



**TIME SECURITIES (PRIVATE)
LIMITED**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
JUNE 30, 2023**

Private & Confidential



Crowe Hussain Chaudhury & Co.
Chartered Accountants

**Independent Auditor's Report
To the members of Time Securities (Private) Limited
Report on the Audit of the Financial Statements**

Opinion

We have audited the annexed financial statements of **Time Securities (Private) Limited** (the Company) which comprise the statement of financial position as at 30 June 2023 and the statement of profit or loss, the statement of other 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 other 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 30 June 2023 and of its loss and other 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

The management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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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

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- 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 other 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; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).
- e) the Company was in compliance with the requirements of section 78 of the Securities Act, 2015 and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the statement of financial position was prepared.

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


Crowe Hussain Chaudhury & Co.
Chartered Accountants

Karachi

Date: **27 OCT 2023**

UDIN: AR202310207eTwtNRJ1F

TIME SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	Note	2023 ----- (Rupees) -----	2022
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised Capital 400,000 (2022: 400,000) ordinary shares of Rs. 100 each	5	40,000,000	40,000,000
Issued, subscribed & paid-up capital	6	35,000,000	35,000,000
Sponsors' loan		53,257,484	53,257,484
Fair value reserve		10,811,489	16,196,846
Unappropriated profit		32,928,101	45,101,279
		131,997,074	149,555,609
Current Liabilities			
Trade and other payables	7	30,699,553	33,473,343
Short term running finance - secured	8	1,405,991	20,392,495
Provision for taxation		1,291,655	1,209,387
		33,397,199	55,075,225
Contingencies and Commitments			
	9		
Total Equity and Liabilities		165,394,273	204,630,834
ASSETS			
Non-Current Assets			
Property and equipment	10	2,453,382	2,796,743
Intangible assets	11	2,500,000	2,500,000
Deferred taxation	12	919,965	994,816
Long term deposits	13	1,646,151	1,646,151
		7,519,498	7,937,710
Current Assets			
Investment in margin financing	14	439,484	988,004
Trade debtors	15	75,815,984	69,229,747
Advances, deposits and other receivables	16	33,992,144	62,461,375
Short term investments	17	32,791,847	34,703,717
Cash and bank balances	18	14,835,316	29,310,281
		157,874,775	196,693,124
Total Assets		165,394,273	204,630,834

The annexed notes form 1 to 32 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

TIME SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 ----- (Rupees) -----	2022 -----
Brokerage commision		22,958,055	29,633,663
(Loss)/Gain on sale of investment		(3,585,089)	5,659,058
Unrealized (loss) on fair value through profit and loss investments		(2,876,045)	(4,284,902)
		16,496,921	31,007,819
Administrative and operating expenses	19	(39,819,404)	(74,899,589)
		(23,322,483)	(43,891,770)
Other income	20	13,849,071	14,719,364
		(9,473,412)	(29,172,406)
Finance cost	21	(1,252,298)	(816,841)
(Loss) before taxation		(10,725,709)	(29,989,247)
Taxation	22	(1,447,469)	2,291,563
(Loss) after tax		(12,173,178)	(27,697,684)

The annexed notes form 1 to 32 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER



DIRECTOR



TIME SECURITIES (PRIVATE) LIMITED
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023

	2023 ----- (Rupees) -----	2022 -----
Loss after taxation	(12,173,178)	(27,697,684)
Other comprehensive income		
Item that will not be subsequently reclassified to statement of profit or loss		
- Unrealised (loss)- FVOCI investment	(5,385,357)	(9,452,722)
Total comprehensive (loss) for the year	<u>(17,558,535)</u>	<u>(37,150,406)</u>

The annexed notes form 1 to 32 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER



DIRECTOR



TIME SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

Cash Flows from Operations

Loss before taxation

2023 **2022**
 ----- (Rupees) -----

(10,725,709) (29,989,247)

Adjustments for

Depreciation

Finance cost

Loss/(Gain) on disposal of investment

Bad debts written off directly

Provision for bad debts

Loss on remeasurement of investments - net

343,361

1,252,298

3,585,089

-

464,089

2,876,045

8,520,881

(2,204,828)

394,703

816,841

(5,659,058)

(17,063,405)

-

4,284,902

(17,226,017)

(47,215,264)

Changes in working capital

(Increase)/decrease in current assets

Trade debts

Advance, deposits and other receivables

(9,523,688)

28,469,231

18,945,543

(29,896)

161,446,342

161,416,446

(Decrease)/increase in current liabilities

Trade and other payables

(2,773,790)

13,966,925

(48,822,315)

65,378,867

Finance cost paid

Income tax paid

Net cash generated from operating activities

(1,262,624)

(1,162,080)

11,542,221

(797,182)

(2,061,812)

62,519,872

Cash Flows From Investing Activities

Short term investments

Sale of investments - net

Fixed capital expenditure

Net cash (used in) / generated from investing activities

(6,589,739)

(440,943)

-

(7,030,682)

83,906,273

32,680,129

(132,446)

116,453,956

Cash Flow From Financing Activities

Running finance

Dividend paid

Net cash used in financing activities

(18,986,504)

-

(18,986,504)

(17,753,443)

(149,500,000)

(167,253,443)

Net (decrease) / increase in cash and cash equivalents

(14,474,964)

