REANDA
Reanda Haroon Zakaria & Company
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AKHAI SECURITIES (PRIVATE) LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of **Akhai Securities (Private) Limited** which comprise the statement of financial position as at June 30, 2022, and the statement of profit or loss and 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 and other comprehensive income, the statement of changes in equity, 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, 2022 and of the profit, other comprehensive income, 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.

Emphasis of Matter

We draw attention to note no. 30.1, 30.2, 30.3, 30.4 & 30.5 of the financial statements which discusses in detail the reason for amending financial statements by way of revision. This is revised auditors' report pursuant to Auditing Standard No. 560 on Subsequent Events para No. 17.

These reasons for revision are reproduced herewith:

30.1 With reference to Note 4.1, the office premises was transferred on the basis of revaluation carried out in February 2022 instead of revaluation carried out in June 20, 2022. Management of the Company reissuing the financial statements by amending it to reflect the most recent value of the Office premises transferred via agreement dated June 23, 2022 for which registry in the name of Company is pending.

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Further, corresponding credit entry was wrongly classified in statement of profit or loss instead of statement of changes in equity as "capital reserves" and same has been treated as transaction with owners as per interpretation of IAS -1

30.2 Management has changed the depreciation rate of Office Premises from 10% to 5% that more reasonably reflects the allocation of useful life of the Property and the same is applied prospectively. Further depreciation charge is made as per revised accounting policy stated in note 3.1

30.3 Management made the disclosure of pledged securities in note no. 9.2 & Securities held on account client in CDS in note no. 9.3 for which comparative information is not available.

30.4 Management has updated the disclosure of short term finances in Note 15, 15.1 and 15.2

30.5 Management has corrected the amount of Liquid Capital Balance in Note no. 27 due to clerical error in Para no. 1.17 resulting in decrease in liquid capital of Rs. 182,627/=

30.6 The management of the company will make sure that amended financial statements are notified to all the parties who had received previous financial statements.

In case of failure to notify the revision to all stakeholders, we auditors' will take appropriate steps for the compliance on part of auditors

Our opinion is not modified in the respect of this matter.

Other Matter
The financial statements of the foundation for the year ended June 30, 2021 were audited by another firm of chartered accountants who expressed an unmodified opinion thereon dated October 07, 2021.

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.

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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 to design audit procedures that are appropriate in the circumstances, but not for 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.

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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 and other comprehensive income, the statement of changes in equity, 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 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 requirement of section 78 of the Securities Act 2015, section 62 of the Futures Market Act 2016 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 **Farhan Ahmed Memon.**

Sd/- Reanda Haroon Zakaria & Co.

Reanda Haroon Zakaria & Company
Chartered Accountants

Place: Karachi
Dated: 30 DEC 2022

UDIN: AR2022101470pYy46K58

AKHAI SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022

	Note	2022 (Rupees)	2021 (Rupees)
ASSETS			
Non Current Assets			
Property and equipment	4	**21,311,515**	3,596,847
Intangible assets	5	**2,750,000**	2,750,000
Long term deposits	6	**2,769,247**	2,935,440
Deferred tax asset	7	**-**	-
		26,830,762	9,282,287
Current Assets			
Trade debts	8	**40,396,523**	22,811,794
Short term investments	9	**12,631,943**	55,252,989
Loan to related parties	10	**-**	3,053,500
Advances, deposits, prepayments and other receivables	11	**13,860,507**	1,435,086
Advance tax - net of provision		**3,698,611**	2,983,665
Cash and bank balances	12	**2,058,070**	2,615,694
		72,645,654	88,152,728
Total Assets		**99,476,417**	97,435,015
EQUITY AND LIABILITIES			
Capital Reserves			
Authorized capital	13	**45,000,000**	45,000,000
Issued, subscribed and paid-up capital	13	**45,000,000**	45,000,000
Capital reserves		**18,000,000**	-
Unappropriated profit		**(2,456,796)**	1,951,242
		60,543,204	46,951,242
Current Liabilities			
Trade and other payable	14	**347,970**	1,288,441
Short term running finance	15	**38,585,243**	49,195,333
		38,933,213	50,483,773
Contingencies and commitments	16		
Total Equity and Liabilities		**99,476,417**	97,435,015

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

Chief Executive | ***Director***

AKHAI SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 (Rupees)	2021 (Rupees)
Operating revenue	17	**1,687,352**	2,099,654
Capital gain on sale of investments		**1,375,136**	96,110
(Loss)/ Gain on re-measurement of investments carried at fair value through profit or loss		**(525,841)**	14,725,974
		2,536,647	16,921,738
Operating and administrative expenses	18	**(3,621,812)**	(4,463,558)
		(1,085,165)	12,458,180
Finance costs	19	**(3,301,780)**	(2,225,463)
Other income	20	-	1,066,715
(Loss) / profit before taxation		**(4,386,946)**	11,299,432
Taxation	21	**(21,092)**	(191,502)
(Loss) / profit after taxation		**(4,408,038)**	11,107,930
Other comprehensive income:			
Other comprehensive income for the year		-	-
Total comprehensive (loss) / income for the year		**(4,408,038)**	11,107,930
Earning per share - basic and diluted	22	**(0.98)**	2.68

