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INDEPENDENT AUDITORS' REPORT

To the members of Value Stock and Commodities (Private) Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **"Value Stock and Commodities (Private) Limited"** , which comprise the statement of financial position as at June 30, 2021 and 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, 2021 and of the loss and other comprehensive loss, 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 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 of Directors' Report, Company's Corporate Information, Shareholders' Information and Financial Highlights (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.

Continued...

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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Continued...

- 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.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 profit and loss account, 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 period were for the purpose of the Company's business; and

d) No Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is **Muhammad Safder, FCA.**

Tariq Abdul Ghani Maqbool & Co.

Tariq Abdul Ghani Maqbool & Co.

Chartered Accountants

TARIQ ABDUL GHANI MAQBOOL & CO. CHARTERED ACCOUNTANTS

Place: Lahore

Date: October 02, 2021

Value Stock and Commodities (Private) Limited

Statement of Financial Position

As at June 30, 2021

	Note	2021	2020
		------------Rupees------------	
ASSETS			
Non-current assets			
Property and equipment	8	12,228,556	10,368,303
Intangible assets	9	3,750,000	3,750,000
Long-term investment	10	19,605,539	19,158,233
Long term deposits	11	3,094,545	9,378,341
Deferred tax-net	12	6,262,645	-
		44,941,285	42,654,877
Current assets			
Trade debts	13	8,989,056	12,011,269
Advances-considered good	14	1,378,113	903,000
Trade deposits and other receivables	15	19,614,638	15,671,920
Advance income tax	16	1,954,154	814,306
Short-term investments	17	69,542,856	20,244,698
Cash and bank balances	18	30,475,987	21,328,304
		131,954,805	70,973,497
		176,896,091	113,628,374
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital	19	150,000,000	150,000,000
Issued, subscribed and paid up share capital	19	100,000,000	100,000,000
Appreciation / (deficit) on remeasurement of investments classified at FVOCI		(4,958,962)	(5,406,268)
Accumulated losses		(4,922,329)	(31,687,799)
		90,118,710	62,905,933
Non-current liabilities			
Long term loan	20	-	-
Liability against assets subject to finance lease	21	1,306,743	-
		1,306,743	-
Current liabilities			
Current portion of non-current liabilities	22	1,224,252	11,604,589
Due to related parties	23	27,928,080	-
Accrued markup		213,995	227,076
Short term borrowings-secured	24	-	42,681
Trade and other payables	25	54,240,627	38,647,292
Provision for taxation		1,863,683	200,803
		85,470,637	50,722,441
Contingencies and commitments	26	-	-
		86,777,381	50,722,441
		176,896,091	113,628,374

The annexed notes from 1 to 42 form an integral part of these financial statements.

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Value Stock & Commodities (Pvt) Ltd. MLSE 034

Chief Executive Officer **Director**

Value Stock and Commodities (Private) Limited

Statement of Profit or Loss

For the year ended 30 June 2021

	Note	2021	2020
		-----------Rupees-----------	
Operating revenue	27	**47,202,062**	14,251,751
Operating and administrative expenses	28	**(34,247,358)**	(19,317,806)
Operating profit / (loss)		**12,954,704**	(5,066,055)
Other operating income / (expense)	29	**10,455,655**	(3,085,301)
Finance cost	30	**(1,055,786)**	(1,456,269)
Profit / (loss) before taxation		**22,354,573**	(9,607,625)
Income tax (expense) / credit	31	**4,410,898**	(5,551,633)
Profit / (loss) after taxation		**26,765,470**	(15,159,258)

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The annexed notes from 1 to 42 form an integral part of these financial statements.

Value Stock & Commodities (Pvt) Ltd. MLSE 034

Chief Executive Officer | **Director**

Value Stock and Commodities (Private) Limited

Statement of Comprehensive Income

For the year ended 30 June 2021

	Note	2021	2020
		(Rupees)	
Profit / (loss) for the year		**26,765,470**	(15,159,258)
Other comprehensive income			
Items that will not be reclassified subsequently to statement of profit and loss			
Unrealised appreciation during the year on remeasurement of investments classified at FVOCI		**447,306**	843,975
Total comprehensive profit / (loss) for the year		**27,212,776**	(14,315,283)

The annexed notes from 1 to 42 form an integral part of these financial statements.

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MLSE 034 Value Stock & Commodities (Pvt) Ltd.

Chief Executive Officer **Director**

Value Stock and Commodities (Private) Limited

Statement of Changes in Equity

For the year ended 30 June 2021

	Issued, subscribed and paid up share capital	Capital reserves: Unrealised appreciation on remeasurement of investments classified at FVOCI	Revenue reserves: Accumulated losses	Total
	----------Rupees----------			
Balance as at 30 June 2019	100,000,000	(6,250,243)	(16,528,541)	77,221,216
Other comprehensive income for the year	-	843,975	-	843,975
Loss for the year	-	-	(15,159,258)	(15,159,258)
Balance as at 30 June 2020	100,000,000	(5,406,268)	(31,687,799)	62,905,933
Balance as at 30 June 2020	**100,000,000**	**(5,406,268)**	**(31,687,799)**	**62,905,933**
Other comprehensive income for the year	-	**447,306**	-	**447,306**
Profit for the year	-	-	**26,765,470**	**26,765,470**
Balance as at 30 June 2021	**100,000,000**	**(4,958,962)**	**(4,922,329)**	**90,118,709**

The annexed notes from 1 to 42 form an integral part of these financial statements.

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Value Stock & Commodities (Pvt) Ltd. MLSE 034

Chief Executive Officer **Director**

Value Stock and Commodities (Private) Limited

Statement of Cash Flows

For the year ended 30 June 2021

	Note	2021	2020
		(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before taxation		22,354,573	(9,607,625)
Adjustments for non-cash and other items.			
Depreciation of property and equipment	8	987,229	1,993,757
Allowance for expected credit loss	13	-	1,101,600
Realized (gain) / loss on short term investments	29	(8,628,281)	398,660
Unrealized (gain) / loss on remeasurement of short term investments	29	(5,931,255)	7,936,199
Gain on sale of fixed assets	29	-	(238,534)
Finance cost		1,055,786	1,456,269
		(12,516,520)	12,647,951
Operating profit / (loss) before working capital changes		9,838,053	3,040,326
Changes in working capital:			
Trade debts		3,022,213	8,143,396
Advances-considered good		(475,113)	394,804
Trade deposits and other receivables		(3,942,718)	(8,519,300)
Trade and other payables		15,593,335	30,450,523
		14,197,716	30,469,423
Cash generated from operations		24,035,769	33,509,749
Interest paid		(1,068,865)	(1,527,766)
Income taxes paid		(1,328,715)	(282,223)
		(2,397,580)	(1,809,989)
Net cash generated from operating activities		21,638,189	31,699,760
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets	8	(4,747,482)	(3,593,685)
Proceeds from sale of operating fixed assets		-	9,710,000
Purchase of securities for short term investment		(181,918,876)	(10,868,561)
Proceeds from sale of short term investments		148,749,152	10,974,774
Long-term deposits		6,283,796	(289,118)
Net cash (used in)/from investing activities		(31,633,410)	5,933,410
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term loan		(11,273,491)	(8,904,000)
Settlement of / (obtained) finance lease		2,530,995	(525,613)
Obtained / (repayments) of due to related parties		27,928,080	(355,668)
Short-term borrowings-net		(42,681)	(7,858,097)
Net cash used in financing activities		19,142,903	(17,643,378)
Net increase/ (decrease) in cash and cash equivalents		9,147,682	19,989,792
Cash and cash equivalents at the beginning of the year		21,328,304	1,338,512
Cash and cash equivalents at the end of the year	18	30,475,987	21,328,304

The annexed notes from 1 to 42 form an integral part of these financial statements.

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Chief Executive Officer

Value Stock & Commodities (Pvt) Ltd. MLSE 034

Director

Value Stock and Commodities (Private) Limited
Notes to the Financial Statements
For the year ended 30 June 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

Value Stock and Commodities (Private) Limited (the "Company") was incorporated in Pakistan on March 30, 2006 as a Private Company under the repealed Companies Ordinance, 1984. The Company's registered office is situated at Room No. 114, South Tower, LSE Plaza, 19- Khayaban-e-Aiwan-e-Iqbal, Lahore. The Company is principally engaged in the business of investment advisory, purchase and sale of securities, financial consultancy, brokerage, underwriting, portfolio management and securities research.

