

**LSE Financial Services Limited**

CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2018



## LSE Financial Services Ltd.

### Directors' Review Report

Dear Shareholders,

The Board of Directors is pleased to present its report along with the half-yearly/2<sup>nd</sup> Quarter (Reviewed) Accounts of your Company for the period ended December 31, 2018:

Financial Highlights	Dec-2018 Rs. in '000'	Dec-2017 Rs. in '000'
Revenue	79,713	69,082
Share of profit of Associates-net of tax	65,122	67,923
Expenditures	(47,479)	(39,786)
Finance Cost	(3,841)	(3,408)
Profit before Taxation	93,515	93,811
Taxation	(23,842)	(49,801)
Net Profit for the period	69,673	44,010
Earnings Per Share (EPS)	Rs. 0.54	Rs. 0.34

### PERFORMANCE REVIEW

During the half year ended on December 31, 2018, LSEFSL earned total revenue of Rs. 144.835 million, including share of profit from the associated companies, as compared to Rs. 137.005 million last year's comparative period, i.e., an increase of 7.829 million or 5.71% mainly due to increase in interest rate and MTS business limit, which has been enhanced up to Rs. 400 million. The revenue was generated from rent, income from MTS, share of profits from the associated companies and other income. The administrative expenses were Rs. 51.320 million, i.e., up by Rs. 8.126 million or 18.8% from last year's comparative period, primarily due to increase in depreciation expense (Rs. 3.420 million) after capitalization of South Tower area related to LSEFSL. The Company earned a profit before taxation of Rs. 93.515 million for the period under review, which is in line as compared to the corresponding period. Furthermore, profit after tax is Rs. 69.673 million which has been increased by Rs. 25.663 million or 58.31% from last year's comparative period. After capitalization of South Tower and recognition of finance leases, the impact of deferred taxation has been reduced in current period. The tax expense has been accounted for on the basis of weighted average annual tax rate expected for the full financial year.

Earnings per Share (EPS) - (Basic & Diluted) for the half year ended December 31, 2018 was recorded as Rs. 0.54 per share against Rs. 0.34 per share of last year's comparative period, up by Rs. 0.20 or 58.8%.

During the period, JCR-VIS Credit Rating Company Ltd. upgraded initial entity ratings from "A/A-2" to "A/A-1" LSEFSL. Outlook on the assigned ratings is 'Stable'. During the period, there has been no default in payment of any debt of the Company.

The Directors of the Company have adequately ensured that the system of internal financial controls is sound in design and has been effectively implemented and monitored through outsourced Internal Auditors.



LSE Financial Services Ltd.

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The Management of the Company has reviewed all those risks that could affect the Company's performance and its future prospects. The Management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance. The profitability of the Company is also influenced by the overall economic and geo-political condition of the Country, the performance of the associated companies and the capital markets.

For and on behalf of the Governing Board of Directors of LSEFSL,

Chief Executive/Managing Director

Director

**LSE FINANCIAL SERVICES LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2018**

	Note	December 31, 2018 <u>Un-Audited</u>	June 30, 2018 <u>Audited</u>
		.....(Rupees in '000s).....	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	1,274,736	1,287,409
Investment property - at fair value		383,805	383,805
Investment in associates	7	822,530	786,638
Net investment in finance lease		3,690	3,986
Long term deposits		1,762	1,762
		2,486,523	2,463,600
<b>CURRENT ASSETS</b>			
Stores and spares		920	1,038
Trade and other receivables	8	31,395	32,868
Advances and prepayments	9	4,655	1,916
Short term investments	10	565,041	580,979
Advance income tax	11	33,239	34,933
Cash and bank balances		42,849	52,578
		678,099	704,312
		3,164,622	3,167,912
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Share capital</b>			
Issued, subscribed and paid-up capital		1,282,842	1,282,842
<b>Capital reserves</b>			
Revaluation surplus on property, plant and equipment		776,357	777,143
Deficit on revaluation of investments		(8,972)	(9,070)
		767,385	768,073
<b>Revenue reserves</b>			
Unappropriated profit		739,693	733,376
		2,789,920	2,784,291
<b>NON-CURRENT LIABILITIES</b>			
Long term liabilities		902	2,704
Long term financing	12	78,571	85,714
Deferred taxation		111,007	102,576
		190,480	190,994
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	119,400	131,824
Unpaid dividend		32,378	27,972
Current portion of long term financing		14,286	14,286
		166,064	174,082
Liabilities from discontinued operations		18,158	18,546
<b>CONTINGENCIES AND COMMITMENTS</b>			
	14	3,164,622	3,167,912

