BHAYANI SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	Note	Rupees Dec 24	Rupees June 24
ASSETS			
NON-CURRENT ASSETS			
Property & equipment	4	800,329	867,837
Intangible assets	5	2,500,000	2,500,000
Long term advances & deposits	6	1,440,000	1,440,000
		4,740,329	**4,807,837**
CURRENT ASSETS			
Trade receivables	7	109,073,123	35,511,517
Advances, deposits & other receivables	8	99,937,922	118,925,500
Short term investments	9	293,927,191	254,582,117
Cash & bank balances	10	101,383,360	64,390,135
		604,321,597	**473,409,269**
TOTAL ASSETS		**609,061,925**	**478,217,106**
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized Capital			
2,500,000 (2023: 2,500,000) ordinary shares of Rs. 100/- each		**250,000,000**	**250,000,000**
Issued, subscribed and paid-up capital	11	120,200,000	120,200,000
Unappropriated profit		361,063,604	306,128,170
		481,263,604	**426,328,170**
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred tax liability	12	2,113,821	2,113,821
		2,113,821	**2,113,821**
CURRENT LIABILITIES			
Trade payables		84,361,662	41,971,896
Short term borrowings	13	19,506,413	-
Accrued expenses & other liabilities	14	1,300,353	937,738
Taxation - net		20,516,073	6,865,481
		125,684,501	**49,775,115**
CONTINGENCIES AND COMMITMENTS	15	-	-
TOTAL EQUITY AND LIABILITIES		**609,061,925**	**478,217,106**

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The annexed notes from 1 to 28 form an integral part of these financial statements.

BHAYANI SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	Rupees Dec 24	Rupees June 24
REVENUE			
Operating revenue	16	51,263,606	60,934,737
Capital gain on disposal of securities		16,164,944	51,856,516
Unrealised gain on remeasurement of investment at fair value - through profit or loss		34,964,586	14,151,153
		102,393,136	**126,942,406**
Administrative expenses	17	(31,718,085)	(37,780,844)
Other charges	18	-	-
Other income	19	7,298,799	17,676,866
		(24,419,287)	**(20,103,979)**
Profit from operations		**77,973,850**	**106,838,427**
Finance cost	20	(600,000)	(1,479,405)
Profit before levy and income tax		**77,373,850**	**105,359,022**
Levy	21	-	(625,456)
Profit before income tax		**77,373,850**	**104,733,567**
Income Tax	22	(22,438,416)	(12,210,498)
Profit after income tax		**54,935,433**	**92,523,068**

The annexed notes from 1 to 28 form an integral part of these financial statements.

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BHAYANI SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	Rupees Dec 24	Rupees June 24
Profit after income tax		**54,935,433**	**92,523,068**
Other comprehensive income for the year		-	-
Total comprehensive income for the year		**54,935,433**	**92,523,068**

The annexed notes from 1 to 28 form an integral part of these financial statements.

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BHAYANI SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024

	Issued, subscribed & paid up capital	Unappropriated profit	Total
	Rupees	*Rupees*	*Rupees*
Balance as at June 30, 2023	120,200,000	213,605,102	333,805,102
Profit for the year	-	92,523,068	92,523,068
Balance as at June 30, 2024	120,200,000	306,128,170	426,328,170
Profit for the year	-	54,935,433	54,935,433
Balance as at Dec 31, 2024	120,200,000	361,063,604	481,263,604

The annexed notes from 1 to 28 form an integral part of these financial statements.

