AMIN, MUDASSAR & CO.
Chartered Accountants

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Independent Auditor's Report to the Members of Ocean Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Ocean Securities Limited (the Company)**, which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the profit, total 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.

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance

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with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business;

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980);

e) the company was in compliance with the requirements of Section 78 of the Securities Act, 2015 and 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 Muhammad Daoud.

CHARTERED ACCOUNTANTS

Lahore: 29 OCT 2024

UDIN: AR202410082QKW9YvLgI

OCEAN SECURITIES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Scanned with CamScanner

OCEAN SECURITIES LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	5	1,486,731	1,465,926
Intangible assets	6	9,996,200	9,700,000
Long term deposits	7	17,404,000	12,004,000
Pre-operating expense	8	-	1,792,158
Deferred taxation	18	-	69,752
		28,886,931	25,031,836
CURRENT ASSETS			
Trade debts	9	14,747,675	3,993,211
Short term investments	10	4,698,990	31,328,026
Trade deposits, short term prepayments and current account balance with statutory authorities	11	7,781,020	2,481,020
Tax deducted at source/advance income tax	12	133,869	542,071
Accrued profit		749,626	328,357
Loan and advances	13	106,500	-
Due from related party	14	-	3,124,720
Cash and bank balances	15	41,430,368	6,936,048
		69,648,048	48,733,453
		98,534,979	73,765,288
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	16	75,000,000	65,000,000
Revenue reserve			
Un-appropriated profit		1,827,547	256,757
		76,827,547	65,256,757
Share deposit money	17	-	3,850,000
		76,827,547	69,106,757
NON CURRENT LIABILITIES			
Deferred taxation	18	25,336	-
CURRENT LIABILITIES			
Deposits, accrued liabilities and advances	19	1,607,950	316,901
Trade and other payables	20	20,074,146	4,341,630
Provision for taxation and levies	21	-	-
		21,682,096	4,658,531
CONTINGENCIES AND COMMITMENTS	22	-	-
		98,534,979	73,765,288

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

CHIEF EXECUTIVE

OCEAN SECURITIES LIMITED 527 PSX

DIRECTOR

OCEAN SECURITIES LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees (Restated)
Brokerage and commission	23	11,559,877	581,413
Capital loss on marketable securities		153,194	(25,399)
		11,713,071	556,014
Direct costs	24	(3,256,212)	(488,993)
		8,456,859	67,021
Operating expenses	25	(13,116,524)	(4,535,406)
Other operating expenses	26	(1,230,513)	(1,082,192)
Other income	27	9,258,379	6,221,213
		(5,088,658)	603,615
PROFIT FROM OPERATIONS		3,368,201	670,635
Finance cost	28	(9,780)	(101,239)
PROFIT BEFORE LEVIES AND INCOME TAX		3,358,421	569,397
Levies	29	(630,635)	(3,750)
PROFIT BEFORE INCOME TAX		2,727,786	565,647
Income tax	30	(1,156,996)	(308,890)
PROFIT FOR THE YEAR		1,570,790	256,757
EARNINGS PER SHARE - BASIC AND DILUTED	31	0.26	0.04

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

CHIEF EXECUTIVE

OCEAN SECURITIES LIMITED 527 PSX

DIRECTOR

OCEAN SECURITIES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		3,358,421	569,397
Adjustments for non cash items:			
Depreciation	5.1	259,196	175,826
Provision for doubtful debts	26	35,891	69,562
Amortization	7	1,792,158	448,039
Dividend income	27	(4,204,233)	(5,900,739)
Interest income	27	(4,812,371)	(72,274)
Loss on remeasurement of investment at fair value	10	1,122,823	986,517
		(5,806,536)	(4,293,069)
Operating Cash Flows Before Working Capital Changes		(2,448,115)	(3,723,672)
(Increase) / Decrease in Working Capital			
(Increase) / decrease in current assets			
Trade debts		(10,790,355)	(4,062,773)
Investment at fair value through profit or loss		27,326,838	(27,335,329)
Trade deposits and short term prepayments		(5,300,000)	(1,181,020)
Loan and advances		(106,500)	-
Due from related party		3,124,720	-
Increase / (decrease) in current liabilities			
Deposits, accrued liabilities and advances		1,291,049	316,901
Trade and other payables		15,732,516	4,341,630
		31,278,268	(27,920,591)
Cash generated from/(used in) operations		28,830,153	(31,644,263)
Taxes paid		(1,284,342)	(905,191)
Interest received		4,391,102	(256,083)
Dividend received		4,204,233	5,900,739
Net cash generated from/(used in) operating activities		36,141,145	(26,904,798)
CASH FLOWS FROM INVESTING ACTIVITIES			
Deposits made		(5,400,000)	(3,501,175)
Intangible assets acquired		(296,200)	(7,200,000)
Investment at fair value acquired		(761,874,917)	(22,865,625)
Proceeds from sale of investment at fair value		760,054,292	17,886,411
Fixed capital expenditure		(280,000)	(519,220)
Net cash used in investing activities		(7,796,825)	(16,199,609)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds received against issuance of shares		10,000,000	5,000,000
Share deposit money (refunded)/received		(3,850,000)	3,850,000
Net Cash Flows From Financing Activities		6,150,000	8,850,000
NET DECREASE IN CASH AND CASH EQUIVALENTS		34,494,320	(34,254,407)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		6,936,048	41,190,455
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	A	41,430,368	6,936,048
A - Cash and Cash Equivalents			
Cash and bank balances	15	41,430,368	6,936,048
		41,430,368	6,936,048

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

CHIEF EXECUTIVE

OCEAN SECURITIES LIMITED 527 PSX

DIRECTOR

OCEAN SECURITIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	2024 Rupees	2023 Rupees
Profit for the year	1,570,790	256,757
Items that will not be reclassified subsequently to statement of profit or loss	-	-
Items that may be reclassified subsequently to statement of profit or loss	-	-
Other comprehensive income for the year	-	-
Total comprehensive income for the year	1,570,790	256,757

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

CHIEF EXECUTIVE

OCEAN SECURITIES LIMITED 527 PSX

DIRECTOR

OCEAN SECURITIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR JUNE 30, 2024

	Paid up capital	Un-appropriated profit	Fair value adjustment reserve	Sub Total	Share deposit money	Total
	--------- (R u p e e s) ---------					
Balance as at June 30, 2022	61,850,000	-	-	61,850,000	-	61,850,000
Profit after taxation	-	256,757	-	256,757	-	256,757
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	256,757	-	256,757	-	256,757
Shares issued during the year	3,150,000	-	-	3,150,000	-	3,150,000
Share deposit money received during the year	-	-	-	-	3,850,000	3,850,000
Balance as at June 30, 2023	65,000,000	256,757	-	65,256,757	3,850,000	69,106,757
Profit after taxation	-	1,570,790	-	1,570,790	-	1,570,790
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	1,570,790	-	1,570,790	-	1,570,790
Shares issued during the year	10,000,000	-	-	-	-	10,000,000
Share deposit money refunded during the year	-	-	-	-	(3,850,000)	(3,850,000)
Balance as at June 30, 2024	75,000,000	1,827,547	-	66,827,547	-	76,827,547

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

CHIEF EXECUTIVE

OCEAN SECURITIES LIMITED 527 PSX

DIRECTOR

OCEAN SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1 COMPANY AND ITS OPERATION

1.1 The company was incorporated in pakistan on April 05, 2021 as a limited company, limited by shares, under the companies Act, 2017. The company is engaged in the business of share brokerage and investment in securities. The registered office of the company is situated at Room No. 117,118, 1st Floor, Lahore Stock Exchange Building, 19-Khyayaban-e-Aiwan-e-Iqbal, Lahore.

