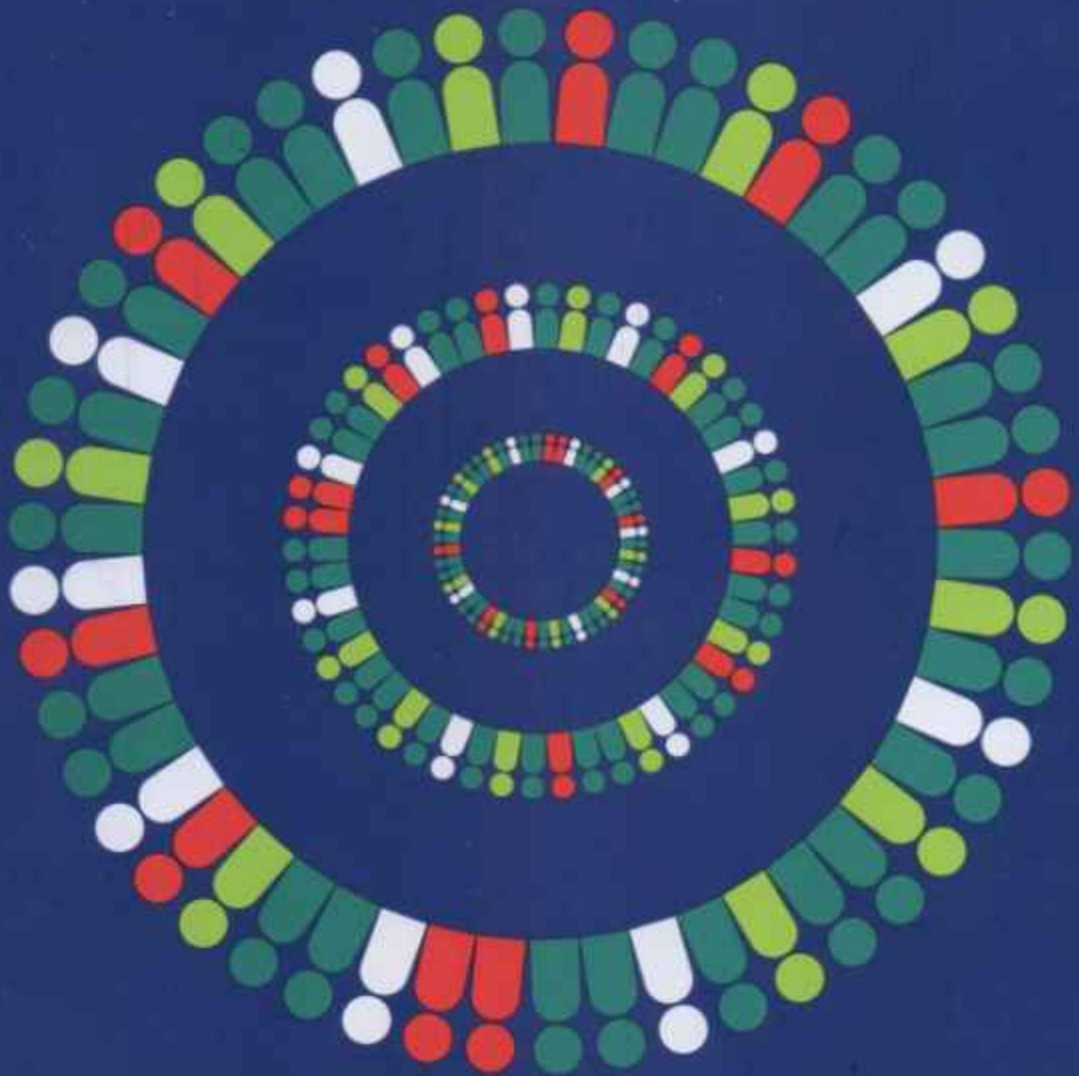


NUA Securities (Private) Limited
Financial Statements
For the year ended
June 30, 2023



INDEPENDENT AUDITOR'S REPORT

To the members of NUA SECURITIES (PRIVATE) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of NUA SECURITIES (PRIVATE) LIMITED ("the Company"), which comprise the statement of financial position as at **June 30, 2023** and the statement of profit or loss, the statement of changes in equity, and the statement of cash flow 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, statement of profit or loss, the statement of changes in equity and statement of cash flow together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2023 and of the loss for the year then ended, the changes in equity and its cash flows for the period 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 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.

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 requirement 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 operation, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of 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 period 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 requirement 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 financial statements were prepared

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

UHY Hassan Naeem & Co.

