

MGM SECURITIES PRIVATE LIMITED

**Quarterly Financial Statements
For the Period Ended on 31 March, 2023**

MGM SECURITIES PRIVATE LIMITED

Balance Sheet

As at 31 March, 2023

		Mar-22	Mar-21
ASSETS	<i>Note</i>	Rupees	Rupees
Non-Current Assets			
Property and equipment	7	10,758,797	9,537,624
Intangible asset	8	2,500,000	2,500,000
Long term investments	9	16,406,873	20,533,912
Long term deposits	10	1,511,000	1,511,000
		31,176,670	34,082,536
Current Assets			
Trade debts - net	11	12,662,713	12,661,290
Advances	12	1,168,906	2,667,426
Current Portion of Loan Adv.		1,406,400	1,396,000
Deposits and other receivables	13	-	232,015
PSX Exposure		10,800,000	10,800,000
Income tax refundable	14	1,014,499	-
Short term investments	15	4,297,500	-
Cash and bank balances	16	52,361,673	64,020,826
		83,711,691	91,777,557
		114,888,362	125,860,094
Equity and Liabilities			
Share capital and reserves			
Share capital	17	50,000,000	50,000,000
Unappropriated profit		22,692,497	24,045,180
Capital Reserve		17,906,873	21,496,217
Total equity		90,599,370	95,541,396
Non-Current Liabilities			
Liabilities against assets subject to finance lease	18	4,141,756	(325,963)
Current Liabilities			
Trade and other payables	19	18,774,562	29,548,806
Current portion of liabilities against assets subject to finance lease	18	-	-
Other Payables		1,372,673	1095854.07
Provision for Taxation	20	-	-
		20,147,235	30,644,660
Contingencies and commitments			
	21	114,888,361	125,860,093

The annexed notes 1 to 40 form an integral part of these financial statements.

Chief Executive

Director

MGM SECURITIES PRIVATE LIMITED

Profit and Loss Account

As at 31 March, 2023

	<i>Note</i>	Mar-22 Rupees	Mar-21 Rupees
Operating Revenue	22	8,634,703	11,234,991
Gain/(Loss) on sale of short term investments - net			
Fair value Gain/(Loss) on remeasurement of investments through profit or loss			
Other Income	23	4,257,979	4,222,453
		<u>12,892,682</u>	<u>15,457,444</u>
Operating and administrative expenses	24	(10,766,461)	(10,983,713)
Financial charges	25	(663,159)	(230,702)
Profit / (loss) before taxation		<u>1,463,062</u>	<u>4,243,029</u>
Taxation	26	-	-
Profit/ (loss) for the year		<u><u>1,463,062</u></u>	<u><u>4,243,029</u></u>
Earning/ (Loss) per share - basic	27	2.93	8.49

The annexed notes 1 to 40 form an integral part of these financial statements.

Chief Executive

Director

7 PROPERTY AND EQUIPMENT

	Cost				Accumulated Depreciation				Net book value as at 31 March 2022	Rate of dep %age		
	As at 1 July 2022	Transferred from leased to owned assets	Additions	Disposals	As at 31 March 2023	As at 1 July 2022	Transferred from leased to Owned	For the Year			Adjustments	As at 31 March 2022
Owned												
Member Room	11,500,000	-	-	-	11,500,000	6,891,372	-	172,824	-	7,064,196	4,435,804	5%
Office equipment	384,150	-	-	-	384,150	303,051	-	6,082	-	309,133	75,017	10%
Computer & Printers	738,600	34,000	-	-	772,600	496,246	-	20,727	-	516,973	255,627	10%
Furniture and fixtures	1,028,586	-	-	-	1,028,586	903,094	-	9,412	-	912,506	116,080	10%
Leased												
Vehicles	6,026,942	-	-	-	6,026,942	-	-	150,674	-	150,674	-	10%
	19,678,278	34,000	-	-	19,712,278	8,593,763	-	359,718	-	8,953,481	10,758,797	