The company is holder of Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange. The Principle activity of the Company is financial consultancy, brokerage, underwriting, portfolio management/acquisition of securities and securities research.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

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

2.2 ACCOUNTING CONVENTION

These financial statements have been prepared under the historical cost convention except as stated hereafter in the relevant accounting policies. Further accrual basis of accounting is followed in the preparation of these financial statements except for cash flow information.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

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

2.4 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

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

- Useful lives, depreciation methods and residual values of property and equipment
- Useful lives, amortisation methods and residual values of intangible assets
- Provision for doubtful account receivables/ECLs
- Provision for current and deferred taxation

3 CHANGE IN ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS:

3.1 New or amendments / interpretations to existing standards, interpretation and forthcoming requirements

During the year, the Institute of Chartered Accountant of Pakistan (ICAP) have withdrawn the Technical Release 27 IAS 12, Income Taxes (Revised 2012) and issued guidance - "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires certain amounts of tax paid under minimum tax (which is not adjustable against future income tax liability) and final tax regime to be shown separately as a levy instead of showing it in current tax.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement ofapplicable reporting framework. There has been no effect on the statement of financial position, the statement of changes in equity, the statement of cash flows and earning per share as a result of this change except the following effect on statement of profit or loss:

	2024			2023		
	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
Effect on statement of profit or loss						
Profit before income tax	3,358,421	(630,635)	2,727,786	569,397	(3,750)	565,647
Levies	-	(630,635)	(630,635)	-	(3,750)	(3,750)
Income tax expense	(1,787,631)	630,635	(1,156,996)	(312,640)	3,750	(308,890)

3.2 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30,

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

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice	Jaunary 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	Jaunary 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	Jaunary 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two	Jaunary 01, 2023

The Company adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after 1 January 2023. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the Company to provide useful entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and updates to the information disclosed in Material accounting policies (2023: Summary of significant accounting policies) in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

In addition to the above, the company has changed applicable financial reporting framework from International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) to International Financial Reporting Standards (IFRS Standards). The related changes to the accounting policies have been made in these financial statements. The changes laid down by these standards do not have any significant impact on these financial statements of the Company except the following:

IFRS 9 'Financial instruments' – This standard replaces the provisions relating to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. It also includes an expected credit losses model that replaces incurred loss impairment model. On the date of initial application of IFRS 9, the Company's management has assessed which business models apply to the financial assets held by the Company and has classified its financial instruments into the appropriate IFRS 9 categories. However, these do not have any significant impact on the Company's financial reporting.

IFRS 15 'Revenue from contracts with customers' – This standard introduces a single five-step model for revenue recognition with a comprehensive framework based on core principle that an entity should recognise revenue representing the transfer of promised goods or services under separate performance obligations under the contract to customer at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. IFRS 15 replaces the previous revenue recognition criteria and the related interpretations on revenue recognition. However, these do not have any significant impact on the Company's financial reporting.

IFRS 16 superseded Leases treatments and sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the statement of financial position. The company elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at the initial recognition. Instead, the company applied IFRS 16 only to contracts that were previously identified as leases applying previous applicable financial reporting framework at the date of initial application. The company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application. Under this method, IFRS 16 was applied retrospectively with the cumulative effect of initially applying IFRS 16 recognised at the date of initial application without restating comparatives. The right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position. However, these do not have any significant impact on the Company's financial reporting.

3.3 **New accounting standards, amendments and interpretations that are either not yet effective or relevant to the company**

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations 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 date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance	Jaunary 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures'- Amendments regarding the classification and measurement of financial	Jaunary 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	Jaunary 01, 2026
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	Jaunary 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements Classification of liabilities as current or non-curren	Jaunary 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	Jaunary 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance	Jaunary 01, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	Jaunary 01, 2025
IFRS 17 Insurance Contracts	Jaunary 01, 2026

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption.

3.4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies are consistently applied in the preparation of these financial statements are the same as those applied in earlier periods presented in these financial statements except as stated in note 3 to the financial statements:

4 MATERIAL ACCOUNTING POLICY INFORMATION

4.1 PROPERTY AND EQUIPMENT

Items of property, plant and equipment other than land, leasehold improvements and capital work in progress are measured at cost less accumulated depreciation and accumulated impairments (if any).

Depreciation is charged on reducing balance method at the rates mentioned in the relevant notes to the financial statements. Depreciation on additions is charged for the day in which an asset is ready to use while no depreciation is charged for the day in which an asset is disposed off. Normal repair and maintenance is charged to revenue as and when incurred, while major renewals and replacements are capitalized.

Gains and losses on disposal of assets, if any, are included in profit or loss.

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis. Further, the key assumptions used to determine the fair value of property, plant and equipment are provided in relevant note to the financial statements.

4.2 INTANGIBLE ASSETS

Intangible assets with infinite useful life are stated at cost less impairment, if any. Intangible assets with finite useful life are stated at cost less accumulated amortization and accumulated impairment losses, if any. The carrying amount is reviewed at each reporting date to assess whether it is in excess of its recoverable amount, and where carrying value exceeds estimated recoverable amount, it is written down to estimated recoverable amount.

4.2.1 Membership card and offices

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

4.2.2 Computer Software

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

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

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

Computer software and license costs are stated at cost less accumulated amortization and any identified impairment loss and amortized is charged using straight line method.

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

4.3 Financial instruments

4.3.1 Financial assets

The Company classifies its financial assets at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

a) Financial assets at amortised cost

Financial assets at amortised cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in profit or loss.

b) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are those financial assets which are either designated in this category or not classified in any of the other categories. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises.

Financial assets are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently remeasured to fair value, amortized cost or cost as the case may be. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the profit or loss for the period in which it arises.

Equity instrument financial assets/mutual funds are measured at fair value initially and subsequent to initial recognition. Changes in fair value of these financial assets are normally recognised in profit or loss. Dividends from such investments continue to be recognised in profit or loss when the Company's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Company.

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company recognises in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

For other financial assets, the company applies the IFRS 9 'General Approach' to measuring expected credit losses whereby the company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. However, if at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

4.3.2 Financial liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the profit or loss.

4.3.3 Off-setting of financial assets and financial liabilities

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

4.4 DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives are initially recognized at fair value. Any directly attributable transaction costs are recognised in the statement of profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in statement of profit or loss.