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

*MSCD*  
 Managing Director

*ccds*  
 Chief Financial Officer

*15.03.18*  
*[Signature]*  
 Director

LSE FINANCIAL SERVICES LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (UNAUDITED)

	Note	For the half year ended		For the quarter ended	
		December 31, 2018 (Rupees in '000s)	December 31, 2017	December 31, 2018 (Rupees in '000s)	December 31, 2017
<b>REVENUE</b>					
Income from margin trading system		19,658	8,226	10,821	4,123
Rental income		27,121	26,681	13,731	13,275
Other income		32,934	34,175	15,470	21,043
		<u>79,713</u>	<u>69,082</u>	<u>40,022</u>	<u>38,441</u>
<b>OPERATING EXPENSES</b>					
Administrative and general expenses		(47,479)	(39,786)	(25,028)	(22,121)
<b>OPERATING PROFIT</b>		<u>32,234</u>	<u>29,296</u>	<u>14,994</u>	<u>1,000</u>
Finance cost		(3,841)	(3,408)	(1,878)	(3,378)
Share of profit of associates - net of tax	7	65,122	67,923	33,197	30,276
<b>PROFIT BEFORE TAXATION</b>		<u>93,515</u>	<u>93,811</u>	<u>46,313</u>	<u>43,218</u>
<b>TAXATION</b>					
Current		(15,411)	(20,510)	(10,901)	(15,197)
Deferred		(8,431)	(29,291)	(1,348)	(23,540)
		<u>(23,842)</u>	<u>(49,801)</u>	<u>(12,249)</u>	<u>(38,737)</u>
<b>PROFIT AFTER TAXATION</b>		<u>69,673</u>	<u>44,010</u>	<u>34,064</u>	<u>4,481</u>
<b>EARNINGS PER SHARE OF RS. 10 EACH - basic and</b>	15	<u>0.54</u>	<u>0.34</u>	<u>0.27</u>	<u>0.03</u>

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

*MSCG*

Managing Director

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Chief Financial Officer

*B. B. B.*  
*lilil*

Director



LSE FINANCIAL SERVICES LIMITED  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (UNAUDITED)**

	Note	Half year ended		Quarter ended	
		December 31, 2018 (Rupees in '000s)	December 31, 2017	September 30, 2018 (Rupees in '000s)	September 30, 2017
PROFIT FOR THE PERIOD		69,673	44,010	34,064	7,216
Other comprehensive income / (loss)					
<i>Items that are or may be subsequently reclassified to statement of profit or loss:</i>					
Share of the comprehensive income from associates in respect of revaluation on available-for-sale investments		98	(25)	122	(25)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>69,771</b>	<b>43,985</b>	<b>34,186</b>	<b>7,191</b>

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

*MSCD*  
 Managing Director

*ceds T.*  
 Chief Financial Officer

*B. J. B.*  
*[Signature]*  
 Director

LSE FINANCIAL SERVICES LIMITED  
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (UN-AUDITED)

	SHARE CAPITAL	CAPITAL RESERVES		REVENUE RESERVES	TOTAL EQUITY
	Issued, subscribed and paid up capital - ordinary shares	Revaluation surplus on Property, Plant and Equipment	Deficit on revaluation of investments - associates	Unappropriated profit	
	.....(Rupees in '000s).....				
Balance as at June 30, 2017	1,282,842	778,621	(9,047)	456,294	2,508,710
Profit for the period	-	-	-	44,010	44,010
Other comprehensive income - net of tax	-	-	-	(25)	(25)
Total comprehensive income for the period	-	-	-	43,985	43,985
Balance as at December 31, 2017	1,282,842	778,621	(9,047)	500,279	2,552,695
Profit for the period	-	-	-	301,371	371
Other comprehensive loss - net of tax	-	-	(23)	(5,727)	(750)
Total comprehensive income for the period	-	-	(23)	295,644	295,621
Transferred to unappropriated profit on account of incremental depreciation - net of tax	-	(1,595)	-	1,595	-
Tax rate change adjustment	-	117	-	-	117
Transaction with owners:					
Cash dividend paid (Rs. 0.50 per share) for the year ended June 30, 2017	-	-	-	(64,142)	(64,142)
Balance as at June 30, 2018 (Audited)	1,282,842	777,143	(9,070)	733,376	2,784,291
Profit for the year	-	-	-	69,673	69,673
Other comprehensive loss - net of tax	-	-	98	-	98
Total comprehensive income for the period	-	-	98	69,673	69,771
Transferred to unappropriated profit on account of incremental depreciation - net of tax	-	(786)	-	786	-
Cash dividend paid (Rs. 0.50 per share) for the year ended June 30, 2018	-	-	-	(64,142)	(64,142)
Balance as at December 31, 2018 (Un-Audited)	1,282,842	776,357	(8,972)	739,693	2,789,920

