TOPLINE SECURITIES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2023

TOPLINE SECURITIES LIMITED

Naveed Zafar Ashfaq Jaffery & Co.
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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF TOPLINE SECURITIES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Topline Securities Limited** (the Company), which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, 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, 2023 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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 scepticism 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.

e) the Company was in compliance with the requirement of section 78 of the Securities Act 2015, and the relevant requirements of Securities Brokers (Licencing and Operations) Regulations, 2016 as at the date on which the unconsolidated financial statements were prepared.

The engagement partner on the audit resulting in this independent auditor's report is **Azeem H. Siddiqui - FCA**

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants

Karachi
Dated : October 05, 2023
UDIN : AR202310232mPKSMJO3j

TOPLINE SECURITIES LIMITED
STATEMENT OF FINANCIAL POSTION
AS AT JUNE 30, 2023

	Note	2023	2022
		----Rupees----	
ASSETS			
Non-current assets			
Property and equipment	5	150,077,748	157,516,484
Intangible assets	6	5,200,000	5,200,000
Long term deposits	8	2,633,121	2,621,116
Long term investment	9	207,660,133	90,099,507
		365,571,002	255,437,108
Current assets			
Trade debts - considered good-net	10	140,866,753	333,743,173
Loans and advances	11	874,201	659,142
Taxation-net of provision		5,941,280	-
Trade deposits and prepayments	12	42,397,601	19,749,192
Other receivables	13	7,781,257	10,447,149
Short term investments	14	466,637,923	464,493,800
Cash and bank balances	15	438,705,101	343,420,017
		1,103,204,116	1,172,512,474
Total Assets		1,468,775,118	1,427,949,581
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
150,000,000 (2022: 150,000,000 at Rs. 2 each) ordinary shares of Rs. 2 each		300,000,000	300,000,000
Issued, subscribed and paid up capital	16	150,000,000	150,000,000
Unappropriated profit		1,070,906,231	970,789,614
Total equity		1,220,906,231	1,120,789,614
LIABILITIES			
Non Current Liabilities			
Deferred taxation	7	1,503,360	358,253
Current liabilities			
Trade and other payables	17	245,339,300	208,287,792
Taxation - net		-	1,648,824
Short term borrowings	18	-	94,992,163
Mark-up accrued		1,026,228	1,872,935
		246,365,528	306,801,714
Total Equities and Liabilities		1,468,775,118	1,427,949,581
CONTINGENCIES AND COMMITMENTS	19		

The annexed notes from 1 to 40 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

TOPLINE SECURITIES LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023	2022
		------------------Rupees------------------	
Operating revenue	20	350,504,194	442,249,387
Capital gain on sale of investments - net	21	34,178,742	12,537,819
Gain on remeasurement of investments-at fair value through profit or loss		2,934,817	206,502
		387,617,754	454,993,708
Administrative expenses	22	(225,152,959)	(239,379,337)
Operating profit		162,464,795	215,614,371
Finance cost	23	(7,992,679)	(8,605,466)
		154,472,116	207,008,905
Other income	24	41,220,525	29,520,901
Profit before taxation		195,692,641	236,529,806
Taxation	25	(45,326,025)	(64,233,631)
Profit for the year		150,366,616	172,296,174
Earnings per share - basic and diluted	26	2.00	2.30

The annexed notes from 1 to 40 form an integral part of these financial statements.

CHIEF EXECUTIVE **DIRECTOR**

TOPLINE SECURITIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022
	---------- (Rupees) ----------	
Profit for the year	**150,366,616**	**172,296,174**
Other Comprehensive income for the year		
Items that will not be be subsequently reclassified to statement of profit or loss		
Total comprehensive income for the year	**150,366,616**	**172,296,174**

The annexed notes from 1 to 40 form an integral part of these financial statements.

Chief Executive **Director**

TOPLINE SECURITIES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 20223

	Issued, Subscribed and paid up capital	Revenue reserve Unappropriated Profit	Total
	----------	Rupees	----------
Balance as at July 1, 2021	150,000,000	848,743,439	998,743,439
Total comprehensive income for the year			
Profit for the year	-	172,296,174	172,296,174
Other Comprehensive income	-	-	-
Total comprehensive income for the year ended june 30, 2022	-	172,296,174	172,296,174
Transaction with owners			
Dividend paid	-	(50,250,000)	(50,250,000)
Balance as at June 30, 2022	150,000,000	970,789,614	1,120,789,613
Transaction with owners			
Dividend paid during the year	-	(50,250,000)	(50,250,000)
Total comprehensive income for the year			
Profit for the year	-	150,366,616	150,366,616
Other Comprehensive income	-	-	-
Total comprehensive income for the year ended june 30, 2023	-	150,366,616	150,366,616
Balance as at June 30, 2023	150,000,000	1,070,906,231	1,220,906,229

The annexed notes from 1 to 40 form an integral part of these financial statements.

CHIEF EXECUTIVE **DIRECTOR**

TOPLINE SECURITIES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023	2022
		----------------Rupees----------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		195,692,641	236,529,806
Adjustments for:			
Depreciation		12,679,660	9,665,001
Gain on disposal of fixed assets		(1,775,178)	(818,931)
Unrealized gain on remeasurement of investments		(2,934,817)	(206,502)
Finance cost		7,992,679	8,605,466
		15,962,343	17,245,034
Operating profit before working capital changes		211,654,984	253,774,840
Working capital changes			
(Increase) / decrease in current assets			
Trade debtors - considered good		(15,501,718)	72,797,178
Receivables against Margin Financing		110,723,154	151,843,071
Receivables against margin trading system		93,536,914	(93,536,914)
Receivables against murabahah share financing		4,118,070	2,313,930
Loans and advances		(215,059)	(314,559)
Trade deposits and short term prepayments		(22,648,409)	370,160,983
Other receivables		2,665,892	(7,919,398)
		172,678,845	495,344,290
(Decrease)/Increase in current liabilities			
Trade and other payables		37,051,508	(100,308,658)
		421,385,336	648,810,471
Financial charges paid		(8,839,385)	(6,789,855)
Income tax paid		(51,771,023)	(73,037,881)
Net cash generated / (used in) from operating activities		360,774,928	568,982,735
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(6,995,746)	(150,392,720)
Proceeds from sale of property and equipment		3,530,000	3,752,301
Capital work-in-progress		-	-
Long term deposits		(12,005)	1,048,929
Purchase of long term investment		(117,560,626)	(90,099,507)
Sale /(Purchase) of Short term investments - net		790,695	(288,527,953)
Net cash (used in) / generated from investing activities		(120,247,682)	(524,218,950)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid on ordinary shares		(50,250,000)	(50,250,000)
Net cash (used in) financing activities		(50,250,000)	(50,250,000)
(decrease) / increase in cash and cash equivalents		190,277,247	(5,486,216)
Cash and cash equivalents at the beginning of the year		248,427,854	253,914,069
Cash and cash equivalents at the end of the year	27	438,705,101	248,427,854