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4 PROPERTY AND EQUIPMENT

	Office equipments	Furniture and fixtures	Computer	Motor vehicle	Total
	(Rupees)	*(Rupees)*	*(Rupees)*	*(Rupees)*	*(Rupees)*
Net carrying value basis					
Year ended Dec 31, 2024					
Opening net book value	508,003	327,559	32,274	-	**867,837**
Additions during the year (at cost)	-	-	-	-	**-**
Disposals at net book value	-	-	-	-	**-**
Depreciation charge for the year	(38,100)	(24,567)	(4,841)	-	**(67,508)**
Closing net book value	**469,903**	**302,992**	**27,433**	**-**	**800,329**
Gross carrying value basis					
As at Dec 31, 2024					
Cost	5,239,907	4,830,705	5,592,866	-	**15,663,478**
Accumulated depreciation	(4,770,004)	(4,527,713)	(5,565,433)	-	**(14,863,149)**
Net book value	**469,903**	**302,992**	**27,433**	**-**	**800,329**
Net carrying value basis					
Year ended June 30, 2024					
Opening net book value	433,630	385,364	46,106	2,586,762	**3,451,862**
Additions during the year (at cost)	164,021	-	-	-	**164,021**
Disposals at net book value	-	-	-	(2,586,762)	**(2,586,762)**
Depreciation charge for the year	(89,648)	(57,805)	(13,832)	-	**(161,284)**
Closing net book value	**508,003**	**327,559**	**32,274**	**-**	**867,837**
Gross carrying value basis					
As at June 30, 2024					
Cost	5,239,907	4,830,705	5,592,866	3,290,000	**18,953,478**
Accumulated depreciation	(4,731,904)	(4,503,146)	(5,560,592)	(3,290,000)	**(18,085,641)**
Net book value	**508,003**	**327,559**	**32,274**	**-**	**867,837**
Rate of Depreciation (%)	**15**	**15**	**30**	**15**	

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	Notes	Rupees Dec 24	Rupees June 24

5 INTANGIBLE ASSETS

	Notes	Rupees Dec 24	Rupees June 24
Trading Right Entitlement Certificate - Pakistan Stock Exchange Limited	5.1	**2,500,000**	**2,500,000**

5.1 This represents Trading Right Entitlement Certificate (TREC) received from Pakistan Stock Exchange Limited in accordance with the requirements of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012. TREC has been recognized at cost less accumulated impairment losses.

6 LONG TERM ADVANCES & DEPOSITS

	Notes	Rupees Dec 24	Rupees June 24
National Clearing Company of Pakistan Limited		1,400,000	1,400,000
Deposit against office		10,000	10,000
Tenancy deposit		30,000	30,000
		1,440,000	**1,440,000**

7 TRADE RECEIVABLES

	Notes	Rupees Dec 24	Rupees June 24
Considered good		108,674,081	19,509,824
Considered doubtful		30,524	30,524
		108,704,605	**19,540,348**
Allowance for expected credit losses	7.1	(30,524)	(30,524)
		108,674,081	**19,509,824**
Receivable from National Clearing Company of Pakistan Limited		399,042	16,001,693
		109,073,123	**35,511,517**

7.1 Allowance for expected credit loss

	Notes	Rupees Dec 24	Rupees June 24
Opening balance		30,524	849,839
(Reversal of) / allowance for expected credit loss		-	(819,315)
Closing balance	7.1.1	**30,524**	**30,524**

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	Notes	Rupees Dec 24	Rupees June 24

8 ADVANCES, DEPOSITS & OTHER RECEIVABLES

	Notes	Dec 24	June 24
Deposit against exposure margin requirement	8.1	99,765,422	118,800,000
Income tax refundable			-
Advance to staff		172,500	125,500
Profit on exposure deposit receivable		-	-
Other Prepayments		238,864	-
		99,937,922	**118,925,500**

8.1 This represents deposit with National Clearing Company of Pakistan Limited against the exposure margin in respect of trade in future and ready market.

