	Note	2018 Rupees	Rupees

15.3 Shareholders holding 5% or more of total shareholding

	Number of Shares		Percentage	
	2018	2017	2018	2017
Mr. ARIF MAJID CHAUDHRY	51,000	51,000	51.00%	51.00%
Mrs. NAZIA ARIF	24,500	24,500	24.50%	24.50%
MR. UMER ARIF	12,500	12,500	12.50%	12.50%
Mrs. HIRA UMER	12,000	12,000	12.00%	12.00%

	Note	2018 Rupees	2017 Rupees
16 LOAN FROM DIRECTOR			
Receviable from Mr. Arif Majid Chaudhry		8,544,099	-
		8,544,099	-
17 TRADE AND OTHER PAYABLES	*Note*		
Trade creditors		1,360,054	3,601,088
Accrued expenses		102,990	71,587
Auditor's remuneration payable		250,000	254,531
		1,713,044	**3,927,206**
18 PROVISION FOR TAXATION			
Balance at the beginning of the year		61,265	33,256
Add: Current Year Provision		1,079	65,221
		62,344	98,477
Less: Adjustment against advance tax		-	(37,212)
Balance at the end of the year		62,344	61,265

19 CONTINGENCIES AND COMMITMENTS

19.1 There are no contingencies or commitments of the Company as at June 30, 2018 (2017: Nil)

	Note	2018 Rupees	2017 Rupees
20 OPERATING REVENUE			
Brokerage income	*20.1*	69,199	851,748
Dividend income		337,590	369,240
		406,789	1,220,988
20.1 Brokerage income by segment			
Proprietary / related party trades		-	-
Retail customers		69,199	851,748
Institutional customers		-	-
		69,199	851,748
21 OTHER INCOME			
Sundry / miscellaneous income		86,290	52,748
		86,290	52,748

		Note	2018 Rupees	Rupees
22	**ADMINISTRATIVE EXPENSES**			
	Staff salaries, allowances and other benefits		895,000	819,000
	Director's remuneration		-	-
	NCC Charges		47,337	12,405
	Rent and Rates		1,234	284
	C.D.C charges		62,752	61,878
	Printing and stationery		1,895	8,345
	Postage and Telephone		81,581	83,250
	Legal and professional		461	133,931
	Power ,Fuel and Lubicant		151,235	111,638
	Fee and Subscription		50,025	2,515
	Provision for doubtful debts		272,082	-
	Impairment loss on TREC	8.2	1,500,000	-
	PSX Clearnig Charges		-	5,352
	Entertainment		8,138	7,920
	Repair and maintenance		17,500	18,700
	Auditors' remuneration	22.1.	293,000	250,000
	Miscellaneous expenses		3,900	35,150
	Depreciation	6	30,279	38,271
			3,416,419	**1,588,639**

22.1. Auditor's remuneration

Statutory audit	250,000	250,000
Certifications and other charges	43,000	
	293,000	250,000

23	**FINANCIAL CHARGES**		
	Bank and other charges	25,434	4,502
		25,434	**4,502**

		Note	2018 Rupees	2017 Rupees
24	**TAXATION**			
	Provision made during the year for:			
	- current	10	1,079	8,517
	- prior year		-	3,956
	Dividend Income Tax		-	52,748
			1,079	65,221

25. 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	(2,949,852)	(384,626)
Weighted average number of ordinary shares in issue during the year	100,000	100,000
Earnings per share	**(29.50)**	**(3.85)**

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.

26. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including benefits, to the chief executive, directors and executives of the Company as per the terms of their employment are as follows:

	2018		2017	
	Remuneration	Number of persons	Remuneration	Number of persons
Chief Executive	-	1	-	1
Directors	-	3	-	3
Executives				

27 FINANCIAL INSTRUMENTS BY CATEGORY

	2018				
	Loans and receivables	**Available for sale**	**At fair value through profit and loss**	**At amortized cost**	**Total**
	Rupees				
ASSETS					
Non-current assets					
Long term investments	-	15,259,068			**15,259,068**
Long term deposits	500,000				**500,000**
Current assets					
Trade debts - net	198	-	-		**198**
Advances	-				-
Income tax refundable	99,826				**99,826**
Cash and bank balances	7,358,982				**7,358,982**
LIABILITIES					-
Current liabilities					
Trade and other payables				1,713,044	**1,713,044**
Provision for Taxation				62,344	**62,344**
Non-current liabilities					
Loan from directors				8,544,099	**8,544,099**

	2017				
	Loans and receivables	Available for sale	At fair value through profit and loss	At amortized cost	Total
	Rupees				
ASSETS					
Non-current assets					
Long term investments	-	4,439,750	-	-	**4,439,750**
Long term deposits	**780,000**				**780,000**
Current assets					
Trade debts - net	523,356	-	-	-	**523,356**
Advances	4,403,678	-	-	-	**4,403,678**
Income tax refundable	86,277	-	-	-	**86,277**
Cash and bank balances	6,158,395	-	-	-	**6,158,395**
LIABILITIES					
Current liabilities					
Trade and other payables	-	-	-	3,927,206	**3,927,206**
Provision for Taxation				**61,265**	**61,265**
Non-current liabilities					
Loan from directors	-	-	-	-	-

28 FINANCIAL RISK MANAGEMENT

28.1 Risk management framework

The Director / Chief Executive has overall responsibility for the establishment and oversight of the Company's risk management framework. He is also responsible for developing and monitoring the Company's risk management policies, which are monitored and assessed for effectiveness throughout the year. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and to establish internal control over risk. Through its training and management standards and procedures, the Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's activities are exposed to a variety of financial risks: market risk, credit risk and liquidity risk. The Company has established adequate procedures to manage each of these risks as explained below.