	<i>Note</i>	Mar-23 Rupees	Mar-22 Rupees
10 LONG-TERM DEPOSITS			
Central Depository Company Limited		-	0
National Clearing Company of Pakistan Limited		1,400,000	1,400,000
Pakistan Stock Exchange Clearing House Deposit		30,000	30,000
Rent Security		81,000	81,000
Security Deposit PSX Office		-	-
		<u>1,511,000</u>	<u>1,511,000</u>
11 TRADE DEBTS			
Considered good	<i>11.1</i>	6,937,996	8,537,342
Considered doubtful		-	-
		<u>6,937,996</u>	<u>8,537,342</u>
Less: Provision for doubtful debts	<i>11.2</i>	866,041	583,568
		<u>6,071,955</u>	<u>7,953,773</u>
11.1 The Company holds client-owned securities with a total fair value of PKR _____ (2018: PKR) as collateral against trade recognized a provision for doubtful debts after consideration of a number of factors, including (but not limited to) an analysis of history experience, aging of the receivables portfolio, expected future write-offs, the nature and quantum of collateral held, and an assessment of identifiable customer accounts considered at risk or uncollectible.			
Trade debts include PKR _____ receivable from related parties.			
11.2 Movement in provision against trade debts is as under:			
Opening balance (as at July 1)		583,568	583,568
Charged to profit and loss during the year		-	-
		<u>583,568</u>	<u>583,568</u>
Amounts written off during the year		-	-
Closing balance (as at June 30)		<u>583,568</u>	<u>583,568</u>
12 LOANS AND ADVANCES			
Staff advances - unsecured, considered good		101,500	66,000
Loan to CEO		1,330,000	1,330,000
Advance Against room LSE South Tower		-	1,127,438
PSX Exposure		-	-
Withholding Tax Deduction		1,168,906	1,539,988
		<u>2,600,406</u>	<u>4,063,426</u>
13 TRADE DEPOSITS, SHORT-TERM PREPAYMENTS AND OTHER RECEIVABLES			
NCSS Receivable		5,724,717	4,123,948
Exposure margin with PSX		10,800,000	10,800,000
Receivables - House account		-	-
Other Receivables		-	199,574.00
		<u>16,524,717</u>	<u>15,123,522.5</u>
14 INCOME TAX REFUNDABLE			
	<i>Note</i>		
Balance at the beginning of the year		2,027,606	2,027,606
Add: Current Year Additions		(1,013,107)	(2,027,606)
		<u>1,014,499</u>	-
Less: Adjustment against provision of taxation		1,014,499.00	-
Balance at the end of the year		<u>1,014,499</u>	-
15 SHORT TERM INVESTMENTS			
Investments at fair value through profit or loss			
Investment in listed securities		4,297,500	-
Gain/(Loss) on investment		-	-
		<u>4,297,500</u>	-

Shares with fair value of PKR NIL (2018: PKR NIL) have been pledged with [commercial banks / other] for obtaining finance facilities. Of these of PKR NIL (2018: PKR NIL) are clients' shares.

	<i>Note</i>	Mar-23 Rupees	Mar-22 Rupees
16 CASH AND BANK BALANCES			
Cash in hand		12,266	14,335
Cash at bank			
Current accounts	<i>16.1</i>	40,932,006	52,115,471
Savings accounts		11,417,401	11,891,020
		<u>52,361,673</u>	<u>64,020,826</u>

16.1 Cash in current accounts includes customers' assets in the amount of PKR 144,958 (2018: 363,382) held in designated bank accounts.