1.1 The geographical locations and addresses of company branches are as under:

Head Office:	Room No. 114, South Tower, Lse Plaza, 19- Khayaban-e-Aiwan-e-iqbal, Lahore.
Faisalabad Branch:	Room No. 520, 5th Floor state life Building, Civil Line , Faisalabad.
Gujranwala Branch:	29/b Near faiza-e-Madina Masjid, GT Road, Gujranwala.

2 SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

All significant transactions and events that have affected the Company's statement of financial position and performance during the year have been adequately disclosed in the notes to these financial statements.

3 BASIS OF PREPARATION

3.1 Statement Of Compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards ("IFRS" or "IFRSs") issued by the International Accounting Standards Board ("IASB") as are notified under the Companies Act, 2017, provisions of or directives issued under the Companies Act, 2017, and Securities Brokers (Licensing and Operations) Regulations 2016 (the "Regulations"). In case requirements differ, the provisions or directives of the Companies Act, 2017 and/or the Regulations shall prevail.

3.2 New amended standards and interpretations

Standards, amendments to published standards and interpretations effective in current year

The Company has adopted the following revised standards and amendments of IFRSs which became effective for the current year.

Effective date:

(a) **IAS 1 & 8 Definition of material** — **January 1, 2021**

Amendments to IAS 1, 'Presentation of Financial Statements' and IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgement when preparing their general purpose financial statements in accordance with IFRS Standards. Refined definition of materiality - Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

The other new standards, amendments to approved accounting standards and interpretations that are mandatory for the financial year beginning on April 1, 2020 are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations.

Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Company.

The following new standards and amendments to approved accounting standards are not effective for the financial year beginning on July 1, 2020 and have not been early adopted by the Company:

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(a)	**IFRS 16 Leases – Rent concessions**	**Effective date: June 1, 2020**

Under IFRS 16, rent concessions often met the definition of a lease modification, unless they were envisaged in the original lease agreement. The amendment exempts lessees from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and allows lessees to account for such rent concessions as if they were not lease modifications. It applies to COVID-19-related rent concessions that reduce lease payments due on or before June 30, 2021. This optional exemption gives timely relief to lessees and enables them to continue providing information about their leases that is useful to investors. The amendment does not affect lessors.

(b)	**IAS 37 Onerous contracts**	**Effective date: January 1, 2022**

Under IAS 37 'Provisions, Contingent Liabilities and Contingent Assets', a contract is 'onerous' when the unavoidable costs of meeting the contractual obligations – i.e. the lower of the costs of fulfilling the contract and the costs of terminating it – outweigh the economic benefits. The amendments clarify that the 'costs of fulfilling a contract' comprise both the incremental costs – e.g. direct labour and materials; and an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.

(c)	**IAS 16 Proceeds before an asset's intended use**	**Effective date: January 1, 2022**

Amendment to IAS 16 'Property, Plant and Equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss. The amendments apply retrospectively, but only to items of PPE made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendments.

There are number of other standards, amendments and interpretations to the approved accounting standards that are not yet effective and are also not relevant to the Company and therefore, have not been presented here.

4 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention, except:

- Investments in quoted equity securities (whether classified as financial assets measured at fair value through profit or loss, or through other comprehensive income or amortised cost) and
- Derivative financial instruments, which are marked-to-market as appropriate under relevant accounting and reporting standards.

5 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupee, which is the Company's functional and presentation currency. All amounts have been rounded to the nearest rupee, unless otherwise indicated.

6 USE OF ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods in other cases. Judgments made by management in the application of approved accounting standards that may have a significant effect on the financial statements and estimates with significant risk of material adjustment in the next year are discussed in respective policy notes. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

6.1 Depreciation method, rates and useful lives of property and equipment

The management of the Company reassesses useful lives, depreciation method, and rates for each item of property, plant and equipment annually by considering expected pattern of economic benefits that the Company expects to derive from those items.

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6.2 Taxation

The Company takes into account income tax law and decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by tax department at the assessment stage and where the Company considers that its view of items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

6.3 Provisions

Provisions are based on best estimate of the expenditure required to settle the present obligation at the reporting date, that is, the amount that the Company would rationally pay to settle the obligation at the reporting date or to transfer it to a third party.

6.4 Expected credit losses

The Company recognizes an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

7 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

7.1 Property, plant and equipment

Items of property and equipment are stated at cost less accumulated depreciation (if any) and impairment losses (if any). Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Where such subsequent costs are incurred to replace parts and are capitalized, the carrying amount of replaced parts is derecognized. All other repair, maintenance and day-to-day servicing expenditures are charged to the profit and loss account during the year in which they are incurred.

Depreciation on all items of property and equipment is calculated using the reducing balance method, in accordance with the rates specified in note 8 to these financial statements and after taking into account residual value, if material. Residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. Depreciation is charged on an asset from when the asset is available for use until the asset is disposed off.

An item of property and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Any gain or loss arising on asset derecognition (calculated as the difference between net disposal proceeds and the carrying amount of the asset) is included in the profit and loss account in the year in which the asset is derecognized.

The Company reviews the useful life and residual value of property, plant and equipment on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on depreciation charge and impairment.

7.2 Intangible assets

Intangible assets with indefinite useful lives, including Trading Right Entitlement Certificate ("TREC"), are stated at cost less accumulated impairment losses, if any. An intangible asset is considered as having an indefinite useful life when, based on an analysis of all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company. An intangible asset with an indefinite useful life is not amortized. However, it is tested for impairment at each balance sheet date or whenever there is an indication that the asset may be impaired. Gains or losses on disposal of intangible assets, if any, are recognized in the profit and loss account during the year in which the assets are disposed of.

7.3 Financial instruments

Recognition

A financial instrument is recognized when the Company becomes a party to the contractual provisions of the instrument.

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Financial assets

(i) Initial Measurement

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value, amortised cost or cost as the case maybe.

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 amortized cost.

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

(ii) Subsequent Measurement

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

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

- **Financial assets at FVTPL:** These assets are subsequently measured at fair value. Net gains and losses, including any interest / mark-up or dividend income, are recognized in 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 gains and losses and impairment are recognized in the statement of profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or 'at fair value through profit or loss' (FVTPL). 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 gains and losses, including any interest expense, are recognized in the statement of profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit or loss. Any gain or loss on de-recognition is also 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 substantially modified.

De-recognition

(i) Financial assets

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to statement of changes in equity.

(i) Financial liabilities

The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any noncash assets transferred or liabilities assumed, is recognised in the statement of profit or loss and other comprehensive income.

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Regular way purchases or sales of financial assets

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention on the market place. Regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

Derivatives

Derivative instruments held by the Company comprise of future and forward contracts in the capital and money markets. These are stated at fair value at the date of statement of financial position. The fair value of the derivatives is equivalent to the unrealised gain or loss from marking the derivatives using prevailing market rates at the date of statement of financial position. The unrealised gains are included in other assets while unrealised losses are included in other liabilities in the statement of financial position. The corresponding gains and losses are included in the statement of profit or loss.

Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

7.4 Leases

For contracts entered into, or modified, on or after January 1, 2019: the Company assesses whether a contract contains a lease or not at the inception of a contract. The Company reassesses whether a contract is, or contains, a lease further when the terms and conditions of the contract are modified.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain to not to exercise that option.

The Company reassesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the Company and affects whether the Company is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in the determination of the lease term.

The Company revises the lease term if there is a change in the non-cancellable period of a lease.

7.1.1 [illegible]

Recognition

The Company recognizes a right-of-use asset and a lease liability at the commencement date. A commencement date is the date on which the lessor makes an underlying asset available for use by the lessee (the Company).

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of all underlying assets that have a lease term of 12 months or less and leases for which the underlying asset, when new, is of low-value as per the threshold set by the Company. The Company recognizes the lease payments associated with these leases as an expense on straight-line basis over the lease term.

