

CMA SECURITIES (PRIVATE) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

Independent Auditor's Report to the members of CMA SECURITIES (PVT.) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **CMA SECURITIES (PVT.) LIMITED**, which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2023 and of the loss, total comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business;
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980); and
- e) the company has duly complied with the requirements of Section 78 of the Securities Act, 2015, and relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the financial statements were prepared except for the requirements to maintain minimum Liquid Capital Balance and minimum Net Worth.

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Daoud.


CHARTERED ACCOUNTANTS

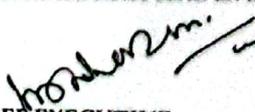
Lahore: 27 OCT 2023

UDIN: AR202310082B5J3budKQ

CMA SECURITIES (PVT.) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	*	2023	2022
	Note	Rupees	Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	4	264,614	201,135
Intangible assets	5	2,545,600	2,557,000
Long term investment	6	42,757,556	42,241,674
Long term deposits	7	500,000	605,000
Deferred tax asset	13	-	-
		46,067,770	45,604,809
CURRENT ASSETS			
Investment at fair value through profit or loss	8	14,396,250	16,699,007
Trade deposits, short term prepayments and current account balance with statutory authorities	9	1,049,677	936,760
Cash and bank balances	10	242,151	488,231
		15,688,078	18,123,998
		61,755,848	63,728,807
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Share capital	11	35,000,000	35,000,000
Revenue reserve			
Un-appropriated profit		3,574,331	6,083,859
Capital reserve			
Fair value adjustment reserve		16,251,410	15,735,528
		54,825,741	56,819,387
Long term loan from director	12	5,000,000	5,000,000
		59,825,741	61,819,387
NON CURRENT LIABILITIES			
Deferred taxation	13	-	-
CURRENT LIABILITIES			
Deposits, accrued liabilities and advances	14	125,640	104,939
Trade and other payables	15	202,283	202,298
Loan from related party	16	1,602,184	1,602,184
Provision for taxation		-	-
		1,930,107	1,909,420
CONTINGENCIES AND COMMITMENTS			
	17	-	-
		61,755,848	63,728,807

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


CHIEF EXECUTIVE

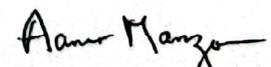

Director

**CMA SECURITIES (PVT.) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2023**

	Note	2023 Rupees	2022 Rupees
Dividend income		2,906,269	2,614,348
Direct expenses	18	<u>(50,519)</u>	<u>(11,550)</u>
		2,855,750	2,602,798
Operating expenses	19	<u>(2,624,856)</u>	<u>(1,922,751)</u>
Other operating expenses	20	<u>(2,302,757)</u>	<u>(7,967,574)</u>
		<u>(4,927,613)</u>	<u>(9,890,325)</u>
Loss from operations		<u>(2,071,863)</u>	<u>(7,287,527)</u>
Finance cost	21	<u>(1,725)</u>	<u>(4,347)</u>
Loss before taxation		<u>(2,073,588)</u>	<u>(7,291,874)</u>
Taxation	22	<u>(435,940)</u>	<u>(392,152)</u>
Loss for the year		<u><u>(2,509,528)</u></u>	<u><u>(7,684,026)</u></u>
Earnings per share-basic and diluted	23	<u><u>(7.17)</u></u>	<u><u>(21.95)</u></u>

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


CHIEF EXECUTIVE


DIRECTOR

CMA SECURITIES (PVT.) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	2023 Rupees	2021 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(2,073,588)	(7,291,874)
Adjustments of items not involving movements of cash:		
Depreciation	4 37,471	19,793
Amortization	5.2 11,400	14,250
Unrealised loss on remeasurement of investment	20 2,302,757	7,967,574
	<u>2,351,628</u>	<u>8,001,617</u>
Operating cash Flows Before Working capital changes	278,040	709,743
(Increase)/ Decrease in Working Capital		
(Increase)/ decrease in current assets	-	-
Increase/ (decrease) in current liabilities		
Deposits, accrued liabilities and advances	20,701	(17,905)
Trade and other payables	(15)	(2,250)
	<u>20,686</u>	<u>(20,155)</u>
Cash Generated From Operations	298,726	689,588
Taxes paid	(443,856)	(748,101)
Net cash Flows From Operating Activities	(145,130)	(58,513)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure incurred	(100,950)	(25,085)
Computer software purchased	-	-
Net cash Flows From Investing Activities	(100,950)	(25,085)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan from related party	-	100,000
Net cash flows from financing activities	-	100,000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(246,080)	16,402
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	488,231	471,829
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	A <u>242,151</u>	<u>488,231</u>
A Cash and Cash Equivalents		
Cash and bank balances	10 242,151	488,231
	<u>242,151</u>	<u>488,231</u>