The annexed notes from 1 to 40 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

TOPLINE SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1 STATUS AND NATURE OF BUSINESS

Topline Securities Limited (the Company) was incorporated in Karachi as a Private Limited company on June 27, 2001 under the Repealed Companies Ordinance, 1984 ('the Ordinance') which has now been replaced with Companies Act, 2017 ('the Act'). The company's private limited status was converted into a Public Limited Company on April 07, 2016 by the Securities and Exchange Commission of Pakistan. The registered office of the Company is situated at 8th Floor, Horizon Tower, Plot 2/, Block -3, Clifton Karachi. The company is holder of Trading Right Entitlement Certificate ("TREC") of Pakistan Stock Exchange Limited and a member of Pakistan Mercantile Exchange Limited (PMEX). The principal activities of the Company is to carry on the business of stock brokerage, underwriting, commodity brokerage, consultancy, book building and advisory services.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for financial reporting. The accounting and reporting standards as applicable in Pakistan comprise of such International Financial Reporting Standards (IFRS Standards), issued by International Accounting Standard Board (IASB) as notified under Companies Act, 2017 (the "Act"); and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act,2017 differ from the IFRS standard, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared on the basis of historical cost convention except for short term investments s in quoted equity securities and mutual fund units which are stated at fair value, Pakistan investment bonds and government treasury bills are carried at amortized cost.

2.3 Functional and presentation currency

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

2.4 Significant accounting estimates and judgements

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

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised. Significant areas requiring the use of management estimates in these financial statements relate to the following:

- Property and equipment and depreciation (refer note 4.1)
- Intangible assets and amortization (refer note 4.2)
- Trade debts (refer note 4.5)
- Taxation (refer note 4.8)
- Provisions (refer note 4.13)

3 CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS

3.1 Standards, amendments and interpretations to existing standards that are not yet effective

Following Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of Financial Statements [Amendments]	January 1, 2024
IAS 8	Accounting policies, changes in accounting estimates and errors (Amendments)	January 1, 2023
IAS 12	Income Taxes (Amendments)	January 1, 2023
IFRS 17	Insurance Contracts (Amendments)	January 1, 2023
IAS 7	Statement of Cash Flows (Amendments)	January 1, 2023
IFRS 7	Financial Instruments	January 1, 2024
IFRS 16	Leases [Amendments]	January 1, 2024

3.2 The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.

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

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

4 SUMMARY SIGNIFICANT ACCOUNTING POLICIES

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

4.1 Property and equipment

These are stated at cost less accumulated depreciation and accumulated impairment, if any.

Depreciation is charged to profit and loss account applying the straight line depreciation method at the rates specified in the relevant note. Depreciation on additions is charged from the month in which the asset is put to use and no depreciation is charged in the month of disposal.

Proportionate depreciation is charged in respect of additions and disposals made during the year. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Maintenance and normal repairs are charged to profit and loss account. Major renewals and improvements are capitalized.

Gains and losses on disposal of assets, if any, are determined by comparing the sale proceeds with the carrying values and are charged to profit and loss account.

4.2 Intangible assets

These represent computer software, Membership card of Pakistan Mercantile Exchange and Trading Right Entitlement Certificate of Pakistan Stock Exchange.

Computer software are recognized in the financial statements, if and only if, it is probable that the future economic benefits that are attributable to the assets will flow to the Company; and the cost of the assets can be measured reliably. These are carried at cost less accumulated amortization and impairment, if any.

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

4.3 Right-of-use asset

The right-of-use asset is initially measured based on the initial measurement of lease liability, plus any initial direct costs incurred and an estimate of costs to be incurred to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently measured at cost model. The right of use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company has elected to apply the practical expedient not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term.

4.4 Long term deposits

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

4.5 Trade debts

Debts originated by the Company are recognized and carried at original invoice amount (which generally equals to the fair value) less any amount written off or provision made for debts considered doubtful on the date of settlement.

4.6 Fiduciary assets

Assets held in a trust or in a fiduciary capacity by the Company are not treated as assets of the Company and are accordingly not included in the financial statements.

4.7 Investments

Investments in securities are initially recognized at cost, being the fair value of the consideration given, including the transaction cost associated with the investment, except in case of investments at fair value through profit or loss, in which case these transaction cost are charged to the profit or loss account. All regular way of purchases and sale of investments are recognized/derecognized on the settlement date. These are classified and measured as follows:

a) Investment at fair value through profit or loss

Investment which are acquired principally for the purposes of generating profit from short term fluctuation in price or are part of the portfolio in which there is recent actual pattern of short term profit taking are classified under this category. After initial recognition, these are remeasured at fair value. Gains or losses on remeasurement of these investments are recognized in the profit and loss account.

b) Investments held to maturity

These are securities with fixed or determinable payments and fixed maturity which the Company has the positive intent and ability to hold to maturity. After initial recognition, these are measured at amortized cost less any provision for impairment.

4.8 Taxation

Current

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

Deferred

Deferred tax is recognized using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the tax base. This is recognized on the basis of expected manner of the realization and the settlement of the carrying amount of assets and liabilities using the tax rates enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized to the extent that future taxable profits will be available against which the deductible temporary differences can be utilized. Deferred tax assets are reduced to the extent that is no longer probable that the related tax benefit will be realized.

4.9 Cash and cash equivalents

Cash in hand and at banks is carried at cost. For the purposes of cash flow statement, cash and cash equivalents consist of cash in hand and bank balances, highly liquid short-term investments that are convertible to known amounts of cash and are subject to insignificant risk of change in value.

4.10 Securities under repurchase / reverse repurchase agreements

Transactions of repurchase / reverse repurchase of securities are entered into at contracted rates for specified periods of time. These are considered to be financing transaction instead of real sale and purchase of securities and are accounted for as follows:

a) Repurchase agreements

Securities sold with a simultaneous commitment to repurchase at a specified future date (repos) continue to be recognized in the balance sheet and are measured in accordance with accounting policies for investments. The counterparty liability for amounts received under these agreements is included in funds under repurchase agreements. The difference between sale and repurchase price is treated as mark-up on repo transactions of quoted investments and accrued over the life of the repo agreement.

b) Reverse repurchase agreements

Securities purchased with a corresponding commitment to resell at a specified future date (reverse repos) are not recognized in the balance sheet as investments. Amounts paid under these agreements are recorded as fund placements. The difference between purchase and resale price is treated as return from fund placements or mark-up on reverse repurchase transactions of quoted investments, as the case may be, and accrued over the life of the reverse repo agreement.

4.11 Trade and other payables

These are recognized initially at fair value plus directly attributable cost, if any, and are subsequently measured at amortized cost using effective interest method. Trade payables in respect of securities sold are recorded at settlement date of transaction.

