

HIGH LAND SECURITIES (PRIVATE) LIMITED

Un-Audited Financial Statements

For the Period Ended 31 Dec 2020


HIGH LAND SECURITIES (PRIVATE) LIMITED

Un-Audited Statement of Financial Position

As at 31 December, 2020

ASSETS	Note	31-Dec-20 Rupees	30-Jun-20 Rupees
Non-current assets			
Property and equipment	5	4,362,270	4,485,299
Intangible assets	6	2,500,000	2,500,000
Long term investments	7	19,082,275	19,082,275
Long term deposits	8	500,000	400,000
		26,444,544	26,467,573
Current assets			
Trade Debts	9	1,041,898	3,824,506
Advances, deposits, Prepayments	10	13,656,979	3,206,194
Short Term Investment	11	5,573,382	2,694,007
Cash and bank balances	12	3,002,960	3,031,882
		23,275,220	12,756,588
		49,719,764	39,224,162
EQUITY & LIABILITIES			
Share capital and reserves			
Issued, subscribed and paid-up capital	13	36,000,000	36,000,000
Capital Reserve			
Surplus on re-measurement of equity securities at FVOCI		9,444,080	9,444,080
Revenue reserve			
Unappropriated profit		-(10,209,832)	(11,437,438)
Total equity		- 35,234,248	34,006,642
Advance against issue of shares		3,760,000	3,760,000
Current liabilities			
Trade and other payables	14	10,725,516	1,457,520
Taxation - net	16	0	-
		10,725,516	1,457,520
Contingencies and commitments	17		-
		49,719,764	39,224,161

The annexed notes from 1 to 29 form an integral part of these financial statements.


Chief Executive Officer


Director

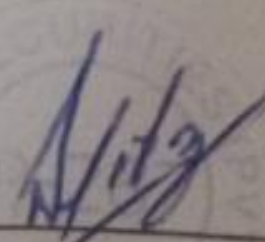
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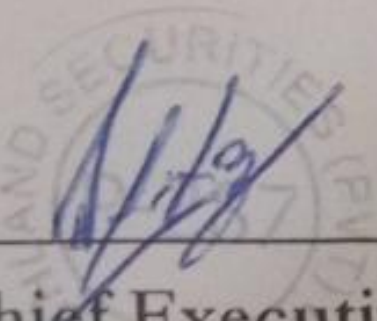

 Chief Executive Officer


 Director

HIGH LAND SECURITIES (PRIVATE) LIMITED
Un-Audited Statement of Profit & Loss
For the Period ended 31 December 2020

	Note	31-Dec-20 Rupees	30-Jun-20 Rupees
Revenue	18	437,324	1,339,174
Unrealized gain/(loss) on remeasurement of investments classified at FVTPL		2,100,236	(157,499)
		<u>2,537,560</u>	<u>1,480,993</u>
Other income and losses	19	-	2,050,150
Operating and administrative expenses	20	(1,309,954)	(2,419,470)
Other operating expenses	21		(29,277)
Finance costs	22	-	(11,502)
Profit / (loss) before Income Tax		<u>1,227,606</u>	<u>1,070,894</u>
Income tax expense	23		(211,227)
Profit/(loss) for the year		<u><u>1,227,606</u></u>	<u><u>859,667</u></u>
Earnings/(loss) per share - basic	24		1

The annexed notes from 1 to 29 form an integral part of these financial statements.

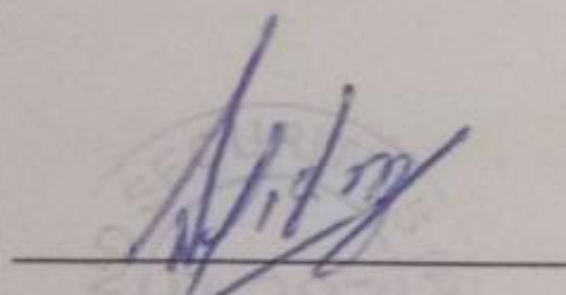

 Chief Executive Officer


 Director

HIGH LAND SECURITIES (PRIVATE) LIMITED
 Un-Audited Statement of Comprehensive Income
 For the Period ended 31 December 2020

	Note	31-Dec-20 Rupees	30-Jun-20 Rupees
Profit/(loss) for the year		1,227,606	859,667
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Unrealized gain / (loss) during the period in the market value of investments measured at FVOCI		-	(75,958)
Total comprehensive income/(loss) for the year		<u>1,227,606</u>	<u>783,709</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.