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


CHIEF EXECUTIVE

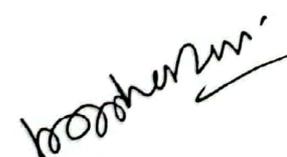

Aam Manzoor
DIRECTOR

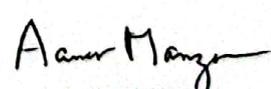
CMA SECURITIES (PVT.) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023

	2023 Rupees	2022 Rupees
Loss for the year	(2,509,528)	(7,684,115)
Items that will not be reclassified subsequently to profit or loss account	-	-
Items that may be reclassified subsequently to profit or loss account		
Gain on available for sale investment	515,882	4,400,175
Other comprehensive income for the year	515,882	4,400,175
Total comprehensive loss for the year	<u>(1,993,646)</u>	<u>(3,283,940)</u>

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




CHIEF EXECUTIVE

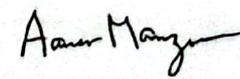

DIRECTOR

CMA SECURITIES (PVT.) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2023

	Paid up capital	Un-appropriated profit	Fair value adjustment reserve	Subtotal	Long term loan	Total
	----- (R u p e e s) -----					
Balance as at June 30, 2021	35,000,000	13,767,974	11,335,353	60,103,327	5,000,000	65,103,327
Loss after taxation	-	(7,684,115)	-	(7,684,115)	-	(7,684,115)
Other comprehensive income	-	-	4,400,175	4,400,175	-	4,400,175
Total comprehensive loss for the year	-	(7,684,115)	4,400,175	(3,283,940)	-	(3,283,940)
Balance as at June 30, 2022	35,000,000	6,083,859	15,735,528	56,819,387	5,000,000	61,819,387
Loss after taxation	-	(2,509,528)	-	(2,509,528)	-	(2,509,528)
Other comprehensive income	-	-	515,882	515,882	-	515,882
Total comprehensive loss for the year	-	(2,509,528)	515,882	(1,993,646)	-	(1,993,646)
Balance as at June 30, 2023	35,000,000	3,574,331	16,251,410	54,825,741	5,000,000	59,825,741

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


CHIEF EXECUTIVE


DIRECTOR

4 PROPERTY AND EQUIPMENT

Particulars	Cost			Depreciation			WDV As at June 30, 2023
	As at June 30, 2022	Additions	As at June 30, 2023	Rate %	As at June 30, 2022	Charge for the year	

OWNED -----Rupees-----

Furniture and fixtures	184,425	-	184,425	10	142,235	4,219	146,454	37,971
Office equipments	430,601	-	430,601	10	281,731	14,887	296,618	133,983
Computer Equipment	-	100,950	100,950	30	-	17,357	17,357	83,593
Electric installation	44,040	-	44,040	10	33,965	1,008	34,973	9,067
	659,066	100,950	760,016		457,931	37,471	495,402	264,614

4.1 PROPERTY AND EQUIPMENT

Particulars	Cost			Depreciation			WDV As at June 30, 2022
	As at June 30, 2021	Additions	As at June 30, 2022	Rate %	As at June 30, 2021	Charge for the year	

OWNED -----Rupees-----

Furniture and fixtures	184,425	-	184,425	10	137,547	4,688	142,235	42,190
Office equipments	405,516	25,085	430,601	10	267,745	13,986	281,731	148,870
Electric installation	44,040	-	44,040	10	32,846	1,119	33,965	10,075
	633,981	25,085	659,066		438,138	19,793	457,931	201,135

4.2 Allocation of Depreciation:

	Note	Rupees 2023	Rupees 2022
Operating expenses	20	37,471	19,793

CMA SECURITIES (PVT.) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1 COMPANY AND ITS OPERATION

1.1 CMA Securities is a (Private) Limited company incorporated on May 25, 2006 under the repealed Companies Ordinance, 1984. It is engaged in the business of stock brokerage, investment counseling and register services. It is corporate TRE certificate holder of Islamabad Stock Exchange Limited. Registered office is situated at 6-A, Block-IT, Ground Floor, Gulberg Heights, Gulberg-II, Lahore. The company is holder of Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS for SMEs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policy notes.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Pakistani Rupee, which is the company's functional and presentation currency.

2.4 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.



Judgments and estimates made by management that may have a significant risk of material adjustments to the financial statements in subsequent years are as follows:

- Useful lives, residual values and depreciation method of property and equipment
- Useful lives, residual values and amortization method of intangible assets
- Valuation of investment in ordinary shares of ISE Financial Services Limited
- Provision for doubtful account receivables
- Estimation of provisions
- Estimation of contingent liabilities
- Current income tax expense, provision for current tax and recognition of deferred tax asset

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 PROPERTY AND EQUIPMENT

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any).

Depreciation is charged on reducing balance method at the rates mentioned in the relevant notes to the financial statements. Depreciation on additions is charged for the month in which an asset is acquired while no depreciation is charged for the month in which an asset is disposed off. Normal repair and maintenance is charged to revenue as and when incurred, while major renewals and replacements are capitalized. The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

Gain or loss on disposal of property and equipment, if any is taken to profit or loss.

