

GPH SECURITIES (PRIVATE) LIMITED

Financial Statements

For the Period Ended 31 December 2020

GPH SECURITIES (PRIVATE) LIMITED

Un-Audited Statement of Financial Position

As at 31 December, 2020

ASSETS	Note	Dec-20 Rupees	Jun-20 Rupees
Non-current assets			
Property and equipment	5	6,753,720	6,962,993
Intangible assets	6	2,500,000	2,500,000
Long term investments	7	19,605,539	19,605,539
Long term deposits	8	500,000	500,000
		29,359,259	29,568,533
Current assets			
Trade Debts-net	9	968,433	36,907
Prepayments & advances	10	2,712,681	4,112,796
Short term investment	11	23,258,777	21,043,422
Cash and bank balances	12	23,711,675	16,411,619
		50,651,566	41,604,744
		80,010,826	71,173,277
EQUITY & LIABILITIES			
Share capital and reserves			
Issued, subscribed and paid-up capital	13	100,000,000	100,000,000
Capital Reserve			
Unrealized surplus / (deficit) on re-measurement of investments measured at FVOCI		4,717,820	4,717,820
Revenue reserve			
Unappropriated profit		(32,336,844)	(36,250,104)
		72,380,976	68,467,716
Total equity		72,380,976	68,467,716
Current liabilities			
Trade and other payables	14	7,471,242	2,705,560
Current tax liability	15	158,608	-
		7,629,850	2,705,560
Contingencies and commitments	16	-	-
		80,010,826	71,173,276

The annexed notes from 1 to 27 form an integral part of these financial statements.

Humayun Shahzoda

Chief Executive Officer



David J. ...

Director

GPH SECURITIES (PRIVATE) LIMITED

Un-Audited Statement of Profit or Loss

For the period ended December 31, 2020

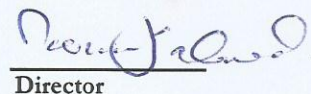
	Note	Dec-20 Rupees	Jun-20 Rupees
Operating revenue	17	1,402,613	2,529,542
Gain/(loss) on sale of short term investments		840,401	286,486
Unrealized gain/(loss) on remeasurement of investments classified at FVTPL		3,665,651	963,781
		5,908,665	3,779,810
Other income and losses	18	393,265	1,595,845
Operating and administrative expenses	19	(2,228,714)	(4,212,974)
Operating profit / (loss)		4,073,216	1,162,681
Other operating expenses		-	(17,114)
Finance costs	21	(1,348)	(4,422)
Profit / (loss) before taxation	22	4,071,868	1,141,145
Income tax expense	22	(158,608)	(361,727)
Profit/(loss) for the period		3,913,260	779,418
Earnings/(loss) per share - basic	23	3.91	0.78

The annexed notes from 1 to 27 form an integral part of these financial statements.



Chief Executive Officer




Director

GPH SECURITIES (PRIVATE) LIMITED

Un-Audited Statement of Changes in Equity

For the period ended December 31, 2020

	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 July 1, 2018	100,000,000	(26,917,254)	371,349	73,454,095
8,465,000 ordinary shares having face value of Rs. 10 each issued at par fully paid in cash during the year	-	-	-	-
Total comprehensive income for the year				
Profit/(Loss) for the year		(10,112,268)	-	(10,112,268)
Other comprehensive income/(loss)	-	-	3,899,165	3,899,165
	-	(10,112,268)	3,899,165	(6,213,103)
Balance as at June 30, 2019	100,000,000	(37,029,522)	4,270,514	67,240,992
Total comprehensive income for the year				
Profit/(Loss) for the year		779,418	-	779,418
Other comprehensive income/(loss)	-	-	447,307	447,307
	-	779,418	447,307	1,226,725
Balance as at June 30, 2020	100,000,000	(36,250,104)	4,717,820	68,467,716
Total comprehensive income for the period				
Profit/(Loss) for the year	-	3,913,260	-	3,913,260
Other comprehensive income/(loss)	-	-	-	-
	-	3,913,260	-	3,913,260
Balance as at December 31, 2020	100,000,000	(32,336,844)	4,717,820	72,380,976

The annexed notes from 1 to 27 form an integral part of these financial statements.

Humayun Shahzade
Chief Executive Officer



Naresh Jalandhar
Director

5 PROPERTY AND EQUIPMENT

Description	Cost			Accumulated Depreciation			Net book value as at 31 Dec 2020	Rate of dep	
	As at 01 July 2020	Additions	Disposals	As at 31 Dec 2020	As at 01 July 2020	For the Year			Adjustments
					Rupees				%
Office Building	12,500,000	-	-	12,500,000	6,083,224	160,420	-	6,243,644	5%
Electric Equipment	252,830	-	-	252,830	154,988	4,891	-	159,879	10%
Computer Equipment	34,150	1,300	-	35,450	13,853	3,240	-	17,093	30%
Furniture & Fixture	52,160	-	-	52,160	36,432	786	-	37,218	10%
Vehicles	2,225,927	-	-	2,225,927	1,813,577	41,236	-	1,854,813	20%
Total Assets	15,065,067	1,300	-	15,066,367	8,102,074	210,573	-	8,312,647	6,753,720