4.12 Revenue recognition

Brokerage revenue is recorded when transaction are settled.

Underwriting commission is recognized when service relating to the underwriting is rendered.

Gain or loss on disposal of securities is taken to income in the period in which it arises.

Dividend income is recorded when the Company's right to receive dividend has been established.

Mark-up/interest from fund placement, reverse repurchase transactions of quoted securities and term deposit receipts is recognized on a time proportionate basis.

Income from advisory services is recorded on receipts basis.

Interest income on MTS and MFS is recognized on Unrelease position on accrual basis

Other revenues are recognized on accrual basis.

4.13 Provision

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

4.14 Impairment

The carrying amount of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the assets' recoverable amount is estimated accordingly and impairment loss is recognized in the profit and loss account for the carrying amount of asset that exceeds its recoverable amount.

4.15 Staff retirement benefits - Provident fund

The Company operates an approved funded provident fund scheme covering all its permanent employees. Equal monthly contributions @ 10% of the basic salary are made by the Company and employees to the fund in accordance with the fund rules.

4.16 Borrowings and borrowing costs

Borrowing costs are interest or other costs incurred by the Company in connection with the borrowing of funds. Borrowing cost that is directly attributable to a qualifying asset is capitalized as part of cost of that asset. All other borrowing costs are charged to income in the period in which they are incurred.

4.17 Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set-off the recognized amounts and the Company intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

4.18 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved.

4.19 Financial Instruments

(a) Classification and initial measurement

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 amoritzed cost.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application:

- The determination of business model within which a financial asset is held; and
- The designation and revocation of previous designation of certain financial assets as measured at FVTPL.

Financial assets at FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at

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

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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.

Financial assets at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value though profit or loss:

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

For assets measured at fair value, gain or loss will either be recorded in the Financial statement of Profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

(b) Subsequent measurement

Financial assets at FVOCI

These assets are measured at fair value, with gain or loss arising from changes in fair value recognized in other comprehensive income.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gain and loss, including any interest/ mark-up or dividend income, are recognized in the financial statement of profit or loss.

Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest/ mark-up income, foreign exchange gain and loss and impairment are recognized in the company statement of profit or loss.

(c) Financial liabilities

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

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

4.20 Impairment

(a) Financial assets

The recognizes loss allowances for expected credit loss (ECL) in respect of financial assets measured at amortized cost.

The company applies the simplified approach to recognize lifetime expected credit loss for trade debts. The company assesses on a forward looking basis the expected credit loss associated with its financial assets.

The company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit loss. To make the assessment, the company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

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

An entity shall directly reduce the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event of the company.

(b) Non-financial assets

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

De-recognition

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

4.21 Expenses

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

4.22 Earning per share

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

5 PROPERTY AND EQUIPMENT

	Note	2023	2022
		Rupees	
Operating assets	5.1	150,077,748	157,516,484
		150,077,748	157,516,484

5.1 Operating assets

	Office Premises	Furniture and fixtures	Office equipment	Motor vehicle	Computer and accessories	Total
	------2023------					
	------Rupees------					
COST						
As on July 1, 2022	146,884,020	202,459	5,029,444	18,933,573	6,865,737	177,915,233
Additions	-	-	-	5,094,000	1,901,746	6,995,746
Disposals	-	-	-	(3,530,000)	-	(3,530,000)
As at June 30, 2023	**146,884,020**	**202,459**	**5,029,444**	**20,497,573**	**8,767,483**	**181,380,979**
ACCUMULATED DEPRECIATION						
As at July 1, 2022	4,265,673	102,889	1,965,096	8,678,507	5,386,584	20,398,749
For the year	7,324,080	20,190	465,345	3,550,393	1,319,652	12,679,660
On disposals	-	-	-	(1,775,178)	-	(1,775,178)
As at June 30, 2023	**11,589,753**	**123,079**	**2,430,441**	**10,453,722**	**6,706,236**	**31,303,231**
Written down value 2023	**135,294,267**	**79,380**	**2,599,003**	**10,043,851**	**2,061,247**	**150,077,748**
	------2022------					
	------Rupees------					
COST						
As on July 1, 2021	-	202,459	5,029,444	16,023,173	6,246,437	27,501,513
Additions	146,884,020	-	-	6,710,400	619,300	154,213,720
Disposals	-	-	-	(3,800,000)	-	(3,800,000)
As at June 30, 2022	**146,884,020**	**202,459**	**5,029,444**	**18,933,573**	**6,865,737**	**177,915,233**
ACCUMULATED DEPRECIATION						
As at July 1, 2021	-	82,699	1,499,371	5,513,126	4,505,182	11,600,378
For the year	4,265,673	20,190	465,725	4,032,011	881,402	9,665,001
On disposals	-	-	-	(866,630)	-	(866,630)
As at June 30, 2022	**4,265,673**	**102,889**	**1,965,096**	**8,678,507**	**5,386,584**	**20,398,749**
Written down value 2022	**142,618,347**	**99,570**	**3,064,348**	**10,255,066**	**1,479,153**	**157,516,484**
Depreciation rates per annum (%)	5	10	10	20	33	

5.1.1 Disposal of Property and Equipment

Fixed Asset having book value of more then 500,000.

	Name of Buyer	Cost	Accumlated Depreciation	Written down Value	Sale Proceeds	Gain on Disposal	Relationship
Motor Vehicle	Mr.Muhammad Arbash	2,030,000	1,101,205	928,795	2,030,000	1,101,205	Ex-Employee
Motor Vehicle	Syed Muhammad Kamran	1,500,000	673,973	826,027	1,500,000	673,973	Employee

6	INTANGIBLE ASSETS	Note	2023 Rupees	2022 Rupees
	Trading Right Entitlement Certificate	6.1	**2,500,000**	2,500,000
	Pakistan Mercantile Exchange Limited - Membership Card	6.2	**2,500,000**	2,500,000
	Booth at PSX	6.3	**200,000**	200,000
			5,200,000	5,200,000

6.1 PSX vide notice no. PSX/N-7178 , has indicated the notional value of TREC at Rs. 2.5 million.

6.2 This amount represents admission fees for universal commodity membership rights of the Pakistan Mercantile Exchange Limited.

