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COMPANY INFORMATION

Board of Directors

Mr. Reza Jaffar
Mr. Roger Dawood Bayat
Mrs. Neena Jaffar
Mr. Naveed Gilani
Mr. Abdul Basit Pracha Asi Nizami
Mr. Syed Javed Hussain
Mr. Abdul Basit

Chairman
Chief Executive
Director
Director
Director
Director
Director

Audit Committee

Mr. Abdul Basit Pracha Asi Nizami
Mr. Reza Jaffar
Mrs. Neena Jaffar

Chairman
Member
Member

Company Secretary

Mr. Abdul Basit

Auditors

Haroon Zakaria & Company
Chartered Accountants

Legal Advisor

Mr. Abdul Majid
Advocate

Bankers

Bank Alfalah Limited
MCB Bank Limited
Emirates Global Islamic Bank Limited
Habib Metropolitan Bank Limited

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Report of the Directors for the Quarter ended September 30, 2008

The Directors of your company are pleased to present the first quarter un-audited financial statements for the period ended September 30, 2008.

Financial Results

The summarized financial results are as follows:

	Jul - Sep 2008 (3 Months) Rupees
Operating revenue	1,741,869
Add: Gain from dealing in marketable securities	2,793,780
	<u>4,535,649</u>
Less: Operating and administrative expenses	2,515,111
Financial charges	21,477
	<u>2,536,588</u>
Operating Profit	1,999,061
Add: Other income	141,838
Profit before taxation	2,140,899
Less: Taxation	300,000
Profit after taxation	<u>1,840,899</u>
Earning per share - basic and diluted	<u>0.18</u>

The worries of the market across the globe deepened during September and Pakistan was no exception. The KSE decision to freeze the market in August continued during the whole month of September which results in sharp decline in the market volumes. The KSE 100-index without major changes remained near the freeze level of 9,145 points and finally settled at 9,180 points on September 30, 2008. During the quarter, the company earned revenue of Rs. 4,677,487 as compared to Rs. 3,765,024 in the corresponding period of the last year. On the expenditure side, the operating expenses were Rs. 2,515,111 in comparison to Rs. 2,320,841 in the previous period. As a result, the company earned a net profit of Rs. 1,840,899 for the quarter ended September 30, 2008 as compared to Rs. 1,264,832 for the same period of the last year.

We are grateful to our bankers, SECP and Stock Exchange for their active support and true guidance. We would like to thank our valued clients and shareholders for their trust and confidence in the company.

For and on behalf of the Board

Lahore
October 31, 2008

ROGER DAWOOD BAYAT
CHIEF EXECUTIVE

Trust Securities & Brokerage Limited

TSBL

CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2008 (UN-AUDITED)

	Note	(UN-AUDITED) September 30, 2008 Rupees	(AUDITED) June 30, 2008 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	3,935,722	4,130,255
Intangible assets		4,162,600	4,162,600
Investments - available for sale		323,137	377,110
Advance for purchase of offices		100,000	100,000
Long term deposits		1,136,900	1,135,900
		<u>9,658,359</u>	<u>9,905,865</u>
CURRENT ASSETS			
Investment - at fair value through profit or loss		18,600,000	27,806,220
Receivable from customers		59,797,060	34,826,423
Placement of funds in CFS		-	7,176,070
Advances, deposits, prepayments and other receivables		1,446,991	4,486,596
Cash and bank balances		4,364,954	13,305,328
		<u>84,209,005</u>	<u>87,600,637</u>
TOTAL ASSETS		<u>93,867,364</u>	<u>97,506,502</u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital			
10,000,000 ordinary shares of Rs.10/- each		<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed and paid-up capital		<u>100,000,000</u>	<u>100,000,000</u>
Reserves		<u>(23,744,707)</u>	<u>(25,531,633)</u>
SHAREHOLDERS' EQUITY		<u>76,255,293</u>	<u>74,468,367</u>
NON-CURRENT LIABILITIES			
Liabilities against assets subject to finance lease	5	500,997	565,608
Deferred tax liability		194,310	194,310
CURRENT LIABILITIES			
Current portion of lease liabilities	5	249,944	244,381
Creditors, accrued and other liabilities		15,400,095	20,972,587
Provision for taxation - net		1,266,725	1,061,249
		<u>16,916,764</u>	<u>22,278,217</u>
Contingency and Commitments	7		
TOTAL EQUITY AND LIABILITIES		<u>93,867,364</u>	<u>97,506,502</u>