4.5 TRADE DEBTS AND OTHER RECEIVABLES

Trade debts and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognised at fair value. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest method. Impairment of trade debts and other receivables is described in note 4.3.

4.6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash balances and call deposits. For the purpose of statement of cashflows and cash equivalents comprise cash in hand, bank balances and running finances from financial institutions.

4.7 SHARE CAPITAL

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

4.8 BORROWINGS

Borrowings are recorded initially at fair value, net of transaction cost incurred.

Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of that qualifying asset.

4.9 TAXATION

Current

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

Deferred

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

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

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

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

Levies

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income.

4.10 TRADE AND OTHER PAYABLES

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

4.11 PROVISIONS

Provisions are recognized when the company has a legal or constructive obligation as a result of past events and it is probable that an out flow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent assets are not recognized and are also not disclosed unless an inflow of economic benefits is probable and contingent liabilities are not recognized and are disclosed unless the probability of an outflow of resources embodying economic benefits is remote.

4.12 FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION

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

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

4.13 IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amounts of non-financial assets other than inventories, are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised as an expense in the profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessment of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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, net of depreciation or amortisation, if no impairment loss had been recognised. Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

4.14 RIGHT-OF-USE ASSETS AND RELATED LIABILITY

Right of use assets are initially measured at cost being the present value of lease payments, initial direct costs, any lease payments made at or before the commencement of the lease as reduced by any incentives received. These are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is charged on reducing balance method for all assets as mentioned in the relevant note to the financial statements. Where the ownership of the asset transfers to the Company at the end of the lease term or if the cost of the asset reflects that the Company will exercise the purchase option, depreciation is charged over the useful life of respective asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments, variable lease payments that are based on an index or a rate amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

4.15 DIVIDEND DISTRIBUTIONS AND APPORTIONMENTS

Dividend distributions to the Company's shareholders and appropriations to reserves are recognised in the period in which these are approved.

4.16 IJARAH CONTRACTS

Ijarah in which a significant portion of the risks and rewards of ownership are retained by the Muj'ir (lessor) are classified as operating Ijarah. Payments made during the year are charged to the statement of profit or loss on a straight-line basis over the period of the Ijarah in accordance with Islamic Financial Accounting Standard-2.

4.17 REVENUE RECOGNITION

The company recognises revenue when it satisfies the performance obligations. The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type of service	Nature and timing of satisfaction of performance obligations including significant payment terms	Revenue recognition policies
Brokerage income	Performance obligation is satisfied when the services are rendered.	Revenue is recognised at a point in time when the provision of service is completed.
Advisory and consultancy income	Performance obligation is satisfied over the period of contract. Customer is invoiced at the time of satisfaction of each performance obligation under the contract.	Revenue is recognised over the period when the customer utilizes advisory and consultancy services.
Dividend income	Performance obligation is satisfied when the right to receive the dividend is established.	Revenue is recognised at a point in time when the right to receive dividend is established.
Income on continuous funding system transactions and bank deposits	Performance obligation is satisfied on a time proportionate basis that takes into account the effective yield.	Revenue is recognised at a point in time as it accrues.
Mark-up income from investment in marginal trading system	Performance obligation is satisfied when it accrues using the effective interest method.	Revenue is recognised over the period when the customer utilizes exposure provided under marginal trading system.
Return on term finance certificates	Performance obligation is satisfied when it accrues using the effective interest method.	Revenue is recognised at a point in time as it accrues.

4.18 BASIC AND DILUTED EARNINGS PER SHARE

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

4.19 RELATED PARTY TRANSACTIONS

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

4.20 TRADE DATE ACCOUNTING

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

		Note	2024 Rupees	2023 Rupees
5	PROPERTY AND EQUIPMENT			
	Owned assets	5.1	1,486,731	1,465,926

5.1 Owned assets

Particulars	Cost				Depreciation					W.D.V
	As at June 30, 2023	Additions /Transferred	(Deletion)	As at June 30, 2024	Rate %	As at June 30, 2023	Charge for the year	Adjustment	As at June 30, 2024	As at June 30, 2024
	---------- R u p e e s ----------					---------- R u p e e s ----------				
OWNED										
Furniture and fixture	448,503	157,500	-	606,003	10%	27,834	50,253	-	78,087	527,916
Electric installation	355,350	-	-	355,350	15%	52,718	45,395	-	98,113	257,237
Office equipment	597,999	21,500	-	619,499	15%	78,082	80,090	-	158,172	461,327
Computer and allied items	239,900	101,000	-	340,900	30%	17,192	83,457	-	100,649	240,251
	1,641,752	280,000	-	1,921,752		175,826	259,196	-	435,021	1,486,731

Particulars	Cost				Depreciation					W.D.V
	As at June 30, 2022	Additions /Transferred	(Deletion)	As at June 30, 2023	Rate %	As at June 30, 2022	Charge for the year	Adjustment	As at June 30, 2023	As at June 30, 2023
	---------- R u p e e s ----------					---------- R u p e e s ----------				
OWNED										
Furniture and fixture	-	448,503	-	448,503	10%	-	27,834	-	27,834	420,669
Electric installation	-	355,350	-	355,350	15%	-	52,718	-	52,718	302,632
Office equipment	-	597,999	-	597,999	15%	-	78,082	-	78,082	519,917
Computer and allied items	-	239,900	-	239,900	30%	-	17,192	-	17,192	222,708
	-	1,641,752	-	1,641,752		-	175,826	-	175,826	1,465,926

	Note	2024 Rupees	2023 Rupees
6 INTANGIBLE ASSETS			
Trading right entitlement certificate (TREC)	6.1	2,500,000	2,500,000
Rights of rooms		7,496,200	7,200,000
		9,996,200	9,700,000

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

	Note	2024 Rupees	2023 Rupees
7 LONG TERM DEPOSITS			
Deposits with:			
National Clearing Company of Pakistan Limited		1,400,000	400,000
Central Depositary Company Limited		100,000	100,000
Pakistan Stock Exchange against BMC	7.1	15,800,000	11,500,000
LSE against rights of rooms		100,000	-
Other		4,000	4,000
		17,404,000	12,004,000

7.1 This represents deposit with Pakistan Stock Exchange against exposure margin in respect of trade in future and ready market. These deposits carry profit at rates ranging from 15% to 20% (2023: 12% to 18%) per annum.

