

Standard Capital Securities (Private) Limited
Statement of Financial Position
As at December 31, 2020

	Note	Dec-20	2020
-----Rupees-----			
ASSETS			
Non-Current assets			
Property, Plant and Equipment	4	14,598,185	15,094,482
Advance for PMEX Office	5	2,500,000	2,500,000
Intangible Assets	6	450,000	450,000
Long Term Investments	7	5,938,937	3,967,306
Long Term loan to employees	8	6,885,933	15,264,701
Long Term Deposits & Receivables	9	2,760,000	12,760,000
		33,133,055	50,036,489
Current Assets			
Trade Debts	10	166,250,881	78,224,985
Loans and Advances	11	425,700	425,700
Trade Deposits, Prepayments & Other Receivables	12	456,471,960	299,723,973
Short Term Investments	13	572,719,283	179,871,854
Income Tax Refundable Due From Government		-	-
Cash and Bank Balances	14	33,226,571	21,768,718
		1,229,094,395	580,015,230
TOTAL ASSETS		1,262,227,450	630,051,719
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized Capital			
20,000,000 (2020: 20,000,000) ordinary shares of Rs. 10/- each		200,000,000	200,000,000
Issued, Subscribed and Paid-up Capital	15	117,800,000	112,800,000
Reserves and Unappropriated Profit		179,913,211	42,877,496
		297,713,211	155,677,496
Loan from director & sponsor - Equity Contribution	16	70,000,000	60,000,000
		367,713,211	215,677,496
CURRENT LIABILITIES			
Trade and Other Payables	17	731,501,920	336,568,367
Accrued Markup	18	1,084,786	197,362
Short Term Borrowings -secured	19	145,018,707	68,742,513
Provision for Taxation - net of payments		16,908,826	8,865,980
		894,514,239	414,374,222
Contingencies and commitments	20	-	-
		1,262,227,450	630,051,718

The annexed notes 1 to 37 form an integral part of these financial statements

Chief Executive

Director



Standard Capital Securities (Private) Limited
Statement of Profit or Loss
And Other Comprehensive Income
For the Period ended December 31, 2020

	Note	Dec-20	2020
-----Rupees-----			
Operating Revenues	21	89,006,386	82,620,892
Capital Gain / (Loss) on Listed shares		(4,205,584)	35,168,871
		84,800,802	117,789,763
Administrative Expenses	22	30,010,431	45,190,428
Other Operating Expenses	23	-	11,009,446
Finance cost	24	3,143,191	3,232,119
		33,153,622	59,431,993
		51,647,180	58,357,770
Other Income	25	93,725,832	1,328
Profit / (Loss) before taxation		145,373,012	58,359,098
Provision for taxation	26	(16,223,825)	(17,801,960)
Profit / (Loss) after taxation		129,149,187	40,557,138
<u>Other Comprehensive Income:</u>			
(Loss) on remeasurement of investments at fair value through comprehensive income		7,886,528	(4,969,154)
		7,886,528	(4,969,154)
Total Comprehensive income / (loss)		137,035,715	35,587,984
Earning Per Share - Basic and diluted		11.63	3.15

The annexed notes 1 to 37 form an integral part of these financial statements

Chief Executive

Director



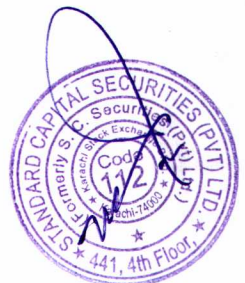
Standard Capital Securities (Private) Limited
Statement of Changes in Equity
For the Period ended December 31, 2020

	Issued, Subscribed and Paid up Capital	Unappropriated Profit	Fair value gain on initial recognition of available for sale investments	Loan from director & sponsor - Equity Contribution	Total
	-----Rupees-----				
Balance as at July 01, 2019	112,800,000	(13,548,876)	20,838,388	64,201,509	184,291,021
Loan received during the year	-	-	-	10,798,491	10,798,491
Transferred to Current maturity				(15,000,000)	(15,000,000)
				(4,201,509)	(4,201,509)
Total Comprehensive Income for the year	-	40,557,138	(4,969,154)	-	35,587,984
	-	40,557,138	(4,969,154)	-	35,587,984
Balance as at June 30, 2020	112,800,000	27,008,262	15,869,234	60,000,000	215,677,496
Shares issued during the year	5,000,000	-	-	-	5,000,000
Loan received during the year	-	-	-	10,000,000	10,000,000
Transferred to Current maturity	-	-	-	-	-
	-	-	-	10,000,000	10,000,000
Total Comprehensive Income for the year	-	129,149,187	7,886,528	-	137,035,715
	-	129,149,187	7,886,528	-	137,035,715
Balance as at June 30, 2021	117,800,000	156,157,449	23,755,762	70,000,000	367,713,211

