

AM CHAUDHRY SECURITIES (PRIVATE) LIMITED

Un-audited Financial Statements

	Jan-21
	Rupees
574,282	149,201
2,382,000	2,79,000
20,470,000	
500,000	
21,826,282	

AM CHAUDHRY SECURITIES (PRIVATE) LIMITED

Un-audited Financial Statements

For the Year Ended December 31, 2021

AM CHAUDHRY SECURITIES (PRIVATE) LIMITED

Un-audited Statement of Financial Position

As at December 31, 2021

ASSETS	Note	Dec-21 Rupees	Jun-21 Rupees
Non-current assets			
Property and equipment	5	16,574,988	149,201
Intangible assets	6	2,500,000	2,500,000
Long term investments	7	20,533,913	20,533,913
Long term deposits	8	500,000	500,000
		40,108,901	23,683,113
Current assets			
Trade debts - net	9	240,893	209,706
Deposits, prepayments and other receivables	10	2,318,400	2,216,740
Income tax refundable	11	235,664	121,727
Cash and bank balances	12	11,247,981	6,751,669
		14,042,938	9,299,842
		54,151,838	32,982,955
EQUITY & LIABILITIES			
Share capital and reserves			
Issued, subscribed and paid-up capital	13	10,000,000	10,000,000
Unappropriated profit/(loss)		(7,826,365)	(6,907,058)
Share money deposit		32,882,568	-
Unrealized surplus / (deficit) on re-measurement of investments measured at FVOCI		16,094,162	16,094,162
Total equity		51,150,365	19,187,104
Non-current liabilities			
Long-term financing	14	-	11,182,568
		-	11,182,568
Current liabilities			
Trade and other payables	15	2,886,310	2,498,119
Provision for taxation	16	115,164	115,164
		3,001,474	2,613,282
Contingencies and commitments	17	-	-
		54,151,839	32,982,955

The annexed notes from 1 to 23 form an integral part of these financial statements.

Chief Executive Officer



Director

AM CHAUDHRY SECURITIES (PRIVATE) LIMITED

Un-audited Statement of profit and loss

For the year ended December 31, 2021

	Note	Dec-21 Rupees	Jun-21 Rupees
Operating revenue	18	1,365,425	2,714,505
Operating and administrative expenses	19	(2,308,783)	2,316,694
Operating profit / (loss)		(943,358)	397,811
Financial charges	20	(1,740)	6,732
Other income and losses	21	25,791	60,353
Profit / (loss) before taxation		(919,307)	451,432
Taxation	22	-	115,164
Profit/(loss) for the year		(919,307)	336,268
Earnings/(loss) per share - basic	23	0.00	3.36

The annexed notes from 1 to 23 form an integral part of these financial statements.

Chief Executive Officer




Director

AM CHAUDHRY SECURITIES (PRIVATE) LIMITED

Un-Audited Statement of Comprehensive Income

For the year ended June 30, 2022

	Note	Dec-21 Rupees	Jun-21 Rupees
Profit/(loss) for the year		(919,307)	336,268
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Unrealized gain / (loss) during the period in the market value of investments measured at FVOCI		-	928,373
Total comprehensive income/(loss) for the year		(919,307)	1,264,641

The annexed notes from 1 to 23 form an integral part of these financial statements.

Chief Executive Officer




Director

AM CHAUDHRY SECURITIES PRIVATE LIMITED
Un Audited Statement of Changes in Equity
For the year ended December 31, 2021