KARACHI

DATE: October 7, 2023

UDIN: AR202310215SWK1rsJDC

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

	Note	2023 (Rupees)	2022 (Rupees)
<u>ASSETS</u>			
<u>NON CURRENT ASSETS</u>			
Property and equipment	4	15,937,500	16,987,500
Intangible assets	5	2,500,000	2,500,000
Investment at fair value through other comprehensive income	6	9,990,000	13,810,500
Long term deposits	7	1,400,000	1,400,000
		29,827,500	34,698,000
<u>CURRENT ASSETS</u>			
Trade debts	8	985,410	1,056,947
Investment at fair value through profit and loss	9	55,334,000	87,236,450
Investment in Margin Financing	10	20,737,620	21,706,643
Advances, deposits, prepayments and other receivables	11	18,793,781	29,214,111
Cash and bank balances	12	22,888,089	13,175,571
		118,738,900	152,389,722
		<u>148,566,400</u>	<u>187,087,722</u>
<u>SHARE CAPITAL AND RESERVES</u>			
Authorized capital	13.1	150,000,000	150,000,000
Share capital			
Issued, subscribed and paid-up capital	13.2	87,500,000	87,500,000
Capital Reserves			
Surplus/(Deficit) - Investment at Fair value through OCI		(3,493,011)	327,489
Revenue reserves			
Accumulated Profit/(Loss)		(12,859,103)	823,585
		71,147,886	88,651,074
<u>NON CURRENT LIABILITIES</u>			
Long term loan	14	30,000,000	30,000,000
<u>CURRENT LIABILITIES</u>			
Trade and other payable	15	14,418,514	32,657,051
Short term loan	16	33,000,000	30,600,000
Running Finance Facility	17	-	5,179,597
		47,418,514	68,436,648
Contingencies and commitments	18	<u>148,566,400</u>	<u>187,087,722</u>

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



Chief Executive


Director

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

	Note	2023 (Rupees)	2022 (Rupees)
Revenue from contract with customers	19	21,931,034	39,132,512
Operating and administrative expenses	20	(25,711,474)	(49,730,241)
(Expected credit loss)/Reversal of Expected credit loss		239,871	(1,700,000)
Finance Cost	21	(388,510)	(3,411,582)
Other income	22	(9,432,919)	(9,394,437)
NET PROFIT/(LOSS) BEFORE TAXATION		(13,361,998)	(25,103,748)
Taxation	23	(320,690)	(716,698)
NET PROFIT/(LOSS) AFTER TAXATION		(13,682,688)	(25,820,446)

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



 Chief Executive



 Director

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

	2023 <i>(Rupees)</i>	2022 <i>(Rupees)</i>
Profit/(loss) for the year	(13,682,688)	(25,820,446)
Other comprehensive income:		
Items that will not be subsequently reclassified in profit or loss		
Unrealised gain/ (loss) on revaluation of investments at fair value through other comprehensive income	(3,820,500)	(19,404,862)
	(3,820,500)	(19,404,862)
TOTAL COMPREHENSIVE INCOME/(LOSS)	(17,503,188)	(45,225,308)

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



Chief Executive



Director

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

	Share capital	Capital Reserves	Revenue Reserves	Total
	Issued, subscribed and paid-up capital	Surplus / (Deficit) - Investment at FVTOCI	Accumulated Profit/(Loss)	
<i>Rupees</i>				
Balance as at June 30, 2021	70,000,000	19,732,351	41,116,444	130,848,795
Increase in Capital	17,500,000		(17,500,000)	-
Net Loss for the year	-	-	(25,820,446)	(25,820,446)
Gain/(loss) move to Accumulated profit/(loss) on disposal of Investment at FVTOCI			3,027,587	3,027,587
Other comprehensive loss	-	(19,404,862)	-	(19,404,862)
Balance as at June 30, 2022	87,500,000	327,489	823,585	88,651,074
Net Loss for the year	-	-	(13,682,688)	(13,682,688)
Other comprehensive loss	-	(3,820,500)	-	(3,820,500)
Balance as at June 30, 2023	87,500,000	(3,493,011)	(12,859,103)	71,147,886

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


 Chief Executive


 Director

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

	Note	2023 (Rupees)	2022 (Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before taxation		(13,361,998)	(25,103,748)
<u>Adjustment</u>			
Depreciation		1,050,000	1,050,000
Dividend income		(27,249)	(1,312,500)
Capital Gain - Securities		15,857,356	13,167,807
Loss Allowance		(239,871)	1,700,000
Operating profit before working capital changes		16,640,236	14,605,307
<u>Changes in working capital</u>			
Decrease / (increase) in trade debts		311,408	57,666,140
Decrease / (increase) in advances, deposits and prepayments		10,613,305	19,204,684
Decrease / (increase) Investment in Margin Financing		969,023	93,214,677
(Decrease) / increase in trade and other payable		(18,238,537)	(14,444,890)
Net changes in working capital		(6,344,801)	155,640,611
Taxes paid		(513,665)	(652,885)
Net cash (used in)/generated from operating activities		(3,580,228)	144,489,285
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition/Disposal of short term investments - net of sales		16,045,094	(100,404,257)
Acquisition/Disposal of long term investments - net of sales		-	5,574,107
Net cash generated from investing activities		16,045,094	(94,830,150)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term running finance		(5,179,597)	(27,525,493)
Short term loan from directors		2,400,000	(19,134,276)
Dividend received		27,249	1,312,500
Net cash generated from financing activities		(2,752,348)	(45,347,269)
Net increase in cash and cash equivalent		9,712,518	4,311,866
Cash and cash equivalent at beginning of the year		13,175,571	8,863,705
Cash and cash equivalent at end of the year		22,888,089	13,175,571

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


 Chief Executive


 Director

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

1 Legal Status and Nature of Business

NUA Capital Securities (Private) limited was incorporated as a private limited company in Pakistan on February 01, 2006 under the Companies Ordinance, 1984. The Company is a corporate member of Pakistan Stock Exchange Limited. The registered office of the company is located at 135-136, 3rd floor, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi and the company does not have any branch office. The principal activities of the Company are investment and share brokerage.

2 Basis of Preparation

2.1 Statement of Compliance

These financial statements are prepared in accordance with the provisions of the Companies Act, 2017. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017. In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

2.2 Basis of Measurement

These financial statements have been prepared under the historical cost convention except Investments that are carried at 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 have been rounded off to the nearest rupee.