The annexed notes 1 to 37 form an integral part of these financial statements

Chief Executive

Director



Standard Capital Securities (Private) Limited

Notes to the Financial Statements

For the Period ended December 31, 2020

1 The Company and its operation

The company was incorporated under the Companies Ordinance, 1984 on 17th October, 1998 as a Private Limited Company. The name of the company was changed on April 5, 2006 as Standard Capital Securities (Private) Limited. The company is principally engaged in the business of equity brokerage, equity research and corporate finance advisory. The company has also acquired membership of the National Commodity Exchange Limited. The registered office of the company is situated at office number 909 , 9th floor , Business & Finance Center, Karachi.

2 BASIS OF PREPARATION

2.1 Basis of measurement

These financial statements have been prepared under the historical cost convention except otherwise specifically stated.

2.2 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
- 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.

2.3 STANDARDS, AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

a) Standards, interpretations and amendments to published approved accounting standards that became effective during the year

There are new and amended standards and interpretations that are mandatory for accounting periods beginning 01 July 2019 except IFRS-16, which are considered not to be relevant or do not have any significant effect on the Company's financial statements and are therefore not stated in these financial statements.



IFRS 16 'Leases' replaced existing leasing guidance, including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases- Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 introduced a single, on-balance sheet lease accounting model for lessees. Lessee recognize a right-of use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases. The application of amendment is not likely to have an impact on Company's financial statements.

b) Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following standards, amendments and interpretations of approved accounting standards that have been published that are mandatory to the Company's accounting period beginning on or after the dates mentioned below:

Amendments to standards	Effective date (annual periods beginning on or after)
IFRS - 3 Business Combinations - Definition of Business	January 01, 2020
IAS - 1 Presentation on Financial Statements (Amendments)	January 01, 2020
IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	January 01, 2020
IFRS - 9 Financial Instruments (Amendments)	January 01, 2020
IFRS - 7 Financial Instruments - Disclosures (Amendments)	January 01, 2020
IAS - 1 Presentation of financial statements - Presentation of financial statements on classification of liabilities	January 01, 2020
IFRS - 16 Leases - COVID -19 related rent concession	June 01, 2020

The above amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

Further, following new standards have been issued by International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.



International Financial Reporting Standards (IFRSs)

IFRS 1 - First Time Adoption of IFRS	January 1, 2018
IFRS 17 - Insurance Contracts	January 1, 2023

2.4 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Company.

2.5 Critical Accounting estimates and judgments:

The preparation of financial statements requires management to make judgments, estimates and assumption that have an effect on the application of policies and reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on the historical experience and various factors that are believe to be reasonable under the circumstances. The result of which the basis of making judgment about the carrying amount of assets and liabilities that are not readily apparent from other sources. The actual results may differ from these estimates.

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

Judgments made by management that have significant effect on the financial statements and estimates with significant probability of material adjustment in future are disclosed hereunder:

- (a) Recognition of taxation and deferred taxation (note 3.6);
- (b) Determining the residual values and useful lives of property and equipment (note 3.1);
- (c) Impairment of financial assets (note 3.16); and
- (d) Classification of Investments (note 3.4).



2.6 Basis of preparation

These financial statements comprise of statement of financial position, Statement of profit or loss and comprehensive income, statement of changes in equity and statements of cash flows together with explanatory notes forming part thereof have been prepared under the 'historical cost convention' except as has been specifically stated below in respective notes.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Property and Equipment

Operating fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation on all fixed assets is charged to statement of profit or loss applying the reducing balance method whereby the cost of an asset is written off over its estimated useful life at rates given in note no. 4. Depreciation on addition is charged from the period the asset is available for use up to the period prior to its disposal.

Maintenance and normal repairs are charged to statement of profit or loss, as and when incurred. Gain or loss on disposal of fixed assets is recognized as income or loss in the year of disposal.

3.2 Capital work in Progress:

Capital work in progress, if any, is stated at cost.