11,720,385

Cash and cash equivalents at the beginning of the year

Cash and cash equivalents at the end of the year

29,310,281

14,835,316

17,589,896

29,310,281

The annexed notes form 1 to 32 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER

DIRECTOR

TIME SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2023

Description	Issued, subscribed & paid-up capital	Capital Reserve	Revenue Reserve		Total
		Sponsors' loan	Unappropriated profits	Surplus on revaluation of investments	
----- (Rupees) -----					
Balance as at July 01, 2021.	35,000,000	53,257,484	222,298,963	25,649,568	336,206,015
Loan repaid during the year	-	-	-	-	-
Total comprehensive (loss) for the year	-	-	-	-	-
Loss after tax			(27,697,684)		(27,697,684)
Other comprehensive loss	-	-	(27,697,684)	(9,452,722)	(9,452,722)
Dividend paid	-	-	(149,500,000)	-	(37,150,406)
Balance as at July 01, 2022	35,000,000	53,257,484	45,101,279	16,196,846	(149,500,000)
Loan repaid during the year	-	-	-	-	149,555,609
Total comprehensive (loss) for the year	-	-	-	-	-
Loss after tax	-	-	(12,173,178)		(12,173,178)
Other comprehensive loss	-	-	(12,173,178)	(5,385,357)	(5,385,357)
Balance as at June 30, 2023	35,000,000	53,257,484	32,928,101	10,811,489	(17,558,535)
					131,997,074

The annexed notes form 1 to 32 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER 

DIRECTOR 

TIME SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

Time Securities (Private) Limited (the Company) is a private limited company incorporated in Pakistan on December 19, 2002 under the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017). The Company is a corporate member of Pakistan Stock Exchange Limited.

The principle activities of Company include trading and brokerage for equities, underwriting of public issues, etc.

The registered office of the Company is located at Room No. 98-99 Pakistan Stock Exchange Building, Stock Exchange Road, Karachi.

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 Standards (IFRS) 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, 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 historical cost convention except for certain financial assets and financial liabilities which have been stated at their fair values.

2.3 Functional and presentation currency

These financial statements have been presented in Pakistan Rupees, which is the functional currency of the Company and rounded off to the nearest rupee.

2.4 Use of critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires the 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, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates involved or where judgment was exercised in application of accounting policies are as follows:

	Note
a) Useful life of property and equipment	4.1
b) Carrying amount of intangible assets	4.3
c) Provision of impairment of financial assets	4.4
d) Provision for current and deferred taxation	4.9

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3. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

3.1 Standards, amendments to approved accounting standards effective in current year

There were certain amendments to approved accounting standards and interpretations that are mandatory for the financial year beginning on July 01, 2022. However, these are considered not to be relevant or to have any significant effect on the Corporation's financial reporting and operations and, therefore, have not been disclosed in these financial statements.

3.2 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Company

There is a standard and certain other amendments to accounting and reporting standards that are not yet effective and are considered either not to be relevant or to have any significant impact on the Company's financial statements and operations and, therefore, have not been disclosed in these financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1. Property and equipment

Owned

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

Depreciation is charged to profit and loss account by applying the reducing balance method systematically on yearly basis at the rates specified in note 10. Depreciation on additions to property and equipment is charged from the month in which an item is acquired while no depreciation is charged in the month the item is disposed off.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If such an indication exists the carrying amount of such assets are reviewed to assess whether they are recorded in excess of their recoverable amounts. Where carrying values exceed the estimated recoverable amount, assets are written down to the recoverable amount; and the impairment losses are recognised in the profit and loss account.

The residual value, depreciation method and the useful lives of each part of property and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposal of assets, if any are included in profit and loss account for the current year.

Normal repairs and maintenance costs are charged to profit and loss account in the period of its occurrence, while major renovations and improvements are capitalized only when it is probable that the future economic benefits associated with the item will flow to the entity and its cost can be measured reliably. Disposal of assets is recognized when significant risk and rewards incidental to the ownership have been transferred to the buyers.

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4.2. Capital work in progress

Capital work-in-progress is stated at cost less impairment (if any). It consists of expenditure incurred and advances made in respect of tangible and intangible assets in the course of their construction and installation.

4.3 Intangible assets

These represent Trading right entitlement certificate of PSX.

TRE Certificate has an indefinite useful life and are stated at the carrying value less impairment, if any. The carrying amount is reviewed at each balance sheet date to assess whether it is in excess of their recoverable amounts, and where the carrying value exceeds the estimated recoverable amount, it is written down to their estimated recoverable amount.

Computer software is recognized in the financial statements, if and only if, it is probable that the future economic benefits that are attributable to the asset will flow to the Company; and the cost of the asset can be measured reliably. It is carried at cost less accumulated amortization and impairment, if any. Amortization is charged from the month of addition to the month proceeding the month of retirement / disposal, by applying reducing balance method. The amortization period and the amortization method for intangible assets with finite useful life are reviewed, and adjusted if appropriate, at each reporting date.

4.4 Financial instruments**a) Initial recognition**

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value, amortised cost or cost as the case may be.

b) Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss ("FVTPL"),
- at fair value through other comprehensive income ("FVTOCI"), or
- at amortised cost.

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flows characteristics.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

c) Classification of financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVTPL"), or
- at amortised cost.