Initial measurement

Lease liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not yet paid. The lease payments are discounted using the interest rate implicit in the lease, or the Company's incremental borrowing rate if the implicit rate is not readily available. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments comprise fixed payments less any lease incentives receivable; variable lease payments that depend on an index or a rate; amounts expected to be payable by the Company under residual value guarantees; the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease.

[illegible]

The Company initially measures the right-of-use asset at cost. This cost comprises the amount of lease liability as initially measured, plus any lease payments made on or before the commencement date, less lease incentives received, [illegible] dismantling or other site restoration costs required [illegible]

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Subsequent measurement

Lease liability

After the commencement date, the Company re-measures the lease liability to reflect the affect of interest on outstanding lease liability, lease payments made, reassessments and lease modifications etc. Variable lease payments [illegible] in the measurement of the lease liability and interest on lease liability are recognized in the statement of [illegible] account, unless these are included in the carrying amount of another asset.

Lease [illegible] apportioned between the finance charges and reduction of the lease liability using the incremental [illegible] implicit in the lease to achieve a constant rate of interest on the remaining balance of the liability.

Right-of-use asset

After the [illegible] date, the Company measures the right-of-use asset at cost less accumulated depreciation

and accumulated [illegible] impairment losses, if any, adjusted for any remeasurement of the lease liability.

The Company [illegible] the cost of right-of-use asset, net of residual value, from the commencement date to the earlier of the [illegible] useful life of the right-of-use asset or the end of the lease term. However, if the lease contract [illegible] ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise the purchase option, the Company depreciates the right-of-use [illegible] from the commencement date to the end of the useful life of the underlying asset.

7.5 Impairment

7.5.1 Financial [illegible]

The Company [illegible] that are subject to the impairment requirements of IFRS 9 are trade receivables, advisory [illegible] receivable.

The Company [illegible] IFRS 9 'Simplified Approach' to measuring expected credit losses which uses a lifetime expected [illegible] allowance for all above mentioned financial assets. The Company measures expected credit losses in a way [illegible] unbiased and probability-weighted amount, time value of money and reasonable and supportable information at the reporting date about the past events, current conditions and forecast of future economic [illegible]. The Company recognises in profit and loss account, as an impairment loss, the amount of expected [illegible] that is required to adjust the loss allowance at the reporting date.

7.5.2 Non-financial [illegible]

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of [illegible]ment. If such an indication exists, the asset's recoverable amount - defined as the higher of the asset's [illegible] value-in-use (present value of estimated future cash flows using a [illegible] rate that reflects current market assessments of the time value of money and asset-specific [illegible] the extent of the impairment loss.

Impairment [illegible] prior periods are assessed at each reporting date to determine whether there are any indications [illegible] decreased or no longer exists. An impairment loss is reversed if there has been a change in [illegible] used to determine the recoverable amount. An impairment loss is reversed only to the extent [illegible] amount of the asset (or CGU) that would have been determined (net of depreciation / amortization [illegible] impairment loss been recognized.

7.6 Trade debts and [illegible]

Financial assets

These are classified [illegible] amortized cost and are initially recognized when they are originated and measured at fair value of consideration [illegible] written off when there is no reasonable expectation of recovery. Actual credit loss experience [illegible] the calculation of expected credit loss.

Non-financial [illegible]

These, both [illegible] subsequently, are measured at cost.

Trade debts and [illegible]

Trade debts and [illegible] are stated initially at amortised cost using the effective interest rate method. Provision is made on the [illegible] that result from all possible default events over the expected life of the trade debts and other receivables. [illegible] written off when considered irrecoverable.

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7.7 **Income tax**

Current

Provision for current taxation is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using rates enacted or substantively enacted at the reporting date, and takes into account tax credits, exemptions and rebates available, if any. The charge for current tax also includes adjustments, where necessary, relating to prior years which arise from assessments framed / finalized during the year. The charge for current tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Deferred

Deferred tax is recognized using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is calculated using rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax liabilities are recognized for all taxable temporary differences. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefits will be realized. Deferred tax is not recognized on temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences arising on the initial recognition of goodwill.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

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

The Company takes into account current income tax law and decisions taken by tax authorities. In instances where the Company's views differ from the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the relevant amounts are disclosed as contingent liabilities.

7.8 **Cash and cash equivalents**

Cash and cash equivalents are carried at cost and include cash in hand, balances with banks in current and deposit accounts, stamps in hand, other short-term highly liquid investments with original maturities of less than three months and short-term running finances.

7.9 **Share capital**

Ordinary shares are classified as equity and recognised at their face value.

7.10 **Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. The amount recognized represents the best estimate of the expenditure required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

7.11 **Borrowings**

These are recorded at the proceeds received. Finance costs are accounted for on accrual basis and are disclosed as accrued interest / mark-up to the extent of the amount unpaid at the reporting date.

7.12 **Borrowing costs**

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

7.13 **Revenue recognition**

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of any direct expenses. Revenue is recognized on the following basis:

- Brokerage and commission income is recognized when brokerage services are rendered.
- Dividend income is recognized when the right to receive the dividend is established.

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- Underwriting [illegible] is recognized [illegible] the agreement is executed. Take-up commission is recognized [illegible] the commitment is fulfilled.
- Return on [illegible] is recognized using the effective interest method.
- Income on [illegible] investments is recognized using the effective interest method.
- Gains / (losses) arising on sale of investments are included in the profit and loss account in the period in which they arise.
- Unrealized capital gains / (losses) arising from marking to market financial assets classified as financial assets at fair value through profit or loss are included in profit and loss during the period in which they arise.
- Income / profit on exposure deposits is recognized using the effective interest rate.

7.14 Foreign currency transactions and translation

Monetary assets and liabilities in foreign currencies are translated into functional currency at the rates of exchange prevailing at the [illegible] date. Transactions in foreign currencies are translated into functional currency at the rates of exchange prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in income.

7.15 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted and recorded at rates that are not less than [illegible]

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8 PROPERTY AND EQUIPMENT

		2021	2020
		---------Rupees---------	
Operating fixed assets	8.1	**8,049,748**	4,289,495
Advance paid for the purchase of room in LSE tower		**4,178,808**	4,178,808
Advance for the purchase of vehicle		-	1,900,000
		12,228,556	10,368,303

8.1 Operating fixed assets

	Owned Assets					Right of use assets	Total
	Furniture and fixtures	Office equipment	Computer accessories	Vehicles	Total	vehicles	
				Rupees			
Year ended 30 June 2020							
Opening net book value	322,001	372,035	132,386	9,468,728	10,295,149	3,765,883	14,061,033
Additions at cost	204,560	1,489,125		-	1,693,685	-	1,693,685
Disposals:							
Cost		-	-	(11,538,500)	(11,538,500)	(4,964,792)	(16,503,292)
Accumulated depreciation	-		-	4,043,051	4,043,051	2,988,775	7,031,826
	-	-		(7,495,449)	(7,495,449)	(1,976,017)	(9,471,466)
Depreciation charge	(58,690)	(158,588)	(26,477)	(1,059,053)	(1,309,811)	(683,946)	(1,993,757)
Closing net book value	460,865	1,702,572	105,909	914,228	3,183,574	1,105,920	4,289,495
At 30 June 2020							
Cost	1,647,967	2,926,936	1,928,168	1,150,000	7,653,072	1,728,000	9,381,073
Accumulated depreciation	(1,187,102)	(1,224,364)	(1,822,259)	(235,772)	(4,469,498)	(622,080)	(5,091,578)
Net book value	460,865	1,702,572	105,909	914,228	3,183,574	1,105,920	4,289,495
Year ended 30 June 2021							
Opening net book value	460,865	1,702,572	105,909	914,228	3,183,574	1,105,920	4,289,495
Additions-at cost	82,000	16,500	423,082	-	521,582	4,225,900	4,747,482
Transfer from leased to owned assets-at NBV				1,105,920	1,105,920	(1,105,920)	-
Depreciation charge	(102,164)	(171,265)	(71,267)	(404,030)	(748,726)	(238,503)	(987,229)
Closing net book value	440,701	1,547,807	457,724	1,616,118	4,062,350	3,987,397	8,049,748
At 30 June 2021							
Cost	1,729,967	2,943,436	2,351,250	2,255,920	9,280,574	4,847,980	14,128,555

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Accumulated depreciation	(1,289,266)	(1,395,629)	(1,893,526)	(639,802)	(5,218,224)	(860,583)	(6,078,807)
Net book value	440,701	1,547,807	457,724	1,616,118	4,062,350	3,987,397	8,049,748
Rate of depreciation per annum	**20%**	**10%**	**20%**	**20%**	-	**20%**	-

8.2 The leased vehicle is in the name of Chief Executive officer of the company, the vehicle will be transferred after the end of lease term in the name of company in accordance with the agreement between the CEO and the company.

