

PASHA SECURITIES (PRIVATE) LIMITED
Financial Statements (Un-Audited)
For the Quarter Ended 30 September 2022

PASHA SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEP, 2022

	Note	Sep, 2022	Jun, 2022
		----- Pak Rupees-----	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	5	242,300	253,844
Right of use assets	6	29,741,760	29,741,760
Intangible asset	7	2,500,000	2,500,000
Long term investments	9	52,984,174	52,984,174
Long term deposits	10	500,000	500,000
		85,968,234	85,979,778
CURRENT ASSETS			
Trade and other receivables - net	11	4,645,384	2,961,754
Short term deposits and advances	12	6,423,000	6,423,000
Income tax refundable - Net	13	665,365	665,365
Short term investment	14	2,346,030	2,501,365
Cash and bank balances	15	6,701,194	15,779,362
		20,780,972	28,330,846
		106,749,206	114,310,624
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital	16	47,815,800	47,815,800
Revenue reserve			
Unappropriated loss		(6,666,014)	(7,562,460)
Capital reserves			
Surplus on revaluation of right of use asset	17	22,400,568	22,400,568
Fair value reserve	18	18,169,767	18,169,767
		40,570,335	40,570,335
		81,720,121	80,823,675
NON-CURRENT LIABILITIES			
Long term financing	20	4,400,000	4,400,000
Deferred tax liability	21	14,038,595	14,038,595
		18,438,595	18,438,595
CURRENT LIABILITIES			
Trade and other payables	22	6,590,490	15,048,354
CONTINGENCIES AND COMMITMENTS			
	23	-	-
		106,749,206	114,310,624

The annexed notes 1 to 35 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

PASHA SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED SEP 30, 2022

	Note	Sep, 2022 ----- Pak Rupees-----	Jun, 2022
Revenue	24	752,871	4,734,818
Operating and administrative expenses	25	(856,280)	(9,369,781)
Operating profit/(loss)		<u>(103,409)</u>	<u>(4,634,963)</u>
Other income	26	999,855	2,074,588
Profit (Loss) before taxation		<u>896,446</u>	<u>(2,560,375)</u>
Tax expense	27	-	(71,022)
Profit/(loss) for the year		<u>896,446</u>	<u>(2,631,397)</u>
(Loss)/earnings per share - basic	28	<u>0.19</u>	<u>(0.81)</u>

The annexed notes 1 to 35 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

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

Share capital	Revenue reserve	Capital reserve		Total equity	
Issued, subscribed and paid-up capital	Unappropriated profit/(loss)	Surplus on revaluation of right of use asset	Fair value reserve of financial assets at FVOCI		
----- (Pak Rupees) -----					
Balance as at June 30, 2021	47,815,800	(3,084,599)	22,400,567	16,075,890	83,207,658
Total comprehensive income for the year					
Profit/(loss) for the year	-	(3,870,637)	-	-	(3,870,637)
Other comprehensive income/(loss)	-	-	-	2,093,877	2,093,877
Deferred tax	-	607,224	-	-	(607,224)
	-	(4,477,861)	-	2,093,877	(2,383,984)
Balance as at June 30, 2022	47,815,800	(7,562,460)	22,400,567	18,169,767	80,823,674
Total comprehensive income for the year					
(Loss)/profit for the year	-	896,446	-	-	-
Other comprehensive income/(loss)	-	-	-	-	-
Deferred tax	-	-	-	-	-
	-	896,446	-	-	-
Balance as at Sep 30, 2022	47,815,800	(6,666,014)	22,400,567	18,169,767	81,720,120