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

d) Subsequent measurement

(i) Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognised in other comprehensive income / (loss).

(ii) Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value, and subsequently carried at amortised cost, and in the case of financial assets, less any impairment.

(iii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise. Where management has opted to recognise a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income / (loss). Currently, there are no financial liabilities designated at FVTPL.

e) Impairment of financial assets

The Company recognises loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortised cost and FVTOCI at an amount equal to lifetime ECLs except for the financial assets in which there is no significant increase in credit risk since initial recognition or financial assets which are determined to have low credit risk at the reporting date, in which case 12 months' ECL is recorded. The following were either determined to have low or there was no increase in credit risk since initial recognition as at the reporting date:

- bank balances;
- receivable from employee
- receivables from NCCPL and others

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Loss allowance for trade receivables are always measured at an amount equal to life time ECLs.

Life time ECLs are the ECLs that results from all possible default events over the expected life of a financial instrument. 12 months ECLs are portion of ECL that result from default events that are possible within 12 months after the reporting date.

Lifetime ECL is only recognised if the credit risk at the reporting date has increased significantly relative to the credit risk at initial recognition. Further, the Company considers the impact of forward looking information (such Company's internal factors and economic environment of the customers) on ECLs. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity and the cash flows that the Company expects to receive).

Provision against financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

f) Derecognition

(i) Financial assets

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to statement of changes in equity.

(ii) Financial liabilities

The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss and other comprehensive income.

4.5 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are off set and the net amount is reported in the statement of financial position only when there is a legally enforceable right to set off the recognized amount and the Company intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

4.6 Long term deposits

These are stated at cost which represents the fair value of consideration given.

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4.7 Trade debts

Trade debts are stated initially at fair value and subsequently measured at amortised cost using the effective interest rate method. A provision for impairment is established when there is an objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. Provision is made on the basis of lifetime ECLs that result from all possible default events over the expected life of the trade debts. Bad debts are written off when considered irrecoverable.

4.8 Borrowing costs

Borrowing costs are interest or other costs incurred by the Company in connection with the borrowing of funds. Borrowing cost that is directly attributable to a qualifying asset, i.e., an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, is capitalized as part of cost of that asset. All other borrowing costs are charged to income in the period in which they are incurred.

4.9 Taxation

Current

Provision for current taxation is based on taxability of certain income streams of the Company under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime after taking into account tax credits and tax rebates available, if any.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all taxable temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is not recognised for the following temporary differences; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences arising on the initial recognition of goodwill. be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted.

The Company takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

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4.10 Revenue recognition

- Brokerage and commission income is recognised as and when such services are provided and when performance obligations have been satisfied and right to receive the consideration in exchange for services has been established.
- Dividend income is recognised when the right to receive dividend is established i.e. on the date of book closure of the investee company / institution declaring the dividend.
- Interest income is recognised on a time proportion basis that takes into account the effective yield
- Income on continuous funding system is recognised on an accrual basis.
- Underwriting commission is recognised when the agreement is executed.
- Gains / (loss) arising on sale of investments are included in the profit and loss account in the period in which they arise.
- Unrealised gains / (losses) arising on mark to market of investments classified as 'Financial assets at fair value through profit or loss' are included in the profit and loss account in the period in which they arise.
- Unrealised capital gains / (losses) arising from mark to market of investments classified as 'available-for-sale' are taken directly to other comprehensive income.
- All other incomes are recognised on an accrual basis.

4.11 Expenses

All expenses are recognized in the profit or loss on an accrual basis.

4.12 Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

4.13 Creditors, accrued and other liabilities

Liabilities for trade and other amounts payable are measured at cost which is the fair value of the consideration to be paid in future for goods and services received.

4.14 Dividend

Dividend distributions and appropriations are recorded in the period in which the distributions and appropriations are approved.

4.15 Cash and cash equivalents

Cash and cash equivalents for cash flow purposes include cash in hand, current and deposit accounts held with banks.

4.16 Earning per share

Earning per share is calculated by dividing the profit after taxation for the year by the weighted average number of shares outstanding during the year.

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4.17 Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the Board of Directors and Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Currently the company has only one reportable segments.

4.18 Related party transactions

All transactions with the related parties are priced on arm's length basis. Prices for those transactions are determined on the basis of admissible valuation methods.

4.19 Sponsors' Loan

According to technical release 32 issued by Institute of Chartered Accountant of Pakistan (ICAP) according to which a loan to an entity by the directors which is agreed to be paid at the discretion of the entity does not pass the test of liability and is to be recorded as equity at face value. This is not subsequent re-measured. The decision by the entity at any time in future to deliver cash or any other financial asset to settle the directors' loan would be a direct debit to equity.

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5 AUTHORIZED CAPITAL

During the year ended June 30, 2014, the Company has passed a resolution in its extra ordinary general meeting held on September 25, 2013, to increase its authorized share capital to Rs. 75 million. However, till the date of issuance of these financial statements, legal formalities of increase in authorized capital have not been completed.