2.4 Use of Estimates and Judgments

The preparation of financial statements is in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

The estimates and judgments that have a significant effect on the financial statements that are in respect of the following:

- Property and equipment (note 4)
- Taxation (note 23)

2.5 New Accounting pronouncements

The following revised standards, amendments and interpretations with respect to approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or interpretation:

Description effective for periods		Effective for periods beginning on or after
IAS 1	Presentation of Financial Statements (Amendments)	January 01, 2023
IAS 8	Accounting policies, changes in accounting estimates and errors (Amendments)	January 01, 2023
IAS 12	Income Taxes (Amendments)	January 01, 2023
IAS 7	Statement of Cash Flows (Amendments)	January 01, 2023
IFRS 4	Insurance Contracts (Amendments)	January 01, 2023
IFRS 3	Financial Instruments: Disclosures	January 01, 2023
IFRS 16	Leases (Amendments)	January 01, 2024

The Company expects that the adoption of the above revisions, amendments and interpretations of the standards will not have material effect on the Company's financial statements in the period of initial application.

Other than the aforesaid standards, interpretations and amendments, IASB has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the SECP as at June 30, 2023:

- IFRS 1 (First Time Adoption of International Financial Reporting Standards)
- IFRS 17 (Insurance Contracts)
- IFRIC 12 (Service concession arrangements)

3 Summary of Significant Accounting Policies

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

3.1 Taxation

Income tax expense comprises of current, deferred and prior year tax. Income tax expense is recognized in profit and loss account except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity

Current

Provision for current tax is based on taxable income at the enacted or substantially enacted rates of taxation after taking in to account available tax credits and rebates, if any. The charge for current tax includes adjustments to charge for prior years which arises from assessments/ developments made during the year, if any.

Deferred Tax

Deferred tax is recognized using balance sheet method, in respect of temporary differences between the carrying amounts of asset and liabilities for financial reporting purposes and the amounts used for taxation purpose. The amount of deferred tax provided is based on the expected manner of realization or settlement or the carrying amount of assets and liabilities, using the enacted or substantively enacted rates or taxation.

The company recognizes deferred tax asset to the extent that it is probable that taxable profits for the foreseeable future will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.2 Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. Cost incurred to replace a component of an item of property and equipment is capitalized, the asset so replaced is retired from use and its carrying amount is derecognized. Normal repairs and maintenance are charged to the profit and loss account in the period in which they are incurred.

Depreciation on all property and equipment is charged to the profit and loss account using Straight Line method over the asset's useful life at the rates stated Note no. 4. The depreciation on property and equipment is charged full in the month of acquisition and no depreciation is charged in the month of disposal. Gains or losses on disposal of an item of property and equipment are recognized in the profit and loss account. The assets' residual value and useful life are reviewed at each financial year end, and adjusted if appropriate.

3.3 Intangible Assets

An intangible asset is recognized as an asset if it is probable that future economic benefits attributable to the asset will flow to the entity and the cost of such asset can be measured reliably.

Trading Right Entitlement Certificate(TREC)

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

Software

Costs directly associated with identifiable software that will have probable economic benefits exceeding costs beyond one year, are recognized as an intangible asset. Direct costs include the purchase costs of software and other directly attributable costs of preparing the software for its intended use.

Computer software is measured initially at cost and subsequently stated at cost less accumulated amortization and accumulated impairment losses, if any.

Amortization

Intangible assets with indefinite useful lives are not amortized, instead they are systematically tested for impairment at each reporting date. Intangible assets with finite useful lives are amortized at straight line basis over the useful life of the asset (at the rate specified in note 6 to these financial statements).

3.4 Trade debts and other receivables

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

3.5 Provisions

A provision is recognized in the financial statements when the company has a legal or constructive obligation as a result of past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The amount recognized as a provision reflects the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

3.6 Trade and Other Payable

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost.

3.7 Revenue recognition

Brokerage Commission, advisory income and other income are recognized as and when services are rendered.

Dividend income is recognized when the right to receive the dividend is established.

Income on exposure deposit and bank deposit is recognized on a time proportionate basis that takes in to account the effective yield.

Mark-up income from investment in margin financing system is calculated on outstanding balance at agreed rates and recorded in profit and loss account.

3.8 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances and highly liquid short term investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3.9 Contingent Liabilities

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

3.10 Financial Instruments

3.10.1 Initial recognition, classification and measurement

The Company recognizes a financial asset when and only when it becomes a party to the contractual provisions of the instrument evidencing investment. The Company classifies its financial assets into either of following three categories:

- (a) Financial assets measured at amortized cost.
- (b) fair value through other comprehensive income (FVTOCI);
- (c) fair value through profit or loss (FVTPL)

(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 FVTOCI

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

- (i) 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.
- (ii) It is an investment in equity instrument which is designated as at fair value through OCI in accordance with the irrevocable election available to the Company 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 debt instrument can be classified as a financial asset at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains or losses on them on different bases.

All equity instruments are to be classified as financial assets at fair value through profit or loss, except for those equity instruments for which the Company has elected to present value changes in other comprehensive income.

Subsequent measurement

Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest /markup income calculated using effective interest rate method, and impairment are recognized in the statement of profit and loss account. Other net gains and losses are recognized in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit and loss account.

Equity Investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in statement of profit and loss account unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never classified to the profit and loss account.

Financial asset at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest/markup or dividend income, are recognized in the statement of profit and loss account.

Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest/ markup income, and impairment are recognized in the statement of profit and loss account.