3.2 INTANGIBLE ASSETS

Intangible assets with finite useful life are stated at cost less amortization and impairment, if any. The carrying amount is reviewed at each reporting date to assess whether it is in excess of its recoverable amount, and where carrying value exceeds estimated recoverable amount, it is written down to estimated recoverable amount. The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any changes in estimate accounted for on a prospective basis.

3.2.1 Membership card and offices

This is stated at cost less impairment, if any. The carrying amount is reviewed at each reporting date to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds estimated recoverable amount, it is written down to its estimated recoverable amount.

3.2.2 Computer Software

Expenditure incurred to acquire identifiable computer software and having probable economic benefits exceeding the cost beyond one year, is recognized as an intangible asset. Such expenditure includes the purchase cost of software (license fee) and related overhead cost.

Costs associated with maintaining computer software programs are recognized as an expense when incurred.

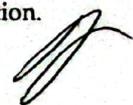
Costs which enhance or extend the performance of computer software beyond its original specification and useful life is recognized as capital improvement and added to the original cost of the software.

Computer software and license costs are stated at cost less accumulated amortization and any identified impairment loss and amortized through reducing balance method.

Amortization is charged when asset is available for use until asset is disposed off.

3.3 FINANCIAL ASSETS

Financial assets are classified in the following categories: Held-to-maturity, at fair value through profit or loss, available-for-sale and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.



3.3.1 Held to Maturity

The investments with fixed maturity, if any, that the company has to positive intent and ability to hold to maturity. Held to maturity investments are initially measured at fair value plus transaction costs and are subsequently stated at amortized cost using the effective interest rate method less impairment, if any. These are classified as current and non-current assets in accordance with nature of investment.

3.3.2 At fair value through profit or loss

Investments classified as held for trading are included in the category of financial assets at fair value through profit or loss. These are listed securities that are acquired principally for the purpose of generating a profit from short term fluctuations in price or dealer's margin.

All investments are initially recognized at cost, being the fair value of the consideration given excluding acquisition charges with the investment. After initial recognition, investments are measured at their fair values. Unrealized gains and losses on investments are recognized in profit or loss of the period.

Fair values of these securities representing listed equity and debt securities are determined by reference to stock exchange quoted market prices at the close of the business on reporting date.

3.3.3 Available-for-sale

Investments which are intended to be held for an undefined period of time but may be sold in response to the need for liquidity or changes in interest rates are classified as available-for-sale.

Subsequent to initial recognition at cost, these are premeasured at fair value. The Company uses latest stock exchange quotations to determine the fair value of its quoted investments whereas fair value of investments in un-quoted companies is determined by applying the appropriate valuation techniques. Gains or losses on available-for-sale investments are recognized directly in other comprehensive income until the investments are sold or disposed-off, or until the investments are determined to be impaired, at that time cumulative gain or loss previously recognized in other comprehensive income, is re-classified from equity to profit or loss as re-classification adjustment.

3.3.3 Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets. Loans and receivables comprise trade debts, loans, advances, deposits, other receivable and cash and bank balances in the statement of financial position.

3.4 FINANCIAL LIABILITIES

Financial liabilities are initially measured at cost, which is the fair value, of the consideration given and subsequently carried at amortized cost using effective interest rate method.

3.5 OFF-SETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

A financial asset and a financial liability is offset and the net amount is reported in the financial statements if the Company has a legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.6 TRADE DEBTS AND OTHER RECEIVABLES

Trade and other receivables are recognised and carried at transaction price less an allowance for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

The allowance for doubtful debts of the Company is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer.

3.7 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash balances and call deposits. For the purpose of statement of cash flows; cash and cash equivalents comprise cash in hand, bank balances and running finances.

3.8 BORROWINGS

Loans are measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

In case the loan is interest-free or carries interest below the prevalent market rate, it is initially recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. The difference between the discounted present value and actual receipt is recognised as finance income. Subsequently, the interest-free loan is measured at amortized cost, using the effective Interest rate method, this involves unwinding of discount, such that at the repayment date, the carrying value of obligation equals the amount to be repaid. The unwinding of discount is included in finance costs in the statement of profit or loss.

3.9 TAXATION

Current

Provision for current taxation is based on taxable income at the applicable rates of taxation after taking into account tax credits, brought forward losses, accelerated depreciation allowances and any minimum limits imposed by the taxation laws.

Deferred

Deferred tax is recognized using the liability method on all temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the amounts used for taxation purposes.

Deferred tax asset is recognized for all the deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which the asset may be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax liabilities are recognized for all the taxable temporary differences.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantially enacted by the reporting date.

Deferred tax is charged or credited in the income statement, except in the case of items credited or charged to comprehensive income or equity, in which case it is included in comprehensive income or equity.

