

GMI CAPITAL SECURITIES (PRIVATE) LIMITED

**UNAUDITED CONDENSED INTERIM
FINANCIAL STATEMENTS**


FOR THE SIX MONTHS ENDED DECEMBER 31, 2017

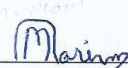
GMI CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT DECEMBER 31, 2017

		(Un-audited) December 31, 2017 Rupees	(Audited) June 30, 2017 Rupees
<u>ASSETS</u>			
Non-Current Assets			
Property and equipments	5	738,840	821,170
Investment property		13,581,675	14,296,500
Intangible assets	6	5,250,000	5,250,000
Long term investment - available for sale	7	35,906,147	41,163,835
Long term deposit		4,960,000	19,960,036
		<u>60,436,662</u>	<u>81,491,541</u>
Current Assets			
Short term investments	8	34,167,087	40,469,010
Trade debts	9	14,501,874	26,754,633
Advances, deposits, prepayments & other receivables		42,596,774	46,700,283
Tax refunds due from government		3,223,137	3,269,894
Cash and bank balances	10	105,380,735	91,730,996
		<u>199,869,607</u>	<u>208,924,816</u>
Total Assets		<u>260,306,269</u>	<u>290,416,357</u>
<u>EQUITY AND LIABILITIES</u>			
Capital and Reserves			
Authorized Share Capital			
1,500,000 Ordinary shares of Rs.100 each		150,000,000	150,000,000
Issued, subscribed and paid up capital		150,000,000	150,000,000
Reserves		92,068,459	113,925,266
		<u>242,068,459</u>	<u>263,925,266</u>
Current Liabilities			
Trade payables		13,222,868	21,537,461
Accrued expenses and other liabilities		5,014,942	4,953,630
		18,237,810	26,491,091
Contingencies & Commitments	11	-	-
Total Equity and Liabilities		<u>260,306,269</u>	<u>290,416,357</u>

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


Chief Executive


Chief Financial Officer


Director

GMI CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2017

		(Un-audited) December 31, 2017 Rupees	(Audited) June 30, 2017 Rupees
	Note		
Revenue			
Operating revenue	12	5,609,784	26,886,950
Capital gain on sale of securities - net		11,195	45,854,790
Unrealized loss on re-measurement of investment		(14,780,575)	(2,976,565)
		(9,159,596)	69,765,175
Expenses			
Administrative expenses		(7,700,746)	(26,319,146)
Finance cost		(24,869)	(23,313)
		(7,725,615)	(26,342,459)
Operating (loss) / profit before tax		(16,885,211)	43,422,716
Other charges		(75,600)	(5,925,840)
Other income		622,636	1,991,725
(Loss) / profit before taxation		(16,338,175)	39,488,601
Taxation		(260,944)	(5,098,044)
(Loss) / profit after taxation		(16,599,119)	34,390,557

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



Chief Executive



Chief Financial Officer



Director

GMI CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2017

	<i>(Un-audited)</i> <i>December 31,</i> <i>2017</i> <i>Rupees</i>	<i>(Audited)</i> <i>June 30,</i> <i>2017</i> <i>Rupees</i>
(Loss) / Profit for the year	(16,599,119)	34,390,556
Other comprehensive income		
(Loss) / gain on remeasurement of available for sale investment	(5,257,688)	25,134,303
Total comprehensive (loss) / income for the year	<u>(21,856,807)</u>	<u>59,524,859</u>


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



Chief Executive



Chief Financial Officer



Director

GMI CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM CASHFLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2017