The annexed notes 1 to 35 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

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

	Sep, 2022	Jun, 2022
Note	----- Pak Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	896,446	(3,799,615)
Adjustments:		
Depreciation and impairment	11,545	1,296,562
Dividend income	95	1,865,800
	11,640	3,162,362
Profit before working capital changes	908,086	(637,253)
(Increase)/decrease in current assets		
Trade & Other Receivable	(1,683,630)	141,545
Deposits, prepayments and other receivable	-	(777,400)
	(1,683,630)	(635,855)
Increase/(decrease) in current liabilities		
Trade and Other payables	(8,457,864)	(1,385,086)
Cash generated from/(used in) operations	(9,233,408)	(2,658,194)
Dividends received	(96)	(1,865,800)
Taxes paid	-	(273,110)
	(96)	(2,138,910)
Net cash (used in) / from operating activities	(9,233,504)	(4,797,103)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment	155,335	(173,701)
Decrease/(increase) in long-term deposits	-	27,200
Net cash used in investing activities	155,335	(146,501)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Directors loan	-	500,000
Net cash generated from financing activities	-	500,000
Net (decrease)/increase in cash and cash equivalents	(9,078,169)	(4,443,603)
Cash and cash equivalents at the beginning of the year	15,779,364	20,222,967
Cash and cash equivalents at the end of the year	15,701,194	15,779,364

15

The annexed notes 1 to 35 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

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

5 PROPERTY AND EQUIPMENT

	Owned				Total
	Office equipment	Computer equipment	Furniture and fixtures	Vehicles	
	----- Rupees -----				
Cost					
Balance as at July 01, 2021	581,495	556,201	610,364	3,603,320	5,351,380
Additions	-	-	-	-	-
Balance as at June 30, 2022	581,495	556,201	610,364	3,603,320	5,351,380
Balance as at July 01, 2022	581,495	556,201	610,364	3,603,320	5,351,380
Additions	-	-	-	-	-
Balance as at Sep 30, 2022	581,495	556,201	610,364	3,603,320	5,351,380
Depreciation					
Balance as at July 01, 2021	510,252	528,456	527,899	3,473,606	5,040,213
For the period	10,686	8,323	12,370	25,943	57,322
Balance as at June 30, 2022	520,938	536,779	540,269	3,499,549	5,097,535
Balance as at July 01, 2022	520,938	536,779	540,269	3,499,549	5,097,535
For the period	2,270.89	1,457	2,629	5,189	11,545
Balance as at Sep 30, 2022	523,209	538,236	542,898	3,504,738	5,109,080
Carrying amount as at Sep 30, 2022	58,286	17,965	67,466	98,582	242,300
Carrying amount as at Sep 30, 2022	60,557	19,422	70,095	103,771	253,845
Rate of Depreciation	15%	30%	15%	20%	-

5.1 Depreciation has been allocated to administrative expenses.

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

6 RIGHT OF USE ASSETS

Set out below is the carrying amounts of right-of-use asset recognised and the movements during the year:

	Note	Sep, 2022 -----Pak Rupees-----	Jun, 2022
Net carrying value basis			
As at 1st July		29,741,760	30,981,000
Assets written off		-	-
Balance as at July 01, 2021		29,741,760	30,981,000
Depreciation charged for the year		-	(1,239,240)
Revaluation surplus		-	-
Closing balance		<u>29,741,760</u>	<u>29,741,760</u>

The Company has lease contract of building for a period of 21 years that is renewable for further 33 years at discretion of the lessor and lessee.

Depreciation on right of use assets has been charged on straight line basis over its remaining useful life to profit or loss.

6.1 Measurement fair value

The fair value of the right of use asset is determined by independent suitably qualified valuer. The fair value of the Company's investment property as June 30, 2020 were performed by Messrs. WW Engineering Services (Pvt.) Ltd., who are independent valuers not related to the Company. Messrs. WW Engineering Services (Pvt.) Ltd in on the approved list of Pakistan Banks' Association (PBA) The valuer have appropriate qualifications and recent experience in the fair value measurement of properties.

The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties/capitalization of net income method.

There has been no change to the valuation technique during the year. In estimating the fair value of the properties, the highest and best use of the properties is their current use. Forced sale value is Rs. 29,634,000.

7 INTANGIBLE ASSET

	Note	Sep, 2022 -----Pak Rupees-----	Jun, 2022
Trading Right Entitlement Certificate ("TREC")	7.1&7.2	2,500,000	2,500,000
		<u>2,500,000</u>	<u>2,500,000</u>

7.1 The Company has pledged/hypothecated Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited (PSX) at a notional value of Rs.2.5 million Base Minimum Capital (BMC) requirement.

7.2 Notional values of these Trading Right Entitlement Certificates is Rs. 2.5 million (2021: Rs.2.5 million), as published by PSX.