3.10 TRADE AND OTHER PAYABLES

Trade and other payables are recognised initially at cost, which is the fair value of the consideration to be paid, in the future for goods and services received and subsequently measured at amortized cost.

3.11 PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.



Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as finance cost in the statement of profit or loss.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

3.12 CONTINGENT LIABILITIES

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.13 FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION

Transactions denominated in foreign currencies are translated to Pakistan Rupees at the exchange rate ruling at the date of transaction.

Monetary assets and liabilities in foreign currencies at reporting date are translated into Pakistan Rupees at exchange rates ruling on that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

3.14 IMPAIRMENT OF NON-FINANCIAL ASSETS

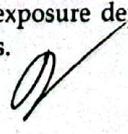
The assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Company recognises the reversal immediately in the statement of profit or loss, unless the asset is carried at a revalued amount in accordance with the revaluation model. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

3.15 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of any direct expenses. Revenue is recognized on the following basis:

- Brokerage, consultancy and advisory fee, commission etc. are recognized as and when such services are provided.
 - Profit on saving accounts, profit on exposure deposits and markup on marginal financing is recognized at effective yield on time proportion basis.
- 

- Gains/(losses) arising on sale of investments are included in the profit or loss in the period in which they arise.
- Dividend income is recorded when the right to receive the dividend is established.
- Unrealized capital gains / (losses) arising from mark to market of investments classified as at financial assets at fair value through profit or loss are included in profit or loss for the period in which they arise.
- Other revenues are recorded, as and when due, on accrual basis.

3.16 BASIC AND DILUTED EARNINGS PER SHARE

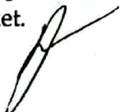
The Company presents basic and diluted earnings per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

3.17 RELATED PARTY TRANSACTIONS

Transactions and contracts with the related parties are carried out at an arm's length price determined in accordance with comparable uncontrolled price method except reason disclosed in relevant note to the financial statements, if any. Transactions with related parties have been disclosed in the relevant notes to the financial statements.

3.18 TRADE DATE ACCOUNTING

All "regular way" purchases and sales of financial assets are recognized on the trade date, i.e. the date on which the Company commits to purchase or sell an asset. Regular way purchases or sales of financial assets are those, the contract for which requires delivery of assets within the time frame generally established by regulation or convention in the market.



	Note	2023 Rupees	2022 Rupees
5 INTANGIBLE ASSETS			
Trading right entitlement certificate (TREC)	5.1	2,500,000	2,500,000
Computer software	5.2	45,600	57,000
		<u>2,545,600</u>	<u>2,557,000</u>

5.1 It represents Trading Right Entitlement Certificate (TREC) received from the Pakistan Stock Exchange Limited without any additional payment, in lieu of TREC issued by the Islamabad Stock Exchange Limited, surrendered on, January 10, 2016 on the consequence of Scheme(s) of Integration approved by the Securities and Exchange Commission of Pakistan vide Order No. 01/2016 dated January 11, 2016 under regulation 6 (8) of the Stock Exchange (Corporatization, Demutualization and Integration) Regulations, 2012. This is carried at cost less accumulated ammortization.

	Note	2023 Rupees	2022 Rupees
5.2 Computer software			
Cost:			
Balance as at July 01,		75,000	75,000
Additions during the year		-	-
Balance as at June 30,		75,000	75,000
Amortization:			
Balance as at July 01,		18,000	3,750
Charge for the year		11,400	14,250
Balance as at June 30,		29,400	18,000
Net book value		<u>45,600</u>	<u>57,000</u>
Rate of amortization		<u>20%</u>	<u>20%</u>

6 LONG TERM INVESTMENT

Unquoted shares- ISE Towers REIT Management Company Limited

Available for sale

Cost as at July 01,		26,506,146	26,506,146
Fair value adjustment		16,251,410	15,735,528
	6.1	<u>42,757,556</u>	<u>42,241,674</u>

6.1 Pursuant to the promulgation of the Stock Exchanges (Corporation, Demutualization and Integration) Act, 2012 (The Act), The Islamabad Stock Exchange Limited, now ISE Towers REIT Management Company Limited allotted 3,034,603 shares of the face value of Rs. 10 each to the TREC holder. The divestment of the same will be made in accordance with the requirements of the Act within one year from the date of Scheme(s) of Integration approved by the Securities and Exchange Commission of Pakistan vide Order No. 01/2016 dated January 11, 2016 under regulation 6 (8) of the Stock Exchange (Corporatization, Demutualization and Integration) Regulations, 2012. The Company has pledged 3,034,603 shares of ISE Towers REIT Management Company Limited with the Pakistan Stock Exchange to fulfill the Base Minimum Capital requirement.