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The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

*Mscd*  
Managing Director

*[Signature]*  
Chief Financial Officer

*[Signature]*  
Director

LSE FINANCIAL SERVICES LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (UN-AUDITED)

	Note	Half yearly ended	
		December 31, 2018	December 31, 2017
<b>Cash flows from operating activities</b>		(Rupees in '000s)	
Profit before tax		93,515	93,811
<b>Adjustments for non - cash and other items:</b>			
Depreciation		13,245	9,701
Amortization of intangible assets		-	123
Share of profit of associates		(65,122)	(67,923)
Return on investments		(28,446)	(18,153)
Lease rentals		(27,121)	(27,862)
Gain on disposal of property, plant and equipment		-	(23)
Employees welfare fund		40	74
Provision against doubtful trade and other receivables		348	-
Finance cost		3,841	3,408
<b>Loss before working capital changes</b>		(103,216)	(100,655)
<b>Movement in working capital</b>	16	(14,110)	8,983
Movement in respect of:		(23,811)	2,139
Tenants' deposits		27,547	116,874
Retention money		(89)	68
<b>Cash generated from operations</b>		27,458	116,942
Employees' welfare fund		3,647	119,081
Finance cost paid		(60)	(74)
Income tax paid		(7,091)	(3,408)
<b>Net cash (used in) / generated from operating activities</b>		(13,717)	(12,511)
<b>Cash flows from investing activities</b>		(17,221)	103,088
Additions in property, plant and equipment		(581)	(17,453)
Proceed from disposal of property, plant and equipment		9	656
Short term investment matured during the period		24,750	-
Short term investment made during the period		(8,812)	(79,719)
Net investment in finance lease		296	-
Profit received on short term investments		29,380	18,316
Dividend received from associates		29,329	26,349
<b>Net cash generated from / (used in) investing activities</b>		74,371	(51,851)
<b>Cash flows from financing activities</b>			
Dividend paid		(59,736)	(60,344)
Repayment of long term financing		(7,143)	-
<b>Net cash used in financing activities</b>		(66,879)	(60,344)
<b>Net decrease in cash and cash equivalents</b>		(9,729)	(9,107)
Cash and cash equivalents at the beginning of the period		52,578	56,945
Cash and cash equivalents at the end of the period		42,849	47,839

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

MSCD  
Managing Director

Chief Financial Officer

15.08.2018  
Director



LSE FINANCIAL SERVICES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (UNAUDITED)

**1 LEGAL STATUS AND OPERATIONS**

LSE Financial Services Limited erstwhile Lahore Stock Exchange Limited ("the Company") was incorporated under the Companies Act, 1913 (now the Companies Act, 2017) on October 05, 1970 as a Company limited by Guarantee. The Company was re-registered as a public Company limited by shares under "Stock Exchange (Corporatization, Demutualization and Integration) Act, 2012 on August 27, 2012. The registered office of the Company is situated at 19, Khayaban-e-Aiwan-e-Iqbal, Lahore, Pakistan. Securities and Exchange Commission of Pakistan ("the Commission") vide its notification dated August 25, 2015 directed integration of the stock exchanges in the country. Consequent to the approved scheme of integration of stock exchanges, the Company ceased its stock exchange operations and was granted a license by the Commission on January 11, 2016 to operate as an investment finance services company under the name LSE Financial Services Limited.

Prior to cessation of the stock exchange operations, the Company was engaged in listing, conducting, regulating and controlling the trade or business of buying, selling and dealing in shares, scripts, participation term certificates, modaraba certificates, pre-organization certificates and securities, stocks, bonds, debentures, debenture stocks, Government papers, loans and any other instruments and securities of like nature including but not limited to special national fund bonds and documents of a similar nature issued by the Government of Pakistan or any institution or agency authorized by it.

**2 BASIS OF PREPARATION**

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and provisions of and directives issued under the Companies Act, 2017, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, The Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008 have been followed.