6.3 The booth is stating at cost of Rs.200,000/-situated at the Pakistan Stock Exchange building.

7 DEFERRED LIABILITY

	Note	2023	2022
Opening deferred liability		**358,253**	170,371
Charge/(Reversal) during the year	25	**1,145,107**	187,882
Closing deferred tax liability		**1,503,360**	358,253
Deferred tax liability arising in respect of			
Accelerated tax depreciation allowance		**5,184,001**	1,235,356
		5,184,001	1,235,356

8 LONG TERM DEPOSITS

	2023	2022
National Clearing Company of Pakistan Limited (NCCPL)	**300,000**	300,000
Pakistan Stock Exchange Limited	**282,236**	282,236
Pakistan Mercantile Exchange Limited - Security Deposit	**823,586**	811,581
Basic Deposit for NCCPL DFC Market	**1,000,000**	1,000,000
Central Depositary Company (CDC) - Security Deposit	**125,000**	125,000
Mobilink Mobile Deposit	**20,000**	20,000
Others	**82,300**	82,300
	2,633,121	2,621,116

9 LONG TERM INVESTMENT-Amortized value

	Note	2023	2022
Opening Investment in Pakistan Investment Bonds	9.1	**90,099,507**	-
Investment made during the year		**113,659,875**	89,058,600
Amortized during the year		**3,900,751**	1,040,907
Closing Investment in Pakistan Investment Bonds		**207,660,133**	90,099,507

9.1 These are classified as held to maturity and will mature on October 15,2025. The coupon rate on these PIBs are 7.5% p.a and total face value of the secutities is Rs.225 million.From these 55 million face vlue securitiess are pledged with JS Bank Limited to avail running finance faciliy and remaing securities face vlaue of Rs.170 million are pledged with National Clearing Company of Pakistan Limited to meet exposure demand requirements.

10 TRADE DEBTS - CONSIDERED GOOD

	Note	2023	2022
Trade Debtors	10.1 & 10.2 & 10.3	**60,779,014**	45,277,296
Receivable Against Marginal Financing System	10.4	**80,087,739**	190,810,893
Receivable Against Marginal Trading System		**-**	93,536,914
Receivable Against Murabahah Shahe Financing		**-**	4,118,070
		140,866,753	333,743,173

		2023	2022
10.1	Trade Debtors	**62,160,817**	46,659,099
	Expected Credit Loss	**(1,381,803)**	(1,381,803)
	Trade Debtors - Considered Good	**60,779,014**	45,277,296

10.1.1 This include Rs. 7,180,910 (2022: Rs. 408,229) due from related party. The maximum aggregate outstanding during the year from such parties (with reference to month end balances) amounted to Rs. 145.540 million (2022: Rs. 34.409 million).

10.1.2 Aging analysis of related parties balance

	2023	2022
Upto 3 months	**7,180,910**	408,229

10.2 AGEING ANALYSIS

within 5 days	**49,311,595**	29,869,703
above 5 days	**12,849,222**	16,789,397
	62,160,817	46,659,099

10.4 This amount is given as a MF to our clients through NCCPL. The company is financing on financing participation ratio of maximum 75% and charging markup rangeing from 0.01% to 23%.

Receivable against margin Financing	**10.4.1**	**80,087,739**	190,810,893

10.4.1 This include MF of Rs.Nil (2022:Rs.29,581,152) receivable from related parties.

11 LOANS AND ADVANCES	**Note**	**2023 Rupees**	2022 Rupees
Loan to employees-unsecured	**11.1**	**874,201**	659,142
		874,201	659,142

11.1 This includes interest free loans to permanent employees and to those contractual staff who have at least one year association with the Company against one month gross salary. The amount of loan is recovered in 12 maximum monthly installments.

12 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS

Deposits for SLB and CDC		**100,000**	100,000
Exposure and DFC loss deposit with NCCPL	**12.1 and 12.2**	**34,868,783**	10,713,680
Exposure and GEM Market loss		**523**	733,317
Exposure deposit for MTS with NCCPL	**12.1 and 12.2**	**4,898,205**	6,470,994
Prepayments		**2,530,090**	1,731,201
		42,397,601	19,749,192

12.1 These represents amounts of deposits held at the year end against exposure arising out of trading in securities in accordance with risk management and MTS regulation of NCCPL. These deposit carry profit at rates ranging from 14% to 17% (2022:8% to 10%.)

12.2 The amount is net of MTS and DFC loss deposit recovered from clients.

13 OTHER RECEIVABLE

MF profit receivable	**2,554,929**	5,873,437
RMS profit receivable	**1,709,296**	1,115,568
Other Receivable	**-**	1,917,048
Coupon Receivables on PIB	**3,517,032**	1,541,096
	7,781,257	10,447,149

14 SHORT TERM INVESTMENTS

Investment in Open Ended Funds - at fair value through profit and loss	**14.1**	**466,637,923**	75,344,989
Investment in Government Securities - at amortized cost	**14.2**	**-**	389,148,811
		466,637,923	464,493,800

14.1 This consists of open ended mutual funds carried at net asset value as at balance sheet date out of which Rs.261.296 million (2022:Rs.49.032 million) are pledged with NCCPL against ready market exposure, Rs.34.454 million value of funds are pledged with Pakistan Stock Exchange Limited against house base minimum capital requirement and Rs.1.034 million are pledged with JS Bank Limited against running finance facility of the Company.

15 CASH AND BANK BALANCES

Cash in hand		**47,569**	-
Cash at bank			
- in current account	15.1	**1,542,434**	700,062
- in savings account	15.2	**437,115,098**	342,719,955
		438,657,532	343,420,017
		438,705,101	343,420,017

15.1 The Interest rate on saving accounts range from 11 % to 19.50 % per annum (2022: 9% to 10 %)

15.2 This include Rs.97.339 million (2022 Rs.115.502 million) kept in designated bank accounts maintained on behalf of clients.

16 SHARE CAPITAL AND RESERVES

16.1 Authorised Share Capital

2023	2022			
Number of shares				
150,000,000	150,000,000	Ordinary shares of Rs.2 each (2022: Rs.2)	**300,000,000**	300,000,000

16.2 Issued, subscribed and paid-up capital

			Note	2023 Rupees	2022 Rupees
15,962,715	15,962,715	Ordinary shares of Rupees 2 (2022: Rupees 2) each fully paid (issued for cash)		**31,925,430**	31,925,430
10,952,000	10,952,000	Ordinary shares of Rupees 2 (2022: Rupees 2) each fully paid (issued for consideration other than cash)		**21,904,000**	21,904,000
48,085,285	48,085,285	Ordinary shares of Rupees 2 (2022: Rupees 2) each (issued as bonus shares)		**96,170,570**	96,170,570
75,000,000	75,000,000			**150,000,000**	150,000,000

16.3 Pattern of shareholding

Shareholder	No,of shares	Percentage
Mr.Mohammad Sohail	53,181,687	71%
Mr.Haroon Fattani	16,727,418	22%
Mr.Mohammad Aamir Fattani	5,090,874	7%
Other Individual	21	0%
	75,000,000	100%

16.4 There is only one class of shares and all shares rank equally and there are no arrangements among shareholders in respect of voting right, board resolution, right of first refusal and block voting.

16.5 The Board of Directors of Company in its meeting held on April 10, 2023 has approved the first interim cash dividend of Re.0.67/-(2022: Re.0.67) per shares that were duly paid to the shareholders.