The Company, as per its policy, carried out the valuation of the aforementioned investments. In this connection, the valuation technique used was Discounted Cash Flow of Earnings method. Assumptions and inputs used in the valuation are post-tax earnings, historic growth rate of earning, rate of return on equity, risk premium. Principal assumptions used in the valuation of above unquoted investments are based on current market/industry conditions in respect of discount rate and growth rate. Business net cash flow forecast over an indefinite (infinity) has been assumed after projection period of 5 years.

	Note	2023 Rupees	2022 Rupees
7 LONG TERM DEPOSITS			
Deposits with:			
Security against rented premises		-	105,000
Central Depository Company of Pakistan Ltd.		100,000	100,000
National Clearing Company of Pakistan Ltd.		400,000	400,000
		<u>500,000</u>	<u>605,000</u>
	Note	2023 Rupees	2022 Rupees
8 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS			
Investment - listed securities			
Carrying value		24,666,581	24,666,581
Loss on remeasurement of fair value of investment as at June 30,		<u>(10,270,331)</u>	<u>(7,967,574)</u>
	8.1	<u>14,396,250</u>	<u>16,699,007</u>
8.1 Movement in fair value reserve:			2023
Opening balance			7,967,574
Deficit on re-measurement of investment			<u>2,302,812</u>
			<u>10,270,386</u>

8.1 This includes share with carrying value of Rs. 3,044,000 (2022: Rs. 3,200,000) which has been pledged with National Clearing Company of Pakistan Limited against exposure margins.



	Note	2023 Rupees	2022 Rupees
9 TRADE DEPOSITS, SHORT TERM PREPAYMENTS AND CURRENT ACCOUNT BALANCE WITH STATUTORY AUTHORITIES			
Tax deducted at source		944,677	936,760
Security deposit		105,000	-
		<u>1,049,677</u>	<u>936,760</u>

10 CASH AND BANK BALANCES

These were held as under:

In hand		-	6,650
Cash at bank			
Current Account			
Pertaining to brokerage house		209,556	448,986
Peratining to clients		32,595	32,595
		242,151	481,581
		<u>242,151</u>	<u>488,231</u>

11 SHARE CAPITAL

Authorized

350,000 (2022: 350,000) ordinary shares of Rs. 100 each

35,000,000	35,000,000
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Issued, subscribed and paid up

350,000 (2022: 350,000) ordinary shares of Rs. 100 each fully paid in cash

35,000,000	35,000,000
------------	------------

11.1 Pattern of Shareholding:

Categories of shareholders	Number of shares held		Number of shares held	
	2023	2022	2023	2022
Chief Executive				
Mr. Azfar Manzoor	36%	34%	125,522	118,084
Director				
Mrs. Qaisar Sultana	28%	28%	98,958	98,958
Mr. Aamer Manzoor	36%	34%	125,520	118,083
Shareholder				
Mrs. Lubna Manzoor	0%	4%	-	14,875
	<u>100%</u>	<u>100%</u>	<u>350,000</u>	<u>350,000</u>

12 LONG TERM LOAN FROM DIRECTOR

From related parties:

	Note	2023 Rupees	2022 Rupees
Mrs. Qaiser Sultana-Director	12.1	<u>5,000,000</u>	<u>5,000,000</u>

12.1 This represents interest free and un-secured loan obtained from the Director of the company. The loan is sub-ordinated to all other debts of the company. The loan is repayable at the discretion of the company.

	Note	2023 Rupees	2022 Rupees
13 DEFERRED TAXATION			
Deferred credits/(debits) arising due to:			
Unrealized loss on short term investment		(1,540,550)	(1,195,136)
Deferred tax asset not recognised		<u>1,540,550</u>	<u>1,195,136</u>
		<u>-</u>	<u>-</u>
Balance as at July 01,		-	(89)
Add: Charge for the year in profit or loss		-	89
Add: Charge for the year in OCI		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>

At the year end, deductible temporary differences in respect of unrealised losses resulted in a net deferred tax asset of Rs. 1.54 million (2022: Rs. 1.19 million). However, deferred tax asset has not been recognized in the financial statements being prudent. Management is of the view to reassess the recognition of deferred tax asset as at June 30, 2024.

	Note	2023 Rupees	2022 Rupees
14 DEPOSITS, ACCRUED LIABILITIES AND ADVANCES			
Accrued expenses		<u>125,640</u>	<u>104,939</u>
15 TRADE AND OTHER PAYABLES			
Creditors for sale of shares on behalf of clients	15.1	31,614	31,614
Punjab worker's welfare fund payable		170,669	170,684
Tax deducted at source payable		-	-
		<u>202,283</u>	<u>202,298</u>

15.1 Creditors for sale of shares on behalf of clients include the following amount due to related parties:

Name of related party	Basis of relationship	Note	2023 Rupees	2022 Rupees
Mr. Azfar Manzoor	Chief Executive		24,663	24,663
Mr. Aamer Manzoor	Director		5,497	5,497
			<u>30,160</u>	<u>30,160</u>

	Note	2023 Rupees	2022 Rupees
16 LOAN FROM RELATED PARTY			
Unsecured			
Loan from Mr. Aamer Manzoor- Director	16.1	<u>1,602,184</u>	<u>1,602,184</u>
Balance as at July 01,		1,602,184	1,502,184
Add: Loan received during the year		-	100,000
		<u>1,602,184</u>	<u>1,602,184</u>

16.1 This represents interest free and un-secured loan obtained from director of the company to meet the working capital requirements of the company and has been utilised for the same purpose. The loan is payable on demand of the lender.

