

LSE FINANCIAL SERVICES LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2020



LSE Financial Services Ltd.

Directors' Report

Dear Shareholders,

The Board of Directors is pleased to present its report along with the unaudited accounts of your Company for the 1st quarter period ended September 30, 2020:

Financial Highlights	Sep-20 Rs. In 000's	Sep-19 Rs. in 000's	Budget Rs. in 000's
Operating Revenue	38,204	41,233	34,081
Operating Expenditure	(23,530)	(26,655)	(27,590)
Operating Net Revenue	14,674	14,578	6,491
Share of profit of Associates-net of tax	49,373	27,530	34,947
Profit before Taxation	64,047	42,108	41,438
Taxation	11,448	11,192	7,684
Net Profit for the period	52,599	30,915	33,754
Earnings Per Share (EPS)	Rs. 0.41	Rs. 0.24	Rs. 0.26

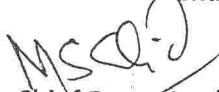
PERFORMANCE REVIEW

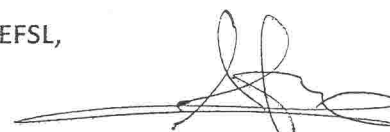
During the 1st quarter ended on September 30, 2020, LSEFSL earned Operating revenue of Rs 38.204 million, as compared to Rs. 41.233 million last year's comparative period, i.e., a decrease of 3.029 million or 7.34% due to reduction in interest rate. The revenue was generated from rent, profit from bank deposits, investments, income from MTS and other income. The administrative expenses were Rs. 23.530 million, i.e., low by Rs. 3.125 million or 12% from last year's comparative period. Expenses relating to Margin Trading System, Legal & professional, Utilities and property taxes are showing minor movement. The company also incorporates the share of profit of associate amounting to Rs. 49.373 million i.e. high by Rs. 21.843 million or 79% from comparative period. The Company earned a profit before taxation of Rs. 64.047 million for the period under review, which is higher by Rs. 21.939 million or 52%, as compared to corresponding period. Furthermore, profit after tax is up by Rs. 21.684 million or 70% from last year's comparative period and has reached Rs. 52.599 million. The company has also achieved its budgetary target of first quarter i.e. September 2020. From net operating profit prospective, the company's performance in the current quarter is better than previous year's corresponding period and budgetary comparative period as well.

Earnings per Share- (Basic & Diluted) for the period ended September 30, 2020 was recorded as Rs. 0.41 per share against Rs. 0.24 per share last year, which is increased by Rs. 0.17 or 70%. Further, the net asset value of the share is Rs. 23.63/-

During the period, JCR-VIS Credit Rating Company Ltd. re-affirmed entity ratings as A/A-1 to LSEFSL. Outlook on the assigned ratings is 'Stable'.

For and on behalf of the Governing Board of Directors of LSEFSL,


Chief Executive/Managing Director


Director

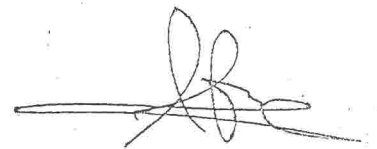
LSE FINANCIAL SERVICES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020 (UN-AUDITED)

	Note	September 30, 2020 Un-Audited	June 30, 2020 Audited
.....(Rupees in '000s).....			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	1,264,349	1,268,499
Investment property - at fair value		378,431	378,431
Investment accounted for using the equity method	6	1,034,930	996,289
Net investment in finance lease	7	3,934	4,282
Financial assets	8	50,749	52,300
Long term deposits	9	1,762	1,762
		<u>2,734,155</u>	<u>2,701,563</u>
CURRENT ASSETS			
Stores and spares		1,343	1,778
Trade and other receivables	10	26,871	22,417
Advances and prepayments	11	4,228	2,945
Financial assets	12	390,915	414,867
Advance income tax	13	36,746	35,908
Cash and bank balances	14	108,144	69,732
		<u>568,247</u>	<u>547,647</u>
		<u>3,302,402</u>	<u>3,249,210</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Issued, subscribed and paid-up capital	15	1,282,842	1,282,842
Capital reserves			
Revaluation surplus on property, plant and equipment		786,374	786,403
Surplus on revaluation of investments		3,863	4,964
Building reserve fund	16	500	-
		<u>790,737</u>	<u>791,367</u>
Revenue reserves			
Unappropriated profit		958,373	906,245
		<u>3,031,952</u>	<u>2,980,454</u>
NON-CURRENT LIABILITIES			
Deferred taxation	17	126,472	121,760
		<u>126,472</u>	<u>121,760</u>
CURRENT LIABILITIES			
Trade and other payables	18	111,920	113,788
Unpaid dividend	19	26,395	26,476
Unclaimed dividend	19	5,663	6,732
		<u>143,978</u>	<u>146,996</u>
CONTINGENCIES AND COMMITMENTS			
		<u>3,302,402</u>	<u>3,249,210</u>

The annexed notes 1 to 30 form an integral part of these financial statements.


Lahore Chief Executive Officer


Chief Financial Officer


Director

LSE FINANCIAL SERVICES LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED SEPTEMBER 30, 2020 (UN-AUDITED)

	Note	Quarter ended	
		September 30, 2020 Un-Audited	September 30, 2019 Un-Audited
(Rupees in '000s)			
CONTINUING OPERATIONS			
REVENUE			
Income from margin trading system	20	9,577	13,519
Rental income	21	12,084	11,214
Other income	22	16,544	16,500
		38,204	41,233
OPERATING EXPENSES			
Administrative and general expenses	23	(23,508)	(26,644)
OPERATING PROFIT			
Finance cost		(22)	(11)
Share of profit of associates - net of tax	6	49,373	27,530
PROFIT BEFORE TAXATION			
		64,047	42,108
Taxation	24	(11,448)	(11,193)
PROFIT AFTER TAXATION			
		52,599	30,915
EARNINGS PER SHARE OF RS. 10 EACH - basic and diluted	25	0.41	0.24

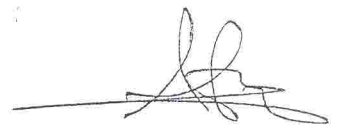
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Lahore Chief Executive Officer



Chief Financial Officer



Director