9 SHORT TERM INVESTMENTS

Investments at fair values through profit & loss

	Dec 24	June 24
Investment in securities of companies quoted in Pakistan Stock Exchange Limited	258,962,605	240,430,964
Unrealised gain on remeasurement of investment at fair value	34,964,586	14,151,153
Market value	**293,927,191**	**254,582,117**

10 CASH AND BANK BALANCES

	Notes	Dec 24	June 24
Cash in hand		41,472	839,361
Cash at bank			
in current accounts		1,639,988	20,585,204
in savings accounts	10.1	99,701,900	42,965,570
		101,383,360	**64,390,135**

10.1 The return on these balances is 17.5% to 20% (2023: 8% to 12%) per annum on daily product basis.

10.2 ***Bank balance pertains to:***

	Dec 24	June 24
Brokerage house	1,639,988	20,585,204
Clients	99,701,900	42,965,570
	101,341,888	**63,550,774**

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	Notes	Rupees Dec 24	Rupees June 24

11 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2024	2023		2024	2023
Number of shares				
357,500	357,500	Ordinary shares of Rs. 100 each fully paid in cash	35,750,000	35,750,000
844,500	844,500	Ordinary shares of Rs. 100 each issued for consideration other than in cash.	84,450,000	84,450,000
1,202,000	**1,202,000**		**120,200,000**	**120,200,000**

11.1 The shareholders are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry "one vote" per share without restriction.

12 DEFERRED TAX LIABILITY

Taxable temporary difference			
Unrealized gain on re-measurement of investment		2,122,673	2,122,673
		2,122,673	**2,122,673**
Deductible temporary difference			
Provision for expected credit losses		8,852	8,852
		8,852	**8,852**
Deferred tax liability		**2,113,821**	**2,113,821**

13 SHORT TERM BORROWINGS

Running finance obtained from Bank Al-Habib Limited	13.1	19,506,413	-
		19,506,413	**-**

13.1 The Company has obtained a renewed running financing facility from Bank Al-Habib Limited, with a sanctioned limit of Rs. 120 million (2023: Rs. 120 million). This facility is valid until October 31, 2027. The financing is secured through the pledge of marketable securities from the approved list of shares and the personal guarantees of Directors. Additionally, an equitable and token mortgage of the Directors' property has been provided as collateral.

The facility carries a mark-up at the rate of 3-month average KIBOR + 2.0%, with the base rate reviewed quarterly. The principal is a revolving line of credit, payable on demand, while the mark-up is serviced at the end of each calendar quarter.

14 ACCRUED EXPENSES & OTHER LIABILITIES

Accrued expenses	663,351	937,738
Payable to Clearing house	637,002	-
Profit payable to clients	-	-
	1,300,353	**937,738**

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	Notes	Rupees Dec 24	Rupees June 24

15 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as on June 30, 2024.

16 OPERATING REVENUE

	Notes	Rupees Dec 24	Rupees June 24
Brokerage commission including sales tax on services	16.1	56,320,124	64,022,529
Less: sales tax on services		(6,384,363)	(7,257,496)
Net brokerage commission excluding sales tax on services		**49,935,760**	**56,765,033**
Dividend income		1,327,846	4,169,704
		51,263,606	**60,934,737**

17 ADMINISTRATIVE EXPENSES

	Notes	Rupees Dec 24	Rupees June 24
Salaries, wages and other benefits		7,150,353	12,209,410
Directors' remuneration	17.1	-	6,900,000
Entertainment		118,613	84,387
Rent, rates and taxes		-	240,000
Computer, software and I.T. expenses		-	1,765,153
Utility charges		699,664	853,101
Auditors' remuneration	17.2	194,400	250,000
Telephone and communication charges		-	547,086
Dealers' commission		17,564,983	8,315,927
Legal and professional charges		272,335	54,500
Insurance		262,000	9,028
Service and transaction charges		3,600,651	5,051,755
Fee and subscriptions		83,175	169,598
Travelling and conveyance		25,100	1,950
Repair and maintenances		1,670,568	995,661
Printing and stationery		8,735	63,534
Vehicle running expenses		-	107,670
Depreciation		67,508	161,284
Penalty		-	-
Other expenses		-	800
		31,718,085	**37,780,844**