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

Chief Executive

Director

Trust Securities & Brokerage Limited

TSBL

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2008 (UN-AUDITED)

	July - September 2008 (3 Months) Rupees	July - September 2007 (3 Months) Rupees
Operating revenue	1,741,869	2,578,813
Add: Gain from dealing in marketable securities	2,793,780	850,000
	4,535,649	3,428,813
Less: Operating and administrative expenses	2,515,111	2,320,841
Financial charges	21,477	4,351
	2,536,588	2,325,192
Operating profit	1,999,061	1,103,621
Add: Other income	141,838	336,211
Profit before taxation	2,140,899	1,439,832
Less: Taxation	300,000	175,000
Profit after taxation	1,840,899	1,264,832
Earning per share - basic and diluted	0.18	0.13

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

Chief Executive

Director

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2008 (UN-AUDITED)

	July - September 2008 (3 Months) Rupees	July - September 2007 (3 Months) Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	2,140,899	1,439,832
Adjustment for non-cash charges and other items		
Depreciation	194,533	161,005
Profit on saving account	(124,120)	(336,211)
Interest income	(17,718)	-
Financial charges	21,477	4,351
Gain on sale of investments	(1,095,600)	-
Gain on remeasurement of investments to fair value	(1,698,180)	(850,000)
	<u>(2,719,608)</u>	<u>(1,020,855)</u>
Operating (loss) / profit before working capital changes	(578,709)	418,977
Changes in Working Capital		
(Increase) / decrease in current assets		
Receivable from customers	(24,970,637)	(2,026,688)
Placement of funds in CFS	7,176,070	(2,563,290)
Advances, deposits, prepayments and other receivables	3,039,605	1,674,596
	<u>(14,754,962)</u>	<u>(2,915,382)</u>
(Decrease) / Increase in trade and other payables	(5,572,492)	3,936,992
Cash (used in) / generated from operations	<u>(20,906,163)</u>	<u>1,440,587</u>
Financial charges	(21,477)	(4,351)
Income tax paid	(94,524)	(182,412)
Long term deposits - net	(1,000)	-
Profit on saving account	124,120	336,211
Interest income received	17,718	-
	<u>24,838</u>	<u>149,448</u>
Net cash (used in) / generated from operating activities	(20,881,325)	1,590,035
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	-	(197,967)
Acquisition of long term investments	-	(23,500)
Proceeds from sale of investments	12,000,000	-
Net cash generated from / (used in) investing activities	12,000,000	(221,467)
CASH FLOW FROM FINANCING ACTIVITIES		
Lease Repayment	(59,049)	-
Net (decrease) / increase in cash and cash equivalents	(8,940,374)	1,368,568
Cash and cash equivalents at the beginning of the period	<u>13,305,328</u>	<u>18,774,959</u>
Cash and cash equivalents at the end of the period	<u>4,364,954</u>	<u>20,143,527</u>

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

Chief Executive

Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2008
(UN-AUDITED)**

	ISSUED SUBSCRIBED AND PAID UP CAPITAL	RESERVES				SHARE HOLDERS' EQUITY	
		CAPITAL FAIR VALUE RESERVE	GENERAL RESERVE	REVENUE			GRAND TOTAL
				ACCUMULATED LOSS	SUB-TOTAL		
Rupees							
Balance as at June 30, 2007	100,000,000	299,455	3,500,000	(34,369,186)	(30,869,186)	69,430,269	
Change in fair value of investments available for sale for the quarter ended September 30, 2007	-	(71,011)	-	-	-	(71,011)	
Profit for the quarter ended September 30, 2007	-	-	-	1,264,832	1,264,832	1,264,832	
Balance as at September 30, 2007	100,000,000	228,444	3,500,000	(33,104,354)	(29,604,354)	70,624,090	
Balance as at June 30, 2008	100,000,000	17,630	3,500,000	(29,049,263)	(25,549,263)	74,468,367	
Change in fair value of investments available for sale for the quarter ended September 30, 2008	-	(53,973)	-	-	-	(53,973)	
Profit for the quarter ended September 30, 2008	-	-	-	1,840,899	1,840,899	1,840,899	
Balance as at September 30, 2008	100,000,000	(36,343)	3,500,000	(27,208,364)	(23,708,364)	76,255,293	