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9 INTANGIBLE ASSETS

	Note	2021	2020
		----Rupees----	
PSX Trading Rights Entitlement Certificate ("TREC")	*9.1*	**2,500,000**	2,500,000
Impairment on TREC		**-**	-
		2,500,000	2,500,000
PMEX Trading Rights Certificate		**1,250,000**	1,250,000
		3,750,000	3,750,000

9.1 Pursuant to the Stock Exchange (Corporatization, Demutualization and Integration) Act, 2012, stock exchanges operating as guarantee limited companies were converted to public limited companies. Ownership rights in exchanges were segregated from the right to trade on an exchange. As a result of such demutualization and corporatization, the Company received shares of the relevant exchange and a Trading Rights Entitlement Certificate ("TREC") against its membership card.

The TREC has been recorded as an indefinite-life intangible asset pursuant to the provisions and requirements of IAS 38.There is no active market for determination of value of TREC. TREC has been valued at notional value of Rupees 2.5 million notified in PSX Rule Book. The TREC, which has been pledged with the PSX to meet Base Minimum Capital ("BMC") requirements, is assessed for impairment in accordance with relevant approved accounting standards.

10 LONG TERM INVESTMENT

	Note	2021	2020
		----Rupees----	
Unquoted Shares of LSE Financial Services Limited:			
Opening value as at 1st July 2020	*10.1*	**19,158,233**	18,314,258
Adjustment for remeasurement to fair value		**447,306**	843,975
Fair value at year-end		**19,605,539**	19,158,233

10.1 As a result of the demutualization and corporatization of stock exchanges as detailed in note 9.1, the Company received 843,975 shares of LSE Financial Services Limited. Of these, 60% (506,385 shares) were held in a separate Central Depository Company Limited ("CDC") sub-account, blocked until they are sold to strategic investors, financial institutions and/or the general public. The remaining shares (40% of total, or 337,590 shares) were allotted to the Company.

These shares are neither listed on any exchange nor are they actively traded. As a result, fair value has been estimated by reference to the latest break-up or net asset value per share of these shares notified by LSE Financial Services Limited (PKR 23.23 per share as at June 30, 2020). Remeasurement to fair value resulted in a Gain of PKR 447,306 (2020: Gain of PKR 843,975)

337,590 shares having fair value PKR 7,842,216 of LSE Financial Services Limited are pledged with the PSX to meet BMC requirements.

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		Note	2021	2020
			--------Rupees--------	
11	**LONG TERM DEPOSITS**			
	Deposit for second LSE tower		-	5,000,000
	Deposits for rooms in Faisalabad		-	1,000,000
	CDC membership deposit		**100,000**	100,000
	NCCPL membership deposit		**200,000**	200,000
	Trading deposits with PMEX		**625,745**	789,541
	Margin deposits with PSX		**187,800**	187,800
	Security deposit with PMEX		**750,000**	750,000
	DFC initiation deposit		**1,000,000**	1,000,000
	Other security deposits		**231,000**	351,000
			3,094,545	9,378,341

12 DEFERRED TAX-NET

	2021			
	At July 01, 2020	Recognised in Profit or Loss Account	Recognised in OCI	At June 30, 2021
Taxable temporary differences				
Accelerated tax depreciation allowance	21,920	244,391	-	266,311
	21,920	244,391	-	266,311
Deductible temporary differences				
Allowance for expected credit loss	4,883,318	(4,771,213)	-	112,105
Finance lease	224,698	(208,928)		15,770
Short-term investments	4,049,792	(3,460,696)		589,096
Tax credits / tax losses	824,820	4,987,166		5,811,986
	9,982,628	(3,453,671)	-	6,528,957
Deferred tax asset-net				**6,262,645**

	2020			
	At July 01, 2019	Recognised in Profit or Loss Account	Recognised in OCI	At June 30, 2020
Taxable temporary differences				
Finance Lease	843,660	(618,962)	-	224,698
	843,660	(618,962)	-	224,698
Deductible temporary differences				
Accelerated tax depreciation allowance	563,191	(541,271)	-	21,920
Allowance for expected credit loss	4,563,354	319,464	-	4,883,318
Short-term investments	-	4,049,792		4,049,792
Tax credits / tax losses	1,067,444	(242,624)	-	824,820
	6,194,489	3,585,361	-	9,779,850
Deferred tax asset-net				9,555,152
Deferred tax asset recognised to the extent of deferred tax liability				224,698
Unrecognised deferred tax asset				9,555,152
Deferred tax asset-net				-

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	Note	2021	2020
		--------Rupees--------	

13 TRADE DEBTS

Trade receivables from customers against trading activities

	Note	2021	2020
Considered good	*13.1 & 13.2*	**8,795,772**	12,011,269
Considered doubtful	*13.3*	**386,569**	16,839,029
		9,182,341	28,850,298
Less: Allowance for expected credit loss	*13.3*	**193,285**	16,839,029
		8,989,056	12,011,269

13.1 The Company recognized a provision for doubtful debts after consideration of a number of factors, including (but not limited to) an analysis of historical bad debt experience, aging of the receivables portfolio, expected future write-offs, the nature and quantum of collateral held and an assessment of specifically identifiable customer accounts considered at risk or uncollectible.
Trade receivables include PKR 1,986,787 (2020: PKR 611,955/-) receivable from related parties.

13.2 Age analysis of trade receivables from related parties

Name of related party	Amount not past due	Amount past due: Amount not past due	Past due 1 to 30 days	Past due 31 to 60 days	Past due 61 to 90 days	Past due 91 to 365 days	Past due 365 days	Total gross amount due
	-Rupees-							
Mrs. Javeria Khuram	1,986,787	-	-	-	-	-	-	1,986,787
	1,986,787	-	-	-	-	-	-	1,986,787

13.3 Movement in allowance for expected credit loss

	2021	2020
Opening balance (as at July 1, 2020)	**16,839,029**	15,737,429
(Reversal) / charged during the year	**(16,645,744)**	1,101,600
Closing balance (as at June 30, 2021)	**193,285**	16,839,029

14 ADVANCES-Considered good

	2021	2020
Staff advances - unsecured	**1,378,113**	903,000

15 TRADE DEPOSITS AND OTHER RECEIVABLES

	2021	2020
Clearing House Deposits (Reg. & Future)	**19,313,338**	15,600,000
Other receivable	**301,300**	71,920
	19,614,638	15,671,920

16 ADVANCE INCOME TAX

	2021	2020
Opening balance	**814,306**	532,083
Collected / paid during the year	**1,328,715**	282,223
Adjusted against tax liabilities	**(188,867)**	-
	1,954,154	814,306

16.1 Income tax assessments of the Company are deemed to be finalized as per tax returns filed up to tax year 2020. Tax returns are subject to further assessment under provisions of the Income Tax Ordinance, 2001 ("the Ordinance") unless selected for an audit by the taxation authorities.

