

HORIZON SECURITIES LIMITED

Financial Statements

For the Half Year Ended December 31, 2020

HORIZON SECURITIES LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT DECEMBER 31, 2020

Assets	Note	Dec-20 Rupees	Jun-20 Rupees
Non current assets			
Property, plant and equipment	5	8,887,873	10,308,288
Right-of-use assets		8,191,354	9,202,689
Intangible asset		2,500,000	2,500,000
Long term investment	6	19,605,539	19,605,539
Long term Security deposits		1,680,000	1,680,000
		<u>40,864,766</u>	<u>43,296,516</u>
Current assets			
Trade debts - net	7	22,851,790	215,238,034
Investment in margin financing & margin trading		7,586,775	4,614,490
Advances, deposits and other receivables		126,670,920	86,900,368
Income tax refundable		5,243,969	4,960,210
Short term investments	8	738,571	2,331,989
Cash and bank balances		61,998,266	31,149,606
		<u>225,090,291</u>	<u>345,194,697</u>
		<u>265,955,057</u>	<u>388,491,213</u>
Total Assets			
Equity and Liabilities			
Share Capital and Reserves			
Authorised capital		<u>200,000,000</u>	<u>200,000,000</u>
Issued, subscribed and paid-up capital		139,650,000	139,650,000
Capital Reserve		(8,589,651)	(8,589,651)
Unappropriated profit		27,340,791	18,650,453
		<u>158,401,140</u>	<u>149,710,803</u>
Liabilities			
Non current liabilities			
		6,295,780	6,957,888
Current liabilities			
Trade and other payables	9	99,787,268	230,406,693
Current portion of non-current liabilities		1,470,870	1,415,830
		<u>101,258,138</u>	<u>231,822,523</u>
		<u>101,258,138</u>	<u>231,822,523</u>
Total Liabilities			
Contingencies and commitments	11	0	0
Total Equity and Liabilities		<u>265,955,057</u>	<u>388,491,213</u>

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


Chief Executive


Director

HORIZON SECURITIES LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED ON DECEMBER 31, 2020

	Half year ended		Quarter ended on	
	Dec-20 Rupees	Dec-19 Rupees	Dec-20 Rupees	Dec-19 Rupees
Commission Income	17,627,343	9,201,019	7,955,661	3,294,595
Gain/(Loss) on sale of short term investments - net	325,481	284,862		284,862
Fair value (loss) / gain on remeasurement of investments through profit or loss	8,820		7,515	
Dividend Income	617,782	705,999	615,782	702,999
Other income	4,368,326	703,251	3,834,929	577,875
	22,947,752	10,895,131	12,413,887	4,860,331
Administrative and operating expenses	(13,619,642)	(15,645,520)	(6,235,215)	(7,951,742)
Finance cost	(637,772)	(12,787)	(313,338)	(8,622)
Profit/(Loss) before taxation	8,690,338	(4,763,176)	5,865,334	(3,100,033)
Taxation				
Current				
Prior year				
Profit/(Loss) after taxation	8,690,338	(4,763,176)	5,865,334	(3,100,033)
Earning/ (Loss) per share - basic	0.62	(0.34)	0.42	(0.22)

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


Chief Executive


Director

HORIZON SECURITIES LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AIDITED)
FOR THE HALF YEAR ENDED ON DECEMBER 31, 2020

	Half year ended		Quarter ended on	
	Dec-20 Rupees	Dec-19 Rupees	Dec-20 Rupees	Dec-19 Rupees
Profit/(Loss) after taxation	8,690,338	(4,763,176)	5,865,334	(3,100,033)
Other Comprehensive Income				
Items that may be reclassified subsequently to profit and loss account				
Fair value gain on remeasurement of available for sale investment	0	0	0	0
Total comprehensive income/ (loss) for the year	<u>8,690,338</u>	<u>(4,763,176)</u>	<u>5,865,334</u>	<u>(3,100,033)</u>

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


Chief Executive


Director

HORIZON SECURITIES LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT(UN-AUDITED)
FOR THE HALF YEAR ENDED ON DECEMBER 31, 2020

	Dec-20 Rupees	Dec-19 Rupees
Cash flow from operating activities		
Profit/(Loss) before taxation	8,690,338	(4,763,176)
Adjustments for non-cash charges and other items:		
Depreciation	1,399,134	455,321
Accounting Gain on sale of Asset	(3,245,179)	
Fair value loss / (gain) on remeasurement of investments through profit or loss	(8,820)	(284,862)
Finance cost	637,772	12,787
Profit/(Loss) before working capital changes	7,473,245	(4,579,930)
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets:		
Trade receivables	192,386,244	165,294,041
Investment in Financing	(2,972,285)	
Advances and prepayments	(35,270,552)	(11,208,481)
Short term investments - net	1,602,238	0
(Decrease) / increase in current liabilities:		
Trade payables & other Payables	(130,619,425)	(161,128,386)
	25,126,220	(7,042,826)
Cash used in operations	32,599,464	(11,622,756)
Income tax paid	(283,759)	(493,065)
Net cash used in operating activities	32,315,705	(12,115,821)
Net cash (used in) / generated from investing activities		
- fixed capital expenditure	(222,205)	0
Refund of expousre		100,000
Cash flow from financing activities		
Lease finances - net	(607,068)	
Finance cost paid	(637,772)	(12,787)
Net cash (used in) / generated from financing activities	(1,244,840)	(12,787)
Net (decrease) / increase in cash and cash equivalents	30,848,660	(12,028,608)
Cash and cash equivalents - at beginning of the period	31,149,606	40,928,604
Cash and cash equivalents - at end of the period	61,998,266	28,899,996