 Chief Executive Officer


 Director

HIGH LAND SECURITIES (PRIVATE) LIMITED

Un-Audited Statement of Cash Flows

For the Period ended 31 December 2020

	31-Dec-20	30-Jun-20
Note	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES	1,227,606	1,070,894
Profit before taxation		
Adjustments:		
Depreciation and impairment	123,029	262,998
Provision for doubtful debts		-
Realized loss / (gain) on sale of short-term investments		157,499
Unrealized loss / (gain) on short-term investments		(299,319)
Interest income		-
Dividend income	-	(686,730)
	123,029	(565,551)
	<u>1,350,635</u>	<u>505,343</u>
Operating profit before working capital changes		
(Increase)/decrease in current assets		
Trade & other receivables	2,782,607	(3,232,605)
Prepayments and advances	(10,450,786)	(1,751,485)
Increase/(decrease) in current liabilities		
Trade and other payables	9,267,996	(2,724,161)
	1,599,818	(7,708,251)
	<u>2,950,453</u>	<u>(7,202,908)</u>
Cash generated from / (used in) operations		
Proceeds from net sales of / (acquisition of) short-term investments	(2,879,375)	3,393,882
Dividend received		686,730
Interest received		-
Taxes paid		(103,010)
	(2,879,375)	3,977,602
	<u>71,078</u>	<u>(3,225,307)</u>
Net cash from operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	-	-
Sale / (acquisition) of fixed assets	-	-
Decrease / (increase) in long-term deposits	(100,000)	100,000
Net cash generated from / (used in) investing activities	<u>(100,000)</u>	<u>100,000</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares, net of share deposit money	(0)	-
Net cash generated from / (used in) financing activities	<u>(0)</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents	(28,922)	(3,125,307)
Cash and cash equivalents at the beginning of the year	3,031,882	6,157,188
Cash and cash equivalents at the end of the year	<u>3,002,960</u>	<u>3,031,882</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

Issued, subscribed and paid-up capital	Unappropriated profit/ (loss)	Unrealized surplus / (deficit) on re- measurement of investments measured at FVOCI	Total
-------------------------------------------------	----------------------------------	------------------------------------------------------------------------------------------------------	-------

.....Rupees.....

Balance as at 1st July, 2019

36,000,000	(11,437,438)	9,444,080	34,006,642
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Total comprehensive income for the year

Loss for the year

Other comprehensive income/(loss)

-	859,667	(75,958)	783,709
-	-	-	-

Balance as at June 30, 2020

36,000,000	(11,437,438)	9,444,080	34,006,642
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Total comprehensive income for the year

Loss for the year

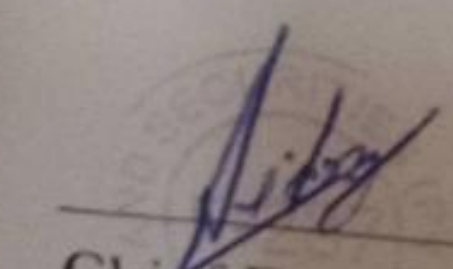
Other comprehensive income/(loss)

-	1,227,606	-	1,227,606
-	-	-	-

Balance as at 31 December 2020

36,000,000	(10,209,832)	9,444,080	35,234,248
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The annexed notes from 1 to 29 form an integral part of these financial statements.


Chief Executive Officer


Director

6 INTANGIBLE ASSETS

Note	44,196 Rupees	44,012 Rupees
Trading Rights Entitlement Certificate ("TREC")	2,500,000	2,500,000
	2,500,000	2,500,000
Impairment		
	2,500,000	2,500,000

- 6 Pursuant to the Stock Exchange (Corporatization, Demutualization and Integration) Act, 2012, stock exchanges operating as guarantee limited companies were converted to public limited companies. Ownership rights in exchanges were segregated from the right to trade on an exchange. As a result of such demutualization and corporatization, the Company received shares of the relevant exchange and a Trading Rights Entitlement Certificate ("TREC") against its membership card.

The TREC has been recorded as an indefinite-life intangible asset pursuant to the provisions and requirements of IAS 38. As the TREC is not a commonly tradable instrument, the value approved by the Board of Directors of the Pakistan Stock Exchange Limited ("PSX") post-mutualization was used as the initial value of the intangible. The TREC, which has been pledged with the PSX to meet Base Minimum Capital ("BMC") requirements, is assessed for impairment in accordance with relevant approved accounting standards

- 6 Vide its notice dated November 10, 2017, the PSX revised the notional value of the TREC to PKR 2.5 million. As a result, the Company recognized an impairment loss on the TREC in the amount of PKR 1.5 million in fiscal 2018.