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

Chief Executive

Director

AKHAI SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2022

	Issued, subscribed and paid-up capital	Capital Reserves	Revenue Reserve Accumulated Profit/(Loss)	Total
	-----	-----	Rupees -----	-----
Balance as at June 30, 2020	35,000,000	-	(9,156,688)	25,843,312
Issuance of shares	10,000,000	-	-	10,000,000
Profit for the year	-	-	11,107,930	11,107,930
Balance as at June 30, 2021	**45,000,000**	-	**1,951,242**	**46,951,242**
Profit for the year	-	-	**(4,408,038)**	**(4,408,038)**
Transaction with owners:				
- Value of Office premises donated by the director	-	**18,000,000**	-	**18,000,000**
Balance as at June 30, 2022	**45,000,000**	**18,000,000**	**(2,456,796)**	**60,543,204**

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

Chief Executive

Director

AKHAI SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	2022 (Rupees)	2021 (Rupees)
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	**(4,386,946)**	11,299,432
Adjustment for non-cash items:		
Depreciation	**285,331**	437,622
Capital (gain)/ loss	**(1,375,136)**	(96,110)
Unrealized (gain) / loss - on investment at fair value through P&L	**525,841**	(14,725,974)
Dividend income	**-**	(1,066,715)
Finance costs	**3,301,780**	2,225,463
Operating (loss) before working capital changes	**2,737,817**	(13,225,713)
Changes in working capital		
(Increase)/Decrease in current assets		
(Increase) in trade debts	**(17,584,729)**	(6,388,889)
(Increase)/Decrease in advances, deposits and prepayments	**(12,425,421)**	(841,717)
	(30,010,150)	(7,230,606)
(Increase)/Decrease in current liabilities		
Increase/(Decrease) in trade and other payable	**(940,471)**	165,129
Net changes in working capital	**(28,212,804)**	(20,291,190)
Finance cost paid	**(3,301,780)**	(2,225,463)
Taxes paid	**(736,038)**	(47,070)
	(4,037,818)	(2,272,533)
Net cash (used in) from operating activities	**(36,637,568)**	(24,490,007)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property and equipment	**-**	(15,000)
Long term deposit - net	**166,193**	338,200
Sale / (Purchase) of investments - net	**42,095,205**	(9,189,128)
Loan disbursed to related parties	**3,053,500**	(3,053,500)
Capital gain	**1,375,136**	-
Dividend received	**-**	1,066,715
Net cash generated from / (used in) investing activities	**46,690,034**	(10,852,713)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of shares	**-**	10,000,000
Short term running finance	**(10,610,090)**	26,140,658
Net cash (used in) / generated from financing activities	**(10,610,090)**	36,140,658
Net increase in cash and cash equivalent	**(557,625)**	797,938
Cash and cash equivalents at beginning of the year	**2,615,694**	1,817,757
Cash and cash equivalents at end of the year	**2,058,070**	2,615,695

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

Chief Executive

Director

AKHAI SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

Akhai Securities (Private) Limited (the Company) was incorporated on 29th September 2005 as a private limited company under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017 on May 30, 2017).

The Company is a TREC (Trading Right Entitlement Certificate) holder of Pakistan Stock Exchange Limited (Formerly: Karachi Stock Exchange Limited). The Company is also a member of Pakistan Mercantile Exchange Limited. The Company is principally engaged in brokerage of shares, stocks, securities, commodities, securities research and other financial instruments. The registered office of the Company is located at Room No. 623, 6th Floor, 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 for financial reporting. The accounting and reporting standards as applicable in Pakistan comprise of such International Financial Reporting Standards (IFRS Standards), issued by International Accounting Standard Board (IASB) as notified under Companies Act, 2017 (the "Act"); and provisions of and directives issued under the Act. Where the provisions of and directives issued under the Companies Act,2017 differ from the IFRS standard, 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 investment which are carried at its fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Company and rounded off to nearest rupee.

