

**Security Leasing
Corporation Limited**

QUARTERLY REPORT

MARCH 31,

2019



**Security Leasing
Corporation Limited**

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Mission

SLCL is committed to make a positive contribution towards the country's economy by achieving a leading position in the leasing industry.

SLCL intends to achieve its mission by:

- Enhancing value for its shareholders and lenders.
- Providing efficient and professional services to its customers based on the latest technology.
- Developing an efficient and professionally trained human resource.
- Following good and ethical business practices.

Vision

- SLCL has an infrastructure which can cater to substantial business as such SLCL is well poised to avail opportunities which will be available due to an upsurge in the economy.
- The future of the leasing sector is linked to the macro-economic performance of the country's economy. New projects and Investment in Balancing, Modernization & Replacement (BMR) tender more opportunities to generate more business for the leasing sector.

Business Strategy

The objective of the Company is to contribute towards the economic development of the country, while maintaining the progressive growth rate of the Company, by providing lease financing to small and medium sized business enterprises and individuals in the most efficient and effective manner.

The business strategy of the Company is based on the following:

1. Enhancing value for its shareholders and lenders

By investing into a diversified lease portfolio, the Company substantially reduces the risk of potential losses, which in turn promises to shield the shareholders equity and further increase the value of the stakeholders' interests. The Company's Earning Per Share reflects that the Company has not only safeguarded the stakeholders' interests efficiently but has also been successfully able to increase the value of their interests.

2. Providing efficient and professional services to its customers

SLCL is known for its quality service. The main objective of the organization is providing high quality services at economical prices. It has been the company's policy to give a wide variety of options to its customers, in order to facilitate their individual requirements.

3. Developing an efficient and professionally trained human resource

The management philosophy of the Company is to develop and maintain a professional organization with a blend of local culture and management style. The professional staff has been hired on the basis of merit from various business organizations.

4. Following Shariah injunctions for financing activities

The Company is committed towards continued improvement and diversification in its lease portfolio. By adopting an Islamic approach to leasing, the company will be able to improve its image as well as provide innovative ways in leasing to its customers.

Company Information

BOARD OF DIRECTORS

| | |
|-----------------------------|-------------------------|
| Mr. M.R Khan | Chairman |
| Ms. Farah Azeem | Chief Executive Officer |
| Mr. Muhammad Riaz Khokhar | Member |
| Mr. Muhammad Ramzan Behrani | Member |
| Mr. Azim Azfar | Member |
| Mr. Javed Haleem | Member |
| Mr. Muhammad Sharif Khawaja | Member |
| Mr. Ghulam Raza Dheraj | Member |

AUDIT COMMITTEE

| | |
|-----------------------------|----------|
| Mr. Muhammad Riaz Khokhar | Chairman |
| Mr. Azim Azfar | Member |
| Mr. Muhammad sharif Khawaja | Member |
| Mr. Ghulam Raza Dheraj | Member |

EXECUTIVE COMMITTEE

| | |
|---------------------------|----------|
| Mr. M R Khan | Chairman |
| Ms. Farah Azeez | Member |
| Mr. Muhammad Riaz Khokhar | Member |
| Mr. Azim Azfar | Member |
| Mr. Javed Haleem | Member |
| Mr. Ghulam Raza Dheraj | Member |

HR & COMPENSATION COMMITTEE

| | |
|-----------------------------|----------|
| Mr. Muhammad Ramzan Behrani | Chairman |
| Mr. Muhammad Sharif Khawaja | Member |
| Mr. Ghulam Raza Dheraj | Member |
| Ms. Farah Azeem | Member |

COMPANY SECRETARY

Muhammad Farooq

EXTERNAL AUDITORS

J.A.S.B. & Associates
Chartered Accountants

INTERNAL AUDITORS

UHY Hassan Naeem & Co.
Chartered Accountants

LEGAL ADVISORS

M/S Abdul Karim Khan & Company
Advocates, Solicitors & Legal Advisor

TAX CONSULTANTS

UHY Hassan Naeem & Co.
Chartered Accountants

REGISTERED & HEAD OFFICE

Block 'B', 5th Floor, Lakson Square No. 3,
Sarwar Shaheed Road, Karachi 74200
Tel: 35660307-08, 35660312-13 Fax: 021 - 3568 9854
Web: www.seclearse.com e-mail: slcl@seclearse.com