Description	Cost			Accumulated Depreciation			Net book value as at 30 June 2020	Rate of dep	
	As at 1 July 2019	Additions	Disposals	As at 30 June 2020	As at 1 July 2019	For the Year			Adjustments
					Rupees				%
Office Building	12,500,000	-	-	12,500,000	5,745,499	337,725	-	6,083,224	5%
Electric Equipment	252,830	-	-	252,830	144,117	10,871	-	154,988	10%
Computer Equipment	34,150	-	-	34,150	5,154	8,699	-	13,853	30%
Furniture & Fixture	52,160	-	-	52,160	34,684	1,748	-	36,432	10%
Vehicles	2,225,927	-	-	2,225,927	1,710,490	103,087	-	1,813,577	20%
Total Assets	15,065,067	-	-	15,065,067	7,639,943	462,130	-	8,102,074	6,962,993

6 INTANGIBLE ASSETS

Note	Dec-20 Rupees	Jun-20 Rupees
Trading Rights Entitlement Certificate ("TREC")	2,500,000	2,500,000
Impairment	2,500,000	2,500,000
	<u>2,500,000</u>	<u>2,500,000</u>

- 6.1 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.

- 6.2 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 2.5 million in fiscal 2018.

7 LONG-TERM INVESTMENTS

Note	Dec-20 Rupees	Jun-20 Rupees
Investments at fair value through OCI		
LSE Financial Services Limited (unquoted) - at fair value	19,605,539	19,158,233
Adjustment for remeasurement to fair value	-	447,307
	<u>19,605,539</u>	<u>19,605,539</u>

- 7.1 As a result of the demutualization and corporatization of stock exchanges as detailed in note 6.1, the Company received 843,975 shares of LSE Financial Services Limited. Of these, 60% (506,385 shares) were held in a separate Central Depository Company Limited ("CDC") sub-account, blocked until they are sold to strategic investors, financial institutions and/or the general public. The remaining shares (40% of total, or 337,590 shares) were allotted to the Company.

These shares are neither listed on any exchange nor are they actively traded. As a result, fair value has been estimated by reference to the latest break-up or net asset value per share of these shares notified by LSE Financial Services Limited (PKR ? / per share, compared to PKR 23.23 / per share as at June 30, 2020). Remeasurement to fair value resulted in a gain/Loss of PKR ? (30 June 2020: PKR 447,307).

8 LONG-TERM DEPOSITS

Note	Dec-20 Rupees	Jun-20 Rupees
Central Depository Company Limited	100,000	100,000
National Clearing Company of Pakistan Limited	400,000	400,000
	<u>500,000</u>	<u>500,000</u>

9 TRADE DEBTS-NET

Note	Dec-20 Rupees	Jun-20 Rupees
Considered good	951,898	36,907
Considered doubtful	16,535	-
	<u>968,433</u>	<u>36,907</u>
Less: Provision for doubtful debts	-	-
	<u>968,433</u>	<u>36,907</u>

- 9.1 The Company holds client-owned securities with a total fair value of PKR ? (30 June 2020: PKR 34,427,837) 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.

Trade debts do not include any related party receivables.

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

Note	Dec-20 Rupees	Jun-20 Rupees
Opening balance (as at July 1)	-	298,534
Reversed in profit and loss during the year	-	(298,534)
	-	-
Amounts written off during the year	-	-
Closing balance (as at December 31)	-	-

10 PREPAYMENTS & ADVANCES

Note	Dec-20	Jun-20
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		Rupees	Rupees
Dividend Receivable		-	17,000
NCSS Receivable		-	1,593,950
Income tax refundable	10.1	2,712,681	2,501,846
Other Receivables			
		<u>2,712,681</u>	<u>4,112,796</u>

10.1 PREPAYMENTS & ADVANCES

	Note	Dec-20 Rupees	Jun-20 Rupees
Opening balance (as at July 1)		2,501,846	2,777,808
Add: Current year additions		210,835	481,914
		<u>2,712,681</u>	<u>3,259,722</u>
Less: Adjustment against provision for taxation		-	396,149
Adjustment against current previous year provision for taxation		-	361,727
Balance at the end of the year		<u>2,712,681</u>	<u>2,501,846</u>

11 Short Term Investment

	Note	Dec-20 Rupees	Jun-20 Rupees
Investments at fair value through profit or loss			
Investments in listed securities		23,258,777	21,043,422
		<u>23,258,777</u>	<u>21,043,422</u>

12 CASH AND BANK BALANCES

	Note	Dec-20 Rupees	Jun-20 Rupees
Cash in hand		13,375	8,089
Cash at bank			
Current accounts	12.1	8,035,039	2,112,790
Savings accounts		15,663,261	14,290,740
		<u>23,711,675</u>	<u>16,411,619</u>

12.1 Cash at bank includes customers' assets in the amount of PKR 7,086,135 (30 June 2020: 2,048,272) held in designated bank accounts.