2.4 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan which are effective in current period

The following standards, amendments and interpretations are effective for the year ended June 30, 2022. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

	Effective for period beginning on or after
Amendments to IFRS 4 'Insurance Contracts', IFRS 7 'Financial Instruments: Disclosures', IFRS 9 'Financial Instruments', IFRS 16 'Leases', IAS 39 'Financial Instruments: Recognition and Measurement': Amendments regarding replacement issues in the context of the IBOR reform	January 1, 2021
Amendments to IFRS 16 'Leases': Amendment to extend the exemption from assessing whether a COVID-19-related rent concession is a lease modification	April 1, 2021

Certain annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

2.5 *Amendments to standards and IFRS interpretations that are not yet effective*

The following amendments to accounting standards and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

	Effective for period beginning on or after
Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures': Sale or contribution of assets between an investor and its associate or joint venture	Effective from accounting period beginning on or after a date to be determined. Earlier application is permitted.
Amendments to IAS 1 'Presentation of Financial Statements': Amendments regarding the classification of liabilities and disclosure of accounting policies	January 1, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors': Amendments regarding the definition of accounting estimates	January 1, 2023
Amendments to IAS 12 'Income Taxes': Amendments regarding deferred tax on leases and decommissioning obligations	January 1, 2023
Amendments to IAS 16 'Property, Plant and Equipment': Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use	January 1, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets': Amendments regarding the costs to include when assessing whether a contract is onerous	January 1, 2022

Certain annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1 - First Time Adoption of International Financial Reporting Standards
IFRS 17 - Insurance Contracts

3 *SUMMARY SIGNIFICANT ACCOUNTING POLICIES*

The significant accounting policies consistently applied in the preparation of these financial statements except policy of charging deprecition. Previously the depreciation was charged on addition for the full year and no deprecition was charged in the year of Disposal. However as per revised policy depreciation is charged from the month of addition and no deprecition is charged in the month of Disposal.

3.1 *Property and equipment*

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies and methods of computation have been consistently applied to all the periods presented, unless otherwise stated.

Owned

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

Depreciation is charged to profit and loss account by applying the reducing balance method at the rates specified in note 5. 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. Surplus on revaluation of property and equipment is credited to surplus on revaluation of fixed assets account. To the extent of incremental depreciation charged on revalued assets, the related surplus on revaluation of fixed assets - net of deferred tax is transferred directly to equity.

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.

Leased

Assets subject to finance lease are stated at the lower of present value of minimum lease payments under the lease agreements and the fair value of the assets. The related obligations of the leases are accounted for as liabilities. Assets acquired under finance lease are depreciated over the useful life of the assets by applying straight line method systematically on yearly basis at the rates specified in note

3.2 *Intangible assets*

This represents Trading Right Entitlement Certificate of Pakistan Stock Exchange.

TRE Certificate is considered to have indefinite useful life . The carrying amounts are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts, and when carrying value exceeds estimated recoverable amount, these are written to their estimated recoverable amount.

3.3 *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.

3.4 *Financial assets*

3.4.1 *Classification and initial measurement*

The Company classifies its financial assets in the following three categories:

(a) financial assets measured at amortized cost.
(b) fair value through other comprehensive income (FVOCI);
(c) fair value through profit or loss (FVTPL); and

(a) ***Financial assets measured at amortized cost***

A financial asset is measured at amortized cost if it is held within business model whose objective is to hold assets to collect contractual cash flows, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(b) ***Financial assets at FVOCI***

A financial asset is classified as at fair value through other comprehensive income when either:

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

(b) it is an investment in equity instrument which is designated as at fair value through other comprehensive income in accordance with the irrevocable election available to the Company to at initial recognition.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(c) ***Financial assets at FVTPL***

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income, as aforesaid.

Such financial assets are initially measured at fair value.

3.4.2 *Subsequent measurement*

(a) ***Financial assets measured at amortized cost***

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses (if any).

Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in the profit and loss account.

(b) ***Financial assets at FVOCI***

These are subsequently measured at fair value less accumulated impairment losses.

A gain or loss on a financial asset measured at fair value through other comprehensive income in accordance is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment (except for investments in equity instruments which are designated as at fair value through other comprehensive income in whose case the cumulative gain or loss previously recognized in other comprehensive income is not so reclassified). Interest is calculated using the effective interest method and impairment is recognised in statement of profit or loss. Dividend income on equity investment designated at FVOCI is recognised in statement of profit or loss

(c) Financial assets at FVTPL

These assets are subsequently measured at fair value.

Net gains or losses arising from remeasurement of such financial assets as well as any interest income accruing thereon are recognized in profit and loss account.

3.4.3 Impairment

The Comapany's only financial asset that is subject to the impairment requirements of IFRS 9 is trade receivables.

The Company applies the IFRS 9 'Simplified Approach' to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The Company measures expected credit losses on trade receivables in a way that reflects an unbiased and probability-weighted amount, time value of money and reasonable and supportable information at the reporting date about the past events, current conditions and forecast of future economic conditions. The Company recognises in profit and loss account, as an impairment loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

3.4.4 De-recognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Modaraba has transferred substantially all risks and rewards of ownership.

3.5 Financial liabilities

Financial liabilities are classified as measured at amortized cost or 'at fair value through profit or loss' (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit and loss account.