BRANCH

Lahore - North Region
D-802, 8th Floor, City Towers,
6-K, Main Boulevard, Gulberg-II, Lahore-54600.
Phone: 042 - 35788660-62 Fax: 042 - 35788659

SHARE REGISTRAR

F. D. Registrar Services (SMC-Pvt) Ltd.
Office # 1705, 17th Floor, Saima Trade Tower-A,
I.I. Chundrigar Road, Karachi-74000.
Tel: 92-21-35478192-93 / 32271906 Fax: 92-21-32621233
E-mail: fdregistrar@yahoo.com

DIRECTORS' REVIEW

The directors are pleased to present their report on the unaudited financial statements of the company for the Quarterly ended March 31st, 2019. The total assets of the company as of 31st March 2019 were Rs. 660.30 million compared to Rs.685.87 million as of 30th June 2018. This was mainly due to the reduction in company's portfolio. During the Quarter under review the total revenue of the Company were amounted to Rs.7.19 million compared to Rs.69.95 million during the Quarter ended 31st March 2018.The Company suffered after tax loss of 18.57 million in a period under review as compared to after tax profit of Rs. 2.35 million during the quarter ended March 31, 2018. The loss per share as of March 31, 2019 was Rs.0.51 as compared to the earning per share Rs.0.06 as of March 31, 2018.

The company's income level remained under pressure due to continued reduction in its portfolio. However your directors are hopeful that with anticipated settlement with the creditors in the coming future the company would show positive trend in the coming periods.

Your directors recognize and appreciate the support of the regulatory authorities and the lending institutions as also the dedicated services rendered by the management and the staff of the Company.

For and on behalf of the Board of Directors



Farah Azeem

Chief Executive Officer

Karachi: April 25,2019

ڈائیکٹرز کی رپورٹ

آپ کے ڈائریکٹر 31 مارچ 2019 کو ختم ہونے والی سہ ماہی کی ان اوڈیٹڈ (Un-audited) مالی دستاویزات پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔ 31 مارچ 2019 کو کمپنی کے اثاثوں کی مجموعی مالیت 660.30 ملین روپے تھی جب کہ 30 جون 2018ء کو یہ مالیت 685.87 ملین روپے تھی اس کی وجہ کمپنی کی موجودہ پورٹ فولیو میں کمی ہے۔ زیر جائزہ مدت کے دوران کمپنی کی آمدنی کی 7.19 ملین رہی جب کہ گزشتہ سال اس مدت میں یہ سطح 69.95 ملین تھی۔ زیر غور مدت میں کمپنی کا بعد از ٹیکس خسارہ 18.57 ملین روپے رہا جب کہ گزشتہ سال اسی مدت میں بعد از ٹیکس منافع 2.35 ملین تھا 31 مارچ 2019 کو کمپنی کافی حصص نقصان 0.51 روپے رہا جب کہ گزشتہ سال اس مدت میں فی حصص منافع 0.06 روپے تھا۔

زیر غور مدت میں آمدنی کی سطح کم رہی تاہم آپ کے ڈائریکٹر نے کمپنی کے اثاثوں کے بہتر استعمال اور قرض خواہوں سے وصولی کے عمل کو تیز کرنے کے لیے نئے خطوط پر کام شروع کیا ہے ساتھ ہی ساتھ کمپنی کو چلانے کی انتظامی لاگت میں بھی نمایاں کمی کی گئی ہے تاکہ آمدنی کی سطح کو بڑھایا جاسکے۔ ان تمام عوامل کو مد نظر رکھتے ہوئے اس بات کی قوی امید ہے کہ اگلی سہ ماہی کے نتائج آمدنی کی بہتر سطح، ایکویٹی میں اضافہ فی حصص آمدنی میں اضافہ جیسے مثبت رجحان کی نشاندہی کریں گے۔