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

	Note	Sep, 2022 -----Pak Rupees-----	Jun, 2022
8 FINANCIAL ASSETS OTHER THAN CASH AND BANK			
Equity instruments designated at FVTOCI	9	52,984,174	52,984,174
Financial Assets designated at FVTPL	14	2,346,030	2,501,365
Debt instruments at amortised cost			
- Long term deposits	10	500,000	500,000
- Trade debts - net	11	-	2,961,754
- Short term advances	12	1,023,000	1,023,000
- Short term deposits	12	5,400,000	5,400,000
		6,923,000	9,884,754
		62,253,204	65,370,293
9 LONG TERM INVESTMENT AT FVTOCI			
Non- listed Equity Securities			
Opening Balance	9.1	52,984,175	50,890,298
Adjustment for remeasurement to fair value		-	2,093,877
		52,984,174	52,984,175

9.1 Opening balance include 60% (1,820,762 shares) which are held in a separate Central Depository Company Limited ("CDC") blocked sub-account .

9.2 This represents investment in the shares of ISE REIT Management Company Limited. The shares are non-listed and there is no evidence of existence of an active market or transactions amongst the participants at an arms length basis. As an alternative approach, the break-up value of shares (calculated as per TR-22 issued by ICAP) of ISE REIT Management Company Limited as per their latest audited financial statements has been taken with adjustment for unobservable inputs related to percentage of assets of REIT stated at fair value and risk factors related to marketability of shares.

	Note	Sep, 2022 -----Pak Rupees-----	Jun, 2022
10 LONG TERM DEPOSITS			
Central Depository Company Limited		100,000	100,000
National Clearing Company of Pakistan Limited		400,000	400,000
ISE Towers REIT Management Company Limited		-	-
		500,000	500,000

10.1 This represents long term deposits held with Central Depository Company Limited.

10.2 This represents long term deposits held with National Clearing Company of Pakistan Limited.

	Note	Sep, 2022	Jun, 2022
11 TRADE AND OTHER RECEIVABLES - NET			
Clients	11.1	4,979,290	3,053,661
Other Receivable	11.2	-	242,000
Less: Allowance for expected losses			
Other Clients	11.3	(333,906)	(333,906)
		4,645,384	2,961,755

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

11.1 Aging of Trade receivable

	2022		2021	
	Clients	Total	Clients	Total
	----- Rupees ----		----- Rupees ----	
Not overdue	-	-	-	-
Past due less than 5 days	-	-	18,262	18,262
Past due less than 14 days	-	-	3,035,023	3,035,023
Past due less than 1 year	-	-	-	-
Past due over 365 days	-	-	-	-
Gross trade receivable	-	-	3,053,285	3,053,285
Allowance for expected credit losses	-	-	-	-
Net trade receivable	-	-	3,053,285	3,053,285

11.2 This include amount receivable from NCCPL against trading of securities in all markets which is due for settlement.

	Note	Sep, 2022	Jun, 2022
		-----Pak Rupees-----	
11.3 Allowance for expected credit losses			
Balance as at July 1		333,906	333,906
(Income)/ expense charged during the year		0	-
Closing balance (as at June 30)		333,906	333,906

12 SHORT TERM DEPOSITS AND ADVANCES

Short-term loans and advances

Advances to employees

1,023,000 1,023,000

Short-term deposits

NCCPL exposure Margin - House

5,400,000 5,400,000

6,423,000 6,423,000

12.1 This represents amount deposits against exposure with National Clearing Company of Pakistan Limited.

13 INCOME TAX REFUNDABLE - NET

Opening balance as at July 01

665,365 463,274

Add: Current year provision

- (71,022)

665,365 392,252

Less: Adjustment against advance tax

- 273,113

Balance at the end of the year-Refundable/(payables)

665,365 665,365

14 SHORT TERM INVESTMET AT FVTPL

Listed equity Securities

14.1

2,346,030 2,501,365

2,346,030 2,501,365

14.1 Fair values of these equity shares are determined by reference to published price quotations in an active market. Loss amounting to Rs. 1,111,514 on above investment has been charged to profit or loss.