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		2021	2020
	Note	--------Rupees--------	

17 SHORT TERM INVESTMENTS

Equity investment at fair value through profit or loss

No. of shares		Name of Scrip / Company	June 30. 2021		June 30. 2020	
June 30, 2021	June 30, 2020		Avg. cost	**Market value**	Avg. cost	Market value
200,000	-	Bank of Punjab	**1,669,235**	**1,680,000**	-	-
-	33,411	Din Textile Mills Limited	-	-	1,628,800	1,402,594
704,250	2,295,250	Dandot Cement Company Limited	**6,542,406**	**11,613,083**	21,298,532	17,710,863
-	15,0[illegible]	The Hub Power Company Limited	-	-	1,326,528	1,087,500
-	13	Maple Leaf Cement Factory Limited	-	-	431	-
5,000	5,000	AMZ Ventires Limited	-	-	-	-
1,288	1,288	[illegible] Steel Mills Limited Preference Shares	19,320	**45,209**	19,320	26,381
100	100	Al-Azhar Textile Mills Limited Freeze	-	-	-	-
180,500	1[illegible]0,500	[illegible] Pakistan Company Limited	4,285,057	-	4,285,098	-
4,000	4,[illegible]	[illegible] & Industrial Insurance Company Limited	-	-	-	-
200	200	[illegible] Securities Limited	**1,698**	**5,380**	1,698	1,400
289	289	Crescent [illegible] Products Limited	-	-	-	-
348,0[illegible]	348,[illegible]	[illegible] Industries Limited	-	-	-	-
2,1[illegible]	1,[illegible]	EFG Hermes Pakistan Limited	**39,843**	**56,175**	19,150	15,961
1,35[illegible]	1,[illegible]	[illegible] Investment Bank Limited	-	-	-	-
14,680	14,[illegible]	[illegible] Vohra & Company Limited	-	-	-	-
337,59[illegible]	337,[illegible]	[illegible] Services Limited	-	-	-	-
2	2	[illegible] Pakistan Stock Market Fund	-	-	-	-
69,[illegible]	69,[illegible]	[illegible] Mills Limited	-	-	-	-
12	12	[illegible] Chemical Industries Limited	-	-	-	-
200,0[illegible]	-	[illegible] Limited	9,543,423	**8,688,000**	-	-
141,[illegible]	-	[illegible] Mills Limited	**1,426,291**	**1,490,760**	-	-
100,0[illegible]	-	[illegible] Cement Company Limited	**11,709,608**	**11,792,000**	-	-
225,000	-	[illegible] Polymer & Chemicals Limited	**12,532,583**	**10,629,000**	-	-
32[illegible]	-	[illegible]	**17,702,424**	**16,344,250**	-	-
50,000	-	[illegible] Pakistan Limited	**214,136**	**361,000**	-	-
1[illegible]		[illegible] Gas Pipelines Limited	4,694,558	**4,858,000**	-	-
500,000		[illegible] Telecom Limited	1,193,638	**1,980,000**	-	-
3,509,453	3,306,877		71,574,221	**69,542,856**	28,579,557	20,244,698

17.1 Shares with fair value of PKR [illegible] (2020: PKR 1,087,500) have been pledged with PSX & LSE.

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		Note	2021	2020
			--------Rupees--------	
18	**CASH AND BANK BALANCES**			
	Cash in hand		**36,065**	8,600
	Cash at banks	*18.1*		
	Proprietary accounts		**738,759**	290,464
	Client accounts	*18.2*	**29,701,163**	21,029,240
			30,439,922	21,319,704
			30,475,987	21,328,304

18.1 The detail and bifurcation of cash balance at banks in current and saving accounts is as follows:

	Note	2021	2020
Cash at banks			
Current accounts		**745,450**	297,156
Savings accounts	*18.3*	**29,694,471**	21,022,548
		30,439,922	21,319,704

18.2 Clients' funds are segregated from the Company's own funds and held in designated bank accounts.

18.3 The return on these balances is 5.5% (2020: 6.5% to 11.25%) per annum on daily product basis.

19 SHARE CAPITAL

	2021	2020
19.1 Authorized capital		
150,000 (2020: 150,000) ordinary shares of PKR 1,000/- each.	**150,000,000**	150,000,000
19.2 Issued, subscribed and paid up share capital		
100,000 (2020: 100,000) ordinary shares of PKR 1,000/- each, issued for cash	**100,000,000**	100,000,000

19.3 Shareholders holding 5% or more of total shareholding

	Number of Shares		Percentage	
	2021	2020	**2021**	2020
Mr. Khurram Gulzar	**33,300**	33,300	**33%**	33%
Mr. Kamran Gulzar	**33,300**	33,300	**33%**	33%
Mr. Aman Ullah	**33,300**	33,300	**33%**	33%
	100,000	100,000	**100%**	100%

20 LONG TERM LOAN

	Note	2021	2020
Term Finance - Bank Alfalah Limited	*20.1*	-	11,273,491
Less: Current portion shown under current liabilities		-	(11,273,491)
		-	-

20.1 This term finance facility from Bank Alfalah Limited was restructured vide a compromise agreement dated 17th June 2013. The restructured amount as at that date is payable in 96 monthly instalments (through to May 2021). Mark-up was waived for a period of 5 years (up to May 2018), after which the outstanding balance carried mark-up at 6%, 7% and 8% (respectively by year) in each of the final three years until final settlement of the liability.

21 LIABILITY AGAINST ASSETS SUBJECT TO FINANCE LEASE

	2021	2020
Present value of minimum lease payments	**2,530,995**	331,098
Less: Current portion	**(1,224,252)**	(331,098)
	1,306,743	-
Minimum lease rentals payable:		
Within one year	**1,325,652**	350,997
After one year but within five years	**1,485,229**	-
After five years	**-**	-
	2,810,881	350,997
Less: Future financial charges	**(279,886)**	(19,899)
Net lease obligation	**2,530,995**	331,098

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		Note	2021	2020
			--------Rupees--------	

21.1 The Company has access to a lease finance facility from Dubai Islamic Bank Limited under the Islamic financing mode. The rentals against the facility are payable on monthly basis. The facility is secured against ownership of the leased vehicle in the name of Dubai Islamic Bank Limited.

22 CURRENT PORTION OF NON-CURRENT LIABILITIES

	Note	2021	2020
Term Finance - Bank Alfalah Limited	20	-	11,273,491
Liability against asset subject to finance lease	21	1,224,252	331,098
		1,224,252	11,604,589

23 DUE TO RELATED PARTIES

	Note	2021	2020
Mr. Khurram Gulzar	23.1	11,428,080	-
Mr Aman Ullah	23.2	16,500,000	-
		27,928,080	-

23.1 It represents short-term, unsecured and interest free amount received from Mr Khurram Gulzar, CEO of the company, to meet the working capital requirement.

23.2 It represents short-term unsecured and interest free amount received from Mr Aman Ullah, a shareholder of the company, to meet the working capital requirement.

24 SHORT-TERM BORROWINGS

	Note	2021	2020
Running Finance	24.1	-	42,681

24.1

Banker	Note	Rate	2021 ------Rupees------		2020 ------Rupees------	
			Sanctioned	Availed	Sanctioned	Availed
Summit Bank Ltd - RF-2	24.1.1	3 months KIBOR + 5 %	8,000,000	-	8,000,000	42,681

24.1.1 This running finance facility carries mark-up at three-months KIBOR plus 5% per annum, payable quarterly. This facility is secured against various residential properties owned by a Director of the Company as well as personal guarantees of all directors of the company.

25 TRADE AND OTHER PAYABLES

	Note	2021	2020
Trade creditors	25.1	43,933,161	32,070,854
Withholding tax payable		174,070	62,589
Commission incentive payable		2,089,676	-
Accrued and other payables	25.2	4,776,354	3,105,308
National clearing system payable		3,267,367	3,408,541
		54,240,627	38,647,292

25.1 It includes the amount of Rs 1,523,043(2020: Nil) Payable to the related parties in respect of their trading accounts

25.1 It includes an amount of Rs 418,868 (2020: 855,000) payable to Mr. Khurram Gulzar, Chief Executive Officer of the company, in respect of salary.

