

MGM SECURITIES (PVT) LIMITED

Half Year Financial Statement (Un-Audited)

For the Period Ended 31 March 2025

MGM SECURITIES (PVT) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025

	Note	March 2025 Rupees
ASSETS		
NON CURRENT ASSETS		
Property and equipment	4	12,090,776
Intangible assets	5	2,500,000
Long term investments	6	5,611,475
Long term deposits	7	431,000
		<u>20,633,251</u>
CURRENT ASSETS		
Trade debts	8	-
Loans and advances	9	1,492,500
Trade deposits, short term prepayments and current account balance with statutory authorities	10	31,740,095
Tax deducted at source/advance income tax	11	4,652,070
Cash and bank balances	12	46,044,773
		<u>83,929,438</u>
		<u>104,562,689</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share capital	13	50,000,000
Un-appropriated profit		51,561,271
		<u>101,561,271</u>
NON CURRENT LIABILITIES		
Deferred taxation	14	1,028,978
		<u>1,028,978</u>
CURRENT LIABILITIES		
Deposits, accrued liabilities and advances	15	138,446
Trade and other payables	16	1,833,994
Provision for taxation	17	-
		<u>1,972,440</u>
CONTINGENCIES AND COMMITMENTS		
	18	-
		<u>104,562,689</u>

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

CHIEF EXECUTIVE



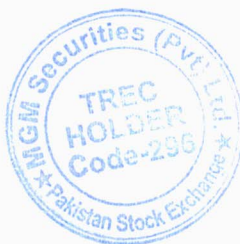
DIRECTOR

MGM SECURITIES (PVT) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED MARCH 31, 2025

	Note	March 2025 Rupees
Operating revenue	19	22,517,210
Direct costs	20	<u>(4,099,410)</u>
		18,417,800
Operating expenses	21	<u>(16,690,286)</u>
Other operating expenses	22	-
Other income	23	<u>12,840,471</u>
		<u>(3,849,815)</u>
PROFIT FROM OPERATIONS		14,567,985
Finance cost	24	<u>(2,936)</u>
PROFIT BEFORE LEVIES AND INCOME TAX		14,565,049
Levies	25	-
PROFIT BEFORE LEVIES AND INCOME TAX		<u>14,565,049</u>
Income tax	26	-
PROFIT FOR THE YEAR		<u><u>14,565,049</u></u>
EARNINGS PER SHARE - BASIC AND DILUTED	27	<u><u>29.13</u></u>

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

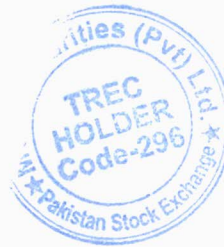
Wahid
CHIEF EXECUTIVE



[Signature]
DIRECTOR

4 PROPERTY AND EQUIPMENT

Particulars	Cost				Accumulated Depreciation					W.D.V
	As at June 30, 2024	Additions	Adjustment	As at June 30, 2024	Rate %	As at June 30, 2023	Charge for the year	Adjustment	As at March 31, 2024	As at Dec 31, 2024
	----- R u p e e s -----					----- R u p e e s -----				
OWNED										
Furniture and fittings	1,028,586	-	-	1,028,586	10%	914,741	8,539	-	923,280	105,306
Office equipment	579,150		-	579,150	10%	315,561	31,047	-	346,608	232,542
Computers	837,600		-	837,600	30%	648,392	58,004	-	706,396	131,204
Building	11,500,000	-	-	11,500,000	5%	7,340,714	155,973	-	7,496,687	4,003,313
Vehicles	10,408,632		-	10,408,632	10%	2,172,512	617,709	-	2,790,221	7,618,411
	24,353,968	-	-	24,353,968		11,391,920	871,272	-	12,263,192	12,090,776



	Note	Mar. 2025 Rupees
5 INTANGIBLE ASSETS		
Trading right entitlement certificate (TREC)	5.1	2,500,000
		<u>2,500,000</u>

- 5.1 This represents Trading Right Entitlement Certificate (TREC) received from the Pakistan Stock Exchange Limited additional payment, in lieu of TREC issued by the Lahore Stock Exchange Limited, surrendered on, January 11, 2016 consequence of Scheme(s) of Integration approved by the Securities and Exchange Commission of Pakistan on January 11, 2016 dated January 11, 2016 under regulation 6 (8) of the Stock Exchange (Corporatization, Demutualization and Integration) Regulations, 2012. This is carried at cost less accumulated impairment.