6 ISSUES, SUBSCRIBED AND PAID-UP CAPITAL

2023	2022	Note	2023	2022
Number of shares			----- (Rupees) -----	
	Issued for cash of Rs 100			
<u>350,000</u>	350,000 each		<u>35,000,000</u>	35,000,000
<u>350,000</u>	350,000		<u>35,000,000</u>	35,000,000

6.1 Pattern of shareholding

Sr No.	Name of shareholder	No of shares	% of shareholding
1	Muhammad Anis Silat	17,500	5%
2	Amin A.Sattar	175,000	50%
3	Muhammad Haris	157,500	45%
		<u>350,000</u>	<u>100%</u>

6.1.1 There is no change in shareholding during the year

6.2 There is no agreement among shareholders for voting rights, board selection, rights of first refusal, and block voting.

7 TRADE AND OTHER PAYABLE

Trade payable		20,323,103	28,244,347
Provident fund payable	7.1	1,161,452	-
Markup payable on running finance		203,206	213,532
Income tax payable		50,047	115,232
Accrued expenses		488,790	445,665
Payable against future exposure		7,933,365	3,171,659
FED payable		238,073	192,337
Other payable		301,517	1,090,570
		<u>30,699,553</u>	<u>33,473,343</u>

7.1 The Company is in process of registering PF, and currently in the process of opening the bank account, once the bank account is opened the amount will be transferred to the fund bank account. The disclosure in these financial statement relating to the provident fund can not be provided due to unavailability of the financial statements of the fund.

8 SHORT TERM RUNNING FINANCE - SECURED

Bank Al-Falah Limited	8.1	-	1,320,224
JS Bank Limited	8.2	1,405,991	19,072,270
		<u>1,405,991</u>	<u>20,392,495</u>

8.1 The Company has obtained running finance facilities under mark-up arrangement of Rs. 75 million (2022: Rs. 75 million) from Bank Al-Falah Limited having mark-up of 3 months KIBOR plus 2% that is secured against pledge of shares and personal guarantee of directors. This facility will expire on April 30, 2023.

8.2 The Company has obtained running finance facilities under mark-up arrangement of Rs. 150 million (2022: Rs. 75 million) from JS Bank Limited having mark-up of 3 months KIBOR plus 2.5% that is secured against pledge of shares and personal guarantee of directors. This facility will expire on April 30, 2023.

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2023 (2022: Nil)

10 PROPERTY AND EQUIPMENT

Description	Office Premise	Furniture and fixture	Office equipments	Computer Equipment	Motor Vehicles	Total
COST						
Balance as at 01 July, 2021	6,000,000	1,107,855	1,645,689	3,003,524	243,000	12,000,068
Additions	-	-	71,000	61,446	-	132,446
Deletion	-	-	-	-	-	-
Balance as at 30 June, 2022	6,000,000	1,107,855	1,716,689	3,064,970	243,000	12,132,514
Balance as at 01 July, 2022	6,000,000	1,107,855	1,716,689	3,064,970	243,000	12,132,514
Additions	-	-	-	-	-	-
Deletion	-	-	-	-	-	-
Balance as at 30 June, 2023	6,000,000	1,107,855	1,716,689	3,064,970	243,000	12,132,514
DEPRECIATION						
Balance as at 01 July, 2021	3,675,477	1,009,501	1,247,321	2,801,888	206,880	8,941,068
Charge for the year	232,452	14,753	68,685	73,395	5,418	394,703
Adjustment of disposal	-	-	-	-	-	-
Balance as at 30 June, 2022	3,907,929	1,024,254	1,316,007	2,875,283	212,298	9,335,771
Balance as at 01 July, 2022	3,907,929	1,024,254	1,316,007	2,875,283	212,298	9,335,771
Charge for the year	209,207	12,540	60,102	56,906	4,605	343,361
Adjustment of disposal	-	-	-	-	-	-
Balance as at 30 June, 2023	4,117,136	1,036,794	1,376,109	2,932,189	216,903	9,679,132
Carrying Amount - 2023	1,882,864	71,061	340,580	132,781	26,097	2,453,382
Carrying Amount - 2022	2,092,071	83,601	400,682	189,687	30,702	2,796,743
Rate of Depreciation	10%	15%	15%	30%	15%	

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	Note	2023 ----- (Rupees) -----	2022 ----- (Rupees) -----
11 INTANGIBLE ASSET - TRE CERTIFICATE			
Trading Right Entitlement Certificate (TREC)	11.1	<u>2,500,000</u>	<u>2,500,000</u>
11.1	This represents TREC acquired on surrender of Stock Exchange Membership Card.		
11.2 Movement in Trading Right Entitlement Certificate (TREC)			
Opening carrying value		2,500,000	2,500,000
Impairment		-	-
Closing carrying value		<u>2,500,000</u>	<u>2,500,000</u>
12 DEFERRED TAXATION			
The balance of deferred tax is in respect of the following:			
Accelerated tax depreciation		4,665	6,557
Investments- FVTPL		(431,407)	(642,735)
Provisions for doubtful debts		(493,223)	(358,637)
Deferred tax asset		<u>(919,965)</u>	<u>(994,816)</u>
13 LONG TERM DEPOSIT			
Pakistan Stock Exchange Limited		1,200,000	1,200,000
National Clearing Company of Pakistan		300,000	300,000
Central Depository Company of Pakistan		100,000	100,000
Telephone deposits		39,151	39,151
Other deposits		7,000	7,000
		<u>1,646,151</u>	<u>1,646,151</u>
	Note	2023 ----- (Rupees) -----	2022 ----- (Rupees) -----
14 INVESTMENT IN MARGIN FINANCING			
Investment in margin financing :	14.1	<u>439,484</u>	988,004
		<u>439,484</u>	<u>988,004</u>
14.1	This amount given as Margin Financing (MF) to the clients of the Company through National Clearing Company of Pakistan Limited. This amount is secured against securities of clients held in house accounts under pledged status. The Company is charging markup upto the rate of 1 month KIBOR + 8%.		
	Note	2023 ----- (Rupees) -----	2022 ----- (Rupees) -----
15 TRADE DEBTORS			
Receivable from customers		20,878,578	33,884,927
Receivable from related parties	15.1	54,937,407	35,344,820
Considered doubtful		1,700,770	1,236,681
		77,516,754	70,466,428
- Provision for impairment on Trade debts	15.2	(1,700,770)	(1,236,681)
		<u>75,815,984</u>	<u>69,229,747</u>
15.1	This represents amount receivable from director of the Company.		