17 CONTINGENCIES AND COMMITMENTS

Contingencies and commitments are Rs.nil (2022: Rs.nil)

	Note	2023 Rupees	2022 Rupees
18 DIRECT EXPENSES			
Central Depository Company of Pakistan Ltd.		32,094	5,950
National Clearing Company of Pakistan Limited		<u>18,425</u>	<u>5,600</u>
		<u>50,519</u>	<u>11,550</u>
19 OPERATING EXPENSES			
Salaries and other benefits		1,110,000	1,071,000
Postage, telephone and telegram		173,560	49,450
Utility bills		324,629	203,271
Traveling and conveyance		23,440	24,594
Office expenses		186,161	22,820
Printing and stationery		84,973	11,979
Software maintenance		96,316	106,081
Legal and professional	19.1	373,234	310,654
Fee and subscription		88,720	63,325
Entertainment		114,951	25,534
Depreciation	4	37,471	19,793
Amortisation	9	<u>11,400</u>	<u>14,250</u>
		<u>2,624,856</u>	<u>1,922,751</u>

19.1 The audit fee and remuneration for other services included in the financial statements is as follows:

	Note	2023 Rupees	2022 Rupees
Amin, Mudassar & Co.			
Chartered Accountants			
Statutory audit		72,000	60,000
Certification fee		<u>137,000</u>	<u>131,650</u>
		<u>209,000</u>	<u>191,650</u>

	Note	2023 Rupees	2022 Rupees
20 OTHER OPERATING EXPENSES			
Unrealized loss on remeasurement of investment at fair value through profit or loss		<u>2,302,757</u>	<u>7,967,574</u>
		<u>2,302,757</u>	<u>7,967,574</u>
21 FINANCE COST			
Bank charges		<u>1,725</u>	<u>4,347</u>
22 TAXATION			
Income tax:			
-Current		435,940	392,152
-Prior		-	-
-Deferred		-	-
		<u>435,940</u>	<u>392,152</u>

22.1 No numeric tax rate reconciliation is presented in these financial statements for the current and prior year as the company is either liable to pay tax under final tax regime or alternate corporate tax under the section 113 of Income Tax Ordinance, 2001.

	2023	2022
23 EARNINGS PER SHARE-BASIC AND DILUTED		
Profit for the year-Rupees	<u>(2,509,528)</u>	<u>(7,684,115)</u>
Weighted average number of ordinary shares outstanding during the year-Numbers	<u>350,000</u>	<u>350,000</u>
Earnings per share-Rupees	<u>(7.17)</u>	<u>(21.95)</u>
24 NUMBER OF EMPLOYEES		
	2023	2022
	(N u m b e r)	
Total number of employees at the end of year	<u>3</u>	<u>3</u>
Average number of employees during the year	<u>3</u>	<u>3</u>

25 LIQUID CAPITAL BALANCE

The liquid capital balance has been prepared on the basis of Securities Brokers (Licensing and Operations) Regulations, 2016 (The Regulations) issued by Securities and Exchange Commission of Pakistan.

Sr. #	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets							
1.1	Property & Equipment	Balance Sheet Value net of depreciation	100% of net value	Nil	264,614	264,614	-
1.2	Intangible Assets	Balance Sheet Value net of amortization	100% of net value	Nil	2,545,600	2,545,600	-
1.3	Investment in Govt. securities	Balance Sheet Value	Difference between book value and sale value on the date on the basis of PKRV published by NIFT	Sale value on the date on the basis of PKRV published by NIFT	-	-	-
1.4	Investment in debt securities	Balance Sheet Value net of any provision	If listed than i. 5% of the balance sheet value in the case of tenure up to 1 year ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years iii. 10% of the balance sheet value, in the case of tenure of more than 3 years. If unlisted than i. 10% of the balance sheet value in the case of tenure up to 1 year ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	Net amount after deducting provisions and haircuts	-	-	-
1.5	Investment in equity securities	Balance Sheet Value net of any provision	i. If listed 15% or VaR of each security on the cutoff date as computed by the clearing house for respective security whichever is higher.	Net amount after deducting provisions and haircuts	14,396,250	2,792,053	11,604,197
			Provided that if any of these securities are pledged with the securities exchange for maintaining Base Minimum Capital Requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of Base Minimum Capital.	Nil	-	-	-
			ii. If unlisted, 100% of carrying value		42,757,556	42,757,556	-
1.6	Investment in subsidiaries	Balance Sheet Value net of any provision	100% of net value	Nil	-	-	-
1.7	Investment in associated companies/undertaking	Balance Sheet Value net of any provision	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher ii. If unlisted, 100% of net value.	Net amount after deducting provisions and haircuts	-	-	-
1.8	Statutory or regulatory deposits/ basic deposits with exchanges, clearing house or central depository or any other entity	Balance Sheet Value	100% of net value, however, any excess amount of cash deposited with securities exchange to comply with requirements of Base minimum capital, may be taken in the calculation of LC.	Nil, or any excess cash amount.	500,000	500,000	-
1.9	Margin deposits with exchange and clearing house	Balance Sheet Value	Nil	Balance Sheet Value	-	-	-
1.10	Deposit with authorized intermediary against borrowed securities under SLB	Balance Sheet Value	Nil	Balance Sheet Value	-	-	-
1.11	Other deposits and prepayments	Balance Sheet Value	100% of carrying value	Nil	105,000	105,000	-