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	Note	2021	2020
		--------Rupees--------	

26 CONTINGENCIES AND COMMITMENTS

Commitments

There was no commitments of the company as at June 30, 2021 (2020: Nil)

Contingencies

The details of cases by and against the company which are currently subject to the legal proceedings are detailed below:

Name of the court, agency or authority	Description of the factual basis of the proceeding and relief sought	Principal parties	Date instituted
RTO (corporate) Lahore	The FBR has issued a notice to the company u/s 161 in respect of tax year 2018. The notice referring to the matter, that as being a prescribed person under sub-section (7) of section 153 of Income Tax Ordinance, 2001, company is required to deduct tax at source while making payments against purchases and services rendered. However, company has submitted the reply in detail and compliance with the notice has been made within due date. The case is still pending and is subject to further consideration and management of the company is expecting favourable outcome.	Value stock and commodities (pvt) Ltd. and Federal Board of Revenue.	February 25, 2019
RTO (corporate) Lahore	The FBR has issued a showcause notice u/s 122(9) read with section 122(5) of income tax ordinance, 2001. The company was previously selected for audit under section 214C of income tax ordinance, 2001, by the commisioner inland revenue RTO, Lahore and require the submission of documents. The required documents have been submitted by the company and the mattter is subject to hearing and pending.	Value stock and commodities (pvt) Ltd. and Federal Board of Revenue.	November 5, 2019
Corporate Tax Office (CTO) Lahore	The FBR has issued a showcause notice under Section 11(1) read with Section 26 and 33(1) of the Sales Tax Act, 1990. In the notice Assistant / Deputy Commissioner has required the Company to file the Sales Tax Returns for the period (December 2016 and January 2017 to August	Value stock and commodities (pvt) Ltd. and Federal Board of Revenue.	January 28, 2021

27 OPERATING REVENUE

	2021	2020
Brokerage income	43,678,884	12,067,098
Income from services	3,523,178	2,184,653
	47,202,062	14,251,751

28 OPERATING AND ADMINISTRATIVE EXPENSES

	2021	2020
Salaries, wages and benefits	16,281,076	7,330,869
Telephone, internet and other	277,303	311,298
Rent, rates and taxes	391,077	368,613
Printing and stationery	119,978	65,848
Postage and telephone	138,867	81,931
Travelling and conveyance	69,840	344,353
Legal and professional charges	952,340	179,635
Fee and subscription	442,500	183,641
Commission incentive expense	7,004,873	-
CDC / NCCPL / LSE charges	1,342,821	2,459,547
Provision for expected credit loss	-	1,101,600
Computer expenses	287,596	283,491
PMEX charges	103,025	232,025

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	Note	2021	2020
		--------Rupees--------	
Entertainment		336,383	148,321
Office expenses		1,261,052	797,879
Auditor's remuneration		300,000	300,000
Utilities		645,438	726,163
Charity & donation	27.1	1,840,000	1,310,000
Insurance		303,168	326,597
Miscellaneous expenses		1,162,792	772,239
Depreciation	8.1	987,229	1,993,756
		34,247,358	19,317,806

28.1 Out of total donations, donation amounting rupees one million is paid to Shaukat Khanum Memorial Hospital via cross cheque.

29 OTHER OPERATING INCOME / (EXPENSE)

	2021	2020
Income from financial assets		
Dividend income	815,783	697,718
Profit on deposits with banks	755,870	858,310
Mark up on exposure deposits	765,185	795,736
PMEX trading gain	-	2,939,535
Gain / (loss) on investments held for trading - unrealized	5,931,255	(7,936,199)
Gain / (loss) on investments held for trading - realized	8,628,281	(398,660)
Balances written off	(23,086,464)	(280,275)
Reversal of provision for expected credit loss	16,645,744	-
Income from non-financial asset		
Profit on sale of fixed assets	-	238,534
	10,455,655	(3,085,301)

30 FINANCE COST

	2021	2020
Mark-up on bank borrowings	895,158	1,323,812
Mark-up on lease finance facility	121,298	85,926
Bank charges	39,329	46,531
	1,055,786	1,456,269

31 TAXATION

	2021	2020
Current income tax		
Normal tax regime		
Prior year	(11,936)	(87,492)
Current year	708,031	183,637
Final tax regime	1,155,653	104,658
Deferred tax (income) / expense	(6,262,645)	5,350,830
	(4,410,898)	5,551,633

31.1 The provision for current tax represents minimum tax on revenue at the rate of 1.5%. Sufficient tax provision has been incorporated in these financial statements. Reconciliation of tax expense and product of accounting profit multiplied by tax rate is not required in view of applicability of minimum tax.

31.2 According to management, the tax provision made in the financial statements is sufficient. A comparison of last three years of income tax provision with tax assessment is presented below:

Tax year	Provison for taxation	Tax assessed
	----------Rupees----------	
2020	288,295	276,359
2019	162,744	75,252
2018	-	930,486

Differences in amounts provided and final assessments are due to interpretational and treatment differences.

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	Note	2021	2020
		--------Rupees--------	

32 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including benefits, to the chief executive and directors of the company are as follows:

	2021			2020		
	Chief Executive	Director	Executives	Chief Executive	Directors	Executives
	----------Rupees----------			----------Rupees----------		
Managerial remuneration	1,866,760	933,240	-	1,576,595	483,978	-
House rent allowance	556,695	178,306	-	573,405	176,022	-
Number of persons	1	1	-	1	1	-

32.1 The Chief Executive and Directors of the company are provided with free use of the company's owned and maintained cars.

32.2 Executives means an employee of the company other than the chief executive and directors whose basic salary exceeds Rs 1.2 million in a financial year.

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33 FINANCIAL INSTRUMENTS BY CATEGORY

The table below provides reconciliation of the line items in the Company's statement of financial position to the categories of financial instruments.

	At fair value 'through profit and loss'	Amortised Cost	At fair value 'through other comprehensive income'	Other financial liabilities
	--Rupees--			
30 June 2021				
Financial Assets				
Trade debts	-	8,989,056	-	-
Advances-considered good	-	1,378,113	-	-
Trade deposits and other receivables	-	19,614,638	-	-
Short-term investments	69,542,856	-	-	-
Cash and bank balances	-	30,475,987	-	-
Long term deposits	-	3,094,545	-	-
Long-term investment	-	-	19,605,539	-
	69,542,856	**63,552,339**	**19,605,539**	-
Financial Liabilities				
Trade and other payables	-	-	-	54,240,627
Accrued markup	-	-	-	213,995
Liability against assets subject to finance lease	-	-	-	1,306,743
Current portion of non-current liabilities				1,224,252
Due to related parties	-	-	-	27,928,080
	-	-	-	**84,913,697**
30 June 2020				
Financial Assets				
Trade debts	-	12,011,269	-	-
Loans and advances	-	902,000	-	-
Trade deposits and other receivables	-	15,671,920	-	-
Short-term investments	20,244,698	-	-	-
Cash and bank balances	-	21,328,304	-	-
Long-term deposits	-	9,378,341	-	-
Long- term investments	-	-	19,158,233	-
	20,244,698	59,292,834	19,158,233	-
Financial Liabilities				
Trade and other payables	-	-	-	38,647,292
Accrued mark-up	-	-	-	227,076
Short-term borrowings	-	-	-	42,681
Due to related parties	-	-	-	-
Current portion of long-term liabilities	-	-	-	11,604,589
Long-term financing	-	-	-	-
Liability against assets subject to finance lease	-	-	-	-
	-	-	-	50,521,638

None of the financial assets and financial liabilities have been netted off in the financial statements.

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34 FINANCIAL RISK MANAGEMENT

34.1 Financial risk factors

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

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

a) Market risk

Market risk means that the future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, equity prices and interest rates. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises of three types of risks: foreign currency risk, price risk and interest rate risk. The market risks associated with the Company's business activities are discussed as under:

I) Foreign currency risk

Foreign 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. As of the reporting date, the Company is not exposed to currency risk since there are no material foreign currency transactions and balances at the reporting date.

II) Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/ mark up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. Presently, daily stock market fluctuation is controlled by government authorities with cap and floor of 5%. The restriction of floor prices reduces the volatility of prices of equity securities and the chances of market crash at any moment. The Company manages price risk by monitoring the exposure in quoted securities and implementing the strict discipline in internal risk management and investment policies, which includes disposing of its own equity investment and collateral held before it led the Company to incur significant mark-to-market and credit losses. As of the reporting date the Company was exposed to equity risk since it had investments in quoted securities amounting to Rs. 59.9 million (2020: 20.2 million) and also because the company held collaterals in the form of equity securities against their debtor balances.