3.3 Intangible assets

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

Amortization is charged to statement of profit or loss on a straight line basis over the estimated useful lives of intangible assets unless such lives are indefinite. All intangible assets are systematically tested for impairment at each balance sheet date. Amortization on addition is charged from the period the intangible asset is available for use up to the period prior to its disposal.

a) Trading Right Entitlement Certificate

Trading Right Entitlement Certificate is stated at cost of acquisition less provision for impairment, if any. In the previous year upon demutualization of the Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited) the changes effected has been recorded which are stated in respective notes.

b) Computer Software

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



Computer Software and License are stated at cost less accumulated amortization and any identified impairment loss.

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

3.4 Investments

Investments at fair value through profit or loss

Investments which are acquired principally for the purpose of selling in the near term are classified as investments at fair value through profit or loss. These are recognized initially at cost being the fair value of the consideration given. Subsequently, these are re-measured at fair values representing prevailing market prices. Resulting gain or loss is recognized in the statement of profit or loss.

Investment at fair Value through Other Comprehensive Income

Other investments not covered in any of the above categories are initially recognized at fair value plus attributable transactions costs. Subsequent to initial recognition these are measured at fair value, with any resultant gain or loss being recognized in other comprehensive income. Gains or losses on fair value through other comprehensive income are recognized in other comprehensive income and are never reclassified to the statement of profit or loss.

3.5 Trade debts

Trade debts originated by the company are recognized and carried at original invoice amount less an allowance for any uncollectible amounts. An expected credit loss is established when there is objective evidence that the Company will not be able to collect amounts due according to the original terms of the trade debts. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

3.6 Taxation

Current :

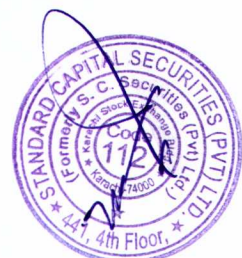
Provision for current taxation in the accounts is based on taxable income at the current rates of taxation after taking into account tax credits and tax rebates available, if any, or minimum tax, or alternate corporate tax whichever is higher.

Deferred :

The Company accounts for deferred taxation arising on all temporary differences by using the liability method but does not account for net deferred tax asset unless the realization whereof is certain in foreseeable future.

3.7 Trade and other payables

Liabilities for trade and other amount payables are carried at cost which is the fair value of the consideration to be paid in future for good and services.



3.8 Provisions

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

3.9 Financial instruments

Initial measurement of financial asset

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

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortised cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Debt Investments at FVOCI: These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Other net gains and losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.

Equity Investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the statement of profit or loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in profit or loss.

Financial assets measured at amortized cost: These assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss.



Non-derivative financial assets

All non-derivative financial assets are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalent. The Company derecognises the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

3.10 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 less 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.

3.11 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. Cash and cash equivalents consist of cash in hand and balances with banks.



3.12 Offsetting of financial assets and liabilities

All financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if the Company has a legal enforceable right to set off the recognized amounts and intends either to settle on net basis or to realize the assets and settle the liabilities simultaneously.

3.13 Borrowings

Borrowings are recorded at the amount of proceeds received.

3.14 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

3.15 Related party transactions

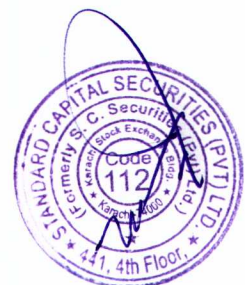
All transactions involving related parties arising in the normal course of business are conducted at normal commercial rates on the same terms and conditions.

3.16 Impairment

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

3.17 Revenue recognition

- a) Brokerage, commission, consultancy fees and other income are recognized as and when services are provided.
- b) Dividend income is recognized when right to receive is established.
- c) Gains/(Loss) arising on sale of investments through profit or loss are included in the statement of profit or loss in the period in which they arise.
- d) Income from cash exposure margin, web access fees, IPOs/SPOs and profit on debt is accrued.