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

	Note	Sep, 2022 -----Pak Rupees-----	Jun, 2022
15 CASH AND BANK BALANCES			
Cash in hand		11,322	6,332
Cash at bank - Local currency			-
Current accounts	15.1	6,689,872	15,773,030
		6,701,194	15,779,362

15.1 Cash at bank includes customers' assets in the amount of **PKR 15,773,030** (2021: 20,160,211) held in designated bank accounts.

		Sep, 2022 -----Pak Rupees-----	Re-stated Jun, 2022
16 SHARE CAPITAL			
Authorized capital			
16.1 5,000,000 (2021: 5,000,000) ordinary shares of PKR 10 each.		50,000,000	50,000,000

16.2 Issued, subscribed and paid-up share capital

	2022	2021		2022	2021
	4,781,580	4,781,580	Ordinary shares of Rs.10 each, issued for cash	47,815,800	47,815,800

16.3 Shareholders holding 5% or more of total shareholding

	Number of Shares		Percentage	
	2022	2021	2022	2021
Mr. Omer Iqbal Pasha	4,781,531	4,781,531	99.99%	99.99%

17 SURPLUS OF REVALUATION OF RIGHT OF USE ASSET

The revaluation surplus represents net cumulative increase in the carrying amount as a result of revaluation of right of use assets carried at revalued amount. The surplus revaluation is presented as a separate capital reserve in the financial statements

	Sep, 2022 -----Pak Rupees-----	Jun, 2022
Revaluation surplus as at July 01	22,400,568	22,400,568
Surplus/(deficit) arising on revaluation right of use asset	-	-
	22,400,568	22,400,568
Related deferred tax effect		
Surplus/(deficit) arising on revaluation right of use asset	-	-
Closing balance net of deferred tax effect	22,400,568	22,400,568

17.1 Restriction on distribution

The surplus on revaluation of right of use asset is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

	Note	Sep, 2022 -----Pak Rupees-----	Jun, 2022
18 CAPITAL RESERVE			
Fair value reserve	18.1	16,075,890	16,075,890

18.1 The fair value reserve comprises the cumulative net change in the fair value of financial assets designated at fair value through OCI.

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

19 FINANCIAL LIABILITIES		Sep, 2022	Jun, 2022
Non-Current	Note	-----Pak Rupees-----	
Financial liabilities at amortised cost			
Loan from director	20	4,400,000	4,400,000
Current			
Financial liabilities at amortised cost			
Trade and other payables	22	6,590,490	15,048,354
		10,990,490	19,448,354
20 LONG TERM FINANCING			
Loan from director	20.1	4,400,000	4,400,000
		4,400,000	4,400,000

20.1 This represents amounts received from Directors of the Company to fund short-term working capital needs. The loan is unsecured, bears no interest, and is repayable on demand of the director.

21 DEFERRED TAX LIABILITY

The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

	Note	Sep, 2022	Jun, 2022
		-----Pak Rupees-----	
Deferred tax liability		14,038,595	14,225,131
Deferred tax asset		-	(186,536)
		14,038,595	14,038,595

21.1 Analysis of change in deferred tax

Provision for bad debts	-	(96,833)
Right of use assets	-	9,149,528
Fair value gain on equity instruments at FVTPL	-	(89,703)
Fair value gain on equity instruments at OCI	-	5,075,603
	-	14,038,595

22 TRADE AND OTHER PAYABLES

Trade creditors	6,422,127	14,585,867
Accrued and other payables	168,363	288,487
Audit fee	-	174,000
	6,590,490	15,048,354