The annexed notes form an integral part of these financial statements

Chief Executive

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2008 (UN-AUDITED)

1. THE COMPANY AND ITS OPERATION

Trust Securities & Brokerage Limited (the Company) was incorporated in Pakistan on October 19, 1993 as a public limited company under the Companies Ordinance, 1984 (The Ordinance). The Company is listed on Karachi and Lahore Stock Exchanges in Pakistan. The Company is a Corporate Member of Lahore Stock Exchange (Guarantee) Limited. The registered office of the Company is situated at 3rd Floor, Associated House, Building # 1 & 2, 7 – Kashmir Road, Lahore. The Company is principally engaged in shares brokerage, portfolio management, investment advisory, consultancy services and underwriting services.

2. BASIS OF PREPARATION

These condensed interim financial statements are unaudited and have been prepared in accordance with the requirements of the International Financial Reporting Standards (IFRS) IAS - 34 Interim Financial Reporting as applicable in Pakistan and being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. 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 audited financial statements for the year ended on June 30, 2008.

3. ACCOUNTING POLICIES

Accounting policies adopted and applied for the preparation of these condensed interim financial statements are same as those adopted and applied in the preparation of the annual audited financial statements of the company for the year ended June 30, 2008.

4. PROPERTY AND EQUIPMENT

Additions / (deletions) made to the property and equipment are as follows:

Description	Un-audited For the quarter ended September 30, 2008	Audited For the year ended June 30, 2008
	← Rupees →	
Computers	-	630,559
Air conditioners	-	(66,505)
Furniture and Fixtures	-	14,000
Office equipments	-	280,629
Leased Vehicle	-	1,005,000

5. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

The amount of future payments for the lease and the period in which these payments will become due are:

	Un-Audited For the quarter ended September 30, 2008 Rupees	Audited For the year ended June 30, 2008 Rupees
Minimum lease payment		
Upto one year	307,620	307,620
More then one year	533,235	610,140
	840,855	917,760
Financial charges not yet due		
Upto one year	57,676	63,239
More then one year	32,238	44,532
	89,915	107,771
Present value of minimum lease payments		
Upto one year	249,944	244,381
More then one year	500,997	565,608
	750,940	809,989
Less: Current maturity shown under current liabilities	249,944	244,381
	500,997	565,608

The effective interest rate of lease is 9.04% (June 30, 2008: 9.04%).

6. TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise group companies, associates, directors and key management personnel.

Transaction with associated undertakings and key management personnels under the term of their employment, are as follows:

	Un-Audited For the quarter ended September 30, 2008 Rupees	Un-Audited For the quarter ended September 30, 2007 Rupees
Commission paid to Chief Executive/Directors	121,145	4,033
Commission received from Director	351,310	-
Salary drawn by Director	250,401	-
Receivable from Emirates Global Investment Bank Limited	997,390	997,390
Expenses incurred by the Chief Executive/Director	77,016	177,770
Receivable from Ensha NLC	54,416	54,416
Payable to Emirates Global Investment Limited	-	495,400
Underwriting commission due to related parties	-	146,868
CEO's travelling and lodging paid by associated undertaking	-	28,250

7. CONTINGENCIES AND COMMITMENTS**Contingencies**

There were no change in contingencies since the last audited financial statements for the year ended June 30, 2008.

	Un-Audited For the quarter ended September 30, 2008 Rupees	Audited For the year ended June 30, 2008 Rupees
Commitments		
For purchase of shares	2,899,675	26,410,688
For sale of shares	(2,210,087)	(24,086,549)

8. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on October 31, 2008.

9. GENERAL

Figures have been rounded off to the nearest rupee.

Chief Executive

Director

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