13 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

	Note	Dec-20 Rupees	Jun-20 Rupees
13.1 Authorized capital			
1,000,000 (30 June, 2020: 1,000,000) ordinary shares of PKR 100 each.		<u>100,000,000</u>	<u>100,000,000</u>
13.2 Issued, subscribed and paid-up share capital			
1,000,000 (31 December 2020: 1,000,000) ordinary shares of PKR 100/- each, issued for cash		100,000,000	100,000,000
		<u>100,000,000</u>	<u>100,000,000</u>

13.3 Shareholders holding 5% or more of total shareholding

	Number of Shares		Percentage	
	Dec-20	Jun-20	Dec-20	Jun-20
Humayun Shahzada	550,000	550,000	55%	55%
Muhammad Gulzar Sheikh	250,000	250,000	25%	25%
Pervez Ahmed Sheikh	200,000	200,000	20%	20%
	<u>1,000,000</u>	<u>1,000,000</u>		

14 TRADE AND OTHER PAYABLES

	Note	Dec-20 Rupees	Jun-20 Rupees
Trade creditors	14.1	6,471,434	2,164,966
Auditor's remuneration payable		-	250,000
Worker welfare fund - Punjab		-	17,114
Other payables		999,808	273,479
		<u>7,471,242</u>	<u>2,705,560</u>

14.1 This includes PKR ? due to related parties.

15 CURRENT TAX LIABILITY

	Note	Dec-20 Rupees	Jun-20 Rupees
Balance at the beginning of the year		-	396,149
Add: Current Year Provision		158,608	361,727

	158,608	757,876
Less: Adjustment against previous year advance tax	-	396,149
Adjustment against current year advance tax	-	361,727
Balance at the end of the year	158,608	-

16 CONTINGENCIES AND COMMITMENTS

16.1 There are no contingencies or commitments of the Company as at December 31, 2020 (30 June, 2020: Nil).

17 OPERATING REVENUE

Note	Dec-20 Rupees	Jun-20 Rupees
Brokerage income	427,280	521,885
Dividend income	975,333	2,007,657
	<u>1,402,613</u>	<u>2,529,542</u>

18 OTHER INCOME / LOSSES

Note	Dec-20 Rupees	Jun-20 Rupees
Income from non-financial assets/liabilities		
Miscellaneous income	11,215	320,538
Profit on bank balances	382,050	1,275,307
	<u>393,265</u>	<u>1,595,845</u>

19 OPERATING & ADMINISTRATIVE EXPENSES

Note	Dec-20 Rupees	Jun-20 Rupees
Staff salaries, allowances and other benefits	385,200	807,600
Director's remuneration	840,000	1,680,000
Travelling and conveyance	20,938	12,760
Vehicle running and maintenance	145,210	225,300
Printing and stationery	20,216	26,883
Telephone and postage	18,951	39,464
Electricity charges	86,021	101,394
Rent, rates, taxes and renewals	50,000	65,000
Insurance	2,680	3,985
Repair & Maintenance	5,000	2,400
Legal and professional charges	175,253	24,566
Entertainment expenses	28,030	57,480
LSE charges	92,140	120,037
PSX charges	64,102	133,233
Fee and subscription	2,200	1,700
CDC & NCCPL Charges	64,295	150,443
Miscellaneous expenses	17,905	34,605
Auditors' remuneration	19.1	250,000
Amortization	-	13,994
Depreciation	5	462,130
	<u>2,228,714</u>	<u>4,212,974</u>

Note	Dec-20 Rupees	Jun-20 Rupees
19.1 Auditor's remuneration		
Statutory audit	-	250,000
	<u>-</u>	<u>250,000</u>
Non audit services		
Certifications and other charges	-	-
	<u>-</u>	<u>250,000</u>

20. OTHER OPERATING EXPENSE

Worker welfare fund - Punjab	-	17,114
	<u>-</u>	<u>17,114</u>

21. FINANCE COSTS

Bank and other charges	1,348	4,422
	<u>1,348</u>	<u>4,422</u>

22 OTHER INCOME / LOSSES

Note		
Income from non-financial assets/liabilities		
Reversal of doubtful debts		
FED Adjustment		

Miscellaneous income
Profit on bank balances

22. INCOME TAX EXPENSE

Current tax expense / (income)

for the year
prior years

158,608	361,727
-	-
158,608	361,727

The tax provision made in the financial statements is considered sufficient.

23. EARNINGS PER SHARE

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:

	Dec-20 Rupees	Jun-20 Rupees
Profit / (loss) after taxation, attributable to ordinary shareholders	3,913,260	779,418
Weighted average number of ordinary shares in issue during the year	1,000,000	1,000,000
Earnings per share	3.91	0.78

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.

24. 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.

25. NUMBER OF EMPLOYEES


Total number of employees at the end of year was 5 (30 June, 2020: 5). Average number of employees was 5 (30 June, 2020: 5)

26. 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.


27. GENERAL

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



Chief Executive Officer





Director