8 PRE-OPERATING EXPENSES			
Pre-commencement expenditures		2,240,197	2,240,197
Accumulated amortization as at July 01,		448,039	-
Amortization for the year	25	1,792,158	448,039
		2,240,197	448,039
Net book value as at June 30,		-	1,792,158
Rate (Straight line)		20%	20%

8.1 This has been fully amortized during the year.

9 TRADE DEBTS			
Receivable from clients on account of:			
Considered good			
Purchase of shares on behalf of clients		3,475,267	1,879,127
Receivable from related party	9.1	4,988,108	1,603,200
		8,463,375	3,482,327
Less: Provision for doubtful debts	9.4	(105,453)	(69,562)
		8,357,922	3,412,765
National Clearing Company of Pakistan Ltd.		6,389,753	580,446
		14,747,675	3,993,211

9.1 Receivable from related party comprises of the following having percentage of shareholding as referred to note 16 to the financial statements:

Name	Basis of relationship	Maximum aggregate amount	2024	2023
		Rupees	Rupees	Rupees
Mr. Syead Shahzad Anjum	Director	4,030,137	1,327,822	90,451
Mr. Syed Ali Raza	Director	4,869,495	458,705	-
Mr. Muhammad Rizwan Zafar Khan	Director	2,385,472	19,580	-
Mr. Khurram Shahzad	Director	3,933,258	3,182,001	1,512,749
			4,988,108	1,603,200

9.2 **Ageing analysis of the amounts due from related parties as follows:**

	Upto 1 months	1 to 6 months	More than 6 months	As at June 30, 2024
	----------Rupees----------			
Mr. Syead Shahzad Anjum	1,327,822	-	-	1,327,822
Mr. Syed Ali Raza	458,705	-	-	458,705
Mr. Muhammad Rizwan Zafar Khan	19,580	-	-	19,580
Mr. Khurram Shahzad	3,182,001	-	-	3,182,001
	4,988,108	-	-	4,988,108

	2024	2023
	Rupees	Rupees
9.3 Aging Analysis		
Upto five days	936,365	539,015
More than five days	13,811,310	3,454,196
	14,747,675	3,993,211
9.4 **Movement is as follows**		
Opening balance	69,562	-
Provision made during the year	35,891	69,562
	105,453	69,562

10 SHORT TERM INVESTMENTS

Investmnet at fair value through profit or loss (Quoted)			
Carrying value as on July 01,	10.1	5,813,322	4,979,214
Loss on re-measurement of investment	10.2	(1,122,823)	(986,517)
		4,690,499	3,992,697
Investment in Alfalah Islamic Rozana Amdani Fund		8,491	27,335,329
		4,698,990	31,328,026

	Note	2024 Rupees	2023 Rupees
10.1 Movement in cost of investment			
Opening balance		4,979,214	-
Addition during the year		761,874,917	22,865,625
Redemption during the year		(761,040,809)	(17,886,411)
		5,813,322	4,979,214
10.2 Movement in fair value reserve			
Opening balance		(986,517)	-
Deletion during the year		986,517	-
Unrealized loss on remeasurement		(1,122,823)	(986,517)
		(1,122,823)	(986,517)

10.3 This includes shares having carrying value of Rs.nil (2023: Rs. nil) pledged with financial institutions and shares amounting Rs. 1.27 million (2023: Rs. 3.92 million) pledged with National Clearing Company of Pakistan Limited for exposure margins.

11 TRADE DEPOSITS, SHORT TERM PREPAYMENTS AND CURRENT ACCOUNT BALANCE WITH STATUTORY AUTHORITIES	Note	2024 Rupees	2023 Rupees
Deposits with:			
National Clearing Company of Pakistan Ltd.	11.1	7,781,020	2,381,020
Prepayment		-	100,000
		7,781,020	2,481,020

11.1 This represents deposit with National Clearing Company of Pakistan Limited against exposure margin in respect of trade in future and ready market. These deposits carry profit at rates ranging from 9% to 18% (2023: 7% to 15%) per annum.

12 TAX DEDUCTED AT SOURCE/ADVANCE INCOME TAX	Note	2024 Rupees	2023 Rupees
Opening balance		542,071	19,272
Deducted during the year			
Income taxes		1,284,341	905,191
Levies		-	-
		1,284,341	905,191
Adjustment made during the year			
Income taxes		(1,061,908)	(382,392)
Levies		(630,635)	-
		(1,692,543)	(382,392)
		133,869	542,071

13 LOAN AND ADVANCES			
(unsecured and interest free)			
Advance to employees		106,500	-

14 DUE FROM RELATED PARTY

Name	Basis of relationship	Shareholding %	2024 Rupees	2023 Rupees
Mr. Syed Ali Raza	CEO	54%	-	3,124,720

14.1 The balance was unsecured and interest free and was recoverable on demand of the company. The maximum amount due as at the end of any month during the year was Rs. 3,124,720.

	Note	2024 Rupees	2023 Rupees
14.2 Movement of balance due from related party			
Opening balance		3,124,720	3,124,720
Received during the year		(3,124,720)	-
		-	3,124,720

15 CASH AND BANK BALANCES

These were held as under:		
In hand	410,608	67,075
At banks:		
In current accounts		
Pertaining to brokerage house	22,912,619	2,406,061
Pertaining to clients	18,107,142	4,462,912
	41,019,760	6,868,973
	41,430,368	6,936,048

16 SHARE CAPITAL

	Note		
Authorized			
7,500,000 (2023: 6,000,000) ordinary shares of Rs.10 each		75,000,000	65,000,000
Issued, subscribed and paid up			
7,185,000 (2023: 6,185,000) ordinary shares of Rs.10 each fully paid in cash		71,850,000	61,850,000
315,000 (2023: 315,000) ordinary shares of Rs.10 each fully paid for consideration other than cash (issued against rights of rooms)		3,150,000	3,150,000
	16.1	75,000,000	65,000,000

16.1 Reconciliation of share capital

Opening balance	65,000,000	61,850,000
Shares issued during the year		
315,000 shares against rights of rooms	-	3,150,000
1,000,000 shares against cash	10,000,000	-
	75,000,000	65,000,000

16.2 Pattern of Shareholding:

	% age of Shares Held		Number of Shares Held	
	2024	2023	2024	2023
Categories of shareholders				
Individual - Chief Executive Officer				
Mr. Syed Ali Raza	54%	54%	4,074,967	3,531,667
Individual - Directors				
Mr. Khurram Shazad	15%	15%	1,125,000	975,000
Mr. Syed Shazad Anjum	16%	16%	1,175,033	1,018,333
Mr. Rizwan Zafar Khan	10%	10%	750,000	650,000
Ms. Faiza Faiyaz	5%	5%	375,000	325,000
	100%	100%	7,500,000	6,500,000

16.3 There is no variation in the rights of the shareholders.

	Note	2024 Rupees	2023 Rupees
17 SHARE DEPOSIT MONEY			
Share deposit money	17.1	-	3,850,000

17.1 This represented share deposit money received/adjusted as follows;

Particulars	Nature of relationship	% of shareholding		
Related parties:				
Syed Ali Raza	CEO	54%	-	543,297
Khurram Shahzad	Director	15%	-	3,000,000
Syead Shazad Anjum	Director	16%	-	156,703
Muhammad Rizwan Zafar Khan	Director	10%	-	100,000
Ms. Faiza Faiyaz	Director	5%	-	50,000
			-	3,850,000

18 DEFERRED TAXATION

Deferred credits/(debits) arising due to:		
Accelerated tax depreciation	75,006	98,324
Provision for doubtful debts	(25,756)	(20,099)
Provincial worker welfare fund	(23,914)	-
Loss on short term investment - net	(168,423)	(147,977)
Capital losses	(453,423)	-
Deferred tax asset not recognised	621,846	-
	25,336	(69,752)
Balance as at July 01,	(69,752)	-
Add: Charge for the year in profit or loss	95,088	(69,752)
	25,336	(69,752)

18.1 At the year end, deferred tax asset amounting Rs.621,846 in respect of capital losses has not been recognised in these financial statements being prudent. Management is of the view that recognition of defered tax asset shall be reassessed as at June 30, 2025. The capital loss relating to year ended June 30, 2023 and June 30, 2024 amounting Rs.336,406 and Rs.2,686,412 respectively will expire as at June 30, 2026 and June 30, 2027 respectively.