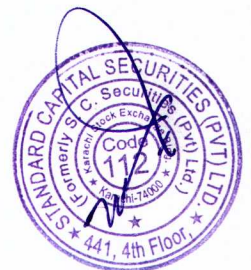
4 Property, Plant and Equipment

	Dec-20					Total
	Office premises	Furniture and fittings	Computers	Office Equipment	Vehicles	
	----- Rupees -----					
Net Carrying value basis as at December 31, 2020						
Opening net book value	13,454,461	46,029	210,514	245,809	1,137,668	15,094,482
Addition (at Cost)	-	-	-	-	-	-
Disposal at NBV	-	-	-	-	-	-
Depreciation charge	(336,362)	(2,302)	(31,577)	(12,291)	(113,767)	(496,298)
Closing net book value	13,118,099	43,728	178,937	233,519	1,023,901	14,598,184
Gross Carrying value basis as at December 31, 2020						
Cost	18,910,250	118,810	12,279,022	776,350	4,347,050	36,431,482
Accumulated depreciation	(5,792,151)	(75,082)	(12,100,085)	(542,831)	(3,323,149)	(21,833,297)
Net book value	13,118,099	43,728	178,937	233,519	1,023,901	14,598,185
Depreciation rate % per annum	5%	10%	30%	10%	20%	

	2020					Total
	Office premises	Furniture and fittings	Computers	Office Equipment	Vehicles	
	----- Rupees -----					
Net Carrying value basis as at June 30, 2020						
Opening net book value	14,162,591	51,143	300,734	273,121	1,435,651	16,223,241
Addition (at Cost)	-	-	-	-	-	-
Disposal at NBV	-	-	-	-	(13,566)	(13,566)
Depreciation charge	(708,130)	(5,114)	(90,220)	(27,312)	(284,417)	(1,115,193)
Closing net book value	13,454,461	46,029	210,514	245,809	1,137,668	15,094,482
Gross Carrying value basis as at June 30, 2020						
Cost	18,910,250	118,810	12,279,022	776,350	4,347,050	36,431,482
Accumulated depreciation	(5,455,789)	(72,781)	(12,068,508)	(530,541)	(3,209,382)	(21,337,000)
Net book value	13,454,461	46,029	210,514	245,809	1,137,668	15,094,482
Depreciation rate % per annum	5%	10%	30%	10%	20%	



	Note	Dec-20	2020
		-----Rupees-----	
5 ADVANCE FOR OFFICE WITH PMEX			
PMEX (advance for office)		2,500,000	2,500,000
		<u>2,500,000</u>	<u>2,500,000</u>
6 INTANGIBLE ASSETS			
Membership Entitlements			
Pakistan Stock Exchange Limited TREC	6.1 & 7.1	14,000,000	14,000,000
Less: Impairment loss		(13,800,000)	(13,800,000)
		200,000	200,000
Pakistan Mercantile Exchange Limited		250,000	250,000
		<u>450,000</u>	<u>450,000</u>
6.1 Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited) has been demutualized and in terms whereof it's members have been allowed in exchange of membership, "Trading Right Entitlement Certificate (TREC)" along with shareholding in Pakistan Stock Exchange Ltd The Company has recorded the value of membership in the PSX at Rs.14 Million as Intangibles while Pakistan Stock Exchange vide letter no: KSE/SECP-2013/1 have indicated notional value whereof at Rs. 15 Million. Fair value of the TREC has been re-evaluated and impairment loss being difference of projected bid price of TREC at that time and recorded value has been provided for.			
7 Long Term Investments			
Fair value through comprehensive income			
400,738 (2020: 400,738) Shares			
Pakistan Stock Exchange Limited	6.1 & 7.1	3,967,306	5,209,594
Less: Remeasurement loss		1,971,631	(1,242,288)
		<u>5,938,937</u>	<u>3,967,306</u>
7.1 This represents face value of ordinary shares allotted by Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited) in lieu of membership of the KSE works out at Rs.40.074 Million, while the recorded value of the membership card as Intangible asset was Rs. 14 Million, however the company recorded face value of the shares allotted and classified as available for sale and followed the re-measurement method upon initiation of active market for these shares.			
9 LONG TERM DEPOSITS & RECEIVABLES			
<u>Trade Deposits</u>			
Deposit with Pakistan Stock Exchange Ltd		10,000	10,000
Deposit with CDC Pakistan Ltd		100,000	100,000
Deposit with National Commodity Exchange Ltd		750,000	750,000
Deposit with National Clearing Company of Pak Ltd		1,400,000	1,400,000
Base Minimum Capital - PSX		-	10,000,000
PMEX Clearing deposit		500,000	500,000
		<u>2,760,000</u>	<u>12,760,000</u>