Financial liabilities are derecognized when the contractual obligations are discharged or cancelled or have expired or when the financial liability's cash flows have been substantially modified.

3.6 *Non-financial assets*

The Company assesses at each balance sheet date whether there is any indication that assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in the profit and loss account. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount of the asset. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognized.

3.7 *Long term deposits*

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

3.8 *Trade debts*

Trade and other receivables are recognized at fair value and subsequently measured at amortised cost less impairment losses, if any.Actual credit loss experience over past years is used to base the calculation of expected credit loss. Trade and other receivables considered irrecvoacble are written off.

3.9 *Taxation*

Current

The current income tax charge is based on the taxable income for the year calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

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.

3.10 *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. Revenue is recognized on the following basis:

- Brokerage income is recognized as and when such services are provided.
- Interest income is recognized at effective yield on time proportion basis.
- 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 and loss account for the period in which they arise.

3.11 *Expenses*

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

3.12 *Provisions*

A provision is recognised in the balance sheet 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.

3.13 *Trade and Other payables*

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 and subsequently measured at ammorized cost.

3.14 *Dividend*

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

3.15 *Cash and cash equivalents*

Cash and cash equivalents for cash flow purposes include cash in hand, current and deposit accounts held with banks. Running finance facilities availed by the Company, which are payable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of cash flow statement.

3.16 *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.

4 PROPERTY AND EQUIPMENT

Particulars	Cost			Rate %	Depreciation			W.D.V. As at June 30, 2022
	As at July 01, 2021	Additions / Disposal	As at Jun 30, 2022		As at July 01, 2021	For the year	As at Jun 30, 2022	
	----Rupees----				----Rupees----			
Furniture and Fixture	163,773	-	163,773	15%	151,710	1,810	153,519	10,254
Computer equipment	706,970	-	706,970	30%	633,174	22,139	655,313	51,657
Office equipment	272,990	-	272,990	30%	229,655	13,000	242,656	30,334
Showroom No. 10 New business Centre	-	18,000,000	18,000,000	5%	-	75,000	75,000	17,925,000
Room No. 623 in KSE building	6,525,000		6,525,000	5%	3,057,347	173,383	3,230,730	3,294,270
June 30, 2022	7,668,733	18,000,000	25,668,733		4,071,887	285,331	4,357,218	21,311,515

4.1 The director decided to transfer the office in the name of the company valued at Rs 18 millions, and the directors decided to waive their right to receive any consideration against the transfer. The sale agreement is made to this affect and the transfer of the registration in the name of the company is pending.

Particulars	Cost			Rate %	Depreciation			W.D.V.
	As at July 01, 2020	Additions / Disposal	As at Jun 30, 2021		As at July 01, 2020	For the year	As at Jun 30, 2021	As at June 30, 2021
	----Rupees----				----Rupees----			
Furniture and Fixture	163,773	-	163,773	15%	149,581	2,129	151,710	12,064
Computer equipment	691,970	15,000	706,970	30%	601,547	31,627	633,174	73,796
Office equipment	272,990	-	272,990	30%	211,083	18,572	229,655	43,335
Room No. 623 in KSE building	6,525,000	-	6,525,000	10%	2,672,053	385,295	3,057,347	3,467,653
June 30, 2021	7,653,733	15,000	7,668,733		3,634,264	437,622	4,071,887	3,596,847

5 INTANGBLE ASSETS

	Note	2022 (Rupees)	2021 (Rupees)
PMEX		**250,000**	250,000
Trading right entitlement certificate	5.1	**2,500,000**	2,500,000
		2,750,000	2,750,000

5.1 This represents TREC acquired on surrender of Stock Exchange membership card. According to the Stock Exchanges (Corporatisation, Demutualization and Integration) Act 2012, the TRE Certificate may only be transferred once the company intending to carry out shares brokerage business in the manner to be prescribed.

6 LONG-TERM DEPOSITS

	Note	2022 (Rupees)	2021 (Rupees)
Pakistan Stock Exchange Limited - Deposits		**209,017**	200,000
Central Depository Company - Deposits		**100,000**	100,000
Other deposits		**510,230**	505,440
PMEX Membership Deposit		**750,000**	750,000
National Clearing Company Pakistan Limited - Deposits		**200,000**	1,200,000
Base minimun deposit		**1,000,000**	180,000
		2,769,247	2,935,440

7 DEFERRED TAX (ASSET)/DEFERRED TAX LIABILITY

	2022	2021
Relating to taxable temporary difference		
Accelerated tax deprecation	**(144,690)**	-
Loss on remeasurement of investments at FVTPL	**(65,730)**	-
Relating to deductible temporary difference		
Decelerated. tax amortization	**79,750**	-
Brought forward losses	**(130,670)**	-
Deferred tax asset not recognized	**130,670**	-
	-	-