Sr. #	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.	Balance Sheet Value	Nil 100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	Balance Sheet Value	-	-	-
1.13	Dividends receivables	Balance Sheet Value	Nil	Balance Sheet Value	-	-	-
1.14	Amount receivable against Repo financing	Balance Sheet Value	Amount paid as purchaser under the REPO agreement Securities purchased under repo arrangement shall not be included in the investments	Balance Sheet Value	-	-	-
1.15	Advances and Receivables other than trade receivables	Balance Sheet Value	1. No Haircut may be applied on the short term loan to employees provided these loans are secured and due for repayment within 12 months 2. No Haircut may be applied to the advance tax to the extent it is netted with provision of taxation 3. In all other cases, 100% of net value	Adjusted Value	944,677	944,677	-
1.16	Receivables from clearing house or securities exchange(s)	Balance Sheet Value	100% value of claims other than those on account of entitlements against trading of securities in all markets including MTM gains	Lower of net balance sheet value or value determined through adjustments	-	-	-
	Receivables from customers	Balance Sheet Value net of provisions	i. In case receivables are against margin financing, the aggregate of (i) value of securities held in the blocked account after applying VaR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut.	i. Lower of net balance sheet value or value determined through adjustments	-	-	-
	Receivables from customers	Balance Sheet Value net of provisions	ii. In case receivables are against margin trading, 5% of the net balance sheet value	ii. Net amount after deducting haircut	-	5%	-
	Receivables from customers	Balance Sheet Value net of provisions	iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract	iii. Net amount after deducting haircut	-	-	-
	Receivables from customers	Balance Sheet Value net of provisions	iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value.	iv. Balance sheet value	-	-	-

Sr. #	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.17	Receivables from customers	Balance Sheet Value net of provisions	v. In case of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VaR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts	v. Lower of net balance sheet value or value determined through adjustments	-	-	-
	Receivables from related parties	Balance Sheet Value net of provisions	vi. In the case of amount of receivable from related parties, values determined after applying applicable haircuts on underlying securities readily available in respective CDS account of the related party in the following manner: a. Up to 30 days, values determined after applying VaR based haircuts;	vi. [Lower of net balance sheet values or values determined through adjustments]	-	-	-
			b. Above 30 days but upto 90 days, values determined after applying 50% or VaR based haircuts whichever is higher;		-	50%	-
		c. Above 90 days, 100% haircut shall be applicable		-	100%	-	
1.18	Cash and bank Balances	i. Bank balance – Proprietary accounts	Nil	Balance sheet value	209,556	-	209,556
		ii. Bank balance – Customer accounts	Nil	Balance sheet value	32,595	-	32,595
		iii. Cash in hand	Nil	Balance sheet value	-	-	-
1.19	Subscription money against investment in IPO/ offer for sale (asset)	Balance Sheet Value	i. No haircut may be applied in respect of amount paid as subscription money provided that shares have not [been allotted or are not included in the investments of securities broker. ii. In case of investments in IPO where shares have been allotted but not yet credited in CDS account, 25% haircuts will be applicable on the value of such securities iii. In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VaR based haircut whichever is higher, will be applied on Right shares.	Balance sheet value or Net value after deducting haircuts.	-	-	-
1.20	Total Assets	Balance Sheet Value		Adjusted Value	61,755,848		11,846,348