	Dec-20	2020
Note	-----Rupees-----	
10 TRADE DEBTS		
Unsecured		
Considered Good	72,519,608	63,381,968
Margin Finance	93,731,273	14,843,017
Considered Doubtful	0	7,433,605
	166,250,881	85,658,590
Provision for expected credit losses	(0)	(7,433,605)
	<u>166,250,881</u>	<u>78,224,985</u>
10.4 Expected Credit losses		
Opening	7,433,605	1,837,764
Provided during the year	-	5,595,841
Reversal due to recoveries	(7,433,605)	-
Closing	<u>0</u>	<u>7,433,605</u>
11 LOANS AND ADVANCES-Considered good		
Loan and advance to employees due in next twelve months	425,700	425,700
	<u>425,700</u>	<u>425,700</u>
12 TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
With NCCPL		
Ready Exposure - Client A/c	172,894,853	182,445,386
Future Exposure - Client A/c	52,215,726	59,074,102
Ready Exposure - Brokerage A/c	73,000,000	34,000,000
Future Exposure - Brokerage A/c	22,200,000	3,000,000
SLB Market Exposure	50,000	50,000
MTS Cash Exposure	98,100,000	18,000,000
MF Cash Exposure	1,300,000	1,300,000
MTS loss concentration margin	27,412,149	1,035,311
Future (Balance retained against future contract)	6,851,902	546,305
Stock Index Future	50,000	50,000
Receivable From NCCPL		115,110
Other deposits and prepayments		
Others	2,375,824	5,000
Prepaid Insurance Premium	21,506	102,759
	<u>456,471,960</u>	<u>299,723,973</u>



	Dec-20	2020
Note	-----Rupees-----	
13 SHORT TERM INVESTMENTS		
<u>Fair value through profit or loss</u>		
In Listed Shares	547,902,457	167,969,925
Deposit for shares subscription FFBL 500,000@14	7,000,000	
	554,902,457	167,969,925
<u>Fair value through other comprehensive income</u>		
Pakistan Stock Exchange Limited		
1,202,215 (2020: 1,202,215) Shares	11,901,929	15,628,795
Remeasurement loss	5,914,897	(3,726,866)
	17,816,826	11,901,929
	572,719,283	179,871,854
13.1 In Listed Shares		
Cost of Investments including MTS.	462,219,377	172,178,962
Remeasurement Gain / (Loss)	85,683,080	(4,209,037)
Net Carrying Values being market values	547,902,457	167,969,925
13.2 In Mutual Funds		
Cost of Investments in Dawood Family Takaful	3,000,000	3,000,000
Less: Impairment loss	(3,000,000)	(3,000,000)
Net Carrying Values being Net Asset values	-	-
14 CASH AND BANK BALANCES		
Cash in hand	9,726	9,788
Cash at bank - Balances Commodities Trading	118,583	1,126,343
Cash at bank in current accounts	4,541,718	2,293,601
Cash at bank - Client accounts balances	28,556,544	18,338,986
	33,216,845	21,758,930
	33,226,571	21,768,718



15 ISSUED, SUBSCRIBED AND PAID UP CAPITAL		Dec-20	2020
Dec-20	2020		
11,780,000	11,280,000	117,800,000	112,800,000

Ordinary Shares of Rs. 10 each allotted for consideration paid in cash

Pattern of shareholding	% of Holding	No of shares	
Name of share holders			
Mr. Haroon Chamdia	12.00%	1,413,078	1,353,100
Mrs. Feroza Haroon	14.00%	1,649,200	1,579,200
Mr. Naushad Chamdia	48.80%	5,749,016	5,505,000
Mrs. Shazia Mustafa	12.00%	1,413,600	1,353,600
Mr. Navid Chamdia	12.00%	1,413,600	1,353,600
Others shareholding Less than 5%	1.20%	141,506	135,500
	100.00%	11,780,000	11,280,000

16 LOAN FROM DIRECTOR & SPONSOR - EQUITY CONTRIBUTION

Loan From Director & Sponsor - Unsecured, interest free	70,000,000	60,000,000
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16.1 This represents loan from Director, Sponsor and repayable at the discretion of the company, hence in accordance with TR-32 issued by Institute of Chartered Accountants of Pakistan (ICAP), the loan has been classified as equity contribution as per Selected Opinions of ICAP.