بورڈ اپنے سرمایہ کار قرض دہندہ اور ریگولیٹری اتھارٹیز کے اس مشکل وقت میں مسلسل تعاون پر نہایت شکر گزار ہیں۔ ساتھ ساتھ اپنے تمام عملے کی کوششوں اور ان کی لگن جس کی وجہ سے کمپنی کے آپریشن کو ان مشکل حالات میں جاری رکھنا ممکن ہو سکا نہایت ممنون ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے اور ان کے لیے۔

فرح عظیم

چیف ایگزیکٹو آفیسر


25 اپریل 2019

SECURITY LEASING CORPORATION LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2019

| ASSETS | Note | Un-audited 31 March 2019 Rupees | Audited 30 June 2018 Rupees |
|--|------|---------------------------------------|-----------------------------------|
| Current assets | | | |
| Cash and bank balances | 5 | 363,012 | 3,340,121 |
| Short term finances | | 54,000,000 | 54,000,000 |
| Advances, prepayments and other receivables | | 1,154,074 | 1,192,987 |
| Taxation-net | | 7,343,876 | 6,494,261 |
| Current maturity of non-current assets | 6 | 197,656,433 | 203,532,424 |
| Total current assets | | 260,517,395 | 268,559,793 |
| Non-current assets | | | |
| Net investment in finance leases | 7 | - | 15,541,259 |
| Long-term deposits | | 504,500 | 504,500 |
| Property and equipment | 8 | 64,957,734 | 66,952,302 |
| Deferred tax asset | 9 | 334,321,869 | 334,321,869 |
| Total non-current assets | | 399,784,103 | 417,319,930 |
| Total assets | | 660,301,498 | 685,879,723 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Accrued and other liabilities | | 78,624,453 | 80,169,061 |
| Current maturity of non-current liabilities | 10 | 391,140,341 | 372,461,842 |
| Total current liabilities | | 469,764,794 | 452,630,910 |
| Non-current liabilities | | | |
| Long-term finances | 11 | 64,324,047 | 88,383,407 |
| Long-term deposits | | - | 80,008 |
| Total non-current liabilities | | 64,324,047 | 88,463,415 |
| Total liabilities | | 534,088,841 | 541,094,325 |
| NET ASSETS | | 126,212,657 | 144,785,398 |
| REPRESENTED BY SHAREHOLDERS' EQUITY | | | |
| Share capital and reserve | | | |
| Issued, subscribed and paid-up share capital | 12 | 438,027,750 | 438,027,750 |
| Reserves | 13 | (333,463,232) | (315,587,451) |
| | | 104,564,518 | 122,440,299 |
| Surplus on revaluation of fixed assets | | 21,648,139 | 22,345,099 |
| Total shareholders' equity | | 126,212,657 | 144,785,398 |
| CONTINGENCIES AND COMMITMENTS | 14 | | |

The annexed notes from 1 to 17 form an integral part of these financial statements.


FARAH AZEEM
CHIEF EXECUTIVE OFFICER


MUHAMMAD FAROOQ
CHIEF FINANCIAL OFFICER


M. R. KHAN
CHAIRMAN

SECURITY LEASING CORPORATION LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