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2023 2022
----- (Rupees) -----

15.2 Provision for impairment on trade debts

Opening balance	1,236,681	1,236,681
Written off during the year	-	17,063,405
Impairment/provision during the year	464,089	(17,063,405)
Closing balance	<u>1,700,770</u>	<u>1,236,681</u>

15.3 Aging analysis

The aging analysis of the trade debts relating to purchase of shares is as follow:

2023 2022
----- (Rupees) -----

Upto 5 days	43,483,396	43,379,825
More than 5 days	34,033,359	27,086,603
	<u>77,516,754</u>	<u>70,466,428</u>

16 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

NCCPL and PSX deposits	3,641,881	1,874,532
Exposure deposits with PSX and NCCPL	10,050,000	36,875,000
Base minimum capital deposit	-	700,000
Advance payment of tax	414,181	3,125,761
Income tax refundable	19,886,082	19,886,082
	<u>33,992,144</u>	<u>62,461,375</u>

2023 2022
----- (Rupees) -----

17 SHORT TERM INVESTMENT**Financial assets classified as FVTPL**

Shares of listed companies - carrying amount	17.1	21,586,039	19,521,411
Unrealized loss on revaluation of fair value through profit or loss investments		(2,876,045)	(4,284,903)
Fair value as at June 30,		<u>18,709,995</u>	<u>15,236,508</u>

Financial assets classified as FVTOCI

Share of listed companies - carrying amount	17.2	19,467,209	28,919,938
Unrealized loss on revaluation of fair value through other comprehensive income		(5,385,357)	(9,452,722)
Fair value as at June 30,		<u>14,081,852</u>	<u>19,467,209</u>

Total short term investment

	<u>32,791,847</u>	<u>34,703,717</u>
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17.1 Financial assets classified as fair value through profit or Loss

2023		2022		2023		2022	
Number of Shares	Name of the Company	Rupees		Average Cost	Market Value	Average Cost	Market Value
350	350	Attock Refinery Limited	61,523	60,071	89,758	61,523	
24,400	24,400	B.R.R. Guardian Modaraba	-	-	322,812	255,956	
878	799	Bank Of Punjab Limited	4,643	3,047	6,576	4,331	
5,209	4,510	Cherat Packaging Limited	577,771	507,305	897,084	509,269	
388	388	Dewan Textile Mills Limited	892	1,164	1,048	892	
400	400	Ali Asghar Textile Mills Ltd.	-	-	-	-	
26,000	26,000	Beem Pakistan Co.	-	-	-	-	
16,500	16,500	Business And Industrial Insurance Co.	-	-	-	-	
20,000	1,000,000	Hascol Petroleum Limited	120,962	111,000	6,296,601	4,220,000	
86	86	Innoative Investment Bank Ltd.	-	-	-	-	
-	4,500	K-Electric Limited	-	-	11,320	13,680	
10,500	10,500	Mubarak Textile Mills Ltd.	-	-	-	-	
36,100	36,100	Norrie Textile Mills Ltd.	-	-	-	-	
8,090	8,990	Shezan International Ltd.	1,375,300	853,657	2,816,926	1,528,300	
409	409	J. D. W. Sugar Mills Limited	94,070	143,150	91,207	94,070	
115,473	115,473	Javedan Corporation Limited	4,849,866	4,416,842	4,872,961	4,849,866	
204	204	Kohinoor Mills Limited	5,457	8,762	6,120	5,457	
3,000	3,000	Maqbool Textile Mills Limited	259,050	274,500	94,500	259,050	
3	3	MCB Bank Limited	369	343	479	369	
72	72	Nishat (Chunian) Limited	3,225	1,462	3,621	3,225	
1,811	1,811	Packages Limited	722,335	704,370	987,357	722,335	
-	70	First Pak Modarba	-	-	245	168	
2	2	Picic Insurance Limited	2	1	3	2	
-	269	First Prudential Modarba	-	-	699	409	
55	55	Shell Pakistan Limited	4,664	6,361	6,524	6,497	
50,000	50,000	Sui Southern Gas Co. Limited	453,000	429,500	711,805	453,000	
27,070	21,656	Tariq Glass Limited	2,446,971	1,843,467	2,303,765	2,248,109	
500	-	AGRIAUTOS INDUSTRIES LIMITED.	30,857	31,025	-	-	
5,000	-	D. G. KHAN CEMENT CO.	256,515	256,500	-	-	
26,500	-	FARAN SUGAR MILLS LTD.	1,377,979	1,537,000	-	-	
500	-	HALEON PAKISTAN LIMITED	70,086	70,070	-	-	
1,350	-	JAVED OMER VOHRA AND COMPANY	-	-	-	-	
1,000	-	MITCHELL'S FRUIT FARMS LIMITED	72,161	74,330	-	-	
56	-	NISHAT CHUN POWER	1,425	935	-	-	
500	-	PAK DATACOM LIMITED	28,507	33,175	-	-	
339	-	PRUDENTIAL MODARBA 1ST.	501	424	-	-	
428	-	SALMAN NOMAN ENTERPRISES LIMITE	-	-	-	-	
2,000	-	SOUTHERN ELECTRIC COMPANY LIM	-	-	-	-	
100	-	SHAHPUR TEXTILE MILLS LIMITED.	-	-	-	-	
17,500	-	SYSTEM LIMITED	8,481,027	7,058,275	-	-	
15,000	-	TELECARD LIMITED	99,708	99,000	-	-	
5,000	-	TRANSMISSION ENGINEERING CO. L	-	-	-	-	
2,000	-	TRG PAKISTAN	187,174	184,260	-	-	
1,784,080	-	ZEAL PAK CEMENT FACTORY LTD.	-	-	-	-	
2,208,853	1,326,547		21,586,039	18,709,994	19,521,411	15,236,508	