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


Chief Executive


Director

HORIZON SECURITIES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED ON DECEMBER 31, 2020

	Share Capital	Capital Reserve	Revenue Reserve	
	Paid up ordinary share capital	Fair value (loss) / gain on remeasure- ment of available- for-sale investments	Unappr- opriated profit	Total Equity
	----- Rupees -----			
Balance as at June 30, 2019	139,650,000	(9,036,957)	15,548,390	146,161,433
Total comprehensive (loss) / income for the six months ended December 31, 2019				
Profit for the six months	-	-	(4,763,176)	(18,625,803)
Other comprehensive income	-	-	-	-
	-	-	(18,625,803)	(18,625,803)
Balance as at December 31, 2019	139,650,000	(9,036,957)	(3,077,413)	127,535,630
Balance as at June 30, 2020	139,650,000	(8,589,651)	18,650,453	149,710,802
Total comprehensive (loss) / income for the six months ended December 31, 2020				
Profit for the six months	-	-	8,690,338	8,690,338
Other comprehensive income	-	-	-	-
	-	-	8,690,338	8,690,338
Balance as at December 31, 2020	139,650,000	(8,589,651)	27,340,791	158,401,140

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


Chief Executive


Director

HORIZON SECURITIES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED ON DECEMBER 31, 2020

1. LEGAL STATUS AND OPERATIONS

Horizon Securities Limited (the Company) was incorporated in Pakistan on January 08, 2007 as a Single Member Company under the Companies Ordinance, 1984. The Company was incorporated pursuant to the corporatisation policy of the Securities and Exchange Commission of Pakistan to enable the individual members of Stock Exchanges to transfer their membership along with all entitlements related thereto to a corporate entity. The status of the Company was first converted into a Private Limited Company with effect from May 27, 2011 and then a Public Limited Company with effect from June 27, 2011.

The Company is a Trading Right Entitlement Certificate holder Pakistan Stock Exchange Limited. The Company is principally engaged in shares brokerage Services The Company's registered office is located at 2nd Floor, Plaza 79-A, Banker Cooperative Housing Society, Lahore

2 Basis of measurement

2.1 Statement of compliance

This condensed interim financial report of the company for the six months period ended December 31, 2020 has been prepared in accordance with the requirements of the International Accounting/Financial Reporting Standard and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements are unaudited These condensed interim financial statements do not include all of the information and disclosures required in the financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2020.

2.2 Functional and presentation currency

These financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency. All financial information presented in Pak Rupees has been rounded to the nearest to rupees unless otherwise stated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report are the same as those applied in the preparation of the financial statements for the year ended June 30, 2020.

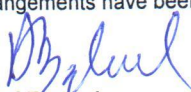
4 ESTIMATES

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended June 30, 2020.

5 PROPERTY, PLANT AND EQUIPMENT

	(Un-Audited) Dec 31 2020 Rupees	(Audited) June30, 2020 Rupees
Opening Book Value	10,308,288	10,916,139
Addition during the period	222,205	321,000
Disposals during the period	(,1254821)	
Depreciation charge for the period	(,387799)	(,928851)
	<u>8,887,873</u>	<u>10,308,288</u>

	(Un-Audited) Dec 31 2020 Rupees	(Audited) June30, 2020 Rupees
6 LONG TERM INVESTMENTS		
LSE Financial Services Limited (formerly Lahore Stock Exchange Limited) 843,975 ordinary shares of Rs.10 each	19,605,539	19,158,233
Adjustment on remeasurement to fair value	-	447,306
	<u>19,605,539</u>	<u>19,605,539</u>
7 TRADE DEBTS		
Trade Debts- Gross	38,366,638	250,114,059
Less Provision for doubtful debts	<u>(15,514,848)</u>	<u>(20,388,860)</u>
	<u>22,851,790</u>	<u>229,725,199</u>
8 SHORT TERM INVESTMENT		
At fair value through profit or loss		
Investment in Listed Securities-At Cost	692,350	2,713,632
Unrealized gain/(loss) on re-measurement of investments	8,820	(419,044)
Mutual Fund	<u>37,401</u>	<u>37,401</u>
Carrying value	<u>738,571</u>	<u>2,331,989</u>
9 TRADE AND OTHER PAYABLES		
Payable to Clients	60,842,664	17,104,339
Payable to NCCPL	1,836,326	210,497,626
Accrued and other Payables	<u>37,108,278</u>	<u>2,804,728</u>
	<u>99,787,268</u>	<u>230,406,693</u>
10 FINANCIAL RISK MANAGEMENT		
The financial risk management objectives and policies are consistent with those disclosed in the Annual Financial Statements of the Company as at and for the year ended 30 June 2019		
11 CONTINGENCIES AND COMMITMENTS		
There are no major changes in the status of contingencies as reported in the annual financial in the annual financial statements of the statements for the year ended June 30, 2020.		
12 DATE OF AUTHORIZATION FOR ISSUE		
These financial statements were authorized for issue by the Board of Directors of the Company on <u>20-02-2021</u>		
13 GENERAL		
Corresponding figures have been re-arranged, wherever necessary, for the purposes of comparison; however, no material re-arrangements have been made in these financial statements.		



Chief Executive



Director