

**MRA Securities Limited**  
**Balance Sheet**  
**As on December 31, 2017**



**ASSETS**

**NON-CURRENT ASSETS**

Note	Rupees 31-12-2017	Rupees 30-06-2017
4	36,243,233	35,999,033
5	5,000,000	5,000,000
6	44,345,897	49,603,583
7	6,734,420	6,734,420
8	1,910,000	12,414,809
	94,233,550	109,751,845

**CURRENT ASSETS**

9	178,431,811	162,616,373
10	374,829,601	624,856,778
11	525,609,160	761,244,483
12	214,461,733	67,230,470
13	12,224,974	12,603,212
	1,305,557,279	1,628,551,316

**TOTAL ASSETS**

1,399,790,829      1,738,303,161

**EQUITY AND LIABILITIES**

**CAPITAL AND RESERVES**

**Authorized Capital**

40,000,000 (2017: 70,000,000) ordinary shares of Rs. 10/- each

700,000,000      400,000,000

14	400,000,000	275,000,000
	-	-
	206,080,875	237,265,708
	19,876,617	25,134,303
	625,957,492	537,400,011

**LIABILITIES**

**NON-CURRENT LIABILITIES**

15	2,347,215	2,347,215
16	209,000,000	332,880,000
	211,347,215	335,227,215

**CURRENT LIABILITIES**

17	64,455,163	160,916,127
	135,529,322	304,695,289
	230,030,630	261,899,006
18	132,471,007	138,165,514
	562,486,122	865,675,936

**CONTINGENCIES AND COMMITMENTS**

19      -      -

**TOTAL EQUITY AND LIABILITIES**

1,399,790,829      1,738,303,162

*The annexed notes from 1 to 37 form an integral part of these financial statements.*

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Chief Executive

Director

**MRA Securities Limited**  
**Profit & Loss Account**  
For the year ended December 31, 2017

	Note	Rupees 31-12-2017	Rupees 30-06-2017
<b>REVENUE</b>			
Operating revenue	20	106,151,327	391,197,407
Capital gain on sale of securities		(27,881,645)	78,057,934
Unrealised loss on remeasurement of investments		(23,480,034)	(13,675,880)
		<u>54,789,648</u>	<u>455,579,461</u>
Administrative expenses	22	(75,527,009)	(295,200,514)
Finance cost	23	(1,937,410)	(25,024,100)
		<u>(77,464,419)</u>	<u>(320,224,614)</u>
<b>Operating profit / (loss)</b>		<u>(22,674,771)</u>	<u>135,354,846</u>
<b>Other charges</b>	24	-	
<b>Other income</b>	25	33,364,688	59,671,288
<b>Profit before taxation</b>		<u>10,689,917</u>	<u>195,026,134</u>
<b>Taxation</b>	26	(41,874,750)	(47,277,756)
<b>Profit after taxation</b>		<u>(31,184,833)</u>	<u>147,748,378</u>
<b>Earnings per share - basic and diluted</b>	27	<u>(0.78)</u>	<u>5.37</u>

*The annexed notes from 1 to 37 form an integral part of these financial statements.*

Chief Executive

Director

**Notes to the Accounts**

Notes	Rupees 31-12-2017	Rupees 30-06-2017
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**8 LONG TERM ADVANCES & DEPOSITS**

Pakistan Stock Exchange Limited	110,000	110,000
National Clearing Company of Pakistan Limited	1,700,000	1,200,000
Central Depository Company of Pakistan Limited	100,000	100,000
Deposit against Base Minimum Capital Requirement	-	11,004,809
	<b><u>1,910,000</u></b>	<b><u>12,414,809</u></b>

**9 TRADE RECEIVABLES**

Considered good	9.1	171,932,165	162,616,373
Considered doubtful		-	6,159,406
		<b><u>171,932,165</u></b>	<b><u>168,775,779</u></b>
Provision for doubtful debts		-	(6,159,406)
		<b><u>171,932,165</u></b>	<b><u>162,616,373</u></b>

9.1 Trade debts are recognised initially at invoice amount less provision for doubtful debts, if any. The aging analysis for amount receivable from clients for more than five days is as follows.

Amount due from clients for more than 5 days	<b><u>35,268,947</u></b>
Value of listed shares (collateral) after applying haircut on the basis of VAR	<b><u>545,081,654</u></b>
Amount receivable from clients exceeding the collateral held from such customers	<b><u>-</u></b>

**10 RECEIVABLE AGAINST MARGIN FINANCING**

This represents receivable against margin financing from clients amounting to **Rs. 484,480,407/- (2017: 624,856,779/-)**

**11 ADVANCES, DEPOSITS, PRE-PAYMENTS & OTHER RECEIVABLES**

Exposure deposits	11.1	342,329,988	557,077,095
Advance payment of tax		176,493,834	177,425,952
Receivables from PSX against disposal of shares		-	26,487,368
Other receivables		6,785,338	254,068
		<b><u>525,609,160</u></b>	<b><u>761,244,483</u></b>

**MRA Securities Limited**  
**Notes to the Accounts**

Notes	Rupees 31-12-2017	Rupees 30-06-2017
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**12 SHORT TERM INVESTMENTS**

**Investments at fair values through profit & loss held for trading**

Listed equity securities

Unrealized gain / (loss) as a result of measurement at market value

214,461,733	80,906,350
	(13,675,880)

**Market value**

<b>214,461,733</b>	<b>67,230,470</b>
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**13 CASH AND BANK BALANCES**

Cash in hand

Cash at bank - *current accounts*

	113,724	104,232
<b>13.1</b>	12,111,250	12,498,980
	<b>12,224,974</b>	<b>12,603,212</b>