17 TRADE AND OTHER PAYABLES

	Note	2023	2022
Trade payables PSX Clients	17.1	**95,338,015**	112,845,240
Accrued expenses	17.2	**43,651,982**	35,261,708
Other payables		**103,702,413**	56,512,324
Sale tax Payable		**2,646,890**	3,668,521
		245,339,300	208,287,792

17.1 This includes trade payables of Rs.11,432,557 (2022: Rs.3,008,060) payable to related parties.

17.2 This include amount of Rs.20.416 million (2022 :Rs.5.79 million) payable in Pak rupees to foreign broker house.

18 SHORT TERM BORROWINGS - SECURED

	Note	2023	2022
Bank Al-Habib Limited	18.1	-	**19,997,158**
JS Bank Limited	18.2	-	**74,995,005**
Total		-	94,992,163

18.1 The Company has a running finance facility amounting Rupees 200 million (2022: 200 million) from the Bank Al-Habib Limited for one year. This arrangement carries mark-up @ 3 months KIBOR plus 2% per annum. This arrangement is secured by pledge of shares and mutual funds as per bank's approved list with a minimum margin of 50% on shares, lien on PIBs with margin of 10%, pledge of mutual Fund units with a margin of 25% and personal guarantees of all directors of the Company.

18.2 The Company has a running finance facility amounting Rupees 300 million (2022: 300 million) from the JS Bank Limited for one year. This arrangement carries mark-up @ 3 months KIBOR plus 2.5% per annum. This arrangement is secured by pledge of shares and mutual funds as per bank's approved list with a minimum margin of 30% on shares, lien on PIBs with margin of 10%, pledge of JS Cash Fund units with a margin of 5 % and personal guarantees of two directors of the Company.

19 CONTINGENCIES AND COMMITMENTS

Contingencies

19.1 On March 15, 2018 RAH Securities (Pvt) filed a suit for recovery of damages against Topline securities limited and others, case is pending in Karachi with Honorable Sindh High Court however, the management is confident that the decision will be in favor of the company.

19.3 For tax year 2017, the Company filed appeal before Commissioner Inland Revenue Appeals against the order u/s 122(1) of the Income Tax ordinance, 2001 passed on date 25 June 2021 demanding rupees Rs.9.863 million. The main issue among others involved chargeability of super tax and tax on capital gain on PSX shares. The matter of taxability of gain on disposal of PSX shares is under consideration before the Honorable Sindh High court.

		Note	2023 Rupees	2022 Rupees
20	**OPERATING REVENUE**			
	Brokerage and operating revenue with SST	20.1 & 20.2	235,748,669	299,010,940
	Income from advisory operations with SST		39,991,403	127,221,790
			275,740,072	426,232,730
	less Sales tax on services		(31,722,309)	(49,035,624)
			244,017,763	377,197,106
	Income from Margin Financing and MTS		35,977,814	28,524,586
	Income from Government Securities		21,518,565	35,289,341
	Dividend from mutual funds		46,006,507	329,532
	Services rendered outside Pakistan		2,983,546	908,820
			350,504,194	442,249,387
20.1	Brokerage and operative revenue			
	Equity brokerage			
	-Institutional clients		156,581,927	174,335,494
	-Individuals clients		79,166,742	124,675,447
			235,748,669	299,010,940

20.2 This includes brokerage earned from related parties amounting to Rs.244,530 (2022: Rs.209,286).

			2023 Rupees	2022 Rupees
21	**CAPITAL GAIN ON SALE OF INVESTMENTS - NET**			
	Capital gain on redemptions of open ended mutual funds		22,225,556	10,022,478
	Capital gain on sale of listed securities		11,953,186	2,515,341
			34,178,742	12,537,819
22	**ADMINISTRATIVE EXPENSES**			
	Salaries, allowances and commission expenses		156,885,706	175,813,763
	Electricity		2,773,431	2,161,692
	Rent, rates and taxes		680,774	3,332,193
	National clearing charges		6,514,606	10,698,483
	PSX charges		5,467,763	6,612,364
	SECP charges		1,154,559	1,195,687
	CDC charges		1,116,132	697,589
	Travelling and conveyance		6,691,355	2,869,604
	Internet charges		1,493,330	1,551,692
	Staff welfare		756,553	938,136
	Repair and maintenance		6,159,774	4,812,428
	Fee for Technical Services		7,277,492	5,361,120
	Fee and subscription		484,200	924,622
	Insurance		2,197,335	1,309,120
	PMEX Fees and charges		5,162	57,709
	Consultancy Fee		4,553,584	5,294,211
	Legal and professional expenses		1,753,794	1,027,987
	Auditors' remuneration	22.1	565,000	916,902
	Donations to approved institution	22.2	750,000	681,500
	Telephone and mobile		882,097	760,341
	Printing and stationery		603,091	719,109
	General expenses		3,707,562	1,978,085
	Depreciation	5.1	12,679,660	9,665,001
			225,152,959	239,379,337
22.1	**Auditors' remuneration**			
	Audit fee - statutory audit		350,000	350,000
	Audit fee - system audit		-	243,000
	Out-of-pocket expenses		-	-
	Certifications		215,000	323,902
			565,000	916,902

22.2 No director has any interest in the said institution.

23	FINANCE COST	Note	2023 Rupees	2022 Rupees
	Mark-up on short term borrowing - secured		7,600,624	8,256,259
	Bank charges		392,055	349,207
			7,992,679	8,605,466

24	OTHER INCOME			
	Bank profit		30,938,943	23,110,143
	Gain on sale of fixed assets		1,775,178	818,931
	Other income	24.1	8,506,404	5,591,828
			41,220,525	29,520,901

24.1 This includes profit received from NCCPL against the exposure money deposit .

25	TAXATION			
	Current	25.1	42,511,406	59,590,965
	Deferred	7	1,145,107	187,882
	Super Tax as per 4C		1,669,512	4,454,784
	Prior		-	-
			45,326,025	64,233,631

25.1 Relationship between tax expense and accounting profit is as follows:

	2023	2022
Profit before taxation	195,692,641	236,529,806
Tax charge at enacted tax rate of 29% (2022: 29%)	56,750,866	68,593,644
Tax effect of accounting and tax difference Income	(1,613,499)	(3,695,853)
Tax effect of accounting and tax purpose Capital gain u/s 37A	(3,824,316)	-
Tax effect of income subject to lower tax	(716,051)	(1,547,304)
Tax effect of income under Final Tax Regime (FTR)	(6,440,911)	(3,561,887)
Tax effect of tax credits	(217,500)	(197,635)
Tax Effect of others	(1,427,184)	-
	42,511,406	59,590,964

26	EARNINGS PER SHARE			
	Profit after taxation	*Rupees*	150,366,616	172,296,174
	Weighted average number of shares	*Number of shares*	75,000,000	75,000,000
	Earning per share - basic and diluted	*Rupees*	2.00	2.40

27	CASH AND CASH EQUIVALENTS			
	Cash and bank balances	15	438,705,101	343,420,017
	Short term borrowings	18	-	(94,992,163)
			438,705,101	248,427,854

28 PROVIDENT FUND

Salaries, allowances and commission expenses include Rs.0.921 million (2022: Rs. 0.758 million) in respect of provident fund.