8 TRADE DEBTS

	2022	2021
Trade debts- client	**40,396,523**	22,811,794

9 SHORT TERM INVESTMENTS - FAIR VALUE THROUGH PROFIT AND LOSS ACCOUNT

	Note	2022	2021
Investments in quoted securities	9.1	**12,631,943**	55,252,989

9.1 Investment in various equity shares carried at market value.

9.2 ***Detail of pledged securities with the financial institutions is as follows:***

	2022	2021
Securities pledged on own account	**12,617,902**	-
Securities pledged on account of clients	**28,494**	-
Securities pledged on account of related parties in sub accounts	**749,711**	
	12,646,396	-

9.3 ***Details of assets hedl on account of clients in CDS:*** **8,692,159** -

10 LOAN TO RELATED PARTIES

	2022 (Rupees)	2021 (Rupees)
Loan To Director - M. Abid Akhai	-	953,500
Loan To Director - M. Aslam Akhai	-	2,100,000
	-	3,053,500

10.1 This represents interest free loan provided to directors during the year.

11 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2022 (Rupees)	2021 (Rupees)
Advances to employees	1,600,000	-
Advances to directors	1,815,000	463,410
Retained profit reversal collection	-	316,546
Exposure Deposit	395,731	655,129
Other receivables	10,049,776	-
	13,860,507	1,435,086

12 CASH AND BANK BALANCES

	2022 (Rupees)	2021 (Rupees)
Cash in hand	1,783,701	1,753,701
Cash at bank - Current	274,369	861,994
	2,058,070	2,615,694

12.1 This includes Rs. 201,650 (2021, Rs. 85,132) kept in designated bank accounts maintained on behalf of clients

13 SHARE CAPITAL

13.1 Authorized Share Capital

2022 Number of Shares	2021 Number of Shares		2022 (Rupees)	2021 (Rupees)
4,500,000	4,500,000	Ordinary shares of Rs. 10 each	45,000,000	45,000,000

13.2 Issued, Subscribed And Paid-Up Share Capital

2022 Number of Shares	2021 Number of Shares		2022 (Rupees)	2021 (Rupees)
4,500,000	3,500,000			
	1,000,000	Ordinary shares of Rs. 10 each fully paid in cash		
4,500,000	4,500,000		45,000,000	45,000,000

13.3 During the year, the Company issued 1,000,000 ordinary shares which were fully paid-up in cash.

13.4 There is only one class of shares. There is no agreement among shareholder in respect of voting rights, board selection, right of first refusal and block voting.

13.5 *Pattern of Share Holding*

Directors	*2022* Number of shares held	*2022* % of shares held	*2021* Number of shares held	*2021* % of shares held
Tariq Akhai	**946,789**	**21%**	946,789	21.04%
Shaista Aram	**211,719**	**4.70%**	211,719	4.70%
Muhammad Aslam Akhai	**1,564,887**	**34.78%**	1,564,887	34.78%
Muhammad abid Akhai	**1,776,605**	**39.48%**	1,776,608	39.48%
Total	**4,500,000**	**100.00%**	4,500,003	100.00%

	Note	*2022 (Rupees)*	*2021 (Rupees)*
14 *TRADE AND OTHER PAYABLE*			
Trade creditors		**201,650**	443,597
Accrued expense		**59,066**	150,000
Dealer comission payable		-	8,187
Tax payable		**87,254**	130,159
CDC/NCCPL charges payable		-	556,498
		347,970	1,288,441

15 *SHORT TERM RUNNING FINANCE*

	Note	2022	2021
Secured-from banking companies			
Running finance facility- Bank AL Habib Limited	15.1	**16,204,304**	17,865,986
Running finance facility- JS Bank Limited	15.2	**22,380,939**	31,329,347
		38,585,243	**49,195,333**

15.1 The facility is secured against pledge of listed securities and personal guarantee of all the Directors along with their personal net worth statements covering facility amount plus markup. The facility carries markup at the rate of 3 months KIBOR + 2% (2021 : 3 months KIBOR + 2%). Total aggregate sanctioned limit is Rs. 20 million and unavailed facility is Rs. 3.8 million.

15.2 The facility is secured against pledge of listed securities and personal guarantee of all the Directors along with their personal net worth statements covering facility amount plus markup. The facility carries markup at the rate of 3 months KIBOR + 250 base points (2021 : 3 months KIBOR + 250 base points). Total aggregate sanctioned limit is Rs. 40 million and unavailed facility is Rs. 17.6 million

16 *CONTINGENCIES AND COMMITMENTS*

The facilities for letter of Guarantee amount to Rs. 7 million (2021: 7 million) as at 30 June 2022.

17 OPERATING REVENUE

	Note	2022 (Rupees)	2021 (Rupees)
Brokerage income		1,687,352	2,099,654

This amount is inclusive of sales tax.