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	Notes	Rupees 2024	Rupees 2023
17.2 Auditors' remuneration			
Audit services			
Annual audit fee		175,000	150,000
Certifications		75,000	75,000
		250,000	**225,000**
Non-audit services			
Other services		-	-
		-	-
		250,000	**225,000**

18 OTHER CHARGES			
Allowance for expected credit loss		-	-
		-	-
19 OTHER INCOME			
Profit on deposit with banks		4,640,881	5,722,317
IPO commission		-	959
Profit on deposit against exposure margin requirements		2,657,917	9,645,330
Gain on disposal of vehicle		-	313,238
Reversal of expected credit loss		-	819,315
Recoveries from clients		-	1,143,866
Others		-	31,840
		7,298,799	**17,676,866**

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	Notes	Rupees Dec 24	Rupees June 24
20 FINANCE COST			
Markup on short term borrowings		600,000	1,412,859
Bank charges		-	66,546
		600,000	**1,479,405**
21 LEVY			
Final tax	**21.1**	-	625,456
		-	**625,456**

21.1 This represents final taxes paid under section 5 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/IAS 37.

	Notes	Rupees Dec 24	Rupees June 24
22 INCOME TAX			
Current			624,706
Prior			-
Deferred			(2,113,821)
		-	**(1,489,115)**

22.2 The aggregate of final tax and income tax, amounting to Rs. 12,835,954/- represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

22.3 The income tax returns of the Company have been filed up to tax year 2023 under the Universal Self Assessment Scheme. This scheme provides that the return filed is deemed to be an assessment order. The returns may be selected for audit within five years. The Income Tax Commissioner may amend assessment if any objection is raised during audit.

23 CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the reporting year as shown in the cash flow statement are reconciled to the related items in the balance sheet as follows:

	Rupees Dec 24	Rupees June 24
Short term running finance	(19,506,413)	-
Cash & bank balances	101,383,360	64,390,135
	81,876,947	**64,390,135**

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BHAYANI SECURITIES (PRIVATE) LIMITED
NOTES TO THE ACCOUNTS

1 CORPORATE AND GENERAL INFORMATION

1.1 Legal status and operations

Bhayani Securities (Private) Limited ('the Company') was incorporated in Pakistan as a private company on December 23, 2005 under the Companies Ordinance, 1984 (which has now been repealed by the enactment of the Companies Act, 2017 in May 2017). The Company is a Trading Right Entitlement Certificate Holder of the Pakistan Stock Exchange Limited. The registered office of the Company is situated at Office No. 512-514, Pakistan Stock Exchange Building, I.I. Chundrigar Road, Karachi, Pakistan. The principal activities of the Company are investments, share brokerage, inter-bank brokerage, Initial Public Offer (IPO) underwriting, advisory and consultancy services.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of, and directives issued under, the Companies Act, 2017.

Where the provisions of, and directives issued, under the Companies Act, 2017 differ from the IFRS Standards, the provisions of, and directive issued under, the Companies Act, 2017 have been followed.

2.2 Basis of measurement

Items in these financial statements have been measured at their historical cost except for short term investments in quoted equity securities which are carried at fair value.

2.3 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with approved financial reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of 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.

The 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 the revision and future periods if the revision affects both current and future periods.

2.5 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 01, 2023. However, these do not have any significant impact on the Company's financial reporting.

b) Standard and amendments to approved accounting standards that are not yet effective

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 01, 2024. However, these will not have any impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The summary of material accounting policies and methods of computations adopted in the preparation of these financial statements are same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2023.

3.1 Property and equipment

These are stated at cost less accumulated depreciation and impairment losses, if any. Cost include expenditures that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the carrying amount as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of profit or loss during the year in which they are incurred.

Depreciation is charged to statement of profit or loss applying the reducing balance method at the rates specified in note 4. Depreciation is charged when the asset is available for use till the asset is disposed off.