19 DEPOSITS, ACCRUED LIABILITIES AND ADVANCES	Note	2024 Rupees	2023 Rupees
Accrued expenses		1,607,950	316,901

20 TRADE AND OTHER PAYABLES			
Creditors for sale of shares on behalf of clients	20.2	19,336,895	4,262,388
Punjab workers welfare fund payable		97,912	26,113
CGT payable		185,100	-
Income tax withheld payable		346,278	-
Sales tax payable		107,962	53,129
		20,074,146	4,341,630

20.1 The total value of securities pertaining to clients, employees and directors/sponsors are amounting Rs.144.04 million, Rs. 0.16 million and Rs. 18.76 million respectively held in sub-accounts of the company. No client/director/employee security is pledged with the financial institutions except with National Clearing Company of Pakistan Limited amounting Rs. 3.59 million for exposure margin.

20.2 Creditors for sale of shares on behalf of clients include the following amount due to related parties having shareholding as referred to note 15 to the financial statements:

Name of related party	Basis of relationship	2024 Rupees	2023 Rupees
Mr. Rizwan Zafar Khan	Director	-	111,582.00
Ms. Faiza Faiyaz	Director	118,402	159,297
		118,402	270,879

21 PROVISION FOR TAXATION AND LEVIES			
Opening balance		-	-
Provision for the year in respect of income taxes and levies	30.1	1,692,543	382,392
Adjustment made during the year	12	(1,692,543)	(382,392)
		-	-

22 CONTINGENCIES AND COMMITMENTS

Contingencies and commitments as at reporting date were Rs. nil (2023: Rs. nil).

23 BROKERAGE AND COMMISSION	Note	2024 Rupees	2023 Rupees
Retail customers	23.1	13,411,516	674,439
Less: Sales tax		(1,851,639)	(93,026)
		11,559,877	581,413

23.1 Commission from retail customers includes the commission earned from following related parties:

Name of related party	Basis of relationship	2024 Rupees	2023 Rupees
Mr. Khurram Shazad	Director	644,275	14,903
Mr. Syed Shazad Anjum	Director	134,625	2,360
Mr. Rizwan Zafar Khan	Director	41,050	6,587
Ms. Faiza Faiyaz	Director	58,534	19,549
		878,483	43,399

24 DIRECT COSTS

Charges paid to /against:

Pakistan Stock Exchange Limited	375,982	245,681
Central Depository Company	261,126	119,437
National Clearing Company of Pakistan Limited	1,117,454	123,875
Commission paid	1,501,650	-
	3,256,212	488,993

25 OPERATING EXPENSES

Directors' remuneration		1,019,166	-
Staff salaries and benefits		6,426,427	1,827,000
Rent, rates and taxes		135,000	47,432
Communication and postage		153,209	85,606
Electricity charges		940,994	402,895
Printing and stationery		159,756	82,906
Repair and maintenance		136,710	348,611
Legal and professional charges	25.1	679,725	409,750
Fee and subscription		130,025	194,935
Software expense		273,250	-
Travelling and conveyance		48,912	12,300
Entertainment		912,495	259,899
Depreciation	5	259,196	175,826
Amortization	8	1,792,158	448,039
Miscellaneous		49,502	240,207
		13,116,524	4,535,406

25.1 Auditor's remuneration

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

Amin, Mudassar & Co. Chartered Accountants	Note	2024 Rupees	2023 Rupees
Statutory audit		189,000	120,000
Certification fee		90,740	66,000
		279,740	186,000

26 OTHER OPERATING EXPENSES

Loss on remeasurement of investment at fair value	1,122,823	986,517
Provision for doubtful debts	35,891	69,562
Punjab workers' welfare fund	71,799	26,113
	1,230,513	1,082,192

	Note	2024 Rupees	2023 Rupees
27 OTHER INCOME			
Income from financial assets			
Dividend income		4,204,233	5,900,739
Interest income		4,812,371	72,274
		9,016,603	5,973,013
Income from assets other than financial assets			
Account maintenance and custody fee		241,776	248,200
		9,258,379	6,221,213
28 FINANCE COST			
Bank charges		9,780	101,239

	Note	2024 Rupees	2023 Rupees (Restated)
29 LEVIES			
Final tax		630,635	3,750
		630,635	3,750
30 TAXATION			
Income tax:			
Current:			
For the year		1,061,908	378,642
Deferred	9	95,088	(69,752)
		1,156,996	308,890

30.1 Reconciliation between current tax charged under applicable income tax law and its categorization as 'Income Tax' and 'levies' is as follows:

	2024 Rupees	2023 Rupees (Restated)
Classified as:		
Income Tax	1,061,908	378,642
Levies	630,635	3,750
	1,692,543	382,392
Prior	-	-
Deferred	95,088	(69,752)
	1,787,631	312,640

30.2 Income tax assessment of the Company has been finalized up to tax year 2023 on the basis of returns filed as the company did not receive any notice in this respect.

30.3 Reconciliation of tax expense and accounting profit:

	Note	2024 Rupees	2023 Rupees
Profit before tax and levies		3,358,421	569,397
Tax of profit before tax @ 29%		973,942	165,125
Tax effect on inadmissible expense		86,453	78,519
Tax effect on admissible expense		(51,921)	(156,699)
Effect of deferred tax		95,088	(69,752)
Tax and levies affect on income under final tax regime		53,435	291,697
Levies payable under final tax regime		630,635	3,750
		1,787,632	312,640

31 EARNINGS PER SHARE - BASIC AND DILUTED

	2024	2023
Profit for the year-Rupees	1,570,790	256,757
Weighted Average Number of ordinary shares outstanding during the year-Numbers	6,823,288	6,005,479
Earnings per share-Rupees	0.26	0.04

32 NUMBER OF EMPLOYEES

	2024	2023
	(number)	
Total number of employees at the end of year	17	11
Average number of employees during the year	16	4

33 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for the year for remuneration to the chief executive, directors and executives of the company is as follows:

	2024		
	Chief Executive	Directors	Executives
	---------- Rupees ----------		
Managerial remuneration	724,429	294,737	1,483,018
Number of persons	1	2	-

	2023		
	Chief Executive	Director	Executives
	---------- Rupees ----------		
Managerial remuneration	-	-	-
Number of persons	-	-	-