	Note	Mar. 2025 Rupees
6 LONG TERM INVESTMENTS		
Quoted Investments		
At fair value through profit or loss		
Cost	6.1	678,450
Fair value adjustment		<u>4,933,025</u>
		<u>5,611,475</u>

- 6.1 During the year, the company has received shares of LSE Capital Limited (LSECL) against shares of LSEPL Limited (LSEPL) under the scheme of arrangement as sanctioned by the Lahore High Court vide its order dated March 3, 2024 and as per swap ratio disclosed in the aforesaid scheme, the shareholders of LSEPL have been converted into shares of LSECL against each 1 share of LSEPL. The breakup of respective holding is as below:

	Total No. of shares	Total Rupees	Pledge Rupees
LSE Capital Limited	245,294	765,317	-
LSE Venture Limited	842,810	4,846,158	-
	<u>1,088,104</u>	<u>5,611,475</u>	<u>-</u>

	2024 Rupees
6.2 Movement in fair value adjustment reserve	
Opening balance	8,328,363
Movement during the year	<u>(3,395,338)</u>
Closing balance	<u>4,933,025</u>

	Note	2024 Rupees
7 LONG TERM DEPOSITS		
Deposits with/against:		
National Clearing Company of Pakistan Limited		-
Pakistan Stock Exchange for BMC		-
LSE PropTech Limited		-
Rental property		<u>431,000</u>
		<u>431,000</u>

8 TRADE DEBTS

Receivable from clients on account of:

Purchase of shares on behalf of clients

Related parties

Note

Mar. 2025

Rupees

8.2

-
-

-

-

Mar. 2025
Rupees

Less: Provision for doubtful debts	8.1	-
		-
National Clearing Company of Pakistan Ltd.		-
		-

Mar. 2025
Rupees

Note

9 LOANS AND ADVANCES

Advances to: (Interest free and un-secured but considered good)

Employees		293,500
Director - Syed Hassan Iqbal	9.1	1,199,000
		1,492,500

9.1 Advances to Director - Mr.Syed Hassan Iqbal

Balance as at July 01,	1,280,000
Disbursed during the year	-
Recovered during the year	(81,000)
	1,199,000

9.2 Particulars of advance to director:

Name	Basis of relationship	Maximum aggregate amount Rupees
Syed Hassan Iqbal	Director	1,199,000

9.3 This represents short term advance obtained by the director of the company. As per terms of repayment of the recoverable on demand of the company and it would be settled in next 12 months in cash. This is outstanding 12 months.

Mar. 2025
Rupees

Note

**10 TRADE DEPOSITS, SHORT TERM
PREPAYMENTS AND CURRENT
ACCOUNT BALANCE WITH
STATUTORY AUTHORITIES**

Deposits with:

National Clearing Company of Pakistan Ltd		-
Eclear services Limited	10.1	31,740,094
		31,740,094

10.1 This carries profit ranging from 10% to 15%.

11 TAX DEDUCTED AT SOURCE/ADVANCE INCOME TAX

Opening balance	2,204,397
Deducted during the year	
Income taxes	2,447,672
Levies	-
	2,447,672
Adjustment made during the year	
Income taxes	
Levies	
	-
	4,652,070

17

12 CASH AND BANK BALANCES

These were held as under:

Cash in hand	14,319
Cash at bank:	
in current accounts	
Pertaining to brokerage house	35,042,425
Pertaining to clients	339,583
	35,382,008
in saving accounts	
Pertaining to brokerage house	10,648,446
	46,044,773

13 SHARE CAPITAL

Authorized

600,000 (2023: 600,000) ordinary shares
of Rs.100 each

13.1

60,000,000

Issued, subscribed and paid up

500,000 (2023: 500,000) ordinary shares
of Rs.100 each issued paid in cash

50,000,000

13.1 Pattern of Shareholding:

	% age of Shares Held		Number of Shares H
	2,024	2023	Mar. 2025
Individuals			
Chief Executive			
Mian Ghulam Mohiuddin	59%	59%	297,297
Directors			
Zia Mohiuddin	1%	1%	5,406
Syed Hassan Iqbal	38%	38%	191,891
Shareholder			
Mrs. Nagina Akhter	1%	1%	5,406
	100%	100%	500,000

13.2 There is no variation in voting rights of the shareholders.

	Note	Mar. 2025 Rupees
14 DEFERRED TAXATION		
Deferred credits/(debits) arising due to:		
Accelerated tax depreciation		705,094
Unrealized gain on long term investment		493,302
Provision for doubtful debts		-
Punjab worker's welfare fund payable		(161,994)
Minimum tax		-
Brought forward losses		(190,310)
Deferred tax asset not recognised		-
		<u>846,092</u>
Balance as at July 01,		2,697,817
Add: (Reversal)/charged during the year		<u>(1,668,839)</u>
		<u>1,028,978</u>