	Issued, subscribed and paid-up capital	Unappropriated profit/ (loss)	Unrealized surplus / (deficit) on re- measurement of investments measured at FVOCI	Total
Rupees.....			
Balance as at June 30, 2020	10,000,000	(7,243,327)	15,165,789	17,922,462
Total comprehensive income for the year				
Profit/Loss for the year	-	336,269		336,269
Other comprehensive income/(loss)	-	-	928,373	928,373
	-	336,269	928,373	1,264,642
Balance as at June 30, 2021	<u>10,000,000</u>	<u>(6,907,058)</u>	<u>16,094,162</u>	<u>19,187,104</u>
Total comprehensive income for the year				
Profit/(loss) for the year	-	(919,307)		(919,307)
Other comprehensive income/(loss)	-	-	-	-
	-	(919,307)	-	(919,307)
Balance as at December 31, 2021	<u>10,000,000</u>	<u>(7,826,365)</u>	<u>16,094,162</u>	<u>18,267,797</u>

The annexed notes from 1 to 23 form an integral part of these financial statements.

 Chief Executive Officer



[Signature]
 Director

AM CHAUDHRY SECURITIES PRIVATE LIMITED

Un-audited Statement of Cash Flows

For the year ended December 31, 2021

	Note	Dec-21 Rupees	Jun-21 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/Loss before taxation		(919,307)	451,432
Adjustments:			
Depreciation & Amortization		577,213	25,844
Provision for doubtful debts		-	35,025
Dividend income		(759,578)	(590,783)
		(182,365)	(529,914)
Operating loss before working capital changes		(1,101,672)	(78,482)
(Increase)/decrease in current assets			
Trade debts - net		(31,187)	57,339
Deposits Prepayments and other receivable		(101,660)	(2,216,740)
Increase/(decrease) in current liabilities			
Trade and other payables		388,192	(6,498)
		255,345	(2,165,899)
Cash (used in) operations		(846,327)	(2,244,381)
Dividends received		759,578	590,783
Taxes paid		(113,937)	(88,618)
		645,641	502,165
Net cash generated from / (used in) operating activities		(200,686)	(1,742,216)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment		(17,003,000)	(4,650)
Decrease / (increase) in long-term deposits		-	(100,000)
Net cash generated from / (used in) investing activities		(17,003,000)	(104,650)
CASH FLOWS FROM FINANCING ACTIVITIES			
Share money deposit		32,882,568	-
Proceeds from loan from Directors		(11,182,568)	1,100,000
Net cash generated from / (used in) financing activities		21,700,000	1,100,000
Net increase / (decrease) in cash and cash equivalents		4,496,314	(746,866)
Cash and cash equivalents at the beginning of the year		6,751,667	7,498,534
Cash and cash equivalents at the end of the year	12	11,247,981	6,751,667

The annexed notes from 1 to 23 form an integral part of these financial statements.

Chief Executive Officer



Director

5 PROPERTY PLANT & EQUIPMENT

	Cost			Accumulated Depreciation			Net book value as at December 31, 2021	Rate of dep %age	
	As at 1 July 2021	Additions	Disposals	As at December 31, 2021	As at 1 July 2021	For the Year 2021			Adjustments
Owned									
Furniture and fixtures	145,500			145,500	84,156	3,067	87,223	58,277	10%
Electrical installations	200,000			200,000	174,468	4,213	178,680	21,320	33%
Office equipment	140,998	3,000		143,998	78,674	3,266	81,940	62,058	10%
Vehicles		17,000,000		17,000,000	-	566,667	566,667	16,433,333	20%
	486,498	17,003,000		17,489,498	337,297	577,213	914,510	16,574,988	

	Cost			Accumulated Depreciation			Net book value as at 30 June 2021	Rate of dep %age	
	As at 1 July 2020	Additions	Disposals	As at 30 June 2021	As at 1 July 2020	For the Year 2021			Adjustments
Owned									
Furniture and fixtures	145,500	-		145,500	77,340	6,816	84,156	61,344	10%
Electrical installations	200,000	-		200,000	161,892	12,576	174,468	25,532	33%
Office equipment	136,348	4,650		140,998	72,222	6,452	78,674	62,324	10%
	481,848	4,650		486,498	311,453	25,844	337,297	149,201	

6 INTANGIBLE ASSETS

	Note	Dec-21 Rupees	Jun-21 Rupees
Trading Rights Entitlement Certificate ("TREC")	6.1	2,500,000	2,500,000
		<u>2,500,000</u>	<u>2,500,000</u>

- 6.1 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. As the TREC is not a commonly tradable instrument, the value approved by the Board of Directors of the Pakistan Stock Exchange Limited ("PSX") post-mutualization was used as the initial value of the intangible. 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.