18 OPERATING AND ADMINISTRATIVE EXPENSES

	Note	2022 (Rupees)	2021 (Rupees)
Salaries, allowances and other benefits	18.1	**1,010,200**	1,263,904
Utilities		**368,180**	290,812
Audit fee	18.2	**216,000**	192,700
Legal and professional		**95,411**	50,000
Fee and subscription		**233,051**	200,761
Professional tax		**14,259**	450,000
Transaction charges		**410,523**	585,897
IT charges and other related office expenses		**223,613**	351,457
Travelling and conveyance		**215,222**	264,915
Repair and maintenance		**226,850**	21,200
Printing and stationery		**7,650**	19,090
Insurance		**39,234**	93,258
Depreciation		**285,331**	437,622
Entertainment		-	17,631
Others		**53,000**	-
Miscellaneous expenses		**223,287**	224,310
		3,621,812	4,463,558

18.1 This includes remuneration to chief executive

19 FINANCE COSTS

Markup Charges	**3,185,588**	1,834,642
Bank charges	**116,192**	390,821
	3,301,780	2,225,463

20 OTHER INCOME

Dividend income	-	1,066,715
Liability writtten back	-	-
	-	1,066,715

21 TAXATION

- Current year	**21,092**	191,502

22 EARNING PER SHARE - BASIC AND DILUTED

	(4,408,038)	11,107,930
Weighted average number of ordinary shares	**4,500,000**	4,152,055
Earning per share	**(0.98)**	2.68

23 *FINANCIAL INSTRUMENT AND RELATED DISCLOSURES*

23.1 Financial instrument by category

23.1.1 Financial assets

	At fair value through profit or loss	*At fair value through OCI*	*At Amortized Cost*	*Total*
Long term deposits	-	-	**2,769,247**	**2,769,247**
Trade debts		-	**40,396,523**	**40,396,523**
Investment	**12,631,943**	-	-	**12,631,943**
Loan to related parties			-	-
Advances, deposits, prepayments and other receivables	-	-	**13,860,507**	**13,860,507**
Bank balances	-	-	**274,369**	**274,369**
As at June 30 2022	**12,631,943**	-	**57,300,646**	**69,932,589**

Long term deposits	-	-	2,935,440	2,935,440
Trade debts		-	22,811,794	22,811,794
Investment	55,252,989	-	-	55,252,989
Loan to related parties	-	-	(3,053,500)	(3,053,500)
Advances, deposits, prepayments and other receivables	-	-	1,435,086	1,435,086
Bank balances	-	-	861,994	861,994
As at June 30 2021	55,252,989	-	24,990,813	80,243,802

23.1.2 Financial Liabilities at Amortized Cost

	2022 (Rupees)	*2021 (Rupees)*
Short term running finance	**38,585,243**	49,195,333
Trade and other payables	**347,970**	1,288,441
	38,933,213	50,483,774

23.2 Financial risk management

The company primarily invests in marketable securities and are subject to varying degress of risk.

The Board of Directors of the company has overall responsibility for the establishment and oversight of the company's risk management framework. The company has exposure to the following risks from its use of financial instruments:

23.2.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking in to account the fair value of any collateral. Credit risk arises from the inability of the issuers of the instruments, the relevant financial institutions or counter parties in case of placements or other arrangements to fulfil their obligations.

Exposure to Credit risk

Credit risk of the company arises principally from the trade debts, short term investments,loans and advances, deposits and other receivables. The carrying amount of financial assets represents the maximum credit exposure. The company did not allow credits to its customers and trade are executed on 100% margin.

Credit risk is minimised due to the fact that the company invest only in high quality financial assets, all transactions are settled/paid for upon delivery. The company does not expect to incur material credit losses on its financial assets. The maximum exposure to credit risk at the reporting date is as follows:

	2022	*2021*
	Rupees	*Rupees*
Long term deposits	**2,769,247**	2,935,440
Investment at Fair Value through P&L	**12,631,943**	55,252,989
Advnaces, deposits, prepayments and other receivable	**395,731**	655,129
Trade debts	**40,396,523**	22,811,794
Bank Balances	**274,369**	861,994
	56,467,813	82,517,346

23.2.2 *Liquidity risk*

Liquidity risk is the risk that the company will encounter difficulty in meeting its financial obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. prudent liquidity risk management implies maintaining sufficent cash and marketable securities, the availablity of funding to an adequate amount of committed credit facililities and the ability to close out market positions due to dynamic nature of business.