17 TRADE AND OTHER PAYABLES

Creditors for sale of shares on behalf of clients		351,762,980	277,817,733
Accrued Expenses	17.1	7,848,134	9,518,119
Current portion of loan from sponsor and director		-	15,000,000
MTS unreleased payable		368,741,259	32,781,794
Other liabilities	17.2	3,149,547	1,450,721
		731,501,920	336,568,367

17.2 Other Liabilities

Withholding Income Tax	5,747	4,564
CDC Pakistan -Charges payable	338,236	203,795
NCCPL - Charges payable	691,788	250,263
Sindh Sales Tax on Services payable	2,113,776	992,099
	3,149,547	1,450,721



	Note	Dec-20 -----Rupees-----	2020
18 ACCRUED MARKUP			
Accrued mark-up on running finance from bank- secured		<u>1,084,786</u>	<u>197,362</u>
19 SHORT TERM BORROWINGS -Secured			
Running finance from bank	19.1	<u>145,018,707</u>	<u>68,742,513</u>
19.1	The facilities for running finance available from various commercial banks aggregating to Rs. 200 (2020: Rs. 200) million and carry mark-up at the rate 1 month Kibor + 2% spread depending upon timely markup payment (2020: 1 month Kibor + 2%) per annum calculated on daily product basis payable quarterly. These arrangements are secured against pledge/hypothecation of marketable securities, movable assets and personal guarantee of all the directors.		

20 Contingencies and Commitments

20.1 Guarantee

The Company has furnished as exposure to National Clearing Company of Pakistan Limited bank guarantee issued by JS Bank Limited upto Rs. 15 million (2020: Rs.15 million) which is secured by equitable mortgage of Company's property and personal guarantee of two director/sponsors.

20.2 Contract for Capital Expenditure/Other Commitments

There were no capital expenditure/other commitment outstanding at the reporting date.



21 OPERATING REVENUES

Gross Brokerage Revenue - Securites Trading	21.1	106,240,533	80,748,268
Return on cash exposure / RMS / MTS / BMC margin		7,334,130	17,305,529
Return on Margin Financing		3,441,885	785,608
		117,016,548	98,839,405
Less: Tradee's shares in brokerage		(28,783,100)	(20,889,663)
		88,233,448	77,949,742
Dividend income		772,938	4,671,150
		<u>89,006,386</u>	<u>82,620,892</u>

22 ADMINISTRATIVE AND OPERATING EXPENSES

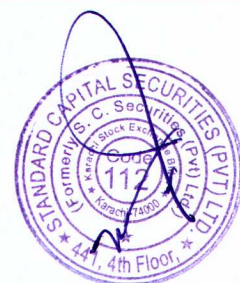
Salaries and benefits		11,357,183	27,706,637
Fees and subscription		8,114,574	6,217,495
Communication		1,352,282	2,338,873
Utilities		799,339	1,125,924
Office and Computers repairs and maintenance		2,278,045	1,253,889
Vehicle running expenses		61,920	108,370
Printing and stationery		149,097	235,849
Office equipment and software maintenance		1,677,861	1,483,191
Rent, rates and taxes		823,883	475,431
Insurance		86,177	187,829
Legal and professional charges		608,555	1,391,826
Traveling and conveyance		550,000	513,500
Entertainment		262,464	391,756
Depreciation	4	496,298	1,115,193
Postage & Courier		32,503	73,832
Auditors' Remuneration-Audit Fee		62,500	125,000
Advertisement Expenses		704,250	-
Miscellaneous Expenses		593,500	445,833
		<u>30,010,431</u>	<u>45,190,428</u>

23 OTHER OPERATING EXPENSES

Unrealized loss on remeasurement of listed shares	13.1	-	4,209,037
Expected credit lossess		-	5,595,841
Workers Welfare Fund		-	1,191,002
Loss on disposal of property, plant & equipment		-	13,566
		<u>-</u>	<u>11,009,446</u>

24 FINANCE COST

Mark-up on short term running finance from bank		3,064,993	2,878,639
Bank charges and commission		78,198	353,480
		<u>3,143,191</u>	<u>3,232,119</u>



Dec-20 2020
----- Rupees-----

25 OTHER INCOME

Markup income		-	1,315
Reversal of trade debts		7,433,605	-
Unrealized remeasurement gain on Investments	13.1	85,683,080	-
Income from new subscription		609,147	13
		93,725,832	1,328

26 TAXATION

Current - for the year		16,223,825	17,801,960
Prior year		-	-
Deferred-(Reversal)/Charge	26.1	-	-
		16,223,825	17,801,960

