

3rd Quarter
& Nine Months
Accounts for the
Period Ended
31 March 2009

PERVEZ AHMED SECURITIES LIMITED

Company Information

Board of Directors	Mr. Pervez Ahmed Mrs. Rehana Pervez Ahmed Mr. Ali Pervez Ahmed Mr. Hassan Ibrahim Ahmed Mr. Suleman Ahmed Mrs. Ayesha Ahmed Mansoor Mr. Muhammad Khalid Khan	Chief Executive
Audit Committee	Mr. Muhammad Khalid Khan Mr. Ali Pervez Ahmed 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	Arif Habib Bank Limited Dawood Islamic Bank Limited Dubai Islamic Bank Pakistan Limited MCB Bank Limited NIB Bank Limited Saudi Pak Commercial 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	Gangjees Registrar Services (Pvt.) Limited 516-Clifton Centre, Khayaban-e-Roomi, Block - 5, Clifton, Karachi - 75 600	
Website	www.pervezahmed.net	

3rd Quarter & Nine Months Accounts for the Period Ended 31 March 2009

DIRECTORS' REVIEW

On behalf of the Board of Directors of Perez Ahmed Securities Limited, I present to you the Company's financial statements for the third quarter & nine months period ended March 31, 2009.

Capital Market Review

During the nine months under review Karachi Stock Exchange benchmark index depicted a decline above 44% . This period under is unique in its nature where the economy of Pakistan was under great stress with depleting foreign exchange reserves, high inflation numbers, bad law and order situation and international pressures. All these factors made the investment environment of the country challenging. But the indicators started to show some improvement from the beginning of this calendar year and the market gained 17% in third quarter FY-09. The average daily volumes also improved significantly in the third quarter.

Financial Results of the Company

During the nine months ended March 31, 2009 Perez Ahmed Securities Limited suffered operating loss of Rs. 799 million and closed its results at net loss of Rs. 1,194 million as against profit of Rs. 490 million during the same period of last year. This represents loss per share of Rs. 15.41 as against earning per share of Rs. 6.33 for the corresponding period. This significant fall in financial results of the Company is primarily due to sharp & continuous decline of stock prices during the period due to aforementioned reasons. During the period under review the KSE-100 index start falling from 12,289 points on July 1, 2008 and closed at 6,860 points on March 31, 2009 with an identical decline of 5,429 points in nine months where as stock prices of most of the shares have plunged even more as compared to the index.

Future Outlook

The future outlook and profitability of the Company is mainly dependent on the stock market performance The management is anticipating that the stock market will normalize by the end of this year. Management is also planning to raise further capital or inject funds to run the Company in a healthy way.

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.

Lahore
April 30, 2009

For & on behalf of the Board



Perez Ahmed
Chief Executive

3rd Quarter & Nine Months Accounts for the Period Ended 31 March 2009

PERVEZ AHMED SECURITIES LIMITED

BALANCE SHEET AS AT MARCH 31, 2009

	Note	March 31, 2009 (Un-Audited) Rupees	June 30, 2008 (Audited) Rupees
Non Current Assets			
Property and equipments	4	4,301,568	5,326,602
Investment property	5	226,000,000	-
Intangible assets		40,000,000	40,000,000
Long term investment in associated undertaking		106,100,805	106,100,805
Long term security deposits		4,055,000	4,970,000
		380,457,373	156,397,407
Current Assets			
Short term investments		52,013,621	2,076,753,276
Advances, tax refundable and other receivables		6,436,179	8,346,072
Cash and bank balances		1,783,884	33,654,870
		60,233,684	2,118,754,218
		440,691,057	2,275,151,625
Equity and Liabilities			
Issued, subscribed and paid up capital		774,575,790	774,375,530
Share deposit money		286,020,000	870,000
Unappropriated loss		(1,318,648,111)	(124,852,879)
Deficit on revaluation of available for sale investments		-	(127,643,537)
		(258,052,321)	522,749,114
Non Current Liabilities			
Deferred liabilities		1,402,569	998,713
Current Liabilities			
Trade and other payables		380,393,282	1,416,373,199
Accrued interest / mark-up		14,574,710	9,898,551
Short term borrowings		302,372,817	325,132,048
		697,340,809	1,751,403,798
		440,691,057	2,275,151,625