33.1 No employee fall under the definition of executive as per the provisions of the Companies Act, 2017.

	2024 Rupees	2023 Rupees
34 FINANCIAL INSTRUMENTS BY CATEGORY		
Financial assets and financial liabilities		
Financial assets		
At fair value through profit or loss		
Short term investment	4,698,990	31,328,026
At amortized cost		
Long term deposits	17,404,000	12,004,000
Trade debts	14,747,675	3,993,211
Trade deposits	7,781,020	2,381,020
Accrued profit	749,626	328,357
Due from related party	-	3,124,720
Cash and bank balances	41,430,368	6,936,048
	82,112,689	28,767,356
Financial liabilities		
At amortized cost		
Deposits, accrued liabilities and advances	1,607,950	316,901
Trade and other payables	19,336,895	4,262,388
	20,944,845	4,579,289

35 FINANCIAL RISK MANAGEMENT

35.1 The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (interest/mark-up rate risk and price risk). The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall, risks arising from the company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risk without any material change from previous periods in the manner described in notes below.

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. All treasury related transactions are carried out within the parameters of these policies.

a) 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. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The objectives of credit risk management is to put in place sound credit approval processes for informed risk-taking and procedures for effective risk identification, monitoring and measurement.

Exposure to Credit Risk and Credit Risk Management

Credit risk of the Company arises from deposits with banks and financial institutions, trade debts, short term loans, deposits, receivable / payable against sale of securities and other receivables etc. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Company has developed its own risk management policies and guidelines whereby clients are provided trading limits according to their net worth and proper margins are collected and maintained from the clients. The management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful of recovery. The Company's management, as part of risk management policies and guidelines, reviews clients' financial position, considers past experience, obtain authorized approvals and arrange for necessary collaterals in the form of equity securities to reduce credit risks and other factors. Credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings. Further, all transactions in listed securities are settled using National Clearing Company of Pakistan Limited, being the central clearing company of the country. The risk of default in such transactions is considered minimal, as delivery of security is guaranteed by the Stock Exchange.

The carrying amount of financial assets represent the maximum credit exposure at the reporting date, which are detailed as follows:

	Note	2024 Rupees	2023 Rupees
Long term deposits		17,404,000	12,004,000
Trade debts		14,747,675	3,993,211
Trade deposits		7,781,020	2,381,020
Accrued profit		749,626	328,357
Due from related party		-	3,124,720
Bank balances		41,019,760	6,868,973
		81,702,081	28,700,281

35.1.1 The maximum exposure to credit risk for trade debts is due from local clients and the aging of trade debts at the reporting date was:

	2024 Rupees	2023 Rupees
Upto 1 month	6,389,753	580,446
1 to 6 months	8,463,375	3,482,327
More than 6 months	-	-
	14,853,128	4,062,773
Less: Provision for doubtful debt	(105,453)	(69,562)
	14,747,675	3,993,211

Based on the past experience the management believes that no futher allowance for doubtful debts is necessary in respect of unprovided past due amounts as there are reasonable grounds to believe that the amounts will be recovered in short course of time and there is adequate securities against these balances.

35.1.2 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate exposure is significant in relation to the Company's total exposure. The Company's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentrations of credit risk.

Geographically there is no concentration of credit risk.

The credit quality of Company's cash and cash equivalents held with various commercial banks and financial institutions is assessed with reference to external credit ratings as follows:

	Rating		Rating Agency	2024	2023
	Short Term	Long Term		Rupees	Rupees
Bank Alfalah Limited	AA+	AAA	PACRA	15,913,588	199,969
Habib Bank Limited	A1+	AAA	PACRA	25,106,172	6,669,004
				41,019,760	6,868,973

b) Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. The following are the contractual maturities of financial liabilities, including expected interest payments and excluding the impact of netting agreements:

	2024			
	Carrying Amount	Contractual Cash Flows	Maturity Upto One Year	Maturity After One Year
	----------Rupees----------			
Deposits, accrued liabilities and advances	1,607,950	1,607,950	1,607,950	-
Trade and other payables	19,336,895	19,336,895	19,336,895	-
	20,944,845	20,944,845	20,944,845	-

	2023			
	Carrying Amount	Contractual Cash Flows	Maturity Upto One Year	Maturity After One Year
	----------Rupees----------			
Deposits, accrued liabilities and advances	316,901	316,901	316,901	-
Trade and other payables	4,262,388	4,262,388	4,262,388	-
	4,579,289	4,579,289	4,579,289	-

Liquidity Risk Management

The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The company monitors cash flow requirements and produces cash flow projections for the short and long term. Typically, the company ensures that it has sufficient cash on demand to meet expected operational cash flows, including serving of financial obligations. This includes maintenance of liquidity ratios. Further, the company has the support of its sponsors in respect of any liquidity shortfalls.

c) **Market Risk**

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the company's net profit or the fair value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return.

i) **Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in foreign exchange rates.

Exposure to foreign currency risk

The company may exposed to currency risk on trade debts or other financial assets or liabilities that are denominated in a currency other than the respective functional currency of the company.

Foreign currency risk management

The company manage foreign currency risk through due monitoring of the exchange rate, adjusting net exposure and obtaining forward covers when necessary, The company does not enter into forward exchange contracts as at reporting date.

However, the company, at present, is not exposed to currency risk as all transactions are carried out in Pak Rupee.

ii) **Price Risk**

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/mark up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. Presently, daily stock market fluctuation is controlled by government authorities with cap and floor. The restriction of floor prices reduces the volatility of prices of equity securities and the chances of market crash at any moment. The company manages price risk by monitoring the exposure in quoted securities and implementing the strict discipline in internal risk management and investment policies, which includes disposing of its own equity investment and collateral held before it led the company to incur significant mark-to-market and credit losses .The carrying value of investments subject to price risk is based on quoted market prices as of the reporting date. Market prices are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, the amount realized in the sale of a particular security may be affected by the relative quantity of the security being sold.

The company's portfolio of short term investments is broadly diversified so as to mitigate the significant risk of decline in prices of securities in particular sectors of the market.

Sensitivity Analysis

The table below summarizes Company's equity price risk as of year end and shows the effects of a hypothetical 10% increase and a 10% decrease in market prices of investments through profit or loss as at the year end reporting dates. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worse because of the nature of equity markets and the aforementioned concentrations existing in Company's equity investment portfolio.

	Fair Value	Estimated Fair Value After Hypothetical Change In Price	Hypothetical Increase / (Decrease) in Share Holders' Equity
June 30, 2024	4,698,990	5,168,889	469,899
		4,229,091	(469,899)
June 30, 2023	31,328,026	34,460,828	3,132,803
		28,195,223	(3,132,803)

iii) **Interest Rate Risk**

Interest / mark-up rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. Sensitivity to interest / mark up rate risk arises from mismatches of financial assets and liabilities that mature or re-price in a given period. The company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted.

The effective interest / mark-up rates in respect of financial instruments are mentioned in respective notes to the financial statements.