Non Derivative financial assets

All non-derivative financial assets are initially recognized on trade date i.e. date on which the company becomes party to the respective contractual provisions. Non-derivative financial asset comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets. The company derecognizes the financial asset. When the contractual rights to the cash flows from the asset expires or it transfer the right to receive the contractual cash flow in a transaction in which substantially all risk and rewards of ownership of the financial assets are transferred or it neither transferred nor retain substantially all the of the risk and rewards of ownership and does not retain control over the transferred asset.

Offsetting of financial assets and financial liabilities

Financial Assets and financial liabilities are offset and the net amount is reported in the financial statements only when the company has a legally enforceable right to offset and the company intends to either settle on a net basis, or to realize the assets and to settle the liabilities simultaneously. Income and expense items of such assets and liabilities are also offset and the net amount is reported in the financial statement only when permitted by the accounting and reporting standards as applicable in Pakistan.

Financial Liabilities

Financial Liabilities are initially recognized on trade date i.e. the date on which the company becomes party to these respective contractual provisions. Financial Liabilities include markup bearing borrowings and trade and other payables. The company derecognizes the financial liabilities when contractual obligations are discharged, cancelled or expire. Financial liability other than fair value through profit and loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortized cost using effective interest rate method.

Impairment

Financial assets

The company recognized loss allowances for Expected Credit Losses (ECLs) in respect of financial asset measured at amortized cost.

The company measures loss allowance at an amount equal to life time ECLs, except for the following, which are measured at 12 month ECLs:

- debt securities that are determined to have low credit risk at reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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

When determining whether the credit risk of financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based in the company's historical experience and informed credit assessment and including forward- looking information.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of financial asset is written off when the company has no reasonable expectations of recovering of a financial asset in its entirety or a proportion thereof. The company individually makes an assessment with respect to the timing and amount of write-off based on whether there is reasonable expectation of recovery. The company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for the recovery of amounts due.

Non- financial assets

The carrying amounts of company's non- financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment, if such indication exists, the asset's recoverable amount, being higher of value in use and fair value less cost to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using pre- tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together in to smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the statement of profit or loss.

6. INVESTMENT - FAIR VALUE THROUGH OCI

		2023 (Rupees)	2022 (Rupees)
Investment in shares of Pakistan Stock Exchange	6.1	<u>9,990,000</u>	<u>13,810,500</u>

6.1 This represents 1,350,000 (2022: 1,350,000) shares of Pakistan Stock Exchange. This shares are pledge with PSX against Base minimum capital.

7. LONG-TERM DEPOSITS

Deposits with:

- National Clearing Company of Pakistan Limited (NCCPL)		<u>1,400,000</u>	<u>1,400,000</u>
---	--	------------------	------------------

8. TRADE DEBTS

Trade debts	8.1	2,745,539	3,056,947
less: Loss Allowance	8.2	(1,760,129)	(2,000,000)
		<u>985,410</u>	<u>1,056,947</u>

8.1 Aging Analysis

Past due 1 - 30 days	888,752	1,228,171
Past due 31 - 180 days	94,216	143,306
Past due 181 days - 1 year	3,862	1,685,470
More than one year	1,758,708	-
	<u>2,745,539</u>	<u>3,056,947</u>

8.2 Expected credit loss

Opening	2,000,000	300,000
Provision recorded during the year	-	1,700,000
Reversal of expected credit loss	(239,871)	-
	<u>1,760,129</u>	<u>2,000,000</u>

8.3 Trade debts due from related parties

Name of related party	Gross amount due	Past due amount	Provision for expected credit losses	Reversal of provision for expected credit losses	Amount due written off	Net amount due	Maximum amount outstanding at any time during the year (8.3.1)
Muhammad Nisar	301,928	301,928	-	-	-	301,928	2,851,429
	<u>301,928</u>	<u>301,928</u>				<u>301,928</u>	

8.3.1 Maximum amount outstanding at any time during the year calculated by reference to month-end balances.

8.3.2 Aging analysis of trade debts due from related parties

Name of related party	Not past due	Past due				Total gross amount due
		Past due 0-30 days	Past due 31-180 days	Past due 181-365 days	Past due 365 days	
Muhammad Nisar	-	301,928	-	-	-	301,928
	-	<u>301,928</u>	-	-	-	<u>301,928</u>

9. INVESTMENT AT FAIR VALUE THROUGH PROFIT AND LOSS ACCOUNT

Investment in quoted securities	9.1	<u>55,334,000</u>	<u>87,236,450</u>
---------------------------------	-----	-------------------	-------------------

9.1 Investments in quoted securities are stated at fair value at the year-end, using the year-end market prices. This investment pledge with Pakistan Stock Exchange Limited amounting to Rs 10,413,250 against Base Minimum Capital. This investment also pledged with JS Bank Limited amounting to Rs. 30,212,750 against running finance facility.

10. INVESTMENT IN MARGIN FINANCING

Investment in margin financing for clients held in the name of the company.		<u>20,737,620</u>	<u>21,706,643</u>
---	--	-------------------	-------------------

Margin financing facility is provided to clients on markup of 18% (2022: 18%) per annum.

11. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Advance tax - net	192,975	-
Income tax Refundable	8,158,789	8,158,789
NCCPL's Exposure deposit	9,467,125	19,967,125
NCCPL's profit and loss deposit	703,931	547,016
Other receivables	270,961	291,181
Advance to Staff	-	250,000
	<u>18,793,781</u>	<u>29,214,111</u>

12. CASH AND BANK BALANCES

Cash in hand	-	-
Cash at bank- Current account	19,166,659	9,882,355
-Savings	3,721,430	3,293,216
	<u>22,888,089</u>	<u>13,175,571</u>

12.1 Bank balances include customers' bank balances held in designated bank accounts amounting to Rs. 6.400 million (2022: 9.840 million)

13. SHARE CAPITAL

13.1 Authorized share capital

Authorized share capital comprises of 15,000,000 (2022: 15,000,000) Ordinary shares of Rs. 10 each.

13.2 Issued, subscribed and paid up capital

	2023 (Rupees)	2022 (Rupees)
Issued, subscribed and paid up capital comprises of:		
Ordinary share capital	87,500,000	87,500,000
	<u>87,500,000</u>	<u>87,500,000</u>

13.2.1 The breakup of ordinary and preference share capital is as follows:

2023 (Numbers)	2022 (Numbers)		2023 (Rupees)	2022 (Rupees)
		Ordinary shares		
7,000,000	7,000,000	Ordinary shares of Rs. 10 each paid in cash	70,000,000	70,000,000
1,750,000	1,750,000	Ordinary shares of Rs. 10 each issued as bonus share	17,500,000	17,500,000
			<u>87,500,000</u>	<u>87,500,000</u>

13.2.2 Reconciliation of number of shares outstanding

	2023 (Numbers)	2022 (Numbers)
Ordinary shares		
Number of shares outstanding at the beginning of the year	8,750,000	7,000,000
Issued as bonus share	-	1,750,000
	<u>8,750,000</u>	<u>8,750,000</u>

14. LONG TERM LOAN

Long term loan from directors and related parties:

- Abdul Qadir	6,000,000	6,000,000
- Sakina Aamir	6,000,000	6,000,000
- Zainab Junaid	6,000,000	6,000,000
- Halima	6,000,000	6,000,000
- Ghulam Mustafa	6,000,000	6,000,000
	<u>30,000,000</u>	<u>30,000,000</u>

14.1. This loan carry interest rate of 10% and it is repayable at January 18, 2025.

15. TRADE AND OTHER PAYABLE

Credit balances of clients	15.1.	14,014,601	29,409,287
Interest Payable on long term loan from Directors		-	3,000,000
Accrued Expenses		403,913	247,764
		<u>14,418,514</u>	<u>32,657,051</u>

15.1 Credit balances of clients held by the company in separate bank accounts.

16. SHORT TERM LOAN

Short term loan from director and related parties:

- Zainab Junaid	7,400,000	5,800,000
- Sakina Aamir	7,400,000	5,800,000
- Halima	7,400,000	5,800,000
- Ghulam Mustafa	3,400,000	* 7,400,000
- Abdul Qadir	7,400,000	5,800,000
	<u>33,000,000</u>	<u>30,600,000</u>

16.1 This loan is interest free and repayable on demand.

17. RUNNING FINANCE FACILITY

Running finance facilities of Rs 100 Million (2022: 100 Million) have been arranged from commercial bank under markup arrangement. The aggregate finance are secured against pledge of shares of listed companies and personal guarantee of directors of company. The markup charged on these facility ranges from 3 month KIBOR+2.5% per annum on daily outstanding balances payable quarterly.

18. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2023

19. REVENUE FROM CONTRACT WITH CUSTOMERS

	2023 (Rupees)	2022 (Rupees)
Brokerage Income- gross	20,023,558	37,293,505
Income under Margin Financing system	4,678,782	6,900,857
Sales tax	(2,771,306)	(5,061,850)
	<u>21,931,034</u>	<u>39,132,512</u>

20. OPERATING AND ADMINISTRATIVE EXPENSES

Salaries, allowances and other benefits	15,291,465	30,394,250
Printing, stationary & periodicals	53,355	61,111
Utilities	479,782	1,018,585
Rent, rates and taxes	773,591	1,205,364
Communication Expense	531,462	90,850
Transaction Charges	1,075,867	1,052,995
Legal and professional	339,000	463,630
Fees and Subscription	123,900	110,000
Commission Expense	4,425,942	12,782,735
Computer and software Expense	658,252	563,042
Depreciation	1,050,000	1,050,000
Auditor's remuneration	248,600	240,000
Bank Charges	42,260	81,100
Miscellaneous	617,998	616,579
	<u>25,711,474</u>	<u>49,730,241</u>

20.1. Auditor's remuneration

Annual Audit fee	248,600	240,000
	<u>248,600</u>	<u>240,000</u>

21. FINANCE COST

Interest Expense on long term loan	21.1	-	3,000,000
Finance Cost		388,510	411,582
		<u>388,510</u>	<u>3,411,582</u>

21.1 The company has not recognized interest expense on long term loan as the director and related parties have waived there interest on long term loan as the company facing cashflow difficulties.

22. OTHER INCOME

Gain/(loss) on Investment through profit& loss		(15,857,356)	(13,167,807)
Initial Public offer		-	7,525
Profit on Cash Margin		1,731,379	1,180,585
Profit on Bank deposit		1,665,809	1,272,760
Wavier of interest expense on long term loan	22.1	3,000,000	-
Income from dividend		27,249	1,312,500
		<u>(9,432,919)</u>	<u>(9,394,437)</u>

22.1 Directors and related parties waived there interest as the company facing cashflow difficulties.

23. TAXATION

2023
(Rupees) 2022
(Rupees)

The Company has filed return for the tax year 2022. According to Income Tax Ordinance 2001, the return filed is deemed to be an assessment order unless modified by Commissioner of Income Tax.