17.2 Financial assets carried at Fair value through other comprehensive income

2023		2022		2023		2022	
Number Of Shares	Name of the Company	Rupees		Average Cost	Market Value	Average Cost	Market Value
1,902,953	1,902,953	Pakistan Stock Exchange Limited	19,467,209	14,081,852	28,919,931	19,467,209	
1,902,953	1,902,953		19,467,209	14,081,852	28,919,931	19,467,209	

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	Note	2023	2022
		----- (Rupees) -----	
18 CASH AND BANK BALANCES			
Cash in hand		66,175	66,175
Cash at bank-current account	18.1	14,769,141	29,244,106
		<u>14,835,316</u>	<u>29,310,281</u>

18.1 This includes balance amount of Rs. 13,823,996 held on the behalf of clients

19 ADMINISTRATIVE AND OPERATING EXPENSES

Salaries allowance and other benefits	19.1	29,047,452	31,192,775
Rent, rates and taxes		316,208	128,547
Repairs and maintainance		908,706	1,052,385
Software maintenance charges		746,038	722,754
Auditors' remuneration	19.2	433,592	404,092
Legal and professional charges		241,365	1,031,800
Printing and stationary		125,745	82,746
Travelling and conveyance		60,570	44,080
Utilities		392,080	1,199,817
Fees and subscription		3,631,485	3,276,234
Entertainment		506,537	630,422
Postage and courier expense		39,939	75,355
Depreciation		343,361	394,703
Insurance expense		38,000	38,000
Transaction charges		1,542,747	3,955,454
Trade debts written off		-	17,063,405
Provision for ECL		464,089	-
Others		981,490	1,127,020
Donation	19.3	-	12,480,000
		<u>39,819,404</u>	<u>74,899,589</u>

19.1 Remuneration of Directors and Chief Executive

Particulars	Chief Executive		Directors	
	----- (Rupees) -----			
	2023	2022	2023	2022
Remuneration	3,210,000	3,640,000	2,400,000	2,800,000
P.F Contribution	-	-		54,444
No of Persons	1	1	1	1
	2023		2022	
	----- (Rupees) -----			

19.2 Auditors' remuneration

Audit fee	367,356	367,356
Out of pocket expense	36,736	36,736
Other services	29,500	-
	<u>433,592</u>	<u>404,092</u>

19.3 During the year, the Company has made following donations

Dawat-E-Islami	-	11,980,000
Bantwa Memon Jamat	-	500,000
	<u>-</u>	<u>12,480,000</u>

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	Note	2023	2022
		----- (Rupees) -----	
20 OTHER INCOME			
Profit on margin deposit		5,324,502	4,494,748
Profit on margin financing		-	-
Dividend income		3,148,194	2,596,610
Transaction and custody fees		5,376,375	7,628,006
		<u>13,849,071</u>	<u>14,719,364</u>
21 FINANCE COST			
Short term running finance		965,666	469,438
Bank charges		286,631	347,403
		<u>1,252,297</u>	<u>816,841</u>
22 TAXATION			
Current		1,291,655	1,209,387
Deferred		74,851	(1,625,488)
Prior		80,963	(1,875,463)
		<u>1,447,469</u>	<u>(2,291,563)</u>

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to certain financial risk. Such financial risk emanate from various factors that include, but not limited to, market risk, credit risk and liquidity risk. The company's overall risk management focuses on the unpredictability of financial market and seeks to minimize potential adverse effects on the company's financial performance. Risk measures and managed by company are explained below:

23.1 Market Risk

Market risk is the risk that the fair value of future cash flows of financial instrument will fluctuate due to changes in market variables such as interest rate and foreign exchange rates.

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in interest rates. The Company's exposure to the risk of changes in interest rates relates primarily to the company's short term finance with varying interest rates. Management of the company estimates that increase of 100 base point in the interest rate, with all other factors remaining constant, would increase / decrease the company's after tax profit by Rs. 110,320/- (2022: Rs. 90,753/-). However, in practice, the actual result may differ from the sensitivity analysis.