Sensitivity Analysis

The company is exposed to interest rate risk in respect of its variable rate instruments. A 100 basis points increase in variable interest rates would have following affect. A 100 basis points decrease in variable interest rate would have had an equal but opposite impact on loss. This sensitivity analysis is based on assumption that all variables, with the exception of interest rates, remain unchanged.

	2024		2023	
	Financial Asset	Financial Liability	Financial Asset	Financial Liability
Non- derivative financial instruments				
Variable rate instruments:				
Deposit with National Clearing Company of Pakistan Ltd.	7,781,020	-	2,381,020	-
Deposit with Pakistan Stock Exchange against BMC.	15,800,000	-	11,500,000	-
	23,581,020	-	13,881,020	-

Cash flow sensitivity analysis for varaible rate instruments

A 100 basis points increase in variable interest rates at the reporting date would have Increased/ (decreased) profit for the year by the amount shown below. This sensitivity analysis is based on assumption that all variables, with the exception of interest rates, remain unchanged.

Profit or loss (100 bps)			
2024		2023	
Increase	Decrease	Increase	Decrease
R u p e e s			
235,810	(235,810)	138,810	(138,810)

The Company manages these mismatches through risk management strategies changes in gap position can be adjusted. The obligation under financial arrangements has variable rate pricing that is mostly depended on Karachi Inter Bank Offer Rate (" KIBOR") as indicative in respective notes.

35.2 **Fair value of financial instruments**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The estimated fair value of all financial assets and liabilities is considered not significantly different from book values as the items are either short - term in nature or periodically reprised.

International Financial Reporting Standard 13, 'Financial Instruments : Disclosure' requires the company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- 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 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The assets and liabilities that are measured at fair value on recurring and non-recurring basis have been disclosed in the relevant notes to the financial statements, if any.

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

	2024		
	Level 1	Level 2	Level 3
	----------Rupees----------		
Financial assets			
At fair value			
Short term investment in listed securities (on recurring basis)	4,690,499	-	-
Investments in mutual funds (on recurring basis)	-	8,491	-
	4,690,499	8,491	-

	2023		
	Level 1	Level 2	Level 3
	----------Rupees----------		
Financial assets			
At fair value			
Short term investment in listed securities (on recurring basis)	3,992,697	-	-
Investments in mutual funds (on recurring basis)	-	27,335,329	-
	3,992,697	27,335,329	-

35.2.1 **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 and to maintain an optimal capital structure.

In order to maintain or adjust the capital structure, the Company may issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investment requirements and expectation of the shareholders. Debt is calculated as total borrowings:

	2024 Rupees	2023 Rupees
Total equity	76,827,547	69,106,757
Total Capital	76,827,547	69,106,757
Gearing Ratio	100%	100%

36 **OPERATING SEGMENT**

36.1 These financial statements have been prepared on the basis of a single reportable segment which is consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

36.2 All non-current assets of the Company as at June 30, 2024 are located in Pakistan.

37 LIQUID CAPITAL BALANCE

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

Sr. #	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.	**Assets**						
1.1	Property & Equipment	Balance Sheet Value net of depreciation	100% of net value	Nil	1,486,731	1,486,731	-
1.2	Intangible Assets	Balance Sheet Value net of amortization	100% of net value	Nil	9,996,200	9,996,200	-
1.3	Investment in Govt. securities	Balance Sheet Value	Difference between book value and sale value on the date on the basis of PKRV published by NIFT	Sale value on the date on the basis of PKRV published by NIFT	-	-	-
1.4	Investment in debt securities	Balance Sheet Value net of any provision	**If listed than** i. 5% of the balance sheet value in the case of tenure up to 1 year	Net amount after deducting provisions and haircuts	-	5%	-
			ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years		-	7.5%	-
			iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.		-	10%	-
	Investment in debt securities	Balance Sheet Value net of any provision	**If unlisted than** i. 10% of the balance sheet value in the case of tenure up to 1 year	Net amount after deducting provisions and haircuts	-	10%	-
			ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years		-	12.5%	-
			iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.		-	15%	-
1.5	Investment in equity securities	Balance Sheet Value net of any provision	i. If listed 15% or VaR of each security on the cutoff date as computed by the clearing house for respective security whichever is higher Provided that if any of these securities are pledged with the securities exchange for maintaining Base Minimum Capital Requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of Base Minimum Capital.	Net amount after deducting provisions and haircuts	4,690,499	1,344,963	3,345,536
			ii. If unlisted, 100% of carrying value		8,491	8,491	-
1.6	Investment in subsidiaries	Balance Sheet Value net of any provision	100% of net value	Nil	-	100%	-

Sr. #	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.7	Investment in associated companies/undertaking	Balance Sheet Value net of any provision	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher	Net amount after deducting provisions and haircuts	-	20%	-
	Investment in associated companies/undertaking	Balance Sheet Value net of any provision	ii. If unlisted, 100% of net value		-	100%	-
1.8	Statutory or regulatory deposits/ basic deposits with exchanges, clearing house or central depository or any other entity	Balance Sheet Value	100% of net value, however, any excess amount of cash deposited with securities exchange to comply with requirements of Base minimum capital, may be taken in the calculation of LC.	Nil, or any excess cash amount.	17,404,000	100%	-
1.9	Margin deposits with exchange and clearing house	Balance Sheet Value	Nil	Balance Sheet Value	7,781,020	-	7,781,020
1.10	Deposit with authorized intermediary against borrowed securities	Balance Sheet Value	Nil	Balance Sheet Value	-	-	-
1.11	Other deposits and prepayments	Balance Sheet Value	100% of carrying value	Nil	-	100%	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.	Balance Sheet Value	Nil 100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	Balance Sheet Value	-	100%	-
1.13	Dividends receivables	Balance Sheet Value	Nil	Balance Sheet Value	-	-	-
1.14	Amount receivable against Repo financing	Balance Sheet Value	Amount paid as purchaser under the REPO agreement. Securities purchased under repo arrangement shall not be included in the investments	Balance Sheet Value	-	-	-
1.15	Advances and Receivables other than trade receivables	Balance Sheet Value	1. No Haircut may be applied on the short term loan to employees provided these loans are secured and due for repayment within 12 months 2. No Haircut may be applied to the advance tax to the extent it is netted with provision of taxation	Adjusted Value	989,995	100%	-
			3. In all other cases, 100% of net value		-	100%	-
1.16	Receivables from clearing house or securities exchange(s)	Balance Sheet Value	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains	Lower of net balance sheet value or value determined through adjustments	6,389,753	-	6,389,753