The carrying value of investments subject to equity price risk is based on quoted market prices as of the reporting date. Market prices are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, amount realized in the sale of a particular security may be affected by the relative quantity of the security being sold.

Sensitivity analysis

For the purpose of price risk sensitivity analysis it is observed that the benchmark PSX 100 Index has increased by almost 37.54% (2020: increased by 2%) during the financial year.

The table below summarizes company's equity price risk as of June 30, 2021 and 2020 and shows the effects of a hypothetical 10% increase and a 10% decrease in market prices as at the year end reporting dates. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worse because of the nature of markets and the aforementioned concentrations existing in Company's equity investment portfolio.

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	Fair value	Hypothetical price change	Estimated fair value after hypothetical changes in price	Hypothetical increase/(decrease) in shareholders equity	Hypothetical increase/(decrease) in profit/(loss) after tax
June 30, 2021	69,542,856	10% increase	76,497,142	(4,937,543)	(4,937,543)
		10% decrease	-	4,937,543	4,937,543
June 30, 2020	20,244,698	10% increase	22,269,168	1,437,374	1,437,374
		10% decrease	18,220,228	(1,437,374)	(1,437,374)

III) Interest rate risk

Interest / mark-up rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. Sensitivity to interest / mark up rate risk arises from mismatches of financial assets and liabilities that mature or re-price in a given period. The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The short term borrowing arrangements have variable rate pricing that is dependent on the Karachi Inter Bank Offer Rate (KIBOR) as indicated in respective notes.

At the reporting date, the interest rate profile of the company's significant interest bearing financial instruments was as follows:

	2021	2020	2021	2020
	Effective interest rate (%)		Carrying amounts (Rupees)	
Financial Assets				
Bank deposits - pls account	5.50%	6.5% to 11.25%	**29,694,471**	21,022,548
Financial liabilities				
Assets subject to finance lease		-	**2,530,995**	331,098
Short term borrowings- secured	7.36% to 12.36%	7.36% to 12.36%	-	42,681
Current portion of long term loan	6%	8%		11,273,491

b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral.

Exposure to credit risk

Credit risk of the Company mainly arises from deposits with banks and financial institutions, trade debts, short term loans, loan to related party, deposits 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 net worth and proper margins are collected and maintained from the clients. The management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful of recovery.

The Company's management, as part of risk management policies and guidelines, reviews clients' financial position, considers past experience, obtain authorized approvals and arrange for necessary collaterals in the form of equity securities to reduce credit risks and other factors. These collaterals are subject to market risk which ultimately affects the recoverability of debts. Further, credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings.

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

	Note	2021	2020
		(Rupees)	
Long-term deposits		**3,094,545**	9,378,341
Trade debts	34.1.1 & 34.1.2	**9,182,341**	28,850,298
Advances - considered good		**1,378,113**	903,000
Short term deposits		**19,614,638**	15,671,920

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Bank balances	**30,439,922**	21,319,704
	63,709,559	76,123,263

34.1.1 Trade debts were due from local clients.

34.1.2 The aging analysis of the total receivable from clients as at the reporting date is as follows

	2021	2020
Not past due	**4,754,748**	961,050
Past due 1 day - 30 days	**1,423,438**	2,496,429
Past due 31 days - 180 days	**2,493,142**	-
Past due 181 days - 365 days	**511,013**	1,012,721
More than one year	**-**	24,380,098
	9,182,341	28,850,298

Due to the Company's long standing business relationships with these counter parties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

The Company writes off a defaulted financial asset when there remains no reasonable probability of recovering the carrying amount of the asset through available means.

34.1.3 The credit quality of Company's bank balances can be assessed with reference to external credit ratings as follows:

		June 30, 2021	
	Rating	**Rating**	
Bank	**Agency**	**Short term**	**Long term**
National Bank of Pakistan	PACRA	A1+	AAA
Habib Metropolitan Bank Limited	PACRA	A1+	AA+
Allied Bank Limited	PACRA	A1+	AAA
MCB Bank Limited	PACRA	A1+	AAA
Summit Bank Limited	VIS	Suspended	Suspended
Bank Al-Habib Limited	PACRA	A1+	AAA
Dubai Islamic Bank Pakistan Limited	VIS	A-1+	AA
Askari Bank Limited	PACRA	A1+	AA+
Meezan Bank Limited	VIS	A-1+	AAA

c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations, settled by delivering cash or another financial asset, as they fall due. Prudent liquidity risk management requires the maintenance of sufficient cash and marketable securities, the availability of adequate funds through committed credit facilities and the ability to close out market positions due to the dynamic nature of the business and the industry it operates in. The Company finances its operations through equity and, as and when necessary, borrowings, with a view to maintaining an appropriate mix between various sources of financing.

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

	As at June 30, 2021		
Financial liabilities	Carrying amount	Within one year	**More than one year**
Trade and other payables	54,240,627	54,240,627	-
Accrued mark-up	213,995	213,995	-
Short-term borrowings	-	-	-
Due to related parties	27,928,080	27,928,080	
Finance lease liability	2,530,995	1,224,252	1,306,743
	84,913,697	**83,606,954**	**1,306,743**

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Financial liabilities	As at June 30, 2020		
	Carrying amount	Within one year	More than one year
Trade and other payables	38,647,292	38,647,292	-
Accrued mark-up	227,076	227,076	-
Short-term borrowings	42,681	42,681	-
Long-term financing	11,273,491	11,273,491	-
Finance lease liability	331,098	331,098	-
	50,521,638	50,521,638	-

The Company does not expect that the timing or quantum of cash flows outlined in the table above will change significantly, and as a result expects to be able to fulfil its obligations as they come due.

35 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the amount that would be received on the sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the company is a going concern without any intention or requirement to materially curtail the scale of its operations or to undertake a transaction on adverse.

Various judgments and estimates are made in determining the fair value of financial instruments that are recognized and measured at fair value in the Company's financial statements. To provide an indication about the reliability of inputs used in determining fair value, financial instruments have been classified into three levels as prescribed under accounting standards. An explanation of each level follows the table.

	Level I	Level II	Level III	Total
Recurring FV Measurement as at June 30, 2021				
Long-term investment - at FVOCI		19,605,539.00		19,605,539
Short-term investments - at FVTPL	69,542,856	-		69,542,856
				89,148,395
Recurring FV Measurement as of June 30, 2020				
Long-term investment - at FVOCI		19,158,233.00		19,158,233
Short-term investments - at FVTPL	20,244,698			20,244,698
				39,402,931

In the fair value hierarchy in the preceding table, inputs and valuation techniques are as follows:

- Level 1: Quoted market price (unadjusted) in an active market
- Level 2: Valuation techniques based on observable inputs
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

There were no transfers into or out of Level 1 measurements.

36 CAPITAL RISK MANAGEMENT

The Company's objective in managing capital is to ensure that the Company is able to continue as a going concern so that it can continue to provide adequate returns to shareholders and benefits to other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. As well the Company has to comply with capital requirements as specified under the Securities Brokers (Licensing and Operations) Regulations, 2016 (as well as other relevant directives from regulatory bodies issued from time to time).

Consistent with others in the industry, the Company manages its capital risk by monitoring its debt levels and liquid assets, keeping in view future investment requirements.

36.1 DISCLOSURES UNDER THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN REGULATIONS NOTIFIED THROUGH [illegible]

Following additional disclosures not elsewhere disclosed in the Financial Statements are being provided to comply with the requirements of Central Depository Company of Pakistan Limited Regulations (Regulation No. 6.8.3).

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	2021	2020
	Rupees	
Total Assets	176,896,091	113,628,374
Less: Total Liabilities	86,777,380	50,722,441
Less: Revaluation Reserves (created upon revaluation of fixed assets)	-	-
Capital Adequacy Level	**90,118,711**	**62,905,933**

While determining the value of the total assets of the Company, the notional value as at June 30, 2021 of the TREC held by the Company as determined by the stock exchange has been considered.

36.2 NET CAPITAL BALANCE

Net capital requirements of the Company are set and regulated by Pakistan Stock Exchange Limited. These requirements are put in place to ensure sufficient solvency margins and are based on excess of current assets over current liabilities.