	<i>Note</i>		
17 SHARE CAPITAL			
17.1 Authorized capital			
600,000 (2018: 600,000) ordinary shares of PKR 100 each.		<u>60,000,000</u>	<u>60,000,000</u>
17.2 Issued, subscribed and paid-up share capital			
185,000 (2018: 185,000) ordinary shares of PKR 100/- each, issued for cash		50,000,000	50,000,000
		<u>50,000,000</u>	<u>50,000,000</u>

18 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE			
Present value of minimum lease payments		4,141,756	-
Less: Current portion		-	(325,963)
		4,141,756	(325,963)
Minimum lease rentals payable:			
Within one year		-	-
After one year but within five years		-	-
After five years		-	-
Less: Future financial charges		-	-
Net lease obligation		<u>4,141,756.49</u>	<u>(325,963.00)</u>

18.1 [Details of leases, e.g.: The Company has acquired vehicles under finance lease arrangements from a commercial bank and a leasing its Chief Executive Officer. The liabilities under the lease agreements are repayable in monthly installments and during the year carried 11.29% to 13.00% (2018: 11.98% to 15.54%) per annum. These lease finance facilities are secured against title of the leased vehicle

	<i>Note</i>		
19 TRADE AND OTHER PAYABLES			
Trade creditors	<i>19.1</i>	18,774,562	29,548,806
Staff welfare fund		209,398	215,391
Tax payable		156,636	156,297
Accrued		-	-
Auditor's remuneration payable		-	-
Other payables		1,006,639	724,166.47
		<u>20,147,235</u>	<u>30,644,660</u>

19.1 This includes PKR 264,119 (2018: PKR 92,134) due to related parties.

	<i>Note</i>	Mar-23 Rupees	Mar-22 Rupees
PROVISION FOR TAXATION			
20			
Balance at the beginning of the year		-	0
Add: Current Year Provision		-	0
		<u>-</u>	<u>0</u>
Less: Adjustment against advance tax		-	0
Balance at the end of the year		<u><u>-</u></u>	<u><u>0</u></u>
CONTINGENCIES AND COMMITMENTS			
21			
21.1	There are no contingencies or commitments of the Company as at June 30, 2018 (Dec 31,2018: Nil)		
22			
Brokerage income	22.1	8,634,703	11,234,991
Dividend income		-	-
		<u>8,634,703</u>	<u>11,234,991</u>
22.1 Brokerage income by segment			
Proprietary / related party trades			
Retail customers		8,634,703	11,234,991
Institutional customers		-	-
		<u>8,634,703</u>	<u>11,234,991</u>
23 OTHER INCOME			
Other Income		4,257,979	4,222,453
		<u>4,257,979</u>	<u>4,222,453</u>
ADMINISTRATIVE EXPENSES			
24			
Staff salaries, allowances and other benefits		3,848,782	3,866,014
Director's remuneration		4,114,000	4,014,000
Rent, rates and taxes		220,037	200,035
Electricity and communication charges		340,763	245,480
Printing and stationery		51,440	37,375
Postage and telegram		46,571	56,295
Repair and maintenance		119,972	191,755
Travelling and conveyance		172,104	267,069
Fee and subscription		565,051	747,026
National Clearing Company charges		329,940	423,079
Trading expenses		-	-
Entertainment		287,201	259,796
Provision for doubtful debts			
Insurance expenses			
Charity & Donations		22,700	24,350
EOBI Contribution		26,310	15,210
Auditors' remuneration	24.1.	33,000	-
Miscellaneous expenses		140,420	103,813
Depreciation	6	359,718	219,332
Commission expense		88,452	313,084
		<u>10,766,461</u>	<u>10,983,713</u>
Audit Remuneration			
Statutory audit			
Certifications and other charges		-	0
		<u>-</u>	<u>0</u>
FINANCIAL CHARGES			
25			
Mark-up on finance lease		654,860	217,721
Bank and other charges		8,299	12,981
		<u>663,159</u>	<u>230,702</u>

	<i>Note</i>	Mar-23 Rupees	Mar-22 Rupees
26 TAXATION			
Provision made during the year for:			
- current	<i>10</i>		
- prior year		-	0
		-	0

EARNINGS PER SHARE

27.			
Basic			
Profit / (loss) after taxation, attributable to ordinary shareholders			
Weighted average number of ordinary shares in issue during the year		1,463,062.00	4,243,029.19
Earnings per share		500,000.00	500,000.00
figure for		2.93	8.49