(ii) Foreign exchange risk

Foreign currency risk is the risk that the value of financial assets or a financial liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transaction in foreign currency. The company has no transactions in foreign currency during the current year.

23.2 Liquidity risks

Liquidity risk is a risk that an enterprise will encounter difficulties in raising funds to meet commitments associated with financial instruments. The management believe that it is not expose to any significant level of liquidity risk. The management forecast the liquidity of the company on basis of expected cash flow considering the level of liquid assets necessary to meet such risk. This involves monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

2023	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	(Rupees)				
Trade and other payables	30,699,553	-	-	-	30,699,553
Short term running finance - secured	-	1,405,991	-	-	1,405,991
Total	30,699,553	1,405,991	-	-	32,105,544

2022	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	(Rupees)				
Trade and other payables	33,473,343	-	-	-	33,473,343
Short term running finance - secured	-	20,392,495	-	-	20,392,495
Total	33,473,343	20,392,495	-	-	53,865,837

Fair value of financial instruments

Fair value is an amount for which an assets could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction, consequently, difference may arises between the carrying value and fair value estimates.

As at June 30, 2023 the net fair value of all financial assets and financial liabilities are estimated to approximate their carrying value.

23.3 Credit risks

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2023	2022
	(Rupees)	
Financial Assets		
Long term deposits	1,646,151	1,646,151
Investment in margin financing	439,484	988,004
Trade debts	75,815,984	69,229,747
Advance, deposits and other receivables	13,691,881	39,449,532
Short term investments	32,791,847	34,703,717
Bank balances	14,769,141	29,244,106
	137,068,853	172,627,101

24. CAPITAL RISK MANAGEMENT

The primary objective of the Company's capital management is to maintain healthy capital ratios and optimal capital structures in order to ensure ample availability of finance for its existing operations, for maximizing shareholder's value, for tapping potential investment opportunities and to reduce cost of capital.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. Furthermore, the Company finances its operations through equity, borrowing and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk.

Net capital requirements of the Company are set and regulated by PSX. These requirements are put in place to ensure sufficient solvency margins and are based on excess of current assets over current liabilities. The Company manages its net capital requirements by assessing its capital structure against required capital level on a regular basis.

25. BASE MINIMUM CAPITAL

In compliance with the Regulation 19.3 of the Rule Book of Pakistan Stock Exchange Limited, every Trading Right Entitlement Certificate (TREC) holder registered as a broker under Securities Brokers (Licensing and Operations) Regulations, 2016 is required to maintain a Base Minimum Capital (BMC) in the amount and form as prescribed in the Rule on the basis of Assets Under Custody (AUC). As per the said regulation, as at 30 June 2023, the Company is required to maintain BMC of Rs. 18.7 million.

The notional value of TREC, cash deposit and breakup value of shares for the purpose of BMC is determined by PSX as under:

Trading Right Entitlement Certificate	2,500,000
Cash deposit	-
Securitized PSX Shares	16,870,446
	<u>19,370,446</u>

S.no	Symbol	No of shares	MV per share	Total Market Value
1	ATRL	300	172	51,489
2	PKGS	1,800	389	700,092
3	PSX	1,902,500	7	14,078,500
4	SYS	500	403	201,665
5	TGL	27,000	68	1,838,700
		1,932,100		16,870,446

2023
(Rupees)

26. Capital Adequacy Level

Total assets	165,394,273
Total liabilities	(33,397,199)
Revaluation reserve created upon revaluation of fixed assets	-
	<u>131,997,074</u>

- 26.1 While determining the value of the total assets of the TREC Holder, Notional value of the TRE certificate held by Time Securities (Private) Limited Limited as at year ended 30 June 2023 as determined by Pakistan Stock Exchange has been considered.

27 Liquid Capital Balance

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	2,453,382	2,453,382	-
1.2	Intangible Assets	2,500,000	2,500,000	-
1.3	Investment in Govt. Securities	-	-	-
	Investment in Debt. Securities			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 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.	-	-	-
1.4	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 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.	-	-	-
	Investment in Equity Securities			
	i. If listed 15% or VaR of each securities on the cut off date as computed by the Securities Exchange for respective securities whichever is higher.	15,921,401	3,288,856	12,632,545
	ii. If unlisted, 100% of carrying value.	-	-	-
	iii. Subscription money against Investment in IPO/offer for Sale: Amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.	-	-	-
1.5	iv. 100% Haircut shall be applied to Value of Investment in any asset including shares of listed securities that are in Block, Freeze or Pledge status as on reporting date. (July 19, 2017) Provided that 100% haircut shall not be applied in case of investment in those securities which are Pledged in favor of Stock Exchange / Clearing House against Margin Financing requirements or pledged in favor of Banks against Short Term financing arrangements. In such cases, the haircut as provided in schedule III of the Regulations in respect of investment in securities shall be applicable (August 25, 2017)	-	-	-
1.6	Investment in subsidiaries	-	-	-
	Investment in associated companies/undertaking			
1.7	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.	-	-	-
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.	1,646,151	1,646,151	-
1.9	Margin deposits with exchange and clearing house.	10,050,000	-	10,050,000