28.2 Market risk

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

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

28.2.1 Currency risk

Currency risk mainly arises where receivables and payables exist due to transactions with foreign undertakings. The Company is not exposed to major foreign exchange risk in this respect.

28.2.2 Interest rate risk

Yield risk is the risk of decline in earnings due to adverse movements of the yield curve. Interest rate risk is the risk that the value of the financial instruments will fluctuate due to changes in market interest rates. Sensitivity to interest / mark-up rate risk arises from mismatches or gaps in the amounts of interest / mark-up based assets and liabilities that mature or reprice in a given period. The Company manages this risk by matching the maturity / repricing of financial assets and liabilities through appropriate policies.

28.2.2 Price risk

Price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices, whether such changes are due to factors specific to individual financial instruments (including factors specific to issuers of such instruments) or due to macroeconomic or other factor affecting similar financial instruments being traded in the market.

The Company is exposed to price risk in respect of investments carried at fair value (whether as available-for-sale investments or as instruments at fair value through profit or loss). Such price risk comprises both the risk that price of individual equity investments will fluctuate and the risk that there will be an index-wide movement in prices. Measures taken by the Company to monitor, manage and mitigate price risk include daily monitoring of movements in stock indexes (such as the KSE 100 index) as well as of the correlation between the Company's investment portfolio with stock indexes.

28.3 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. Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political, or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk of the Company arises from deposits with banks and financial institutions, trade debts, loans and advances, investments and other receivables. The carrying amount of financial assets represents the maximum credit exposure, although this maximum is a theoretical formulation as the Company frequency holds collateral against potential credit losses.

Measures taken by management to manage and mitigate credit risk include:
- Development of and compliance with risk management, investment and operational policies / guidelines (including guidelines in respect of entering into financial contracts);
- Assignment of trading limits to clients in accordance with their net worth;
- Collection / maintenance of sufficient and proper margins from clients;
- Initial and ongoing client due diligence procedures, where clients' financial position, past experience and other factors are considered;
- Collection and maintenance of collateral if, as and when deemed necessary and appropriate;
- Diversification of client and investments portfolios; and
- Engagement with creditworthy / high credit rating parties such as banks, clearing houses and stock exchanges.

The Company continually monitors the quality of its debtor portfolio, both on an individual and portfolio basis, and provides against credit losses after considering the age of receivables, nature / quantum of collateral and debtor-specific factors (such as creditworthiness and repayment capacity).

The carrying amount of financial assets, which represents the maximum credit exposure before consideration of collateral and counterparty creditworthiness, is as specified below:

	2018	2017
Long-term investments	15,259,068	4,439,750
Short-term investments	-	
Trade debts (gross)	198	523,356
Cash at bank	7,358,982	6,158,395
	22618248	11121501

28.4 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, 2018		
Financial liabilities	**Carrying amount**	**Within one yea**	**More than one year**
Long term financing	-		
Short term borrowings	-		
Accrued markup	-		
Total	-	-	-

	As at June 30, 2017		
Financial liabilities	**Carrying amount**	**Within one year**	**More than one**
Long term financing	-		
Short term borrowings	-		
Accrued markup	-		
Total	-	-	-

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 fulfill its obligations as they come due.

29 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 regulating 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.

30 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 terms.

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 standads. An explanation of each level follows the table

Recurring FV Measurement as at June 30, 2018	Level I	Level II	Level III	Total
Long-term investment - available-for-sale	15,259,068			**15,259,068**

Recurring FV Measurement as at June 30, 2017	Level I	Level II	Level III	Total
Long-term investment - available-for-sale	4,439,750			**4,439,750**
Short-term investment - available-for-sale				
At fair value through profit and loss				

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

34 **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.

35 **EVENTS AFTER REPORTING PERIOD**

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

36 **NUMBER OF EMPLOYEES**

Total number of employees at the end of year was 3 (2017: 3). Average number of employees was 2 (2017: 2)

37 **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 in the 5th Schedule to the Companies Act, 2017.

38 CAPITAL ADEQUACY		**2018 Rupees**
Total Assets	***37.1***	25,956,023
Less: Total Liabilities		10,319,487
Less: Revaluation Reserves (created upon revaluation of fixed assets)		-
Capital Adequacy Level		***15,636,536***

37.1 While determining the value of the total assets of the Company, the notional value as at June 30, 2018 of the TREC held by the Company has been considered.

39 **GENERAL**

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

40 **AUTHORIZATION**

40.1 These financial statements were authorized for issue on octobrer 02,2018 by the Board of Directors of the Company.

Chief Executive

A.M CHAUDHRY SECURITIES (PVT) LTD. * TREC HOLDER *

A.M CHAUDHRY SECURITIES (PVT) LTD. * TREC HOLDER *

Director