Provision for taxation			
- Current year		320,690	716,698
- Prior year		-	-
- Deferred	23.1	-	-
Net tax charge		<u>320,690</u>	<u>716,698</u>

23.1 The company has tax losses in the previous years, on which deferred tax asset amounting to Rs. 7.103 million (2022: 5.241 million) will arise. However, as there is continuous losses on account of operating income therefore deferred tax asset has not been recorded.

23.2 Relationship between tax expense and accounting profit

Profit/(loss) before taxation		<u>(13,361,998)</u>	<u>(25,103,748)</u>
Tax at the applicable rate 29% (2022: 29%)		(3,874,979)	(7,280,087)
Tax effect of income taxed under FTR		4,594,818	3,634,914
Deffered tax asset not recognized		(399,149)	4,361,871
		<u>320,690</u>	<u>716,698</u>

21. FINANCE COST

Interest Expense on long term loan	21.1	-	3,000,000
Finance Cost		388,510	411,582
		<u>388,510</u>	<u>3,411,582</u>

21.1 The company has not recognized interest expense on long term loan as the director and related parties have waived there interest on long term loan as the company facing cashflow difficulties.

22. OTHER INCOME

Gain/(loss) on Investment through profit& loss		(15,857,356)	(13,167,807)
Initial Public offer		-	7,525
Profit on Cash Margin		1,731,379	1,180,585
Profit on Bank deposit		1,665,809	1,272,760
Wavier of interest expense on long term loan	22.1	3,000,000	-
Income from dividend		27,249	1,312,500
		<u>(9,432,919)</u>	<u>(9,394,437)</u>

22.1 Directors and related parties waviered there interest as the company facing cashflow difficulties.

23. TAXATION

2023
(Rupees) 2022
(Rupees)

The Company has filed return for the tax year 2022. According to Income Tax Ordinance 2001, the return filed is deemed to be an assessment order unless modified by Commissioner of Income Tax.

Provision for taxation			
- Current year		320,690	716,698
- Prior year		-	-
- Deferred	23.1	-	-
Net tax charge		<u>320,690</u>	<u>716,698</u>

23.1 The company has tax losses in the previous years, on which deferred tax asset amounting to Rs. 7.103 million (2022: 5.241 million) will arise. However, as there is continuous losses on account of operating income therefore deferred tax asset has not been recorded.

23.2 Relationship between tax expense and accounting profit

Profit/(loss) before taxation		<u>(13,361,998)</u>	<u>(25,103,748)</u>
Tax at the applicable rate 29% (2022: 29%)		(3,874,979)	(7,280,087)
Tax effect of income taxed under FTR		4,594,818	3,634,914
Deffered tax asset not recognized		(399,149)	4,361,871
		<u>320,690</u>	<u>716,698</u>

24. FINANCIAL INSTRUMENT AND RELATED DISCLOSURES

24.1 Financial instrument by category

24.1.1 Financial assets

2023			
At fair value through profit or loss account	At fair value through OCI	At Amortized Cost	Total
Long term loan, advances and deposits	-	1,400,000	1,400,000
Investment at fair value -P&L	9,990,000	-	9,990,000
Investment at fair value -OCI	-	-	55,334,000
Investment in Margin Financing	-	20,737,620	20,737,620
Trade debts	-	985,410	985,410
Advances, deposits and prepayments	-	18,793,781	18,793,781
Bank balances	-	22,888,089	22,888,089
55,334,000	9,990,000	64,804,900	130,128,900
2022			
At fair value through profit or loss account	At fair value through OCI	At Amortized Cost	Total
Long term loan, advances and deposits	-	1,400,000	1,400,000
Investment at fair value- OCI	13,810,500	-	13,810,500
Investment at fair value- P&L	-	-	87,236,450
Investment in Margin Financing	-	21,706,643	21,706,643
Trade debts	-	1,056,947	1,056,947
Advances, deposits and prepayments	-	29,214,111	29,214,111
Bank balances	-	13,175,571	13,175,571
87,236,450	13,810,500	66,553,272	167,600,222

24.1.2 Financial Liabilities at amortized cost

2023	
Amount	Total
Long term loan	30,000,000
Short term loan	33,000,000
Trade and other Payables	14,418,514
Running Finance	-
77,418,514	77,418,514
2022	
Amount	Total
Long term loan	30,000,000
Short term loan	30,600,000
Trade and other Payables	32,657,051
Running Finance	5,179,597
98,436,648	98,436,648

24.2 Financial risk management

The company primarily invests in marketable securities and are subject to varying degrees 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:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

24.2.1 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 into 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.

24.2.2 Exposure to Credit risk

Credit risk of the company arises principally from the trade debts, 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:

	2023	2022
	<i>Rupees</i>	
Long term deposits	1,400,000	1,400,000
Investment at Fair value through OCI	9,990,000	13,810,500
Investment at Fair Value through P&L	55,334,000	87,236,450
Investment in Margin Financing	20,737,620	21,706,643
Trade debts	985,410	1,056,947
Advances, deposits, prepayments and other receivables	10,442,017	21,055,322
Bank Balances	22,888,089	13,175,571
	<u>121,777,136</u>	<u>159,441,433</u>

Bank Balances

The Analysis below summarizes the credit quality of the company's bank balance:

	2023	2022
	<i>(Rupees)</i>	
AAA	-	467,155
AA+	-	42,298
AA-	22,888,089	12,666,117
	<u>22,888,089</u>	<u>13,175,571</u>

The credit rating agencies are PACRA and JCR-VIS.