| | Note | Nine Month Ended | | Quarter ended | |
|--|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | March 31, 2019 Rupees | March 31, 2018 Rupees | March 31, 2019 Rupees | March 31, 2018 Rupees |
| REVENUE | | | | | |
| Income from: | | | | | |
| Finance leases | | 89,292 | 3,763,673 | 2,096 | 46,331 |
| Other operating income | | 7,097,323 | 66,189,351 | 2,308,639 | 61,761,318 |
| | | <u>7,186,615</u> | <u>69,953,024</u> | <u>2,310,735</u> | <u>61,807,649</u> |
| Unwinding of financial liability | | <u>(14,009,032)</u> | <u>(21,745,746)</u> | <u>(4,384,608)</u> | <u>(6,607,156)</u> |
| | | <u>(6,822,417)</u> | <u>48,207,278</u> | <u>(2,073,873)</u> | <u>55,200,493</u> |
| EXPENSES | | | | | |
| Administrative and selling | | 10,752,024 | 19,170,950 | 3,300,631 | 5,557,876 |
| Finance costs | | 981,222 | 365,841 | 319,361 | 167,868 |
| Provision & Write-offs | | - | 25,988,384 | - | - |
| | | <u>11,733,246</u> | <u>45,525,175</u> | <u>3,619,992</u> | <u>5,725,744</u> |
| Operating (Loss)/Profit before Income tax | | <u>(18,555,663)</u> | <u>2,682,103</u> | <u>(5,693,865)</u> | <u>49,474,749</u> |
| Income tax expense | | | | | |
| - current | | (17,000) | (328,767) | - | (262,767) |
| | | <u>(17,000)</u> | <u>(328,767)</u> | <u>-</u> | <u>(262,767)</u> |
| Loss for the period | | <u>(18,572,663)</u> | <u>2,353,336</u> | <u>(5,693,865)</u> | <u>49,211,982</u> |
| Loss per share | 15 | <u>(0.51)</u> | <u>0.06</u> | <u>(0.16)</u> | <u>1.36</u> |

The annexed notes from 1 to 17 form an integral part of these financial statements.


FARAH AZEEM
CHIEF EXECUTIVE OFFICER


MUHAMMAD FAROOQ
CHIEF FINANCIAL OFFICER


M.R KHAN
CHAIRMAN


SECURITY LEASING CORPORATION LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

| | Nine Month Ended | | Quarter ended | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | March 31, 2019 Rupees | March 31, 2018 Rupees | March 31, 2019 Rupees | March 31, 2018 Rupees |
| Loss for the year | (18,572,663) | 2,353,336 | (5,693,865) | 49,211,982 |
| Other comprehensive income | | | | |
| Surplus on revaluation of property | 696,880 | 2,121,666 | 313,091 | 319,002 |
| Other comprehensive income for the year | 696,880 | 2,121,666 | 313,091 | 319,002 |
| Total Comprehensive loss for the year | (17,875,783) | 4,475,002 | (5,380,774) | 49,530,984 |

The annexed notes from 1 to 17 form an integral part of these financial statements.



FARAH AZEEM
CHIEF EXECUTIVE OFFICER



MUHAMMAD FAROOQ
CHIEF FINANCIAL OFFICER




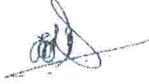
M.R KHAN
CHAIRMAN

SECURITY LEASING CORPORATION LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

| | Share capital | Reserves | | Total |
|---|---------------|---------------------------|-------------------------------|--------------|
| | | Capital Statutory reserve | Revenue Unappropriated profit | |
| ----- Rupees ----- | | | | |
| Balance as at June 30, 2017 | 438,027,750 | 181,867,005 | (527,202,471) | 92,692,093 |
| Change in equity for the period ended March 31, 2018 | | | | |
| Transferred from surplus on revaluation of fixed assets - | | | 2,121,666 | |
| Net income recognised directly in equity | | | 2,121,666 | 2,121,666 |
| Loss for the year | | | (18,572,663) | (18,572,663) |
| Total recognised expense for the period | | | (16,450,997) | (16,450,997) |
| Balance as at March 31, 2018 | 438,027,750 | 181,867,005 | (543,653,470) | 76,241,285 |
| Change in equity for the year ended June 30, 2018 | | | | |
| Transferred from surplus on revaluation of fixed assets - | | | 3,748,189 | |
| Net income recognised directly in equity | | | 3,748,189 | 3,748,189 |
| Loss for the year | | | 25,999,828 | 25,999,828 |
| Total recognised expense for the period | | | 29,748,017 | 29,748,017 |
| Balance as at June 30, 2018 | 438,027,750 | 181,867,005 | (497,454,454) | 122,440,110 |
| Change in equity for the period ended March 31, 2019 | | | | |
| Transferred from surplus on revaluation of fixed assets - | | | 696,880 | |
| Net income recognised directly in equity | | | 696,880 | 696,880 |
| Loss for the year | | | (18,572,663) | (18,572,663) |
| Total recognised expense for the period | | | (17,875,783) | (17,875,783) |
| Balance as at March 31, 2019 | 438,027,750 | 181,867,005 | (515,330,237) | 104,564,518 |