7 LONG-TERM INVESTMENTS

Investments at fair value through OCI

LSF Financial Services Limited (unquoted) - opening	7.1	19,082,275	19,158,233
Adjustment for remeasurement to fair value			(75,958)
		19,082,275	19,082,275

- 7.1 As a result of the demutualization and corporatization of stock exchanges as detailed in note 6.1, the Company received

8 LONG-TERM DEPOSITS

National Clearing Company of Pakistan Limited	500,000	400,000
	500,000	400,000

9 TRADE & OTHER RECEIVABLES

Note	44,196 Rupees	44,012 Rupees
Considered good	1,703,998	3,824,506
Considered doubtful		662,100
	1,703,998	4,486,606
Less: Provision for doubtful debts	(662,100)	(662,100)
	1,041,898	3,824,506

- 9 The Company holds client-owned securities with a total fair value of PKR 6,418,917 (2018: PKR 2,249,368) as collateral against trade debts. Refer to note 3.8 for details around the Company's methodology for computing estimated credit losses under the expected loss model under IFRS 9.

- 9 Movement in provision against trade debts is as under:

Opening balance	662,100	823,726
Reversed in profit and loss during the year		(161,626)
	662,100	662,100
Closing balance	662,100	662,100

10 PREPAYMENTS & ADVANCES

Balance due from NCCPI		1,000,000	421,520
Regular Margin Deposit		10,688,306	215,000
MTS receivable		-	1,651,000
MTS Exposure		1,050,000	
Income tax refundable	10	918,674	918,674
		<u>13,656,979</u>	<u>3,206,194</u>

10 INCOME TAX REFUNDABLE

Opening balance		918,674	1,108,457
Add: Current year additions			103,010
		<u>918,674</u>	<u>1,211,467</u>
Less: Adjustment against provision for taxation			81,566
: Current Year Provision For Taxation			211,227
Balance at the end of the year		<u>918,674</u>	<u>918,674</u>

11 SHORT TERM INVESTMENT

Investments in listed securities		5,573,382	2,694,007
		<u>5,573,382</u>	<u>2,694,007</u>

12 CASH AND BANK BALANCES

Cash at bank		44,196	44,012
Current accounts		Rupees	Rupees
Bank Deposits	12	3,002,960	19,830
			3,012,052
Cash in hand		3,002,960	3,031,882
		<u>3,002,960</u>	<u>3,031,882</u>

13 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

13 Authorized capital			
3,600,000 (2018: 2,500,000) ordinary shares of PKR 10 each.		<u>36,000,000</u>	<u>36,000,000</u>
13 Issued, subscribed and paid-up share capital			
3,600,000 (2018: 2,500,000) ordinary shares of PKR 10/- each, issued for cash		36,000,000	36,000,000
		<u>36,000,000</u>	<u>36,000,000</u>
13 Shareholders holding 5% or more of total shareholding			

9 PREPAYMENTS & ADVANCES

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MFS receivable	-	1,651,000
MFS Exposure	1,050,000	
Income tax refundable	918,674	918,674
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12 CASH AND BANK BALANCES

Cash at bank		
Current accounts		
Bank Deposits		
Cash in hand		
	<u>44,196</u>	<u>44,012</u>
	Rupees	Rupees
	<u>3,002,960</u>	<u>19,830</u>
		<u>3,012,052</u>
	<u>3,002,960</u>	<u>3,031,882</u>
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13 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

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3,600,000 (2018: 2,500,000) ordinary shares of PKR 10 each.	<u>36,000,000</u>	<u>36,000,000</u>
13 Issued, subscribed and paid-up share capital		
3,600,000 (2018: 2,500,000) ordinary shares of PKR 10/- each, issued for cash	36,000,000	36,000,000
	<u>36,000,000</u>	<u>36,000,000</u>
13 Shareholders holding 5% or more of total shareholding		

	Number of	Percentage
Mr. Saïd Masood Khan	44,196	44,012
Mr. Majid Masood Khan	2,271,000	1
	1,329,000	0

14 TRADE AND OTHER PAYABLES

- i Trade creditors
- ii Accrued and other payables

Note	44,196	44,012
	Rupees	Rupees

14	4,624,406	1,069,060
15	6,101,109	388,460
	5,312,720	134,183
	788,389	29,277
		225,000
	10,725,516	1,457,520

- 14 This includes PKR 56,909 (2019: PKR 193,497) due to related parties.
- 15 This amount payable to CEO Muhammad Alyas Sethi.