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

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each financial year end.

3.2 Intangible assets

Intangible assets having definite useful life are stated at cost less accumulated amortization and impairment losses, if any however, Intangible assets having indefinite life are stated at cost less impairment losses, if any.

Subsequent cost is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

Amortization is charged to the statement of profit or loss using reducing balance method over the estimated useful lives of intangible assets unless such lives are indefinite. Amortization on additions to intangible assets is charged from the month in which an asset is acquired or capitalized while no amortization is charged in the month in which the asset is disposed off.

All intangible assets with an indefinite useful life are systematically tested for impairment at each reporting date. Where the carrying amount of an asset exceeds its estimated recoverable amount it is written down immediately to its recoverable amount. The carrying amount of other intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exist than the assets recoverable amount is estimated. The recoverable amount is the greater of its value and fair value less cost to sell.

3.2.1 Trading Right Entitlement Certificate

This is stated at cost less impairment, if any. The carrying amount is reviewed at each balance sheet date to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds estimated recoverable amount, it is written down to its estimated recoverable amount.

3.2.2 Pakistan Mercantile Exchange - Membership card

Membership card represents corporate membership of Pakistan Mercantile Exchange with indefinite useful life. This is stated at cost less impairment, if any. The carrying amount is reviewed at each balance sheet date to assess whether this is in excess of its recoverable amount, and where the carrying value exceeds estimated recoverable amount, this is written down to its estimated recoverable amount.

3.2.3 Computer software

Expenditure incurred to acquire identifiable computer software and having probable economic benefits exceeding the cost beyond one year, is recognized as an intangible asset. Such expenditure includes the purchase cost of software (license fee) and related overhead cost.

Costs associated with maintaining computer software programs are recognized as an expense when incurred.

Computer software and license costs are stated at cost less accumulated amortization and any identified impairment loss and amortized through reducing balance method.

3.3 Investment property

Investment property is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises expenditure that is directly attributable to the acquisition of the asset including transaction costs.

Depreciation on investment property is charged using reducing balance method in accordance with the rates specified in note 6 to these financial statements. The useful life and depreciation method are reviewed and adjusted, if appropriate, at each reporting date.

3.4 Financial instruments

3.4.1 Financial assets - Initial recognition, classification and measurement

The Company recognizes a financial asset when and only when it becomes a party to the contractual provisions of the instrument evidencing investment.

The Company classifies its financial assets into either of following three categories:

(a) financial assets measured at amortized cost;

(b) financial assets measured at fair value through other comprehensive income (FVOCI); and

(c) financial assets measured at fair value through profit or loss (FVTPL).

(a) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it is held within business model whose objective is to hold assets to collect contractual cash flows, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(b) Financial assets at FVOCI

A financial asset is classified as at fair value through other comprehensive income when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(c) Financial assets at FVTPL

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income, as aforesaid. However, for an investment in equity instrument which is not held for trading, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the investment.

Such financial assets are initially measured at fair value.

3.4.2 Financial assets - Subsequent measurement

(a) Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses.

Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in the statement of profit and loss.

(b) Financial assets at FVOCI

These are subsequently measured at fair value less accumulated impairment losses.

A gain or loss on a financial asset measured at fair value through other comprehensive income is recorded in other comprehensive income, except in the case of impairment gains or losses and foreign exchange gains and losses. This recognition continues until the financial asset is either derecognised or reclassified. Upon derecognition, the cumulative gain or loss previously included in other comprehensive income is transferred from equity to profit or loss as a reclassification adjustment. Interest is calculated using the effective interest method and is recognised in profit or loss.

(c) **Financial assets at FVTPL**

These assets are subsequently measured at fair value.

Net gains or losses arising from remeasurement of such financial assets as well as any interest income accruing thereon are recognized in the statement of profit or loss. However, for an investment in equity instrument which is not held for trading and for which the Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the investment, such gains or losses are recognized in other comprehensive income. Further, when such investment is disposed off, the cumulative gain or loss previously recognised in other comprehensive income is not reclassified from equity to profit or loss.