	30 June, 2023	30 June, 2022
Size of the funds - Total assets	13,768,669	12,574,832
Cost of investment made	13,639,169	12,467,431
Percentage of investment made	99.06%	99.15%
Fair value of investments	13,947,277	12,564,817

28.1 Break-up of investments in terms of amount and percentage of the size of the provident fund are as follows :

	--------Unaudited-------- June 30, 2023		---------------Audited ----------------- December 31, 2022	
	Investments Rupees	Investments as a % of total Investments	Investments Rupees	Investments as a % of total Investments
Investments in Government securities	13,947,277	99.08%	12,180,912	99.67%
Cash in PLS accounts	129,500	0.92%	39,766	0.33%

28.2 Investments out of provident fund have been made in accordance with the provisions of the Companies Act, 2017 and the rules formulated for this purpose.

29 TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and includes major shareholders, associated companies with or without common directors, retirement benefit funds and directors and key management personnel and their close family members. Amounts due from/to related parties, and remuneration of directors and executives are disclosed in the relevant notes.

Transactions with related parties	**2023 Rupees**	**2022 Rupees**
Brokerage commission charges to related parties	**244,530**	209,286
Traveling Expenses payment to M/s AEG Travel Services Pvt Ltd.	**1,238,497**	1,817,297
Relationship with related parties		

This includes brokerage charged to directors and a related party.

Closing Balances with related parties		
Trade debts - considered good		
Mrs.Farzana Haroon	4,172,194	-
Mr.Haroon Fattani	-	408,229
Mr.Muhammad Aamir Fattani	1,295,030	-
Mr.Muhammad Umair Fattani	1,713,686	-
Total	**7,180,910**	**408,229**
Trade payables to related parties		
M/s Topline Associates (Pvt) Limited	**4,043,424**	3,530,392
Mr.Muhammad Aamir Fattani	**-**	1,861,805
Mr.Mohammed Sohail	**114,289**	-
Mr.Haroon Fattani	**9,622**	-
Mrs.Sabahat Sohail	**7,265,222**	1,146,255
	11,432,557	6,538,452
Recivables against Margin Financing	-	26,258,052
Loans and advances	**125,000**	66,600
Salary payables	**13,680,000**	12,077,753

30 REMUNERATION OF THE CHIEF EXECUTIVE OFFICER AND DIRECTORS

	Chief Executive Officer		**Directors**	
	2023	2022	**2023**	2022
	Rupees			
Salary	3,960,000	3,960,000	3,600,000	5,562,240
Contribution to Provident fund	264,000	264,000	-	149,052
Bonus	24,300,000	25,500,000	-	-
Commission	-	-	2,156,620	1,361,020
Director Meeting Fee	-	-	300,000	300,000
Leave encashment	-	-	-	286,136
Total	**28,524,000**	**29,724,000**	**6,056,620**	**7,658,448**
Number of persons	**1**	**1**	**1**	**2**

31 FINANCIAL RISK MANAGEMENT

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

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

31.1 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market prices of securities due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market.

The Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and regulations laid down by the Karachi Stock Exchange.

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

31.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company, at present is not exposed to currency risk as all the transactions of the Company are denominated in Pak Rupees.

31.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk arises from its placements in TDRs, bank deposits and short term borrowings at variable rates.

Following table provides information about exposure of the company to interest / mark-up rate risk at the statement of financial position date based on contractual reprising or maturity dates whichever is earlier:

		June 30, 2023				June 30, 2022			
		Exposed to Interest Rate Risk		Not Exposed to Yield / Interest Rate Risk	Total	Exposed to Interest Rate Risk		Not Exposed to Yield / Interest Rate Risk	Total
	Note	Upto One Year	More Than One Year			Upto One Year	More Than One Year		
		Rupees							
Financial Assets									
Non Current Assets									
Long term advance		-	-	-	-	-	-	-	-
Long Term Investment		-	90,099,507	-	90,099,507	-	-	-	-
Long term deposits		-	-	2,633,121	2,633,121	-	-	2,621,116	2,621,116
		-	90,099,507	2,633,121	92,732,628	-	-	2,621,116	2,621,116
Current Assets									
Trade debts		80,087,739	-	60,779,014	140,866,753	288,465,877	-	45,277,296	333,743,173
Loans and advances		-	-	874,201	874,201	-	-	659,142	659,142
Trade deposits		42,397,601	-	-	42,397,601	19,749,192	-	-	19,749,192
Other receivables		-	-	7,781,257	7,781,257	-	-	10,447,149	10,447,149
Investment		466,637,923	-	-	466,637,923	464,493,800	-	-	464,493,800
Cash and bank balances		437,115,098	-	1,590,003	438,705,101	342,719,955	-	700,062	343,420,017
		1,026,238,360	-	71,024,475	1,097,262,836	1,115,428,824	-	57,083,650	1,172,512,474
Sub Total		1,026,238,360	90,099,507	73,657,596	1,099,895,957	1,115,428,824	-	59,704,767	1,175,133,590
Financial liabilities									
Trade and other payables	17	-	-	245,339,300	245,339,300	-	-	208,287,792	208,287,792
Short term borrowing - secured	18	-	-	-	-	94,992,163	-	-	94,992,163
Mark-up accrued		-	-	1,026,228	1,026,228	-	-	1,872,935	1,872,935
Sub Total		-	-	246,365,528	246,365,528	94,992,163	-	210,160,727	305,152,890
On-Balance Sheet Gap		1,026,238,360	90,099,507	(172,707,932)	853,530,429	1,020,436,661	-	(150,455,960)	869,980,700
Off-Balance Sheet Financial Instruments		-	-	-	-	-	-	-	-
Off-Balance Sheet Gap		-	-	-	-	-	-	-	-
Total Interest Rate Sensitivity Gap		1,026,238,360	90,099,507	(172,707,932)	853,530,429	1,020,436,661	-	(150,455,960)	869,980,700

31.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company was exposed to listed and quoted securities price risk because of investments held by the Company and classified on the balance sheet as at fair value through profit or loss. To manage its price risk arising from investments the Company mainly invests in mutual funds and listed shares and maintains diversified portfolio.

31.2 Credit risk

The Company is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due. Credit risk arises from trade debts, investments and deposits with banks. The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit rating. To manage exposure to credit risk on its investments, the Company manages a portfolio of investments which consists of securities issued by the Government and reputable entities. To secure against the risk of default from debtors, the Company obtains collateral from its customers. The maximum exposure to credit risk is equal to the carrying amounts of financial assets less the amount of collaterals held.