24.2.3 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 sufficient cash and marketable securities, the availability of funding to an adequate amount of committed credit facilities and the ability to close out market positions due to dynamic nature of business.

2023					
	carrying amount	contractual cash flows	up to one year	one to two years	Two to five years
Financial Liabilities					
Trade and other payables	14,418,514	14,418,514	14,418,514	-	-
Long term loan	30,000,000	30,000,000	-	30,000,000	-
Short term loan	33,000,000	33,000,000	33,000,000	-	-
Running Finance Facility	-	-	-	-	-
	<u>77,418,514</u>	<u>77,418,514</u>	<u>47,418,514</u>	<u>30,000,000</u>	<u>-</u>
2022					
	carrying amount	contractual cash flows	up to one year	one to two years	Two to five years
Financial Liabilities					
Trade and other payables	32,657,051	32,657,051	32,657,051	-	-
Long term loan	30,000,000	30,000,000	-	-	30,000,000
Short term loan	30,600,000	30,600,000	30,600,000	-	-
Running Finance Facility	5,179,597	5,179,597	5,179,597	-	-
	<u>98,436,648</u>	<u>98,436,648</u>	<u>68,436,648</u>	<u>-</u>	<u>30,000,000</u>

On the balance sheet date, the company has cash and bank balances of Rs. 22.888 million (2022: Rs. 13.176 million) and investments of Rs. 65.324 (2022: Rs. 101.046 million) for repayment of liabilities

24.2.4 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest 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 instrument 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 uncertainties about the future value of investment securities. The company manages the equity price through diversification and all instruments are made through 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.

The 10 percent increase/(decrease) in market value of these instruments with all other variables held constant impact on profit and loss account of the company is as follows:

	Before Tax	
	10% Increase	10% Decrease
as at 30th June 2023	<u>5,533,400</u>	<u>(5,533,400)</u>
as at 30th June 2022	<u>8,723,645</u>	<u>(8,723,645)</u>

24.3 Fair value of Financial instruments

The Carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair value. The company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

The company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Following is the fair value hierarchy of assets and liabilities carried at fair value:

	2023		
	Level 1	Level 2	Level 3
	(Rupees)		
Investment in quoted securities	65,324,000	-	-
	<u>65,324,000</u>	<u>-</u>	<u>-</u>
	2022		
	Level 1	Level 2	Level 3
	(Rupees)		
Investment in quoted securities	101,046,950	-	-
	<u>101,046,950</u>	<u>-</u>	<u>-</u>

24.4 Capital risk management

The Company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

25. CAPITAL ADEQUACY LEVEL

Total Assets	148,566,400	187,087,722
Less: Total Liabilities	(77,418,514)	(98,436,648)
Less: Revaluation Reserves	-	-
Capital Adequacy Level	71,147,886	88,651,074

While determining the value of total assets of TREC holder, the Notional value of the TREC held by NUA Securities (Private) Limited as at year ended 30th June 2023 determined by Pakistan Stock Exchange has been considered.

26. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2023			2022		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
	Rupees					
Managerial remuneration	2,400,000	4,800,000	-	2,400,000	4,800,000	7,200,000
Bonus	-	-	-	-	-	-
	<u>2,400,000</u>	<u>4,800,000</u>	<u>-</u>	<u>2,400,000</u>	<u>4,800,000</u>	<u>7,200,000</u>
Number of persons (including those who worked part of the year)	1	2	-	1	2	3

27. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise associated companies, companies where directors also hold directorship, retirement benefits fund and key management personnel. Significant transactions with related parties during the year are as under:

Name of the related party	Relationship with the related party	Transactions during the year and year end balances	2023 (Rupees)	2022 (Rupees)
Muhammad Nasir	Shareholder/CEO	Remuneration	2,400,000	2,400,000
Muhammad Nasir	CEO and Shareholder	Receivable / (Payable)	301,928	-
Abdul Qadir	Shareholder/Director	Remuneration	2,400,000	2,400,000
Abdul Qadir	Shareholder/Director	Receivable / (Payable)	(4,043)	(52,819)
Ghulam Mustafa	Shareholder/Director	Remuneration	2,400,000	2,400,000
Ghulam Mustafa	Shareholder/Director	Receivable / (Payable)	(38,435)	-
Halima Mohsin	Shareholder	Remuneration	600,000	2,400,000
Sakina Amir	Shareholder	Remuneration	600,000	2,400,000
Zainab Junaid	Shareholder	Remuneration	600,000	2,400,000
Sabreera Qadir	Wife of Shareholder/Director	Receivable / (Payable)	(148)	(148)

28. LIQUID CAPITAL BALANCE

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
Assets				
1.1	Property & Equipment	15,937,500	15,937,500	-
1.2	Intangible Assets	2,500,000	2,500,000	-
1.3	Investment in Govt. Securities	-	-	-
1.4	Investment in Debt. Securities	-	-	-
1.5	Investment in Equity Securities (listed)	65,324,000	31,099,120	34,224,880
1.6	Investment in subsidiaries	-	-	-
1.7	Investment in associated companies/undertaking	-	-	-
1.8	Statutory or regulatory deposits.	1,400,000	1,400,000	-
1.9	Margin deposits with exchange and clearing house.	9,467,125	-	9,467,125
1.10	Deposit with authorized intermediary against borrowed	-	-	-
1.11	Other deposits and prepayments	-	-	-
1.12	Accrued interest, profit or mark-up	-	-	-
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing.	-	-	-
1.15	Advances and receivables other than trade			
	(i) Advance tax	8,351,764	8,351,764	-
	(ii) Other cases	270,961	270,961	-
1.16	Receivables from clearing house or securities exchange(s)	703,931	-	703,931
1.17	Receivables from customers			
	i. Receivables against margin financing	20,737,620	-	20,737,620
	ii. Trade receivables not more than 5 days overdue	585,681	-	585,681
	iii. Trade receivables are overdue, or 5 days or more	1,857,930	1,762,847	95,082
	iv. Trade receivables from related parties.	301,928	301,928	-