CHIEF EXECUTIVE



DIRECTOR

3rd Quarter & Nine Months Accounts for the Period Ended 31 March 2009

PERVEZ AHMED SECURITIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE NINE MONTHS & 3RD QUARTER ENDED MARCH 31, 2009

	For The Nine Months Ended		For The Quarter Ended	
	March 31, 2009 (Un-audited) Rupees	March 31, 2008 (Un-audited) Rupees	March 31, 2009 (Un-audited) Rupees	March 31, 2008 (Un-audited) Rupees
Operating (loss) / revenue	(789,472,616)	376,316,691	(352,320,669)	167,660,615
Administrative expenses	(9,799,233)	(26,765,709)	(1,463,483)	(16,820,482)
Operating (Loss) / Profit	(799,271,849)	349,550,982	(353,784,152)	150,840,133
Other operating expenses	(29,650,982)	(13,308,870)	(5,156,196)	(9,754,871)
Other operating income	8,990	140,264	5,637.00	-
	(828,913,841)	336,382,376	(358,934,711)	141,085,262
(Deficit) / surplus on remeasurement of investments at fair value through profit and loss - Net	(364,836,131)	156,255,429	36,785,681	101,917,575
(Loss) / Profit before Taxation	(1,193,749,972)	492,637,805	(322,149,030)	243,002,837
Taxation	-	(2,396,573)	-	(1,391,569)
(Loss) / Profit after Taxation	(1,193,749,972)	490,241,232	(322,149,030)	241,611,268
Earnings per Share - Basic	(15.41)	6.33	(4.16)	3.12



CHIEF EXECUTIVE



DIRECTOR

3rd Quarter & Nine Months Accounts for the Period Ended 31 March 2009

PERVEZ AHMED SECURITIES LIMITED

CASH FLOW STATEMENT FOR THE NINE MONTH ENDED MARCH 31, 2009

	March 31, 2009 (Un-audited) Rupees	March 31, 2008 (Un-audited) Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(1,193,749,972)	492,637,805
Adjustments for:		
- Deficit / (Surplus) on remeasurement of investments at fair value through profit and loss - Net	364,836,131	(156,255,429)
- Dividend income	(2,052,300)	(23,733,100)
- Provision for gratuity	499,356	-
- Depreciation	1,025,034	254,868
- Finance cost	29,650,982	-
	393,959,203	(179,733,661)
Operating (Loss) / Profit before Working Capital Changes	(799,790,769)	312,904,144
Decrease / (increase) in current assets		
- Short term investments	1,787,547,061	(1,265,346,414)
- Advances and other receivables	1,909,893	(56,050,038)
Increase in current liabilities:		
- Trade and other payables	(1,035,979,917)	836,690,370
	753,477,037	(484,706,082)
Cash used in Operations	(46,313,732)	(171,801,938)
Taxes paid	-	(5,992,448)
Finance costs paid	(24,974,823)	-
Gratuity paid	(95,500)	-
Dividend income received	2,052,300	14,893,170
Net Cash used in Operating Activities	(69,331,755)	(162,901,216)
CASH FLOWS FROM INVESTING ACTIVITIES		
Security deposit	915,000	(265,000)
Investment in associate	-	(106,100,805)
Fixed capital expenditure	-	(2,084,211)
Net Cash generated from / (used) in Investing Activities	915,000	(108,450,016)
CASH FLOW FROM FINANCING ACTIVITIES		
Share deposit money transferred to SECP	(695,000)	-
Share deposit money received	60,000,000	-
Dividend paid	-	(79,064,856)
Short term borrowings	(22,759,231)	260,923,365
Net Cash from Financing Activities	36,545,769	181,858,509
Net Decrease in Cash and Cash Equivalents	(31,870,986)	(89,492,723)
Cash and cash equivalents at the beginning of the period	33,654,870	130,545,659
Cash and Cash Equivalents at the End of the Period	1,783,884	41,052,936

The annexed notes form an integral part of these accounts.