Exposure to credit risk

Credit risk of the Company arises principally from trade debts, loans and advances, trade deposits, bank balances and other receivables. 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 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 policy is to enter into financial contracts in accordance with the internal risk management policies and investment and operational guidelines approved by the Board of Directors. In addition, credit risk is also minimized due to the fact that the Company invests only in high quality financial assets, majority of which have been rated by a reputable rating agency. All transactions are settled / paid for upon delivery.

The maximum exposure to credit risk at the reporting date is as follows:

	Note	**2023**	2022
		----------Rupees----------	
Long term deposits	8	**2,633,121**	2,621,116
Trade debts	10	**140,866,753**	333,643,173
Loans and advances	11	**874,201**	659,142
Trade deposits	12	**39,867,511**	18,017,991
Other receivables	13	**7,781,257**	10,447,149
Investment in Pakistan Investment Bonds	9	**207,660,133**	90,099,507
short term Investments	14	**466,637,923**	464,493,800
Bank balances	15	**438,657,532**	343,420,017
		1,304,978,430	1,263,401,897

All balances are denominated in local currency.

Bank Balances

The analysis below summarizes the credit quality of the Company's bank balances (including profit receivables) as at June 30, 2023 and June 30, 2022:

	2023	2022
Bank balances	**438,609,963**	343,420,017

The credit quality of the Company's cash and cash equivalents, held with various commercial banks and financial institutions is assessed with reference to external credit ratings thereof, ranging from AAA to BBB assigned by reputable credit rating agencies.

31.3 Liquidity risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. The Company's liquidity management involves projecting cash flows and maintaining level of liquid assets necessary to meet these risks.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

		June 30, 2023				June 30, 2022			
	Note	Total	Upto Three Months	More Than Three months and upto One Year	More Than One Year	Total	Upto Three Months	More Than Three months and upto One Year	More Than One Year
		------Rupees------							
Trade and other payables	17	245,339,300	245,339,300	-	-	208,287,792	208,287,792	-	-
Short term borrowings - secured	18	-	-	-	-	-	94,992,163	-	-
Accrued Mark up		1,026,228	1,026,228	-	-	1,872,935	1,872,935	-	-
Total		**246,365,528**	**246,365,528**	-	-	210,160,727	305,152,890	-	-

31.4 Capital Risk Management

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

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

The Company finances its operations through equity, borrowing and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk.

31.5 Operational risk

Operational risk is the risk of direct and indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risk such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risk arise from all of the Company's activities.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirement for the reconciliation and monitoring of transaction;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirement for the periodic assessment of operational risk faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards;
- risk mitigation, including insurance where this is effective.

32 FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISKS

The Company purchases and sells securities as either principal or agents on behalf of its customers. If either the customer or a counterparty fails to perform, the Company may be required to discharge the obligation on behalf of the non-performing party. In such circumstances, the Company may sustain a loss if the market value of the security is different from the contracted value of the transaction less any margin deposits that the Company has on hand. Where the customer operates through institutional delivery system, the Company is not exposed to this risk.

The majority of the Company's transactions, and consequently, the concentration of its credit exposure are with the customers and other financial institutions in case of money market brokerage. The Company seeks to control its credit risk through a variety of reporting and controls procedures, including establishing credit limits based upon a review of the counterparties' financial condition. The Company monitors collateral levels on a regular basis and requests changes in collateral level as appropriate or if considered necessary.

33 MEASURMENT OF FAIR VALUES

A number of the company's accounting policies and disclosure require the measurement of fair values, for both financial, if any and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (Unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quote prices included in Level 1 that are observables for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy a, then the fair value measurements is categorized in its entirety in the same level of the fair value heirchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the management recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

At the year end, following financial instrument is carried at fair value which requires classification in the above mentioned levels

	2023			
	Level 1	**Level 2**	**Level 3**	**Total**
	----Rupees----			
Financial Asset				
Investment in open end mutual fund	**466,637,923**	-	-	**466,637,923**

	2022			
	Level 1	**Level 2**	**Level 3**	**Total**
	----Rupees----			
Financial Asset				
Investment in open end mutual fund & treasury bi	464,493,800	-	-	464,493,800

34 BASE MINIMUM CAPITAL

In complinace with regulation 19.2 the rule book of PSX every TREC holder registered as a broker under brokers and agent registration rule 2001, is required to maintain base minimum capital in the and form as perscribed in the rule on the basis of assets under custody (AUC). As per said regulation as at 30 june 2023, the company is required to maintain BMC of Rs.32.638 million (2022 :Rs. 32.367 million).

The notional value of TREC and the breakup value of shares for the purpose BMC is determined by the PSX as under.

	2023	2022
	----------Rupees---------	
Government securities-Treasury Bill	-	33,150,000
Open ended mutual fund	32,689,367	-
Trading Right Entitlement Certificate	-	2,500,000
	32,689,367	35,650,000

35 CAPITAL ADEQUECY LEVEL

The capital adequecy level of the company is as follows:

	2023	2022
	----------Rupees----------	
Total assets	1,468,775,118	1,427,949,581
Less: Total liabilities	(247,868,888)	(307,159,968)
Less: Revaluation reserves (created upon revaluation of fixed assets	-	-
Capital adequecy level	1,220,906,230	1,120,789,613

While determining the value of the total assets of the TREC Holder, Notional value of the TRE certificate as at year ended June 30,2023 as determined by Pakistan Stock Exchange has been considered.

35.1 Liquid Capital As on June 30, 2023

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	150,077,748	150,077,748	
1.2	Intangible Assets	5,200,000	5,200,000	-
1.3	Investment in Govt. Securities	207,660,133	449,083	207,211,050
1.4	**Investment in Debt. Securities**			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.			
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.			
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.			
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.			
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.			
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.			
1.5	**Investment in Equity Securities**			
	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher. (Provided that if any of these securities are pledged with the securities exchange for base minimum capital requirenment, 100% haircut on the value of eligible securities to the extent of minimum required value of Base minimum capital	432,184,368	64,827,655	367,356,713
	ii. If unlisted, 100% of carrying value.			
1.6	Investment in subsidiaries			
1.7	**Investment in associated companies/undertaking**			
	i. If listed 20% or VaR of each securities as computed by the Securites Exchange for respective securities whichever is higher.			
	ii. If unlisted, 100% of net value.			
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity. (i) 100% of net value, however any excess amount of cash deposited with securities exchange to comply with requirenments of base minimum capital may be taken in the calculation of LC	2,633,121	2,633,121	-
1.9	Margin deposits with exchange and clearing house.	50,727,981	-	50,727,981
1.10	Deposit with authorized intermediary against borrowed securities under SLB.			
1.11	Other deposits and prepayments	2,630,090	-	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)	5,226,328	-	5,226,328
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties			
1.13	Dividends receivables.	-		-
1.14	Amounts receivable against Repo financing.			
	Amount paid as purchaser under the REPO agreement. (***Securities purchased under repo arrangement shall not be***			
	Advances and receivables other than trade Receiveables: (i) No haircut may be applied			