These condensed interim financial statements have been subjected to limited scope review by the auditors, as required under section 237 of Companies Act, 2017 and should be read in conjunction with audited annual financial statements of the Company for the year ended June 30, 2018.

**3 ACCOUNTING POLICIES**

The significant accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2018.

There are certain IFRSs, amendments to published standards and interpretations that are mandatory for the financial year beginning on July 01, 2018. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in the condensed interim financial statements.

**4 TAXATION**

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

**5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of these condensed interim financial statements are in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During the preparation of these condensed interim financial statements, 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 audited annual financial statements of the Company for the year ended June 30, 2018.

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		December 31, 2018 <u>Un-Audited</u>	Jun 30, 2018 <u>Audited</u>
		(Rupees in '000s)	
<b>6</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
	Property, plant and equipment	6.1 1,263,087	1,275,978
	Capital work-in-progress	6.2 11,649	11,431
		<u>1,274,736</u>	<u>1,287,409</u>
<b>6.1</b>	<b>Property, plant and equipment</b>		
	Opening Net Book Value (NBV)	6.1.1 1,275,978	1,134,493
	Add: Additions during the period / year	363	2,229
	Add: Transfers during the period / year	-	164,781
		<u>1,276,341</u>	<u>1,301,503</u>
	Less: Disposals during the period / year (WDV)	9	638
	Less: Depreciation charged during the period / year	13,245	24,887
		<u>13,254</u>	<u>25,525</u>
		<u>1,263,087</u>	<u>1,275,978</u>

6.1.1 The following additions / disposals were made during the period in operating fixed assets:

	Additions Cost	Disposals Cost
Computer and accessories	-	(67)
Office equipment	25	-
Electric fittings and appliances	63	-
Elevator	275	-
	<u>363</u>	<u>(67)</u>

**6.2 Capital work-in-progress**

	Opening Balance	Additions	Transfer to operating fixed assets / adjustments	Transfer to investment property	Leased out on 99 years basis	Closing Balance
	----- (Rupees in '000s) -----					
Civil work - building	9,905	1,045	-	-	-	10,950
Advances for capital expenditure - buildings	1,526	-	827	-	-	699
<b>December 31, 2018 - unaudited</b>	<u>11,431</u>	<u>1,045</u>	<u>827</u>	<u>-</u>	<u>-</u>	<u>11,649</u>
*June 30, 2018 - audited	458,532	25,133	(167,597)	(17,890)	(286,748)	11,431

15-11-2018



**7 INVESTMENT IN ASSOCIATES - under equity method of accounting**

	Note	Un - audited 31-Dec-18	Audited 30-Jun-18
The Pakistan Credit Rating Agency Limited (PACRA)		59,588	66,643
Central Depository Company of Pakistan Limited (CDC)		429,182	412,927
National Clearing Company of Pakistan Limited (NCCPL)		333,760	307,068
Pakistan Mercantile Exchange Limited (PMEX)	7.2	-	-
	7.1	<u>822,530</u>	<u>786,638</u>

**7.1 Reconciliation of changes in carrying value of investment in associates**

	December 31, 2018 - unaudited				Total
	The Pakistan Credit Rating Agency Limited (PACRA)	Central Depository Company of Pakistan Limited (CDC)	National Clearing Company of Pakistan Limited (NCCPL)	Pakistan Mercantile Exchange Limited (PMEX)	
Opening balance	(Rupees in '000s).....				
Share of profit for the year	66,643	412,927	307,068	-	786,638
Gain / (deficit) on revaluation of associates' available for sale investments	6,360	32,070	26,692	-	65,122
Dividend received during the year	-	98	-	-	98
Closing balance	<u>(13,415)</u>	<u>(15,913)</u>	<u>-</u>	<u>-</u>	<u>(29,328)</u>
	<u>59,588</u>	<u>429,182</u>	<u>333,760</u>	<u>-</u>	<u>822,530</u>
Shareholding in %age	<u>36.00%</u>	<u>10.00%</u>	<u>23.53%</u>	<u>7.25%</u>	