A. Description of Current Assets	**Basis of Accounting**		**Amount (Rupees)**
1 Cash in hand & Cash in bank	As per book value.		
Cash in hand		36,065	
Cash at bank-House Account		738,759	
Cash at bank-Client Account		29,701,163	
			30,475,987
2 Margin deposits			**19,313,338**
3 Trade receivables	Book value less those overdue for more than 14 days	9,182,341	
Less: Outstanding for more than 14 days		(809,327)	
			8,373,014
4 Investment in listed securities in the name of company	Securities on the Exposure List to Market	69,542,856	
Less: 15% discount		(10,431,428)	
Net investment			**59,111,428**
5 Securities purchased for client			456,728
			117,730,495
B. Description of Current Liabilities			
1 Trade payables	Book value less those overdue for more than 30 days	43,933,161	
Less: Overdue more than 30 days		(15,947,238)	
			27,985,923
2 Other liabilities	As classified under the Generally Accepted Accounting Principles.		57,484,714
			85,470,637
NET CAPITAL BALANCE			32,259,857

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36.3 LIQUID CAPITAL

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	12,228,556	100.00%	-
1.2	Intangible Assets	3,750,000	100.00%	-
1.3	Investment in Govt. Securities (150,000*99)	-	-	-
1.4	**Investment in Debt. Securities**			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	-	5.00%	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	7.50%	-
	iii. 10% of the balance sheet value in the case of tenure of more than 3 years.	-	10.00%	-
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	10.00%	-
	ii. 12.5% of the balance sheet value in the case of tenure from 1-3 years.	-	12.50%	-
	iii. 15% of the balance sheet value in the case of tenure of more than 3 years.	-	100.00%	-
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.	69,542,856	10,431,428	59,111,428
	ii. If unlisted, 100% of carrying value.	19,605,539	100.00%	-
1.6	Investment in subsidiaries	-	100.00%	-
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.		100.00%	-
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.	3,094,545	100.00%	-
1.9	Margin deposits with exchange and clearing house.	19,313,338	-	19,313,338
1.10	Deposit with authorized intermediary against borrowed securities under SLB.		-	-
1.11	Other deposits and prepayments	1,679,413	100.00%	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)	-	-	-
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	100.00%	-
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 included in the investments.)*	-	-	-
1.15	Receivables other than trade receivables	-	100.00%	-
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.*	-	-	-
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. *ii. Net amount after deducting haircut*	-	5.00%	-
	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*	6,114,434	-	6,114,434
	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*	2,520,023		2,520,023
	vi. 100% haircut in the case of amount receivable form related parties.	-	100.00%	-

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1.18	Cash and Bank balances			
	i. Bank balance-proprietory accounts	738,759	-	738,759
	ii. Bank balance-customer accounts	29,701,163	-	29,701,163
	iii. Cash in hand	36,065	-	36,065
1.19	Total Assets	168,324,691		117,535,210
2. Liabilities				
2.1	Trade Payables			
	i. Payable to exchanges [illegible]	-	-	-
	ii. Payable against [illegible]	-	-	-
	iii. Payable to customers	43,933,161	-	43,933,161
2.2	Current Liabilities	-		
	i. Statutory and regulatory dues	-	-	-
	ii. Accruals and other payables	10,521,462	-	10,521,462
	iii. Short-term borrowings	-	-	-
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	1,224,252	-	1,224,252
	vi. [illegible]	-	-	-
	vii. [illegible]	-	-	-
	viii. [illegible]	1,863,683	-	1,863,683
	ix. Other liabilities as per accounting principles and included in the financial statements	27,928,080	-	27,928,080
2.3	Non-Current Liabilities			
	i. Long-Term financing	-	-	-
	ii. Staff retirement benefits	-	-	-
	iii. Other liabilities as per accounting principles and included in the financial statements	-	-	-
2.4	Subordinated Loans	-	-	-
	[illegible] conditions specified by SECP are allowed to be deducted	-	-	-
2.5	**Total Liabilities**	**85,470,638**	-	**85,470,637**
3. Ranking Liabilities Relating to :				
3.1	Concentration in Margin Financing [illegible] by which any amount receivable from any of the financees exceed [illegible] amounts receivable from total financees	-	-	-
3.2	Concentration in securities lending and borrowing [illegible]	-	-	-
3.3	Net underwriting Commitments [illegible] less than or equal to the subscription price [illegible] [illegible] exceeds the market price of the [illegible] [illegible] is greater than the subscription [illegible] [illegible]	-	-	-
3.4	Negative equity of subsidiary [illegible] subsidiary [illegible] any amount due from the [illegible]	-	-	-
3.5	Foreign exchange agreements and foreign currency positions [illegible] position in foreign currency means the difference [illegible] liabilities denominated in foreign currency	-	-	-
3.6	Amount Payable under REPO	-	-	-
3.7	Repo adjustment [illegible] Repo less the 110% of [illegible] [illegible] collateral [illegible]	-	-	-

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3.8	**Concentrated proprietary positions**			
	If the market value of [illegible] between 25% and 51% of the total proprietary positions then 5% of the value [illegible] market of a security exceeds 51% of the proprietary [illegible]	-	-	-
3.9	**Opening Positions [illegible]**			
	i. In case of customer [illegible] requirements in respect of open postions less the amount of cash deposited [illegible] the customer and the value of securites held as collateral/ pledged with securities exchange after applyiong VaR haircuts	-	-	-
	ii. In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met	-	-	-
3.10	**Short sell positions**			
	i. Incase of customer [illegible] market value of shares sold short in ready market on behalf of customers [illegible] haircuts less the cash [illegible]	-	-	-
	ii. Incase of proprietary [illegible] value of shares sold short in ready market and not yet settled increased by [illegible] based haircut less the value of securities pledged as collateral after applying haircuts	-	-	-
3.11	**Total Ranking Liabilites**	-	-	-
		82,854,053	**Liquid Capital**	**32,064,573**

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37 RELATED PARTY TRANSACTIONS

The related parties of the Company comprise of shareholders/ directors, key management personnel, entities with common shareholding, entities over which the directors are able to exercise influence and entities under common directorship. Transactions with related parties and the balances outstanding at year end are disclosed in the respective notes to the financial statements.

37.1 Following are the related parties with whom the company had entered into transactions or have arrangement or agreement in place.

Name of related party	Relationship with the company	Aggregate % of shareholding
Mr. Khurram Gulzar	Shareholder / CEO	33%
Mr. Kamran Gulzar	Shareholder	33%
Mr. Aman Ullah	Shareholder	33%
Mrs. Javeria Khurram	Spouse of CEO	0%

37.2 The detail of related party transactions is as follows:

	June 30, 2021		June 30, 2021	
	Chief Executive Officer	Associates	Chief Executive Officer	Associates
	-----Rupees-----		-----Rupees-----	
Purchase of marketable securities for and on the behalf of	370,644,059	99,719,257	89,792,216	1,000
Sale of marketable securities for and on the behalf of	371,472,368	97,952,438	89,721,473	-
Brokerage income	11,138,554	1,563,624	1,900,000	-
Remuneration paid	2,423,455	-	2,150,000	
Rent paid	144,000	-	144,000	-
Loan obtained from related parties	11,428,080	16,500,000	-	-

38 EVENTS AFTER REPORTING PERIOD

No events occurred after the reporting period that would require adjustment or disclosure in the financial

39 NUMBER OF EMPLOYEES

	2021 Number	2020 Number
No. of employees as at June 30, 2021	27	17
Average number of employees during the year	25	12

40 RE-CLASSIFICATION AND RE-ARRANGEMENTS

Corresponding figures have been reclassified and re-arranged wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison, and in order to ensure compliance with disclosure requirements of the 5th Schedule to the Companies Act, 2017 and IFRSs.

41 GENERAL

Amounts have been rounded off to the nearest rupee, unless otherwise stated.

42 AUTHORIZATION

These financial statements were authorized for issue on Oct 02, 2021 by the Board of Directors of the Company.

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Value Stock & Commodities (Pvt) Ltd. MLSE 034

Chief Executive Officer

Director