7 LONG-TERM INVESTMENTS

Investments at fair value through OCI

LSE Financial Services Limited (unquoted) - opening	7.1	20,533,913	19,605,540
Adjustment for remeasurement to fair value		-	928,373
		<u>20,533,913</u>	<u>20,533,913</u>

- 7.1 As a result of the demutualization and corporatization of stock exchanges as detailed in note 6.1, 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

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 XXX / per share, compared to PKR 24.33 / per share as at June 30, 2021). Remeasurement to fair value resulted in a gain of PKR XXX (2021: PKR 928,373).

8 LONG-TERM DEPOSITS

National Clearing Company of Pakistan Limited		400,000	400,000
LSE Financial Services Limited		100,000	100,000
		<u>500,000</u>	<u>500,000</u>

9 TRADE DEBTS

Considered good	9.1	240,893	209,706
Considered doubtful		35,025	35,025
		<u>275,918</u>	<u>244,731</u>
Less: Provision for doubtful debts	9.2	(35,025)	(35,025)
		<u>240,893</u>	<u>209,706</u>

9.1 The Company holds client-owned securities with a total fair value of PKR XXX (2021: PKR 17,597,800) as collateral against trade debts. Refer to note 4.7 for details around the Company's methodology for computing estimated credit losses under the expected loss model under IFRS 9. Trade debts do not include any receivables from related parties.

9.2 Movement in provision against trade debts is as under:

Opening balance (as at July 1)
 Charged to profit and loss during the year

Amounts written off during the year
 Closing balance (as at Dec 31)

35,025	42,228
-	35,025
35,025	77,253
-	42,228
35,025	35,025

13.1 Authorized capital
 700,000 (2021: 700,000)

13.2 Issued, subscribed and paid up capital
 100,000 (2021: 100,000)

Name	Rate	Term
10%	12%	12%
12%	12%	12%
12%	12%	12%
12%	12%	12%
12%	12%	12%

10 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Receivable from NCCPL
Deposits prepayments and advances

Note	Dec-21 Rupees	Jun-21 Rupees
	72,900	21,240
	2,245,500	2,195,500
	<u>2,318,400</u>	<u>2,216,740</u>

11 INCOME TAX REFUNDABLE

Opening balance (as at July 1)
Add: Current year additions

Less: Adjustment against provision for taxation
Balance at the end of the year

	121,727	56,133
	113,937	88,618
	<u>235,664</u>	<u>144,751</u>
	-	(23,024)
	<u>235,664</u>	<u>121,727</u>

12 CASH AND BANK BALANCES

Cash in hand
Cash at bank
House Account
Client Account

	13	1,622
	8,070,903	4,344,189
12.1	3,177,065	2,405,858
	<u>11,247,981</u>	<u>6,751,669</u>

12.1 Cash at bank includes customers' assets in the amount of PKR XXX (2021: PKR 2,405,858) held in designated

13 SHARE CAPITAL AND RESERVES

13.1 Authorized capital

700,000 (2021: 700,000) ordinary shares of PKR 100 each.