	June 30, 2018 - audited				Total
	The Pakistan Credit Rating Agency Limited (PACRA)	Central Depository Company of Pakistan Limited (CDC)	National Clearing Company of Pakistan Limited (NCCPL)	Pakistan Mercantile Exchange Limited (PMEX)	
Opening balance	(Rupees in '000s).....				
Share of profit for the year	50,296	367,306	321,336	-	738,938
Gain / (deficit) on revaluation of associates' available for sale investments	24,396	66,898	30,966	-	127,261
Actuarial loss on employees' gratuity fund	-	(23)	-	-	(23)
Dividend received during the year	-	(2,954)	(2,772)	-	(5,727)
Closing balance	<u>(8,049)</u>	<u>(18,300)</u>	<u>(47,462)</u>	<u>-</u>	<u>(73,811)</u>
	<u>66,643</u>	<u>412,927</u>	<u>307,068</u>	<u>-</u>	<u>786,638</u>
Shareholding in %age	<u>36.00%</u>	<u>10.00%</u>	<u>23.53%</u>	<u>7.25%</u>	

7.2 The investments stand at nil value in PMEX because the accumulated share of loss of these associated companies exceeds the cost of investment.

7.3 Shares of all associated companies have a face value of Rs. 10 each. The company has the following shareholding structure in associates:

	December 31, 2018 - unaudited		June 30, 2018 - audited	
	Share held	%age	Share held	%age
The Pakistan Credit Rating Agency Limited (PACRA)	2,683,044	36%	2,683,044	36%
Central Depository Company of Pakistan Limited (CDC)	15,000,000	10%	10,608,998	10%
National Clearing Company of Pakistan Limited (NCCPL)	17,797,847	24%	11,865,231	24%
Pakistan Mercantile Exchange Limited (PMEX)	2,272,727	7%	2,272,727	7%

7.4 During the period CDC issued 4,391,002 number of ordinary shares as bonus shares.

7.5 During the period NCCPL issued 5,932,616 number of ordinary shares as bonus shares.

7.6 The value of investments in the Associates is based on unaudited condensed interim financial statements of the investee companies as at December 31, 2018.

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	Note	December 31, 2018 Un-Audited	Jun 30, 2018 Audited
(Rupees in '000s)			
<b>8 TRADE AND OTHER RECIEVABLES - considered good</b>			
Trade receivables	8.1	5,194	5,640
Other receivables			
<i>From related parties - secured</i>	8.2	15,750	16,068
<i>Accrued mark-up</i>		2,575	3,509
<i>Others</i>		7,876	7,651
		<u>31,395</u>	<u>32,868</u>
<b>8.1 Trade receivables from ex - members</b>			
Considered good		5,194	5,640
Considered doubtful		9,446	9,098
Less: Provision against doubtful receivables	8.1.1	<u>(9,446)</u>	<u>(9,098)</u>
		<u>5,194</u>	<u>5,640</u>
<b>8.1.1 Movement for the year</b>			
Opening balance		9,098	9,098
Provision for the year		348	-
Closing balance		<u>9,446</u>	<u>9,098</u>
<b>8.2 Other receivables from related parties:</b>			
MCF Trust Fund		158	157
IPF Trust Fund		395	503
TCF Trust Fund		751	761
National Clearing Company of Pakistan Limited		14,161	14,362
Central Depository Company of Pakistan Limited		156	156
Pakistan Mercantile Exchange Limited		130	130
		<u>15,750</u>	<u>16,068</u>
<b>9 ADVANCES AND PREPAYMENTS</b>			
<i>Considered good</i>			
Advances to employees - secured		227	422
Prepaid expenses		4,404	1,303
Due from others		24	191
		<u>4,655</u>	<u>1,916</u>
<b>10 SHORT TERM INVESTMENTS - held to maturity</b>			
Investment in MTS		394,821	386,009
Government treasury bills		44,341	165,651
Term deposit receipts		125,879	29,319
		<u>565,041</u>	<u>580,979</u>
<b>11 TAX REFUND DUE FROM GOVERNMENT</b>			
Wealth tax paid:			
- under protest		10,063	10,063
- with returns		461	461
		<u>10,524</u>	<u>10,524</u>
Less: provision for wealth tax		<u>3,728</u>	<u>3,728</u>
		6,796	6,796
Income tax deducted at source during the year		41,854	63,974
Provision of income tax for the year		<u>(15,411)</u>	<u>(35,837)</u>
		<u>33,239</u>	<u>34,933</u>
<b>12 LONG TERM FINNACING</b>			
Loan from a commercial bank		92,857	100,000
Less: Current portion shown under current liabilities		<u>(14,286)</u>	<u>(14,286)</u>
		<u>78,571</u>	<u>85,714</u>