FARAH AZEEM
CHIEF EXECUTIVE OFFICER



MUHAMMAD FAROOQ
CHIEF FINANCIAL OFFICER


M.R KHAN
CHAIRMAN

SECURITY LEASING CORPORATION LIMITED
CONDENSED INTERIM CASH FLOWS STATEMENT
FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

| | Note | March 31, 2019 Rupees | March 31, 2018 Rupees |
|--|------|-----------------------------|-----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Loss before income tax including discontinued operation | | (18,555,663) | 2,682,103 |
| Depreciation | | 1,994,550 | 5,360,754 |
| Gain on disposal of property and equipment | | - | (54,956) |
| Gain on De-recognition | | - | (59,428,900) |
| Finance costs | | 981,222 | 365,841 |
| Unwinding of financial liability/issue cost of sukuk | | 14,230,976 | 22,017,435 |
| Provision for potential lease and other losses | | - | 15,273,061 |
| | | <u>17,206,748</u> | <u>(16,466,765)</u> |
| Operating loss before working capital changes | | (1,348,915) | (13,784,662) |
| Working capital changes | | | |
| Decrease in net investment in finance leases | | 21,417,250 | 30,241,257 |
| (Increase)in advances, prepayments and other receivables | | 38,853 | 441,387 |
| Decrease in deposits from leases | | (19,691,852) | (6,875,600) |
| (Decrease) / Increase in accrued and other liabilities | | (1,544,608) | (4,392,038) |
| | | <u>219,643</u> | <u>19,415,006</u> |
| Cash from operations after working capital changes | | (1,129,272) | 5,630,344 |
| Financial charges paid | | (981,222) | (365,841) |
| Taxes paid | | (866,615) | (1,331,401) |
| | | <u>(1,847,837)</u> | <u>(1,697,242)</u> |
| Net cash from operating activities | | (2,977,109) | 3,933,102 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from disposal of property and equipment(net) | | - | 55,000 |
| Net cash from investing activities | | - | 55,000 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of long term finances | | - | (7,701,825) |
| Net cash used in financing activities | | - | (7,701,825) |
| Net increase in cash and cash equivalents | | (2,977,109) | (3,713,723) |
| Cash and cash equivalents at beginning of the year | | 3,340,121 | 4,144,334 |
| Cash and cash equivalents at end of the year | 16 | <u>363,012</u> | <u>430,611</u> |


FARAH AZEEM
CHIEF EXECUTIVE OFFICER


MUHAMMAD FAROOQ
CHIEF FINANCIAL OFFICER


M.R KHAN
CHAIRMAN

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED MARCH 31, 2019 (Un-audited)

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Security Leasing Corporation Limited ("the Company") was incorporated in Pakistan on December 6, 1993 and commenced its operations on May 21, 1995. The Company is a Non-Banking Finance Company (NBFC) under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and engaged in the business of leasing.

The registered office of the Company is situated at Block B, 5th Floor, Lakson Square Building No.3, Sarwar Shaheed Road, Karachi, Pakistan. The Company is listed on Karachi and Lahore Stock Exchanges.

- 1.2 The Company is licensed to operate as leasing Company by Securities and Exchange Commission of Pakistan (SECP) and its forbearance of the license was extended up to July 2011. The renewal request is submitted with the Commission.

Since the start of the financial and economic crisis in Pakistan in October 2008, the financing facilities of the Company were abruptly withdrawn by the banks which resulted in reduction of portfolio of leasing and other finances. The private sector especially NBFCs could not attract any funding in form of either equity or financing facility due to crowding out by high fiscal borrowings of government. The Company was feeling extraordinary pressure on its repayment capacity due to constant reduction of portfolio and absence of sizeable fresh business. Therefore, the Company negotiated on different occasion in last four years with its lenders of long and short term funding for the reprofiling of its financial liabilities and now the Company has requested all its lenders to make full and final settlement by offering Specific leased assets under charge, additional lease assets from the portfolio and all the properties owned by the Company.