<u>70,000,000</u>	<u>70,000,000</u>
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13.2 Issued, subscribed and paid-up share capital

100,000 (2021: 100,000) ordinary shares of PKR 100/- each, issued for cash

10,000,000	10,000,000
<u>10,000,000</u>	<u>10,000,000</u>

13.3 Shareholders holding 5% or more of total shareholding

Mr. ARIF MAJID CHAUDHRY
Mrs. NAZIA ARIF
MR. UMER ARIF,
Mrs. HIRA UMER

	Number of Shares		Percentage	
	2021	2021	2021	2021
	51,000	51,000	51%	51%
	24,500	24,500	25%	25%
	12,500	12,500	13%	13%
	12,000	12,000	12%	12%
	100,000	100,000	0%	100%

14 LOAN FROM DIRECTOR

From:

Banking companies - secured

Directors - unsecured

	-	-
14.1	-	11,182,568
	<u>-</u>	<u>11,182,568</u>

14.1 This represents an interest-free, subordinated loan extended to the Company by its Directors to meet working capital needs and regulatory capital requirements. The documented terms of the loan indicate that the loan is not repayable until after December 31, 2021. Repayment terms of the loan are such that discounted present value approximates proceeds received; accordingly, the loan has been recorded at proceeds received.

15 TRADE AND OTHER PAYABLE

Trade creditors

Accrued and other payables

15.1	2,101,378	1,781,274
	784,932	716,844
	<u>2,886,310</u>	<u>2,498,119</u>

15.1 This include amount of Rs. 0/- due to related parties.

	Note	Dec-21 Rupees	Jun-21 Rupees
16 PROVISION FOR TAXATION			
Balance at the beginning of the year		115,164	23,024
Add: Current year provision		-	115,164
		<u>115,164</u>	<u>138,188</u>
Less: Adjustment against advance tax		-	(23,024)
Balance at the end of the year		<u><u>115,164</u></u>	<u><u>115,164</u></u>
17 CONTINGENCIES AND COMMITMENTS			
17.1 There are no contingencies or commitments of the Company as at December 31, 2021 (2021: Nil).			
18 OPERATING REVENUE			
Brokerage income		605,847	2,123,723
Dividend income		759,578	590,783
		<u><u>1,365,425</u></u>	<u><u>2,714,505</u></u>
19 OPERATING & ADMINISTRATIVE EXPENSES			
Staff salaries, allowances and other benefits		930,000	1,075,000
Utilities		174,962	282,894
Postage and Telephone		34,170	72,110
Entertainment		11,319	15,537
Provision For Doubtful Debts		-	35,025
Auditors' remuneration	19.1	173,250	325,000
Repair and maintenance		2,860	9,950
Rent, rates and taxes		-	60,000
Printing and stationery		7,215	4,340
Fee and Subscription		213,280	60,000
NCCPL Charges		63,934	142,119
C.D.C charges		32,983	64,028
PSX Clearnig Charges		15,355	36,852
Miscellaneous expenses		72,242	107,995
Depreciation & Amortization	5	577,213	25,844
		<u><u>2,308,783</u></u>	<u><u>2,316,694</u></u>
19.1. Auditor's remuneration			
Statutory audit		173,250	250,000
Certifications and other charges		-	75,000
		<u><u>173,250</u></u>	<u><u>325,000</u></u>
20 FINANCIAL CHARGES			
Bank and other charges		1,740	6,732
		<u><u>1,740</u></u>	<u><u>6,732</u></u>
21 OTHER INCOME / LOSSES			
Income from financial assets			
Mark-up on:			
Bank balances		-	-

Income from non-financial assets/liabilities

Reversal of provision for doubtful debts
Miscellaneous income and recoveries

-	-
25,791	60,353
<u>25,791</u>	<u>60,353</u>

22. TAXATION

Current tax expense / (income)

for the year
prior years

-	115,164
-	-
<u>-</u>	<u>115,164</u>

The tax provision made in the financial statements is considered sufficient.

23. EARNINGS PER SHARE

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

Profit / (loss) after taxation, attributable to ordinary shareholders
Weighted average number of ordinary shares in issue during the year
Earnings per share

Dec-21 Rupees	Jun-21 Rupees
(919,307)	336,269
100,000	100,000
(9.19)	3.36

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

Chief Executive Officer



[Signature]
Director