15.7.2018

	Note	December 31,	Jun 30,
		2018	2018
		Un-Audited	Audited
		(Rupees in '000s)	
<b>13 TRADE AND OTHER PAYABLES</b>			
Trade creditors		12,427	15,284
Accrued liabilities		10,188	10,188
Accrued mark-up		77	3,327
Due to members		2,440	2,440
Advance rent received from tenants	13.1	21,400	20,921
Defaulted members' membership sale proceeds	13.2	69,157	77,596
Advances received from members and companies		2,051	2,068
Retention money		1,660	-
		<u>119,400</u>	<u>131,824</u>

#### 14 CONTINGENCIES AND COMMITMENTS

##### Contingencies

There are no significant changes in the status of contingencies as reported in the audited annual financial statements of the company for the year ended June 30, 2018.

##### Commitments

Commitments for capital expenditure outstanding as at December 31, 2018 were Rs. 7.2 million (June 30, 2018: Rs. 67 million).

#### 15 EARNINGS PER SHARE

		For the half year ended		For the quarter ended	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
<b>Basic earnings per share</b>					
Profit after tax from continuing operations	Rupees in thousand	<u>69,673</u>	<u>44,010</u>	<u>34,064</u>	<u>4,481</u>
Weighted average number of shares	Numbers in thousand	<u>128,284</u>	<u>128,284</u>	<u>128,284</u>	<u>128,284</u>
Earnings per share from continuing operations	Rupees	<u>0.54</u>	<u>0.34</u>	<u>0.27</u>	<u>0.03</u>

##### Diluted earnings per share

Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at December 31, 2018 and December 31, 2017 which would have any effect on the earnings per share.

#### 16 MOVEMENT IN WORKING CAPITAL

(Increase) / decrease in current assets:

- Stores and spares
- Trade and other receivables
- Advances and prepayments

Increase / (decrease) in current liabilities:

- Trade and other payables

Note	December 31,	Jun 30,	
	2018	2018	
		Un-Audited	Audited
		(Rupees in '000s)	
	118	1,286	
	191	9,247	
	(2,739)	(4,394)	
	(2,430)	6,139	
	<u>(11,680)</u>	<u>(19,089)</u>	
	<u>(14,110)</u>	<u>(12,950)</u>	

15.02



## 17 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associates, companies with common directorship, employees retirement benefit plan, directors and key management personnel of the Company. Following are the details of transactions with related parties during the half year ended December 31, 2018 and December 31, 2017. However, balances with these related parties are disclosed in the respective notes to these financial statements.

Name of the related party	Relationship and percentage shareholding	Transactions during the year and year end balances	31-Dec-18	31-Dec-17		
			(Rupees in '000s)			
National Clearing Company of Pakistan Limited	24%	Reimbursement of expenses	333	-		
		Rental Income	1,209	1,174		
		Annual fee	250	250		
		Security deposits against investment in NCCPL under Margin Trading System	250	250		
		MTS income	19,658	8,226		
		Provision of facilities	939	349		
		Other charges	2,026	1,026		
		Reimbursement of Utilities	879	103		
		Central Depository Company of Pakistan Limited	10%	Dividend Income	15,913	18,300
				Reimbursement of Utilities	2,672	209
Provision of facilities	1,520			525		
Rental income	-			494		
Leased deposit received for South Tower	-			93,105		
Pakistan Credit Rating Agency Limited	36%	Dividend Income	13,415	8,049		
		Board meeting fee	1,410	1,125		
Board of Directors (non-executive)		Board meeting fee	1,410	1,125		
Staff retirement benefit plan - Provident Fund Trust	Trust	Contribution to Provident Fund Trust	465	467		
MCF Trust Fund	Associate	Fund management fee	158	157		
IPF Trust Fund	Associate	Fund management fee	395	503		
TCF Trust Fund	Associate	Fund management fee	751	751		

## 18 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited financial statements for the year ended June 30, 2018.


## 19 AUTHORIZATION FOR ISSUE

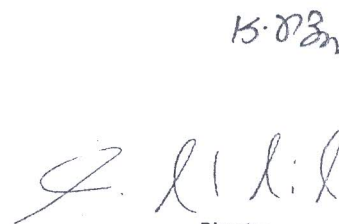
This condensed interim financial information was authorized to issue on February 22 2019 by the Board of Directors of the company

## 20 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Company for year ended June 30, 2018 and the corresponding figures in the condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial statements of the Company for the half year ended December, 31, 2017.

  
Managing Director

  
Chief Financial Officer

  
Director

22 FEB 2019