Mitigating Factors

The main objective of requesting the lenders for full and final settlements of financial liabilities was to increase cash flows and equity of the Company. In addition to these measure, the Company also taking drastic steps to reduce the administrative costs by laying of its staff from all cadres as well as revising certain staff benefits. These measures helped operationally for the Company as a going concern entity.

The Management is hopeful that settlement with lenders will assist in reducing losses and improving the equity of the Company. This will make the company attractive for equity participation/merger /acquisition to inject additional equity.

The Company is making efforts to improve equity level through bringing fresh equity. In this regard some positive progress has been made.

The company is constantly looking for options to increase the equity levels by soliciting investor for cash and in kind equity investment. The Board and its management are hopeful that these measures would bring stability to the Company and results would start to improve in the coming periods.

2 BASIS OF MEASUREMENT

These financial statements have been prepared under historical cost convention except for certain property and equipment which have been stated at revalued amounts and financial assets and financial liabilities which have been stated at their fair values, cost or amortized cost.

The financial statements have been prepared following the accrual basis of accounting except for the cash flow information.

3 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting standards, as applicable in Pakistan and the requirements of the Companies Ordinance, 1984 (the Ordinance), the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations). Approved accounting standards comprise such International Financial Reporting Standard (IFRS) issued by International Accounting Standard Board (IASB) as are notified under the provisions of the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. Wherever, the requirements of the Ordinance, the Rules and the Regulations differ with the requirements of IFRS, the requirements of the Ordinance, the Rules or the Regulations shall prevail.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these quarterly accounts are the same as those applied in the preparation of the preceding annual published accounts of the company for the year ended June 30, 2018.

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SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

| | Note | Un-audited March, 2019 Rupees | Audited JUNE, 2018 Rupees |
|---------------------------------------|------|-------------------------------------|---------------------------------|
| 8 PROPERTY AND EQUIPMENT | | | |
| Property and equipment | | | |
| -owned | | 64,957,744 | 66,952,302 |
| -leased | | - | - |
| | | <u>64,957,744</u> | <u>66,952,302</u> |
| Opening WDV of property and equipment | | 66,952,302 | 73,636,021 |
| Additions to property and equipment | | - | - |
| Depreciation charge | | 66,952,302 | 73,636,021 |
| Disposals/ transfers made at WDV | | 1,994,558 | 6,683,631 |
| Closing WDV of property and equipment | | - | 98 |
| | | <u>64,957,744</u> | <u>66,952,302</u> |

8.1 Detail of additions and disposals in operating fixed assets during the period.

| | Un-audited 31 March 2019 Rupees | | Audited 30 June 2018 Rupees | |
|------------------------|---------------------------------------|-----------|-----------------------------------|-----------|
| | Additions | Deletions | Additions | Deletions |
| Furniture and fixtures | - | - | - | 842,714 |
| Office equipment | - | - | - | 788,342 |
| Office equipment | - | - | - | 852,023 |
| Computer equipment | - | - | - | 658,476 |
| Air Conditioners | - | - | - | 3,141,555 |
| | - | - | - | - |

Amount shown in deferred taxation represents balances as at June 30, 2018. No further deferred tax has been recognized during the period and shall be recorded in annual

