair value through profit and loss - Net	(1,113,701)	(382,736)
	2,792,069	1,613,018
Profit before Taxation and Share from Associated Undertaking	1,678,368	1,230,282
Share of loss from associated undertaking	(14,667,266)	-
Taxation	-	-
(Loss) / Profit after Taxation	(12,988,898)	1,230,282
(Loss) / Earning per Share	(0.07)	0.02

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

PERVEZ AHMED SECURITIES LIMITED

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE
INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2013**

	July 1 to September 30 2013	July 1 to September 30 2012
	(Un-Audited) Rupees	(Un-Audited) Rupees
(Loss) / profit after taxation	(12,988,898)	1,230,282
Other comprehensive income	-	-
Total comprehensive (loss) / income for the quarter	<u>(12,988,898)</u>	<u>1,230,282</u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

PERVEZ AHMED SECURITIES LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	July 1 to September 30 2013 (Un-Audited) Rupees	July 1 to September 30 2012 (Un-Audited) Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(12,988,898)	1,230,282
Adjustments for:		
- (Surplus) on remeasurement of investments at fair value through profit and loss - Net	(2,792,069)	(1,613,018)
Share of loss from investment in associate	14,667,266	
- Provision for gratuity	4,000	25,750
- Depreciation	46,075	63,795
- Finance cost	-	-
	<u>11,925,272</u>	<u>(1,523,473)</u>
Operating (Loss) before Working Capital Changes	(1,063,626)	(293,191)
(increase) / decrease in current assets		
- Short term investments	-	(652,726)
- Advances and other receivables	-	500
Increase / (decrease) in current liabilities:		
- Trade and other payables	935,586	3,395,598
	<u>935,586</u>	<u>2,743,372</u>
Cash used in Operations	(128,040)	2,450,182
Finance costs paid	-	-
Net Cash used in Operating Activities	(128,040)	2,450,182
CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowings	-	(3,000,000)
Net Cash from Financing Activities	-	(3,000,000)
Net Increase in Cash and Cash Equivalents	(128,040)	(549,818)
Cash and cash equivalents at the beginning of the period	1,590,748	2,005,392
Cash and Cash Equivalents at the End of the period	<u>1,462,708</u>	<u>1,455,574</u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

PERVEZ AHMED SECURITIES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	Share Capital Rupees (Un-Audited)	Share Deposit Money Rupees (Un-Audited)	Discount on Issue of Shares Rupees (Un-Audited)	Unappropriated (Loss) Rupees (Un-Audited)	Total Rupees (Un-Audited)
Balance as at July 1, 2012	774,575,790	293,400,120	-	(1,614,943,049)	(546,967,139)
Total comprehensive income for the quarter ended September 30, 2012	-	-		1,230,282	1,230,282
Balance as at September 30, 2012	<u>774,575,790</u>	<u>293,400,120</u>	<u>-</u>	<u>(1,613,712,767)</u>	<u>(545,736,857)</u>
Balance as at July 1, 2013	1,865,684,870	20,622,850	(818,331,810)	(1,564,796,994)	(496,821,084)
Total comprehensive loss for the quarter ended September 30, 2013	-	-		(12,988,898)	(12,988,898)
Balance as at September 30, 2013	<u>1,865,684,870</u>	<u>20,622,850</u>	<u>(818,331,810)</u>	<u>(1,577,785,892)</u>	<u>(509,809,982)</u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

PERVEZ AHMED SECURITIES LIMITED

NOTES TO THE CONDENSED INTERIM UN-AUDITED FINANCIAL INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2013

Note 1

The Company and its Operations

Pervez Ahmed Securities Limited was incorporated under the Companies Ordinance, 1984 on June 8, 2005 as a single member company and was listed on Karachi and Lahore Stock Exchanges on June 21, 2007. The principal activities of the Company include shares brokerage and trading, consultancy services and underwriting. The registered office of the Company is situated at 20-K Gulberg II, Lahore.

Note 2

Basis of Preparation

These accounts have been prepared in accordance with the requirements of the Companies Ordinance, 1984 and International accounting Standard, IAS 34 "Interim Financial Reporting."

This condensed interim financial information should be read in conjunction with annual audited financial statements for the year ended June 30, 2013. Comprehensive balance sheet is extracted from annual audited financial statements for the year ended June 30, 2013 whereas comparative profit & loss account, statement of comprehensive income, statement of changes in equity and cash flow statement are stated from unaudited interim financial information for the quarter ended on September 30, 2012.

These accounts are un-audited and are being submitted to the shareholders as required by Section 245 of the Companies Ordinance 1984.

Note 3

Accounting Policies

The accounting policies and methods of computation followed in the preparation of these financial statements are the same as those of the published in the annual financial statements of the Company for the year ended June 30, 2013.

Note 4

Contingencies and Commitments

Contingencies

During the previous year, JS Global Capital Limited, one of the creditors, filed a suit against the Company for recovery of Rs. 36.574 million including late payment surcharge aggregating to Rs. 17.455. million. The Company has filed a counter claim of Rs. 18.860 million against the creditor. No additional liability has been provided as management expects favourable outcome of the litigation.

Commitments

There are no material commitments outstanding at the close of the balance sheet date (June 30, 2013: Nil).

Note 5**Transactions with Related Parties**

The related parties comprise related group companies, associated companies, directors and key management personnel. Transactions with related parties other than remuneration and benefits to key management personnel under the terms of their employment.

	July 1 to September 30, 2013 Rupees	July 1 to September 30, 2012 Rupees
Associated undertaking		
Funds received from associated undertaking	-	-
Directors		
Funds received from director(s)	485,000	3,755,000

Note 6**Authorization of Financial Statements**

These interim financial information have been authorized for issue on October 29, 2013 by the Board of Directors of the Company.

Note 7**General**

Figures have been rounded off to the nearest rupees.

Figures of the corresponding period have been re-arranged , wherever necessary, to facilitate comparison. No material rearrangement has been made during the period.

CHIEF EXECUTIVE**DIRECTOR**

Registered Office: | 20-K Gulberg II, Lahore.
| Ph: (042) 3575 9621, 3575 9464, 3571 4810
| Fax: (042) 3571 0312