	Carrying amount	***Contractual cash flows***	***Up to one year***	***One to two years***
	Rupees			
Financial Liabilities				
Short term running finance	**38,585,243**	**38,585,243**	**38,585,243**	-
Trade and other payables	**347,970**	**347,970**	**347,970**	-
As at June 30, 2022	**38,933,213**	**38,933,213**	**38,933,213**	-

	Carrying amount	*Contractual cash flows*	*Up to one year*	*One to two years*
	Rupees			
Financial Liabilities				
Short term running finance	49,195,332	49,195,332	49,195,332	-
Trade and other payables	1,288,441	1,288,441	1,288,441	-
As at June 30, 2021	50,483,773	50,483,773	50,483,773	-

On the balance sheet date, the company has cash and bank balances of Rs. 2.05 million (2021 Rs. 2.6 million) and short term investments of Rs. 16 million (2021: 55 million) for repayment of liabilities.

23.2.3 *Market risk*

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market intrest rates or the market price due to change in credit rating of the issuer or the instrument, management manages market risk by monitoring exposure on marketable securities by following the internal risk management and investment policies and guidelines.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies. Currently there is no currency risk as all financial assets and liabilities are in PKR.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market risk. The company is not exposed to interest rate risk as there is no interest based liability or asset.

Other price risk

Other price risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices(other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial insturment or its issuer, or factor affecting all or similar financial instrument traded in the market.

The company's listed securities are susceptible to market price risk arising from uncertainities about the future value of investment securities. The company manages the equity price through diversification and all instruments are made thorugh surplus funds.

The company is exposed to other price risk on investment in listed shares. The company manages the risk through portfolio diversification, as per recommendation of Investment committee of the company. The committee regularly monitors the performance of investees and assess the financial performance on on-going basis.

23.3 *Capital risk management*

The primary objective of the company's capital risk management is to maintain healthy capital ratios, strong credit rating and optimal capital strucuture in order to ensure ample avilability of finance for its exsisting operations, for maxmizing sharholder's value, for tapping potential investment opporitunites and to reduce cost of capital.

The company finances its operations through 100% equity with a view to maintain an appropriate mix between various sources of finance to minimise risk.

24 *REMUNERATION TO THE CHIEF EXECUTIVE AND DIRECTOR*

	2022		2021	
	Chief Executive	*Director*	*Chief Executive*	*Director*
	(Rupees)			
Managerial remuneration	**624,000**	**624,000**	624,000	624,000
	624,000	**624,000**	624,000	624,000
Number of persons	**1**	**1**	1	1

25 *TRANSACTIONS AND BALANCES WITH RELATED PARTIES*

Related Parties Comprise of associated companies, directors, key management personnel and close family members of the directors. Transactions with related parties may be carried out at negotiated rates. Remuneration and benefits to executives of the company are in accordance with the terms of their employment.

Details of transactions and balances with related parties, other than those which have been specifically disclosed elsewhere in the financial statements are as follows:

	Note	2022 (Rupees)	2021 (Rupees)
Transactions with related parties			
Abid Akhai - Director	4.1	**18,000,000**	953,500
Aslam Akhai - Director		-	2,100,000
		18,000,000	3,053,500
Balances with related parties			
Loan to related parties - directors		-	48,174,539

26 *CAPITAL ADEQUACY LEVEL*

	2022	2021
Total Assets	**99,476,417**	97,435,015
Less: Total Liabilities	**(38,933,213)**	(50,483,773)
Less: Revaluation Reserves	-	-
Capital Adequacy Level.	**60,543,204**	46,951,242

While determining the value of total assets of the TREC holder, notional value of TRE certificate held by the company as at June 30, 2022, as determined by PSX has been considered.