1.18	Cash and Bank balances			
	i. Bank Balance-proprietary accounts	16,488,210	-	16,488,210
	ii. Bank balance-customer accounts	6,399,879	-	6,399,879
	iii. Cash in hand	-	-	-
1.19	Subscription money against investment in IPO/ offer for sale (asset)	-	-	-

Total Assets		150,326,529		88,702,409
---------------------	--	--------------------	--	-------------------

Liabilities				
--------------------	--	--	--	--

2.1	Trade Payables			
	i. Payable to customers	14,014,601	-	14,014,601
2.2	Current Liabilities			
	i. Accruals and other payables	403,913	-	403,913
	ii. Short-term borrowings	-	-	-
	iii. Other liabilities as per accounting principles and included in the financial statements	33,000,000	-	33,000,000
2.3	Non-Current Liabilities			
	i. Staff retirement benefits	-	-	-
2.4	Subordinated Loans	30,000,000	30,000,000	-
2.5	Advance against shares for Increase in Capital.	-	-	-

Total Liabilities		77,418,514		47,418,514
--------------------------	--	-------------------	--	-------------------

Ranking Liabilities Relating to :				
--	--	--	--	--

3.1	Concentration in Margin Financing	-	7,102,108	7,102,108
3.2	Concentration in securities lending and borrowing	-	-	-
3.3	Net underwriting Commitments	-	-	-
3.4	Negative equity of subsidiary	-	-	-
3.5	Foreign exchange agreements and foreign currency	-	-	-
3.6	Amount Payable under REPO	-	-	-
3.7	Repo adjustment	-	-	-
3.8	Concentrated proprietary positions	-	-	-
3.9	Opening Positions in futures and options	-	-	-
3.10	Short sell positions	-	-	-

Total Ranking Liabilities		-	-	7,102,108
----------------------------------	--	----------	----------	------------------

Grand Total		72,908,015	-	34,181,787
--------------------	--	-------------------	----------	-------------------

29 OTHER DISCLOSURES UNDER REGULATION 34(2) OF THE SECURITIES BROKER (LICENSING AND OPERATIONS) REGULATION 2016:

The disclosures under the regulation 34(2), other than disclosed elsewhere in these annual financial statements are as follows:

29.1 Pattern of Shareholding

	2023	2022	2023	2022
	% of Holding		Number of Shares	
Halima	14%	14%	1,223,714	1,223,714
Sakina Amir	14%	14%	1,223,714	1,223,714
Sher Bano	5%	5%	399,143	399,143
Abdul Qadir	15%	15%	1,312,625	1,312,625
Ghulam Mustafa	11%	11%	982,289	982,289
Zainab Junaid	14%	14%	1,223,714	1,223,714
Muhammad Nasir	27%	27%	2,384,803	2,384,803
	100%	100%	8,750,000	8,750,000

29.2 During the year there was no movement in shareholding of more than 5% of the shares.

29.3 As at June 30, 2023, company's securities pledged with financial institutions is amounting to Rs. 30,213 million (2022: Rs. 36.654 million) and customers' securities maintained with the company pledged with financial institutions are amounting to Rs. 0 (2022: Rs. 6.970 million).

29.4 As at June 30, 2023, the value of customer shares maintained with the company sub-Accounts held in the Central Depository Company of Pakistan Limited is Rs. 374.144 million (June 30, 2022: Rs. 483,699 million).

30. NUMBER OF EMPLOYEES

	2023 (Numbers)	2022 (Numbers)
Total number of employees at 30th June.	16	18
Average Number of employees	16	18

31. CORRESPONDING FIGURES

Comparative information has been re-classified, re-arranged or additionally incorporated in these financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current year.

32. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were approved by the Company's board of directors and authorised for

issue on 07 OCT 2023

7



Chief Executive



Director



OFFICES IN PAKISTAN

Karachi Office:

402 Progressive Centre,
30-A, Block-6, P.E.C.H.S.,
Shahrah-e-Faisal, Karachi
Phone +92 (21) 34322551-3

Lahore Office:

193-A, Shah Jamal,
Lahore - 54000.
Phone: +92 (42) 35403550-1, 35403588
Fax: 92 (42) 35403599
E-mail: info@uhy-hnco.com
Web: <http://www.uhy-hnco.com>

Islamabad Office:

West Lower Ground, Pak Plaza (19-A)
Fazl-e-Haq Road, Blue Area, Islamabad.
Phone: +92 (51) 2873431-3
Fax: +92 (51) 2261791

UHY INTERNATIONAL

UHY Hassan Naeem & Company is a member of Urbach Hacker Young International Limited, a UK Company, and forms part of the international UHY network of legally independent accounting and consulting firms. UHY is the brand name for the UHY International network. The services described herein are provided by the Firm and not by UHY or any other member firm of UHY. Neither UHY nor any member of UHY has any liability for services provided by other members.