Sr. #	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value	Value In Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
2. Liabilities							
2.1	Trade payables	i. Payable to exchanges and clearing house	Nil	Balance sheet value	-	-	-
		ii. Payable against leveraged market products			-	-	-
		iii. Payable to customers			31,614	-	31,614
2.2	Current Liabilities	i. Statutory and regulatory dues	Nil	Balance sheet value	170,669	-	170,669
		ii. Accruals and other payables			125,640	-	125,640
		iii. Short-term borrowings			1,602,184	-	1,602,184
		iv. current portion of subordinated loans			-	-	-
		vi. Deferred liabilities			-	-	-
		vii. Provision for Taxation			-	-	-
		viii. other liabilities as per accounting principles and included in the financial statements			-	-	-
2.3	Non-current liabilities	i. Long-term financing	1. 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases. 2. Nil in all other cases	Nil or Balance sheet Value as the case may be	-	-	-
		ii. Staff retirement			-	-	-
		iii. other liabilities as per accounting principles and included in the financial statements			-	-	-
2.4	Subordinated Loans	Balance Sheet Value	100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted	Net value after deducting adjustments, [if any]	-	-	-
2.5	Advance against shares for increase in capital of securities broker	Balance Sheet Value	100% Haircut may be allowed in respect of advance against shares if: (a) The existing authorized share capital allows the proposed enhanced share capital (b) Board of Directors of the company has approved the increase in capital (c) Relevant Regulatory approvals have been obtained (d) There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed (e) Auditor is satisfied that such advance is against the increase of capital.	Net amount after deducting haircuts	-	-	-
2.6	Total Liabilities	Balance Sheet Value		Adjusted Value	1,930,107		1,930,107

Sr. #	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3. Ranking Liabilities relating to							
3.1	Concentration in margin financing	Nil	The amount calculated (on) client-to-client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees Provided that above prescribed adjustments shall not be applicable where the aggregate amount of receivable against margin financing does not exceed Rs. 5 million Note: Only amount exceeding by 10% of each financees from aggregate amount shall be included in the ranking liabilities.	Amount as determined through adjustment	-	-	-
3.2	Concentration in securities lending and borrowing	Nil	The amount by which the aggregate of (i) amount deposited by the borrower with NCCPL, (ii) cash margins paid and (iii) the market value of securities pledged as margins exceed the 110% of the market value of shares borrowed. [Note: Only amount exceeding by 110% of each borrower from market value of shares borrowed shall be included in the ranking liabilities.]	Amount as determined through adjustment	-	-	-
3.3	Net underwriting Commitments	Nil	<u>(a) in the case of rights issue:</u> if the market value of securities is less than or equal to the subscription price, the aggregate of (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitment exceeds the market price of the securities. In the case of rights issue where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting commitment <u>(b) in any other case:</u> 12.5 % of the net underwriting commitments	Amount as determined through adjustment	-	-	-
3.4	Negative equity of subsidiary	Nil	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary	Amount as determined through adjustment	-	-	-
3.5	Foreign exchange agreements and foreign currency positions	Nil	5% of the net position in foreign currency. Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency	Amount as determined through adjustment	-	-	-
3.6	Amount payable under REPO	Balance sheet value	Carrying value	Carrying value	-	-	-

Sr. #	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3.7	Repo adjustment	Nil	In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities. In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received, less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser	Amount as determined through adjustment	-	-	-
3.8	Concentrated proprietary positions	Nil	If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security. If the market value of a security exceeds 51% of the proprietary position, then 10% of the value of such security	Amount as determined through adjustment	-	-	-
3.9	Opening Positions in futures and options	Nil	i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts ii. In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met	Amount as determined through adjustment	-	-	-
3.10	Short sell positions	Nil	i. In case of customer positions, The market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts ii. In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts	Amount as determined through adjustment	-	-	-
3.11	Total Ranking Liabilities			Total determined amount	-	-	-

59,825,741

9,916,241

9,916,241

Liquid Balance Balance



26 FINANCIAL INSTRUMENTS BY CATEGORY	2023	2022
	Rupees	Rupees
Financial assets and financial liabilities		
Financial assets		
Financial asset- available for sale		
Long term investment	<u>42,757,556</u>	<u>42,241,674</u>
Investment at fair value through profit or loss	<u>14,396,250</u>	<u>16,699,007</u>
Loans and receivables		
Long term deposits	500,000	605,000
Trade deposits and short term prepayments	105,000	-
Cash and bank balances	<u>242,151</u>	<u>488,231</u>
	<u>847,151</u>	<u>1,093,231</u>
Financial liabilities		
Financial liabilities at amortized cost		
Deposits, accrued liabilities and advances	125,640	104,939
Trade and other payables	31,614	31,614
Loan from related party	<u>1,602,184</u>	<u>1,602,184</u>
	<u>1,759,438</u>	<u>1,738,736</u>

27 CORRESPONDING FIGURES

Corresponding figures have been rearranged/reclassified wherever needed for the purpose of better presentation, however, there were no material rearrangements to report.

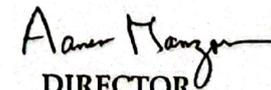
28 GENERAL

Figures have been rounded off to the nearest of rupee.

29 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on 27 OCT 2023 by the Board of Directors of the Company.


CHIEF EXECUTIVE


DIRECTOR