 Computation of Liquid Capital
As on June 30, 2022

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	21,311,515	100.00%	-
1.2	Intangible Assets	2,750,000	100.00%	-
1.3	Investment in Govt. Securities	-	-	-
1.4	**Investment in Debt. Securities**			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	-	5.00%	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	7.50%	-
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	10.00%	-
	If unlisted than:	-	0.00%	-
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	10.00%	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	12.50%	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	15.00%	-
1.5	**Investment in Equity Securities**			
	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher.	12,631,943	1,894,791	10,737,152
	ii. If unlisted, 100% of carrying value.		100.00%	-
	iii.Subscription money against Investment in IPO/offer for Sale: Amount paid as subscription money provided that shares have not been alloted or are not included in the investments of securities broker.		-	-
	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)		100.00%	-
1.6	Investment in subsidiaries		100.00%	-
1.7	**Investment in associated companies/undertaking**			
	i. If listed 20% or VaR of each securities as computed by the Securites Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.		100.00%	-
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.	2,769,247	100.00%	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.9	Margin deposits with exchange and clearing house.	395,731	-	395,731
1.10	Deposit with authorized intermediary against borrowed securities under SLB.		-	-
1.11	Other deposits and prepayments	1,815,000	100.00%	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)		-	-
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties		100.00%	-
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. (***Securities purchased under repo arrangement shall not be included in the investments.)***	-	-	-
1.15	i. Short Term Loan To Employees: Loans are Secured and Due for repayment within 12 months	1,600,000	-	1,600,000
	ii. Receivables other than trade receivables	3,698,611	100%	-
1.16	**Receivables from clearing house or securities exchange(s)**			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	10,049,776	100%	-
1.17	**Receivables from customers**			
	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.***	-	-	-
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. ***ii. Net amount after deducting haircut***	-	5.00%	-
	iii. Incase receivalbes are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, ***iii. Net amount after deducting haricut***	-	-	-
	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. ***iv. Balance sheet value***	214,856	-	214,855
	v. Incase 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***	40,181,667	6,027,250	35,654,417
	vi. 100% haircut in the case of amount receivable form related parties.		100.00%	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.18	**Cash and Bank balances**			
	i. Bank Balance-proprietory accounts	72,719	-	72,719
	ii. Bank balance-customer accounts	201,650	-	201,650
	iii. Cash in hand	1,783,701	-	1,783,701
1.19	**Total Assets**	**99,476,417**		**50,660,225**
2. Liabilities				
2.1	**Trade Payables**			
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	201,650	-	201,650
2.2	**Current Liabilities**			
	i. Statutory and regulatory dues	87,254	-	87,254
	ii. Accruals and other payables	59,066	-	59,066
	iii. Short-term borrowings		-	-
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	-	-	-
	vi. Deferred Liabilities	-	-	-
	vii. Provision for bad debts	-	-	-
	viii. Provision for taxation	-	-	-
	ix. Other liabilities as per accounting principles and included in the financial statements	38,585,243	-	38,585,243
2.3	**Non-Current Liabilities**			
	i. Long-Term financing	-	-	-
	a. Long-Term financing obtained from financial instituion: 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. Boad 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	-	-	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
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.	-	-	-
	ii. Subordinated loans which do not fulfill the conditions specified by SECP	-	-	-
2.5	**Total Liabilites**	**38,933,212**		**38,933,212**
3. Ranking Liabilities Relating to :				
3.1	**Concentration in Margin Financing**			
	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.	-	-	-
3.2	**Concentration in securites lending and borrowing**			
	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	-	-	-
3.3	**Net underwriting Commitments**			
	(a) in the case of right issuse : if the market value of securites 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 issuse 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	-	-	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
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 cuurency 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		-	-
3.9	**Opening Positions in futures and options**			
	i. In case of customer positions, the total margin requiremnets in respect of open postions less the amount of cash deposited by the customer and the value of securites held as collateral/ pledged with securities exchange after applyiong VaR haircuts	-	-	-
	ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met	-	-	-
3.10	**Short selll positions**			
	i. Incase 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	-	-	-
	ii. Incase of proprietory 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 Liabilites**	-	-	-

Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (serial number 1.19)	**50,660,225**
(ii) Less: Adjusted value of liabilities (serial number 2.5)	**(38,933,212)**
(iii) Less: Total ranking liabilities (series number 3.11)	**-**
	11,727,013

Note: Commission may issue guidelines and clarifications in respect of the treatment of any component of Liquid Capital including any modification, deletion and inclusion in the calculation of Adjusted value of assets and liabilities to address any practical difficulty.

28 NUMBER OF EMPLOYEES

	2022	2021
	----Number----	
Total number of employees at 30th June	2	7
Average number of employees during the year	2	7

29 GENERAL

Figures have been rearranged and reclassified wherever necessary, for the purpose of comparison and have been rounded off to the nearest Rupee.

30 AMENDMENT IN THE FINANCIAL STATEMENTS

30.1 With reference to Note 4.1, the office premises was transferred on the basis of revaluation carried out in February 2022 instead of revaluation carried out in June 20, 2022. Management of the Company reissuing the financial statements by amending it to reflect the most recent value of the Office premises transferred via agreement dated for which registry in the name of the Company

Further, corresponding credit entry was wrongly classified in statement of profit or loss instead of statement of changes in equity as "capital reserves" and same has been treated as transaction with owners as per interpretation of IAS -1

30.2 Management has changed the depreciation rate of Office Premises from 10% to 5% that more reasonably reflects the allocation of useful life of the Property and the same is applied prospectively. Further depreciation charge is made as per revised accounting policy stated in note 3.1

30.3 Management made the disclosure of pledged securities in note no. 9.2 & Securities held on account client in CDS in note no. 9.3 for which comparative information is not available.

30.4 Management has updated the disclosure of short term finances in Note 15, 15.1 and 15.2

30.5 Management has corrected the amount of Liquid Capital Balance in Note no. 27 due to clerical error in Para no. 1.17 resulting in decrease in liquid capital of Rs. 182,627/=

30.6 The management of the company will make sure that amended financial statements are notified to all the parties who had received previous financial statements.

31 DATE OF AUTHORIZATION

These financial statements have been authorized for issue on 30 DEC 2022 by the Board of Directors of the Company.

Chief Executive

Director