15 SHORT-TERM BORROWINGS

From:
Banking companies - secured

15.1	
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16 CURRENT TAX LIABILITY

Balance at the beginning of the year
Add: Current Year Provision

	0	81,566
	0	211,227
	0	292,793

Less: Adjustment against previous year advance tax
Adjustment against current year advance tax

	81,566
	211,227
	0

17 CONTINGENCIES AND COMMITMENTS

17 There are no contingencies or commitments of the Company as at June 30, 2020 (2019: Nil).

18 OPERATING REVENUE

Brokers' income
Dividend income

Note	44,196	44,012
	Rupees	Rupees
	437,324	652,444
	437,324	686,730
	1,339,174	

19 OTHER INCOME / LOSSES

Income from non-financial assets/liabilities
Miscellaneous income and recoveries
Write-off of unrecoverable amounts
Reversal of provision for doubtful debts
CGT: Tariff
Miscellaneous income

Note	44,196	44,012
	Rupees	Rupees
		161,026
		51,300
		1,837,224
		2,050,150

20 OPERATING & ADMINISTRATIVE EXPENSES

Note	31-Dec-20 Rupees	30-Jun-20 Rupees
Staff salaries, allowances and other benefits	420,000	808,845
Telephone and internet charges	30,450	112,065
Postage and telegram	1,651	7,699
Fee and subscription	-	-
Printing and stationery	17,420	42,107
Legal & professional charges	111,065	247,320
CDC charges	25,411	123,719
PSX & NCCPL charges	253,577	216,692
Impairment on TRFC	-	-
Provision for / (reversal of provision for) doubtful debts	-	(161,626)
Traveling and conveyance	-	-
Entertainment	82,161	129,436
Auditor's remuneration	208,750	225,000
Newspaper and periodicals	-	-
Utilities	141,898	118,095
Repair and maintenance	17,571	115,494
Depreciation	-	262,998
Misc. expenses	-	10,000
	<u>1,309,954</u>	<u>2,257,844</u>

20 Auditor's remuneration

Statutory audit		225,000
Certifications and other charges		
	-	225,000
Non audit services		
Certifications and other charges		-
	-	225,000

21 OTHER OPERATING EXPENSE

Worker welfare fund - Punjab		29,277
	-	29,277

22 FINANCE COSTS

Note	31-Dec-20 Rupees	30-Jun-20 Rupees
Bank and other charges	3,365	11,502
	-	11,502

23 Income tax expense

Current tax expense / (income)		
for the year		(211,227)
prior years		
	-	(211,227)

Basic earnings per share is calculated by dividing profit after tax for the year by the weighted average number of shares outstanding during the period, as follows:

Profit / (loss) after taxation, attributable to ordinary shareholders
 Weighted average number of ordinary shares in issue during the year
 Earnings per share

31-Dec-20	30-Jun-20
Rupees	Rupees
	(6,020,959)
	2,301,530
	(3)

No figure for diluted earnings per share has been presented as the Company has not issued any dilutive instruments carrying options which would have an impact on earnings per share when exercised.

25. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including benefits, to the chief executive, directors and executives of the Company as per the terms of their employment are as follows:

Managerial remuneration
 Number of persons

31-Dec-20	30-Jun-20
Chief Executive Officer	Chief Executive Officer

- 1

No remuneration was paid to the Chief Executive / Directors of the Company during the year (2020: Nil)

26. RELATED PARTY TRANSACTIONS

The related parties of the Company comprise of shareholders/ directors, key management personnel, entities with common shareholding, entities over which the directors are able to exercise influence and entities under common directorship. Transactions with related parties and the balances outstanding at year end are disclosed in the respective notes to the financial statements.

27. NUMBER OF EMPLOYEES

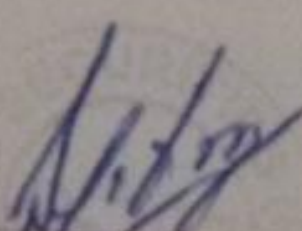
Total number of employees at the end of year was 5 (2020: 5). Average number of employees was 5 (2020: 5)

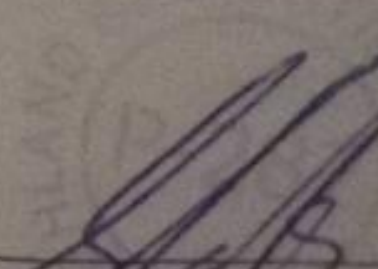
28. RE-CLASSIFICATION AND RE-ARRANGEMENTS

Corresponding figures have been reclassified and re-arranged wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison, and in order to improve compliance with disclosure requirements.

29. GENERAL

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


 Chief Executive Officer


 Director