Sr. #	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.17	Receivables from customers	Balance Sheet Value net of provisions	i. In case receivables are against margin financing, the aggregate of (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut	i. Lower of net balance sheet value or value determined through adjustments	-	-	-
	Receivables from customers	Balance Sheet Value net of provisions	ii. In case receivables are against margin trading,5% of the net balance sheet value	ii. Net amount after deducting haircut	-	5%	-
	Receivables from customers	Balance Sheet Value net of provisions	iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract	iii. Net amount after deducting haircut	-	-	-
	Receivables from customers	Balance Sheet Value net of provisions	iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value	iv. Balance sheet value	900,911	-	900,911
	Receivables from customers	Balance Sheet Value net of provisions	v. In case of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts	v. Lower of net balance sheet value or value determined through adjustments	2,468,903	1,936,109	532,794
	Receivables from related parties	Balance Sheet Value net of provisions	vi. In the case of amount of receivable form related parties, values determined after applying applicable haircuts on underlying securities readily available in respective CDS account of the related party in the following manner: a. Up to 30 days, values determined after applying VaR based haircuts;	vi. [Lower of net balance sheet values or values determined through adjustments.]	-	-	-

Sr. #	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
	Receivables from related parties	Balance Sheet Value net of provisions	b. Above 30 days but upto 90 days, values determined after applying 50% or VaR based haircuts whichever is higher;	vi. [Lower of net balance sheet values or values determined through adjustments.]	-	50%	-
			c. Above 90 days, 100% haircut shall be applicable		4,988,108	100%	-
1.18	Cash and bank Balances	i. Bank balance – Proprietary accounts	Nil	Balance sheet value	22,912,619	-	22,912,619
		ii. Bank balance – Customer accounts	Nil	Balance sheet value	18,107,142	-	18,107,142
		iii. Cash in hand	Nil	Balance sheet value	410,608	-	410,608
1.19	Subscription money against investment in IPO/ offer for sale (asset)	Balance Sheet Value	i. No haircut may be applied in respect of amount paid as subscription money provided that shares have not [been allotted or are not included in the investments of securities broker. ii. In case of investments in IPO where shares have been allotted but not yet credited in CDS account, 25% haircuts will be applicable on the value of such securities. iii. In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VaR based haircut whichever is higher, will be applied on Right shares.	Balance sheet value or Net value after deducting haircuts.	-	-	-
1.20	**Total Assets**	**Balance Sheet Value**		**Adjusted Value**	**98,534,979**		**60,380,382**
2. Liabilities							
2.1	Trade payables	i. Payable to exchanges and clearing house	Nil	Balance sheet value	-	-	-
		ii. Payable against leveraged market products			-	-	-
		iii. Payable to customers			19,336,895	-	19,336,895
2.2	Current Liabilities	i. Statutory and regulatory dues	Nil	Balance sheet value	737,252	-	737,252
		ii. Accruals and other payables			1,607,950	-	1,607,950
		iii. Short-term borrowings			-	-	-
		iv. current portion of subordinated loans			-	-	-
		vi. Deferred liabilities			25,336	-	25,336
		vii. Provision for Taxation			-	-	-
		viii. other liabilities as per accounting principles and included in the financial statements			-	-	-
2.3	Non-current liabilities	i. Long-term financing	1. 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases. 2. Nil in all other cases	Nil or Balance sheet Value as the case may be	-	-	-
		ii. Staff retirement benefits			-	-	-
		iii. other liabilities as per accounting principles and included in the financial statements			-	-	-

Sr. #	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
2.4	Subordinated Loans	Balance Sheet Value	100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted	Net value after deducting adjustments, [if any.]	-	-	-
2.5	Advance against shares for increase in capital of securities broker	Balance Sheet Value	100% Haircut may be allowed in respect of advance against shares if : (a) The existing authorized share capital allows the proposed enhanced share capital (b) Board of Directors of the company has approved the increase in capital (c) Relevant Regulatory approvals have been obtained (d) There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed (e) Auditor is satisfied that such advance is against the increase of capital.	Net amount after deducting haircuts	-	-	-
2.6	**Total Liabilities**	**Balance Sheet Value**		**Adjusted Value**	**21,707,432**		**21,707,432**
3. Ranking Liabilities relating to							
3.1	Concentration in margin financing	Nil	The amount calculated [on] client-to-client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total finances Provided that above prescribed adjustments shall not be applicable where the aggregate amount of receivable against margin financing does not exceed Rs. 5 million. Note: Only amount exceeding by 10% of each financee from aggregate amount shall be included in the ranking liabilities.	Amount as determined through adjustment	-	-	-
3.2	Concentratio n in securities lending and borrowing	Nil	The amount by which the aggregate of (i) amount deposited by the borrower with NCCPL, (ii) cash margins paid and (iii) the market value of securities pledged as margins exceed the 110% of the market value of shares borrowed. [Note: Only amount exceeding by 110% of each borrower from market value of shares borrowed shall be included in the ranking liabilities.]	Amount as determined through adjustment	-	-	-

Sr. #	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3.3	Net underwriting Commitment s	Nil	**(a) in the case of rights issue:** if the market value of securities is less than or equal to the subscription price, the aggregate of (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitment exceeds the market price of the securities. In the case of rights issue where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting commitment **(b) in any other case:** 12.5% of the net underwriting commitments	Amount as determined through adjustment	-	-	-
3.4	Negative equity of subsidiary	Nil	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary	Amount as determined through adjustment	-	-	-
3.5	Foreign exchange agreements and foreign currency positions	Nil	5% of the net position in foreign currency. Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency	Amount as determined through adjustment	-	-	-
3.6	Amount payable under REPO	Balance sheet value	Carrying value	Carrying value	-	-	-
3.7	Repo adjustment	Nil	In the case of financier/ purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities. In the case of financee/ seller the market value of underlying securities after applying haircut less the total amount received, less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser	Amount as determined through adjustment	-	-	-
3.8	Concentrated proprietary positions	Nil	If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security. If the market value of a security exceeds 51% of the proprietary position, then 10% of the value of such security.	Amount as determined through adjustment	-	154,005	154,005

Sr. #	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3.9	Opening Positions in futures and options	Nil	i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts ii. In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met	Amount as determined through adjustment	-	-	-
3.10	Short sell positions	Nil	i. In case of customer positions, The market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts ii. In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts	Amount as determined through adjustment	-	-	-
3.11	**Total Ranking Liabilities**			**Total determined amount**	-		154,005
					76,827,547		38,518,945
	Liquid Balance Balance						38,518,945

38 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation. However, there were no significant reclassifications / restatements in these financial statements during the year.

Reclassification from statement of Statement of financial Position	Reclassification to statement of Financial Position	2023
		Rupees
Trade deposits, short term prepayments and current Tax deducted at source	Tax deducted at source/advance income tax	542,071
Intangible assets	Trade deposits, short term prepayments and current account balance with statutory authorities	
Advance against software	Prepayment	100,000
Cash and bank balances	Short term investments	
	Investment in Alfalah Islamic Rozana Amdani Fund	27,335,329

39 GENERAL

Figures have been rounded off to the nearest of rupee.

40 DATE OF AUTHORISATION FOR ISSUE

29 OCT 2024

These financial statements were authorized for issue on _____ by the Board of Directors of the Company.

CHIEF EXECUTIVE

OCEAN SECURITIES LIMITED 527 PSX

DIRECTOR