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S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	23,527,963	23,527,963	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)	-	-	-
1.12	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	-	-
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. <i>(Securities purchased under repo arrangement shall not be included in the investments.)</i>	-	-	-
1.15	i. Short Term Loan To Employees: Loans are Secured and Due for repayment within 12 months	-	-	-
1.15	ii. Receivables other than trade receivables	-	-	-
1.16	Receivables from clearing house or securities exchange(s)			
1.16	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-
1.16	claims on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-
1.17	Receivables from customers			
1.17	i. In case receivables are against margin financing, the aggregate if (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.	439,484	167,620	167,620
1.17	ii. In case receivables are against margin trading, 5% of the net balance sheet value. ii. Net amount after deducting haircut	-	-	-
1.17	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	-	-	-
1.17	iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. iv. Balance sheet value	3,850,250	-	3,850,250
1.17	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	18,729,098	8,565,263	8,565,263
1.17	vi. 100% haircut in the case of amount receivable from related parties.	54,937,407	34,173,252	34,173,252
1.18	Cash and Bank balances			
1.18	I. Bank Balance-proprietary accounts	945,144	-	945,144
1.18	ii. Bank balance-customer accounts	13,823,996	-	13,823,996
1.18	iii. Cash in hand	66,175	-	66,175
1.19	Total Assets	148,890,450	76,322,487	84,274,245

ATC

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
2. Liabilities				
2.1	Trade Payables			
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
		20,323,103	-	20,323,103
2.2	Current Liabilities			
	i. Statutory and regulatory dues	-	-	-
	ii. Accruals and other payables	10,376,450	-	10,376,450
	iii. Short-term borrowings	1,405,991	-	1,405,991
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	-	-	-
	vi. Deferred Liabilities	-	-	-
	vii. Provision for bad debts	1,700,770	-	1,700,770
	viii. Provision for taxation	1,291,655	-	1,291,655
	ix. Other liabilities as per accounting principles and included in the financial statements	-	-	-
2.3	Non-Current Liabilities	-	-	-
	i. Long-Term financing	-	-	-
	a. Long-Term financing obtained from financial institution: Long term portion of financing obtained from a financial institution including amount due against finance lease	-	-	-
	b. Other long-term financing	-	-	-
	ii. Staff retirement benefits	-	-	-
	iii. Advance against shares for Increase in Capital of Securities broker: 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.	-	-	-
	iv. Other liabilities as per accounting principles and included in the financial statements	-	-	-
2.4	Subordinated Loans			
	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted: The Schedule III provides that 100% haircut will be allowed against subordinated Loans which fulfill the conditions specified by SECP. In this regard, following conditions are specified: a. Loan agreement must be executed on stamp paper and must clearly reflect the amount to be repaid after 12 months of reporting period b. No haircut will be allowed against short term portion which is repayable within next 12 months. c. In case of early repayment of loan, adjustment shall be made to the Liquid Capital and revised Liquid Capital statement must be submitted to exchange.	53,257,484	53,257,484	-
	ii. Subordinated loans which do not fulfill the conditions specified by SECP	-	-	-
2.5	Total Liabilities	88,355,453	53,257,484	35,097,969

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3. Ranking Liabilities Relating to :				
	Concentration in Margin Financing			
3.1	The amount calculated 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.	439,484	351,587	351,587
	Concentration in securites lending and borrowing			
3.2	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	-	-	-
	Net underwriting Commitments			
3.3	(a) in the case of right issue : 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 commitments 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	-	-	-
	(b) in any other case : 12.5% of the net underwriting commitments			
3.4	Negative equity of subsidiary The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary	-	-	-
3.5	Foreign exchange agreements and foreign currency positions 5% of the net position in foreign currency.Net position in foreign currency means the difference of total assets denominated in foreign cuurrency less total liabilities denominated in foreign currency	-	-	-
3.6	Amount Payable under REPO			
3.7	Repo adjustment In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securites. In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received ,less value of any securites deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	-	-	-
3.8	Concentrated proprietary positions 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 of a security exceeds 51% of the proprietary position,then 10% of the value of such security	563,673	563,673	563,673

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
		-	-	-
	Opening Positions in futures and options	-	-	-
3.9	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	-	-	-
	Short sell positions	-	-	-
3.10	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.			
3.11	Total Ranking Liabilities	1,003,157	915,260	915,260
	Liquid Capital Balance	59,531,841		48,261,016

28 RELATED PARTY TRANSACTIONS

Related parties comprise of shareholders, directors and their subordinates and key management personnel of the company. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Relationship	Nature of transaction	2023	2022
		----- (Rupees) -----	-----
Directors	loan repaid	<u>(22,707,484)</u>	<u>-</u>
Directors	loan obtained	<u>22,707,484</u>	<u>-</u>

29 PROVIDENT FUND RELATED DISCLOSURE

The Company does not maintain any provident fund for its employees.

30 NUMBER OF EMPLOYEES

	2023	2022
	----- (Number) -----	-----
Average number of employees during the year	<u>29</u>	<u>30</u>
Employees at year end	<u>28</u>	<u>30</u>

31 DATE OF AUTHORIZATION

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

32 GENERAL

Figures have been rounded off to the nearest rupee.

CHIEF EXECUTIVE OFFICER



DIRECTOR





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