	(Un-audited) December 31, 2017 Rupees	Audited June 30, 2017 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(16,338,175)	39,488,600
Adjustment for non cash items:		
Depreciation - Property & equipment	82,330	214,634
Depreciation - Investment property	714,825	1,588,500
Loss on remeasurement of investment	14,780,575	2,976,565
Realized gain on remeasurement	(11,195)	(45,854,790)
Dividend income	(1,387,796)	(1,362,880)
Financial charges	24,869	23,313
	(2,134,567)	(2,926,058)
(Increase) / decrease in current assets		
Trade debts	12,252,759	10,644,385
Trade deposits, short term prepayments and other receivables	4,103,509	(15,009,283)
	16,356,268	(4,364,898)
(Decrease) / increase in current liabilities		
Trade payables	(8,314,593)	6,449,595
Accrued expenses and other liabilities	61,312	3,194,554
	(8,253,281)	9,644,149
Taxes paid	(214,187)	(1,861,578)
Financial charges paid	(24,869)	(23,313)
	(239,056)	(1,884,891)
Net cash generated from operating activities	5,729,364	468,302
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Increase / Decrease in long term advances and deposits	15,000,036	(15,995,227)
Purchase of property and equipment	-	(276,400)
Investment long & short	(8,467,457)	46,152,519
Dividend received	1,387,796	1,362,880
Net cash generated from investing activities	7,920,375	31,243,772
Net increase in cash and cash equivalents (A+B)	13,649,739	31,712,074
Cash and cash equivalents at the beginning of the period	91,730,996	60,018,923
Cash and cash equivalents at the end of the period	105,380,735	91,730,996

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



Chief Executive



Chief Financial Officer



Director

GMI CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2017

	<i>Issued subscribed and paid up capital</i>	<i>Unappropriated profit / (loss)</i>	<i>Total</i>
	<i>----- Rupees -----</i>		
Balance as at June 30, 2016	150,000,000	54,400,407	204,400,407
Comprehensive income for the year	-	59,524,859	59,524,859
Balance as at June 30, 2017	150,000,000	113,925,266	263,925,266
Comprehensive loss for the year	-	(21,856,807)	(21,856,807)
Balance as at December 31, 2017	150,000,000	92,068,459	242,068,459

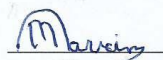
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Chief Executive



Chief Financial Officer



Director

GMI CAPITAL SECURITIES (PRIVATE) LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL REPORT
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2017 (UNAUDITED)

1 NATURE AND STATUS OF BUSINESS

GMI Capital Securities (Private) Limited (the Company) was incorporated in May 22, 2006 as private limited company. The registered office of the company is situated at 705, 7th Floor, Stock Exchange Building, Stock Exchange Road, Karachi, Pakistan. The company is engaged in the business of financial consultancy, brokerage, underwriting and investment counseling. It is a Trading Right Holder of the Pakistan Stock Exchange Limited.

2 BASIS OF PRESENTATION

2.1 Statement of Compliance

This condensed interim financial report of the company for the six months period ended December 31, 2017 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Repealed Companies Ordinance, 1984 have been followed.

This condensed interim financial report is unaudited but subject to limited scope review by auditors. This condensed interim financial report do not include all of the information and disclosures required in the financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2017.

2.2 Functional and Presentation Currency

This condensed interim financial report has been presented in Pakistan Rupees, which is the functional currency of the Company.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report is the same as those applied in the preparation of the financial statements for the year ended June 30, 2017.

Available for sale investments for which reliable estimate of market value is not available are measured at cost.

Certain standards, amendments and interpretations to the approved accounting standards are effective for accounting periods beginning on or after July 1, 2017 but are considered not to be relevant or have any significant effect on the Company's operation and are therefore not detailed in this condensed interim financial report.

4. ESTIMATES

The preparation of this condensed interim financial report 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 recognised prospectively commencing from the period of revision.

In preparing this condensed interim financial report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended 30 June, 2017.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2017.