| | Note | Un-audited March 31, 2019 Rupees | Audited June 30, 2018 Rupees |
|---|------|---|---------------------------------------|
| 10 CURRENT MATURITY OF NON- CURRENT LIABILITIES | | | |
| Long term finances | 11 | 292,481,165 | 254,190,829 |
| Long term deposits | | 98,659,176 | 118,271,020 |
| | | <u>391,140,341</u> | <u>372,461,849</u> |
| 11 LONG-TERM FINANCES - secured | | | |
| Other than related party | | | |
| Privately Placed SUKUKs | | 214,608,455 | 205,771,934 |
| Long-term loans | | 142,196,757 | 136,802,302 |
| | | <u>356,805,212</u> | <u>342,574,236</u> |
| Transfer to liabilities directly associated with the assets held for sale | | - | - |
| | | <u>356,805,212</u> | <u>342,574,236</u> |
| Less: Current maturity due but not paid | | | |
| Privately Placed SUKUKs | | 144,726,563 | 121,875,000 |
| Long-term loans | | 96,700,852 | 81,262,080 |
| | | <u>241,427,415</u> | <u>203,137,080</u> |
| Less: Current maturity shown under current liabilities | | | |
| Privately Placed SUKUKs | | 30,468,750 | 30,468,750 |
| Long-term loans | | 20,585,000 | 20,584,999 |
| | | <u>51,053,750</u> | <u>51,053,749</u> |
| | | <u>292,481,165</u> | <u>254,190,829</u> |
| | | <u>64,324,047</u> | <u>88,383,407</u> |

SECURITY LEASING CORPORATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2019 (UN-AUDITED)

| | Note | Un-audited March, 2019 Rupees | Audited JUNE, 2018 Rupees |
|--|------|-------------------------------------|---------------------------------|
| 12 SHARE CAPITAL | | | |
| Authorised capital | | | |
| 75,000,000 (30 June 2018: 75,000,000) ordinary shares of Rs. 10 each | | 750,000,000 | 750,000,000 |
| 50,000,000 (30 June 2018: 50,000,000) preference shares of Rs. 10 each | | 500,000,000 | 500,000,000 |
| | | <u>1,250,000,000</u> | <u>1,250,000,000</u> |
| Issued, subscribed and paid-up share capital | | | |
| 22,100,000 (30 June 2018: 22,100,000) ordinary shares of Rs. 10 each fully paid in cash | | 221,000,000 | 221,000,000 |
| 14,200,000 (30 June 2018: 14,200,000) ordinary shares of Rs. 10 each issued as fully paid bonus shares | | 142,000,000 | 142,000,000 |
| | | <u>363,000,000</u> | <u>363,000,000</u> |
| Preference shares | | | |
| 7,502,775 (30 June 2018: 7,502,775) preference shares-class A of Rs. 10 each fully paid in cash | | 75,027,750 | 75,027,750 |
| | | <u>438,027,750</u> | <u>438,027,750</u> |
| 13 RESERVES | | | |
| Capital reserve | | | |
| Statutory reserves | | 181,867,005 | 181,867,005 |
| Revenue reserve | | | |
| Accumulated loss | | (515,330,237) | (497,454,456) |
| | | <u>(333,463,232)</u> | <u>(315,587,451)</u> |
| 14 CONTINGENCIES AND COMMITMENTS | | | |
| Commitments for lease disbursements | | - | - |

| | Nine Month Ended | | Quarter ended | |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | March 31, 2019 Rupees | March 31, 2018 Rupees | March 31, 2019 Rupees | March 31, 2018 Rupees |
| 15 (LOSS)/EARNINGS PER SHARE - Basic and diluted | | | | |
| Loss attributable to ordinary Shareholders | (18,572,663) | 2,353,336 | (5,693,865) | 49,211,982 |
| Number of ordinary shares issued and subscribed | 36,300,000 | 36,300,000 | 36,300,000 | 36,300,000 |
| Loss per share-Rupees | (0.51) | 0.06 | (0.16) | 1.36 |


(Loss)/Earnings per share has been calculated by dividing (loss)/profit for the year attributable to the ordinary shareholders outstanding at the period end by the weighted average number of shares outstanding during the period.

| | Note | Un-audited March 31, 2019 Rupees | Audited March 31, 2018 Rupees |
|-------------------------------------|------|---|--|
| 16 CASH AND CASH EQUIVALENTS | | | |
| Balances with banks | 5 | 363,012 | 430,611 |
| | | <u>363,012</u> | <u>430,611</u> |

17 DATE OF AUTHORIZATION

These financial statements were authorized for issue on April 25, 2019 by the Board of Directors of the Company.


FARAH AZEEM
CHIEF EXECUTIVE OFFICER


MUHAMMAD FAROOQ
CHIEF FINANCIAL OFFICER


M. R. KHAN
CHAIRMAN