14.3 Depreciation losses with no limit to expire are follows:

Accounting year to which depreciation losses relates	Rupees
2023	656,241

	Note	Mar. 2025 Rupees
15 DEPOSITS, ACCRUED LIABILITIES AND ADVANCES		
Audit Fee Payable, SWF		<u>138,446</u>
16 TRADE AND OTHER PAYABLES		
Creditors for sale of shares on behalf of clients	16.1	1,129,399
Sales tax payable		131,644
Punjab worker's welfare fund payable		<u>572,951</u>
		<u>1,833,994</u>

16.1 Creditors for sale of shares on behalf of clients include the following amount due to related parties:

Name	Basis of relationship	Mar. 2025
Zia Mohiuddin	Director	<u>-</u>
	Note	2024 Rupees

17 PROVISION FOR TAXATION		
Opening balance		-
Provision for the year in respect of income taxes and levies	26.1	-
Adjustment made during the year	11	<u>-</u>
		<u>-</u>

18 CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

18.1.1 The company has received notice from Federal Board of Revenue dated June 27, 2022 in which penalty has been Rs. 710,000 for the tax year 2021 due to non-compliance of Common Reporting Standard of the Income Tax Rules. The company has filed a writ petition dated October 26, 2022 before the Lahore High Court, Lahore against the aforesaid notice which is pending for decision. The tax advisor of the company is of the opinion that the company has a good chance of success and there is likelihood that the same will be decided in the favour of the company.

18.1.2 The Trustees of LSE MCF Trust and LSE TCF Trust have given guarantee amounting Rs. 8 million to Pakistan Stock Exchange (PSX) on behalf of the company for meeting the Base Minimum Capital requirements.

18.2 Commitments

18.2.1 Commitments in respect of capital expenditures as at June 30, 2024 were amounting Rs. nil (2023: Rs. nil).

	Note	Mar. 2025 Rupees
19 OPERATING REVENUE		
Brokerage income		22,517,210
Less: Sales tax		-
		<u>22,517,210</u>
20 DIRECT COSTS		
Charges paid to/against:		
Pakistan Stock Exchange Limited		719,839
EClear Services Limited Charges		1,488,943
Commission Paid		1,612,645
National Clearing Company of Pakistan Ltd.		277,983
		<u>4,099,410</u>
21 OPERATING EXPENSES		
Directors' remuneration		8,014,000
Staff salaries and benefits		5,189,244
Rent, rates and taxes		266,248
Communication and postage		126,632
Electricity charges		252,402
Printing and stationery		26,530
Repair and maintenance		631,671
Legal and professional charges	21.1	47,000
Fee and subscription		504,314
Insurance		-
Charity and donation		75,355
Entertainment		300,905
Depreciation	4	871,272
Others		67,680
Vehicle running and maintenance		317,033
		<u>16,690,286</u>

21.1 Auditor's remuneration

This includes statutory audit fee and other certification charges as detailed below:

Mar. 2025

Amin, Mudassar & Co.
Chartered Accountants

Statutory audit
Certification fee

Note	Rupees
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	-
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-

**Mar. 2025
Rupees**

22 OTHER OPERATING EXPENSES

Unrealized loss on long term investment
Provision for doubtful debts
Punjab workers' welfare fund

-
-
-

-

23 OTHER INCOME

Income from financial assets

Dividend income
Interest income and other
Unrealized gain on long term investments
Reversal of povision for doubtful debt

-
12,840,471
-
-

12,840,471

**Mar. 2025
Rupees**

Note

24 FINANCE COST

Mark-up and finance charges
Bank charges

-
2,936
2,936

2,936

25 LEVIES

-

1

Mar. 2025
Rupees

26 TAXATION

Income tax:

- Current

- Deferred

1

1

1

Mar. 2025
Rupees

Classified as:

Income tax

Levies

Deferred tax

Note

26

25

1

1

1

1

Mar. 2025
Rupees

26.2 Reconciliation between tax expense (including levies) and accounting profit

Profit before taxation and levies

14,565,049

Tax at applicable rate

Tax effect of income under final tax regime

Tax on income under final tax regime

Tax effect of non-deductible expenses

Tax effect of deductible expenses

Adjustment of taxable losses

Adjustment of tax credits

Deferred taxation

Total Of Levies and Income Tax

10

26.1