**13.1** Detail of customer assets held in designated bank accounts and Central Depository Company (CDC) are as follows.

Customer assets held in the designated bank accounts

-

Customer assets held in the Central Depository Company

-

Securities pledged with financial institution

-

**14 ISSUED, SUBSCRIBED AND PAID UP CAPITAL**

**Ordinary Shares of Rs. 10 /- each**

31-12-2017	30-06-2017		31-12-2017	30-06-2017
24,300,000	24,300,000	Ordinary shares of Rs. 10 each fully paid in cash	243,000,000	243,000,000
3,200,000	3,200,000	Ordinary shares of Rs. 10 each issued for consideration other than in cash.	32,000,000	32,000,000
<b>40,000,000</b>	<b>27,500,000</b>		<b>400,000,000</b>	<b>275,000,000</b>

**MRA Securities Limited**  
**Notes to the Accounts**

Notes	Rupees 31-12-2017	Rupees 30-06-2017
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**14.1** The shareholders are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry "one vote" per share without restriction.

**15 DEFERRED LIABILITIES - GRATUITY**

Opening balances	2,147,215	4,378,161
Add : Provision made during the year	-	-
	2,147,215	4,378,161
Less : Paid during the year		(2,230,946)
		2,147,215

In the opinion of the management actuarial valuation would not result in material difference between the provision provided in accounts.

**16 LONG TERM LOAN - UNSECURED**

Related parties	16.1	209,000,000	332,880,000
		209,000,000	332,880,000

**16.1** This facility is obtained from directors and other associated persons without any markup & repayable at the discretion of the company.

**17 SHORT-TERM RUNNING FINANCE - SECURED**

From banking company	17.1	64,455,163	160,916,127
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**17.1** The Company has obtained short term running finance facilities from commercial banks, to meet exposure and working capital requirements, amounting to Rs. 500 million (2016: 500 million). The mark-up charged on these facilities ranges from 3 months KIBOR + 2.00% to 6 months KIBOR +2.00 per annum on daily outstanding balances payable quarterly. These facilities are secured against pledge of shares of blue chip companies and personal guarantees of all directors of the Company.

**MRA Securities Limited**  
**Notes to the Accounts**

Notes	Rupees 31-12-2017	Rupees 30-06-2017
<b>18 ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Accrued expenses		1,653,176
Markup payable	1,103,792	1,767,942
Workers' welfare fund payable	<b>18.1</b>	-
SST payable	2,112,711	2,509,978
CGT payable	2,677,280	2,055,800
Other liabilities	243,449,129	130,178,619
	<b>249,342,912</b>	<b>138,165,514</b>

- 18.1** During the year ended June 30, 2017, the Honorable Supreme Court of Pakistan vide its order dated September 27, 2016 revoked the amendments made in the Finance Act, 2006 and Finance Act, 2008 that broadened the scope of the obligation on industrial establishments to contribute towards Workers' Welfare Fund. The Honorable Supreme Court of Pakistan revoked the amendments pronouncing that contribution towards Workers' Welfare Fund constitutes a fee and not a tax; hence, the said amendments cannot be made through money bills (i.e. finance acts). Based on the order of the Honorable Supreme Court of Pakistan, the Company has reversed the provision for Workers' Welfare Fund recognized in prior years.

**19 CONTINGENCIES AND COMMITMENTS**

There are no contingencies and commitments as on June 30, 2017 (2016: Nil).

**20 OPERATING REVENUE**

Brokerage commission	103,049,006	388,276,948
Dividend income	3,102,321	2,920,459
	<b>106,151,327</b>	<b>391,197,407</b>

**MRA Securities Limited**  
**Notes to the Accounts**

Notes	Rupees 31-12-2017	Rupees 30-06-2017
<b>22 ADMINISTRATIVE EXPENSES</b>		
Directors' remuneration	29 3,000,000	6,000,000
Salaries, wages and other benefits	13,582,829	35,886,518
Rent, rates and taxes	508,200	762,000
Telephone and communication charges	1,381,898	4,604,205
Utility charges	1,270,550	2,691,065
Printing and stationery	336,757	5,604,012
Travelling and conveyance	1,541,400	3,953,175
Postage and courier	85,170	268,705
Entertainment	1,501,717	9,025,355
Repair and maintenance	198,720	9,692,067
Computer and software expenses	185,172	5,955,987
Vehicle running expenses	160,488	3,978,296
Agents' commission	26,313,185	126,726,322
Fees and subscription	2,132,835	5,294,991
Audit fee	142,560	150,000
Bad debts	132,000	6,159,406
Legal and professional charges	-	109,200
Insurance	74,454	14,055
Service and transaction charges	20,803,856	47,933,603
Donation	-	8,415,775
Depreciation	-	6,223,446
Miscellaneous expenses	2,175,218	5,004,042
	<b>75,527,009</b>	<b>294,452,225</b>
<b>23 FINANCE COSTS</b>		
Bank charges and others	448,590	1,409,622
Markup on short term borrowings from banking companies	1,488,820	23,614,479
	<b>1,937,410</b>	<b>25,024,100</b>
<b>24 OTHER CHARGES</b>		
Workers' Welfare Fund	-	-
Loss on disposal of property & equipment	-	-
	<b>-</b>	<b>-</b>
<b>25 OTHER INCOME</b>		
<b>From financial assets</b>		
Profit on exposure deposit	4,318,226	8,084,954
Markup on margin financing	25,374	15,026
IPO commission	240,650	491,187
	<b>4,584,250</b>	<b>8,591,167</b>
<b>From non-financial assets</b>		
Recoveries	25,764,390	45,534,773
Reversal of provision for Workers' Welfare Fund	-	889,504
Rental income from investment property	3,016,048	4,655,844
	<b>28,780,438</b>	<b>51,080,121</b>
	<b>33,364,688</b>	<b>59,671,288</b>