		(Un-audited) December 31, 2017 Rupees	(Audited) June 30, 2017 Rupees
5	PROPERTY AND EQUIPMENT		
	Opening net book value	821,170	759,405
	Add: Additions	-	276,400
	Less: Disposals-net		
	Cost	-	-
	Depreciation	-	-
	Depreciation	(82,330)	(214,634)
	Closing net book value	738,840	821,170

6	INTANGIBLE ASSETS		
	Trading Rights Entitlement Certificate (TREC)	5,000,000	15,000,000
	Less:: Impairment loss	-	(10,000,000)
		5,000,000	5,000,000
	Membership card- Pakistan Mercantile Exchange Limited	250,000	250,000
		5,250,000	5,250,000

7	LONG TERM INVESTMENT		
	Investment in shares of Pakistan Stock Exchange		
	Limited - available for sale	41,163,835	16,029,532
	Unrealized gain on remeasurement-	(5,257,688)	25,134,303
		35,906,147	41,163,835

8

SHORT TERM INVESTMENTS

Investment at fair value through profit and loss - Held for trading

Listed equity securities

8.1

34,167,087

40,469,010

8.1 Held for trading - Listed equity securities

December 31, 2017

June 30, 2017

Number of Shares

14,000

14,000

Attock Refinery Limited

3,277,680

5,356,120

40,000

40,000

D.G. Khan Cement Company Limited

5,348,800

8,526,400

15,000

15,000

Engro Fertilizer Limited

1,015,800

828,600

10,000

10,000

Engro Foods Limited

803,100

1,214,900

100,000

100,000

Fauji Cement Company Limited

2,501,000

4,103,000

12,500

12,500

Fauji Fertilizer Bin Qasim Limited

444,250

535,500

12,500

12,500

Fauji Fertilizer Company Limited

988,875

1,033,000

10,000

10,000

Gul Ahmed Textile Mills Limited

370,800

409,800

c/f.

14,750,305

22,007,320

<i>December 31, 2017</i>	<i>June 30, 2017</i>		<i>(Un-audited) December 31, 2017 Rupees</i>	<i>(Audited) June 30, 2017 Rupees</i>
<i>Number of Shares</i>				
		b/f	14,750,305	22,007,320
7,000	7,000	Ghandhara Nissan Limited	1,082,410	1,575,560
7,000	7,000	The General Tyre & Rubber Company of Pakistan Limited	1,318,100	2,124,500
2,000	2,000	Honda Atlas Cars Pakistan	1,024,820	1,735,380
10,000	10,000	Hi-Tech Lubricants Limited	710,000	1,090,100
250,000	250,000	K-Electric Limited	1,577,500	1,725,000
10,000	10,000	National Refinery Limited	4,308,700	7,259,900
102,090	100,000	Nimir Resins Limited	603,352	943,000
10,000	10,000	Oil & Gas Development Company Limited	1,627,900	1,406,900
300,000	-	Pakistan stock Exchange Limited	6,720,000	-
15,000	15,000	TRG Pakistan Limited Class "A"	444,000	601,350
			<u>34,167,087</u>	<u>40,469,010</u>

9 TRADE DEBTS

Considered good	14,022,279	4,275,938
Considered doubtful	1,918,382	1,918,382
	<u>15,940,661</u>	<u>6,194,320</u>
Provision for doubtful receivables	(1,438,787)	(1,438,787)
	<u>14,501,874</u>	<u>4,755,533</u>
Receivable from PSX	-	21,999,100
	<u>14,501,874</u>	<u>26,754,633</u>

10 CASH AND BANK BALANCES

Cash in hand	34,650	31,540
Cash at bank		
In current accounts	<u>105,346,085</u>	<u>91,699,456</u>
	<u>105,380,735</u>	<u>91,730,996</u>

11 CONTINGENCIES & COMMITMENTS

11.1 There are no Contingencies & commitments during the period end (June 30, 2017 : Nil)

<i>(Un-audited) December 31, 2017 Rupees</i>	<i>(Audited) June 30, 2017 Rupees</i>
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12 OPERATING REVENUE

Brokerage commission	2,426,418	18,468,138
Custody / Laga / NCSS Fees	1,795,569	7,055,932
Dividend income	<u>1,387,796</u>	<u>1,362,880</u>
	<u>5,609,784</u>	<u>26,886,950</u>

13 DATE FOR AUTHORIZATION FOR ISSUE

The Board of Directors of the Company authorized these interim financial statements for issue on _____.

14 GENERAL


Amounts have been rounded off to the nearest rupee unless otherwise stated.



Chief Executive



Chief Financial Officer



Director