23 CONTINGENCIES AND COMMITMENTS

23.1 There are no contingencies or commitments of the Company as at June 30, 2022 (2021: Nil)

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

24 REVENUE	Note	Sep, 2022	Jun, 2022
		-----Pak Rupees-----	
Commission Income Equity Trading		752,871	5,492,389
Less: Federal Excise Duty		-	(757,571)
		<u>752,871</u>	<u>4,734,818</u>
25 OPERATING AND ADMINISTRATIVE EXPENSES			
Staff salaries, allowances and other benefits		294,884	2,409,567
Director's remuneration		211,943	3,716,822
Communication expense		27,030	407,416
Postage and courier charges		11,799	74,268
Entertainment		48,330	177,716
Printing and stationery		3,300	106,305
CDC trading charges		2,081	36,520
NCCPL trading charges		12,086	14,755
PSX trading charges		16,000	229,071
Travelling and conveyance		2,050	171,800
Legal and professional charges		2,671	34,448
Repair and maintenance		500	113,052
Auditors' remuneration	25.1	25,000	174,000
Rate and taxes		-	269,000
Utilities		183,602	831,976
Advertisement		-	-
Misc. expenses		1,140	537,906
Bank and other charges		2,320	7,836
Depreciation		11,545	57,323
		<u>856,280</u>	<u>9,369,781</u>
25.1 Auditor's remuneration			
Audit Services			
Annual audit fee		-	145,000
Non-audit services			
Certifications for regulatory purposes		-	29,000
		<u>-</u>	<u>174,000</u>
26 OTHER INCOME			
Fair value loss on equity instruments at FVTPL		(157,192)	(1,111,514)
Dividend income from equity instruments at FVTOCI		95	1,865,800
Miscellaneous income		1,156,952	1,320,302
		<u>999,855</u>	<u>2,074,588</u>
27 INCOME TAX EXPENSE			
Current Tax		-	71,022
Deferred tax		-	-
		<u>-</u>	<u>71,022</u>

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

	Note	Sep, 2022 -----Pak Rupees-----	Jun, 2022
27.1 Major components of current tax expense			
Charge for current year		11,293	71,022
27.2 Deferred tax expense on items recognized in profit or loss			
Fair value gain on equity instruments at FVTPL		-	-
27.3 Numerical reconciliation between accounting profit and tax expense for the year is not possible due to calculation of tax based on minimum tax regime.			

28 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit after tax for the year by the weighted average number of shares outstanding during the period, as follows:

	Note	Sep, 2022 -----Pak Rupees-----	Jun, 2022
(Loss)/profit after taxation, attributable to ordinary shareholders		896,446	(3,870,637)
Weighted average number of ordinary shares in issue during the year		4,781,580	4,781,580
Earnings per share		0.19	(0.81)

No figure for diluted earnings per share has been presented as the Company has not issued any dilutive instruments carrying options which would have an impact on earnings per share when exercised.

29 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration to the chief executive, directors and executives of the Company as per the terms of their employment are set out in the table below.

	Sep, 2022		Jun, 2022	
	CEO	Director	CEO	Director
	----- Rupees -----		----- Rupees -----	
Short term employee benefits				
Managerial Remuneration	-	-	1,320,000	877,800
Housing and Utilities	294,884	-	896,140	896,139
	294,884	-	2,216,140	1,773,939
No. of persons	1	1	1	1

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

30 SHARES HELD IN CUSTOMERS SUB ACCOUNTS IN CENTRAL DEPOSITORY SYSTEM

Aggregate value of customer shares held in their sub accounts in Central depository system (Assets under custody) was Rs. 11,532,205 as at June 30, 2022 against assigned maximum custody limit of Rs. 749,593 as at June 30, 2022.

31 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties include directors, major shareholders, key management personnel, senior executives and entities over which the directors are able to exercise influence. Transaction with related parties are on arm's length basis (except for where stated else wise). Funds kept with related party are shown under bank balances. Amounts due from and due to related parties are shown under receivables and payables. The remuneration of Chief Executive and key management personnel is disclosed in respective note of these financial statements.

Nam of the related party	Nature of relationship	Transactions during the year	Dec, 2022	June, 2022
			----- Rupees -----	
Omer Iqbal Pasha	Director with % holding	loan repaid	-	4,400,000
		loan received	-	0
		Closing balance	4,400,000	4,400,000

32 CORRESPONDING FIGURES

The corresponding figures have been rearranged and reclassified, wherever considered necessary. However, these changes do not have any material impact over previously reported figures.

33 EVENTS AFTER REPORTING DATE

There were no subsequent events that may require adjustment or disclosure in the financial statements as at reporting date.

34 GENERAL

34.1 The figures have been rounded off to the nearest Rupee.

	Dec, 2022	June, 2022
34.2 Number of persons employed	5	5
Average number employees during the year	5	5

35 DATE OF AUTHORIZATION

These financial statements have been authorized by the Board of Directors of the Company on _____.

CHIEF EXECUTIVE OFFICER

DIRECTOR