1.15	Advances and receivables other than trade Receiveables, (i) No haircut may be applied on the short term loan to employees provided these loans are secured and due for repayments within 12 months. (ii) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation .			
1.16	**Receivables from clearing house or securities exchange(s)**			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.			
1.17	**Receivables from customers**			
	i. In case receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut. ***i. Lower of net balance sheet value or value determined through adjustments.***	80,087,739	-	80,087,739
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. ***ii. Net amount after deducting haircut***	-	-	-
	iii. Incase receivalbes are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, ***iii. Net amount after deducting haricut***			
	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. ***iv. Balance sheet value***	42,130,685	-	42,130,685
	v. Incase of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts. ***v. Lower of net balance sheet value or value determined through adjustments***	12,849,222	9,613,612	3,235,610
	vi. In the case of amount of receivables from 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. (b) Above 30 days but upto 90 days, values determined after applying 50% or var based haircuts whichever is higher. (c) above 90 days 100% haircut shall be applicable. ***vi. Lower of net balance sheet value or value determined through adjustments***	7,180,910	-	7,180,910
1.18	**Cash and Bank balances**			
	I. Bank Balance-proprietory accounts	340,600,449	-	340,600,449
	ii. Bank balance-customer accounts			
	iii. Cash in hand	97,338,671	-	97,338,671
1.19	**Subscription money against investment in IPO/ offer for sale (asset)**			
	(i)No haircut may be applied in respect of amount paid as subscription money provided that shares have not been alloted or are not included in the investments of securities broker. (ii) In case of Investment in IPO where shares have been alloted 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.			
1.20	**Total Assets**	**1,436,527,445**	**232,801,219**	**1,201,096,136**
2. Liabilities				
2.1	**Trade Payables**			
	i. Payable to exchanges and clearing house			
	ii. Payable against leveraged market products			
	iii. Payable to customers	95,338,015	-	95,338,015
2.2	**Current Liabilities**			
	i. Statutory and regulatory dues			
	ii. Accruals and other payables	2,646,890	-	2,646,890
	iii. Short-term borrowings	148,380,623	-	148,380,623
	iv. Current portion of subordinated loans	-		-
	v. Current portion of long term liabilities			
	vi. Deferred Liabilities			
	vii. Provision for taxation	1,503,360	-	1,503,360
	viii. Other liabilities as per accounting principles and included in the financial statements	-	-	-
2.3	**Non-Current Liabilities**			
	i. Long-Term financing			
	ii. Other liabilities as per accounting principles and included in the financial statements			
	iii. Staff retirement benefits			
	Note: (a) 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases. (b) Nill in all other cases			
2.4	**Subordinated Loans**			
	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted:			
2.5	**Advance against shares for Increase in Capital of Securities broker:** 100% haircut may be allowed in respect of advance against shares if: a. The existing authorized share capital allows the proposed enhanced share capital b. Boad of Directors of the company has approved the increase in capital c. Relevant Regulatory approvals have been obtained d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed. e. Auditor is satisfied that such advance is against the increase of capital.			
2.6	**Total Liabilites**	**247,868,888**		**247,868,888**
3. Ranking Liabilities Relating to :				
3.1	**Concentration in Margin Financing**			
	The amount calculated client-to- client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total 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 include in the ranking liabilities			19,795,366
	Concentration in securities lending and borrowing			

	Concentration in securites lending and borrowing			
3.2	The amount by which the aggregate of: (i) Amount deposited by the borrower with NCCPL (Ii) Cash margins paid and (iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed (Note only amount exceeding by 110% of each borrower from market value of shares borrowed shall be included in the ranking liabilities)			
3.3	Net underwriting Commitments			
	(a) in the case of right issuse : if the market value of securites is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issuse where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting commitment			
	(b) in any other case : 12.5% of the net underwriting commitments			
3.4	Negative equity of subsidiary			
	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary			
3.5	Foreign exchange agreements and foreign currency positions			
	5% of the net position in foreign currency.Net position in foreign currency means the difference of total assets denominated in foreign cuurency less total liabilities denominated in foreign currency			
3.6	Amount Payable under REPO			
3.7	Repo adjustment			
	In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securites. In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received ,less value of any securites deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.			
3.8	Concentrated proprietary positions			
	If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security .If the market of a security exceeds 51% of the proprietary position,then 10% of the value of such security			-
3.9	Opening Positions in futures and options			
	i. In case of customer positions, the total margin requiremnets in respect of open postions less the amount of cash deposited by the customer and the value of securites held as collateral/ pledged with securities exchange after applyiong VaR haircuts			41,063,422
	ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met			
3.10	Short selll positions			
	i. Incase of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts			
	ii. Incase of proprietory positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.			
3.11	Total Ranking Liabilites	-		60,858,788

Calculations Summary of Liquid Capital as at June 30,2023

(i) Adjusted value of Assets (serial number 1.20)	1,201,096,136
(ii) Less: Adjusted value of liabilities (serial number 2.6)	(247,868,888)
(iii) Less: Total ranking liabilities (series number 3.11)	(60,858,788)
	892,368,460

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

36 NUMBER OF EMPLOYEES

The total number of employees and average number of employees at the year end and during the year respectively are as follows:

	2023	2022
	Number	
Total employees of the company at year end	42	43
Average number of employees during the year	42	42

37 TOTAL SECURITIES PLEDGED

	2023	2022
Total value of client securities held in central depository system	**7,999,727,048**	10,033,712,167
Market value of client securities pledged with the financial institution	-	432,052,419
No.of client securities pledged with the financial institution	-	19,210,146
Market Value of client securities pledged with the NCCPL	**59,948,750**	68,190,160
No.of client Securities pledged with the NCCPL	**1,475,500**	2,472,500
Market Value of Brokerage house securities pledged with the NCCPL/PSX	**295,749,663**	49,061,126
No.of brokerage house securities pledged with the NCCPL/PSX	**6,805,709**	479,019

38 REARRANGEMENT AND RECLASSIFICATION

The corresponding figures have been rearranging and reclassified,wherever consider necessary for the purpose of comparison and better presentation. Following reclassification have been made in these financial statements;

Reclassification from	**Reclassification to**	**Rs.**
Dividend and Income from Govt Securities(Note 24)	Operating revenue (Note 20)	35,618,873.00

39 DATE OF AUTHORIZATION

These financial statements were authorized for issue on october 05, 2023 by the Board of Directors of the Company.

40 GENERAL

The figures have been rounded of to the nearest rupee.

CHIEF EXECUTIVE

DIRECTOR