3.4.3 Financial liabilities - Classification, subsequent measurement and gain and losses

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.

3.5 Impairment

3.5.1 Financial assets

The Company recognises loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and

- other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and quantitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial assets has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirely or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

3.5.2 Impairment of non-financial assets

The carrying amout of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any objective evidence that an assets or group of assets may be impaired. If any such evidence exists, the asset's or group of assets' recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of value in use and fair value less cost to sell. Impairment losses are recognized to the statement of profit or loss.

3.6 Derecognition

3.6.1 Financial assets

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfer the financial assets and substantially all the associated risks and reward of ownership to another entity. On derecognition of financial assets measured at amortized cost, the difference between the assets carrying value and the sum of the consideration received and receivable recognised in statement of 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 reclassified to statement of 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 statement of profit or loss, but is transferred to statement of changes in equity.

3.6.2 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 liabilities derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit or loss.

3.7 Off-setting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the financial statements if, and only if, there is a legally enforceable right to offset the recognized amounts and there is an intention either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

3.8 Trade and other receivables

These are carried at their transaction price less any allowance for lifetime expected credit losses. A receivable is recognized on the settlement date as this is the point in time that the payment of the consideration by the customer becomes due.

3.9 Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows includes cash in hand, balance with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts / short term borrowings. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

3.10 Trade and other payables

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

These are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

3.11 Taxation

Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

i) Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii) Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income taxes are not accounted for if they arise from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is measured using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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Deferred tax assets are recognised for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to utilise those temporary differences and unused tax losses and credits.

iii) Levies

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 12/IAS 37.

3.12 Provisions

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

3.13 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.14 Revenue recognition

Revenue is recognized to the extent that it is probable that the 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, consultancy, advisory fee and commission etc. are recognized as and when such services are provided.
- Income from bank deposits, reverse repo and margin deposits is recognized at effective yield on time proportion basis.
- Dividend income is recorded when the right to receive the dividend is established.
- 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 mark to market of investments classified as 'financial assets at fair value through profit or loss' are included in profit and loss account for the period in which they arise.
- Rental income from investment properties is recognized on accrual basis.
- Income on financial assets (including margin financing) is recognised on time proportionate basis taking into account effective / agreed rate of the instrument.
- Unrealised gains / (losses) arising from mark to market of investments classified as 'financial assets at fair value through other comprehensive income' are taken directly to other comprehensive income.

3.15 Mark-up bearing borrowings and borrowing costs

Mark-up bearing borrowings are recognized initially at fair value, less attributable transaction costs. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognised in the statement of profit or loss over the period of the borrowings on an effective interest basis.

Borrowing costs are recognised as an expense in the period in which these are incurred, except to the extent that they are directly attributable to the acquisition or construction of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) in which case these are capitalised as part of cost of that asset.

3.16 Restatement

During the year the Institute of Chartered Accountant of Pakistan (ICAP) have withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance - "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires certain amounts of tax paid under minimum tax (which is not adjustable against future income tax liability) and final tax regime to be shown separately as a levy instead of showing it in current tax.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) — 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the statement of financial position, the statement of changes in equity and the statement of cash flows as a result of this change.

	2024			2023		
	Had there been no change in accounting policy	**Impact of change in accounting policy**	**After incorporating effects of change in accounting policy**	**Had there been no change in accounting policy**	**Impact of change in accounting policy**	**After incorporating effects of change in accounting policy**
	Rupees					
Effect on statement of profit or loss						
Profit / (loss) before income tax	77,373,850	-	77,373,850	105,359,022	(625,456)	104,733,567
Levies - final tax	-	-	-	-	(625,456)	(625,456)
Income tax expense	(22,438,416)	-	(22,438,416)	(12,835,954)	625,456	(12,210,498)