CHIEF EXECUTIVE



DIRECTOR

3rd Quarter & Nine Months Accounts for the Period Ended 31 March 2009

PERVEZ AHMED SECURITIES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED MARCH 31, 2009

	Share Capital	Share Deposit Money	Unappropriated Profit / (Loss)	Deficit on Revaluation of Investments Available for Sale	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at July 1, 2007	599,130,000	870,000	127,394,015	-	727,394,015
(Deficit) on remeasurement of available for sale investments	-	-		(39,801,641)	(39,801,641)
Net profit for the period	-	-	490,241,232	-	490,241,232
First Interim cash dividend @ 15%	-	-	(89,869,500)	-	(89,869,500)
Second Interim cash dividend @ 5%	-	-	(29,956,500)	-	(29,956,500)
Issue of bonus shares@ 10%	59,912,970	-	(59,912,970)	-	-
Balance as at March 31, 2008	<u>659,042,970</u>	<u>870,000</u>	<u>437,896,277</u>	<u>(39,801,641)</u>	<u>1,058,007,606</u>
Balance as at June 30, 2008	774,375,530	870,000	(124,852,879)	(127,643,537)	522,749,114
Net loss for the period	-	-	(1,193,749,972)	-	(1,193,749,972)
Loss realized on available for sale investments	-	-	-	127,643,537	127,643,537
Issue of share capital against share deposit money	155,000	(155,000)	-	-	-
Bonus shares issued	45,260	-	(45,260)	-	-
Share deposit money received during the period	-	286,000,000	-	-	-
Transfer of share deposit to SECP for fictitious / duplicate applications	-	(695,000)	-	-	(695,000)
Balance as at March 31, 2009	<u>774,575,790</u>	<u>286,020,000</u>	<u>(1,318,648,111)</u>	<u>-</u>	<u>(544,052,321)</u>

The annexed notes form an integral part of these accounts.



CHIEF EXECUTIVE



DIRECTOR

PERVEZ AHMED SECURITIES LIMITED

**NOTES TO THE ACCOUNTS
FOR THE NINE MONTHS ENDED MARCH 31, 2009**

Note 1

The Company and its Operations

- 1 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

Statement of Compliance

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

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 annual financial statements of the Company for the year ended June 30, 2008.

Note 4

Property and Equipment

There are no additions or deletion in property and equipment during the period ended March 31, 2009 (June 30, 2008: Rs. 5.461 million / Rs. Nil).

Note 5

Investment Property

This represents commercial & residential properties of the directors of the Company which are under equitable mortgage with the banks against which financial facilities have been obtained by the Company. The directors have relinquished ownership of the properties in favour of the Company. The transfer of title is subject to clearance from the lending banks. Once all approvals/clearances from the competent authorities are in place, shares of the corresponding values will be issued to directors of the Company.

3rd Quarter & Nine Months Accounts for the Period Ended 31 March 2009

PERVEZ AHMED SECURITIES LIMITED

Notes to the Accounts

Note 6

Contingencies and Commitments

Contingencies

There are no material contingencies outstanding at the close of the balance sheet date (June 30, 2008: Nil).

Commitments

There are no material commitments outstanding at the close of the balance sheet date (June 30, 2008: Nil).

Note 7

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.

	Nine Months Ended Mar. 31, 2009 (Un-Audited)	Nine Months Ended Mar. 31, 2008 (Un-Audited)
	Rupees	Rupees
Investment in associated undertaking	-	106,100,805
Funds repaid to associated undertakings	-	614,592
Share deposit money received from associated undertaking	60,000,000	-
Funds received from associated undertakings	40,892,894	-
Funds received from directors	34,104,209	-
Properties transferred by directors	226,000,000	-
Purchase of marketable securities on behalf of associated undertaking	-	18,168,704
Sale of marketable securities on behalf of associated undertaking	-	18,034,774
Utilities and common expenses charged by associated undertaking	-	4,800
Purchase of shares from director	2,310,000	-

Note 8

Authorization of Financial Statements

These interim financial statements have been authorized for issue on April 30, 2009 by the Board of Directors of the Company.

Note 9

General

Figures have been rounded off to the nearest rupees.

The 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