

**PUNJAB CAPITAL SECURITIES
(PRIVATE) LIMITED**

**FINANCIAL STATEMENTS
06 Months (Un-Audited)**

For the 06 Months Ended January 01, 2024 to June 30, 2024

PUNJAB CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	(Un-Audited) June 30, 2024 Rupees	(Audited) December 31, 2023 Rupees
ASSETS			
NON - CURRENT ASSETS			
Property and equipment	4	2,247,044	2,303,606
Intangible assets	5	7,140,225	7,140,225
Long term security deposits	6	11,792,027	9,742,027
Long term investment	7	7,856,075	7,121,931
Deferred tax asset-net		576,045	576,045
		29,611,416	26,883,834
CURRENT ASSETS			
Trade debts	8	105,976,591	11,206,494
Advances , prepayments & other receivables	9	74,477,778	58,232,021
Tax due from Government	10	4,600,741	2,926,153
Cash and bank balances	11	59,228,722	46,760,077
		244,283,832	119,124,745
TOTAL ASSETS		273,895,248	146,008,579
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	12	101,500,000	101,500,000
Share deposite Money	12.2	100,000,000	-
Fair value reserve		(7,472,876)	(8,207,020)
Accumulated profit/(losses)		17,107,217	4,098,960
		211,134,341	97,391,940
NON-CURRENT LIABILITY			
Deferred tax liability		-	-
		-	-
CURRENT LIABILITIES			
Trade and other payables	13	54,556,163	45,651,489
Provision for taxation		8,204,744	2,965,150
		62,760,908	48,616,639
TOTAL EQUITY AND LIABILITIES		273,895,248	146,008,579
CONTINGENCIES AND COMMITMENTS	14	-	-

The annexed notes from 1 to 25 form an integral part of these financial statement.

CHIEF EXECUTIVE OFFICER

DIRECTOR

PUNJAB CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED JUNE 30, 2024

		(Un-Audited)	(Un-Audited)
	Note	06 Month Ended June 30, 2024	06 Month Ended June 30, 2023
		Rupees	Rupees
Brokerage income	15	26,058,276	8,639,440
Administrative & operative expenses	16	(21,454,010)	(12,355,896)
Operating Profit/(Loss)		4,604,266	(3,716,456)
Bank charges	17	(76)	(192)
		4,604,190	(3,716,648)
Other income	18	13,643,661	2,821,789
Profit/(loss) before taxation		18,247,851	(894,858)
Taxation	19	(5,239,594)	(107,993)
Profit/(Loss) after taxation		13,008,257	(1,002,852)
OTHER COMPREHENSIVE INCOME			
Items which will not will be classified in profit & loss account			
Unrealized gain charged to OCI		734,144	(11,269,876)
Other comprehensive income/ for the period		734,144	(11,269,876)
Total Comprehensive income/ (loss) for the year		13,742,401	(12,272,728)

The annexed notes from 1 to 25 form an integral part of these financial statement.

CHIEF EXECUTIVE OFFICER

DIRECTOR

PUNJAB CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED JUNE 30, 2024

	Issued, subscribed and paid-up capital	Share deposit money	Fair Value Reserve	Accumulated Profit/loss	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at January 01, 2023	76,500,000	-	6,711,221	(2,517,000)	80,694,221
Profit for the year	-	-	-	6,615,960	6,615,960
Share deposit money	-	25,000,000	-	-	25,000,000
Right Shares	25,000,000	(25,000,000)	-	-	-
Other comprehensive income / (loss)	-	-	(14,918,241)	-	(14,918,241)
	<u>25,000,000</u>	<u>-</u>	<u>(14,918,241)</u>	<u>6,615,960</u>	<u>16,697,719</u>
Balance as at December 31, 2023	101,500,000	-	(8,207,020)	4,098,960	97,391,940
Balance as at January 01, 2024	101,500,000	-	(8,207,020)	4,098,960	97,391,940
Profit for the Period	-	-	-	13,008,257	13,008,257
Share deposit money	-	100,000,000	-	-	100,000,000
Other comprehensive income	-	-	734,144	-	734,144
	<u>-</u>	<u>-</u>	<u>734,144</u>	<u>13,008,257</u>	<u>113,742,401</u>
Balance as at June 30, 2024	101,500,000	100,000,000	(7,472,876)	17,107,217	211,134,341

The annexed notes from 1 to 25 form an integral part of these financial statement.

CHIEF EXECUTIVE OFFICER

DIRECTOR

PUNJAB CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED JUNE 30, 2024

Note	06 Month Ended June 30, 2024	06 Month Ended June 30, 2023
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	18,247,851	(894,858)
Adjustments for non-cash charges and other items:		
Depreciation	179,464	164,168
Accrued markup	(3,817,253)	(1,240,244)
Dividend income	-	-
Financial charges	76	192
Operating profit/(loss) before working capital changes	14,610,138	(1,970,742)
Effect on cash flow due to Working capital changes		
(Increase)/decrease in current assets		
Advances , prepayments & other receivables	(12,428,504)	(20,059,331)
Trade debts	(94,770,097)	2,381,295
Increase in current liabilities		
Trade and other payables	8,904,674	(2,645,367)
Cash flows from operations	(83,683,789)	(22,294,145)
Income tax paid	(1,674,588)	(645,405)
Financial charges paid	(76)	(192)
Dividend income received	-	-
Net cash generated from/(used in) operating activities	(85,358,453)	(22,939,742)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of operating fixed assets	(122,900)	(171,568)
Security deposit	(2,050,000)	(50,000)
Net cash generated from/(used in) investing activities	(2,172,900)	(221,568)
CASH FLOWS FROM FINANCING ACTIVITIES		
Share deposit money	100,000,000	25,000,000
Dividend paid	-	-
Net cash generated from financing activities	100,000,000	25,000,000
Net increase in cash and cash equivalents	12,468,645	1,838,690
Cash and cash equivalents at the beginning of the period	46,760,077	35,759,397
Cash and cash equivalents at the end of the year	59,228,722	37,598,087

The annexed notes from 1 to 25 form an integral part of these financial statement.

CHIEF EXECUTIVE OFFICER

DIRECTOR

PUNJAB CAPITAL SECURITIES (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2024

1 GENERAL INFORMATION

The Punjab Capital Securities (Private) Limited ("the Company") is incorporated in Pakistan under the repealed Companies Ordinance, 1984 ("the Ordinance") which has now been replaced by the Companies Act 2017 (the Act), as a company limited by shares on November 29, 2016. The Company is a holder of Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited. The Company is mainly engaged in business of brokerage services, portfolio management and consultancy services. The registered office of the Company is situated at Room No 319, 3rd Floor, Lahore Stock Exchange Plaza, Lahore.

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 applicable in Pakistan comprise of:

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

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

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for long term investment in LSE Venture Limited and LSE Proptech Limited which are carried at the fair value.

2.3 Critical accounting estimates and judgements

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates, judgments and assumptions that affect the reported amount of assets and liabilities, income and expenses. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on the historical experience and other factors involving a higher degree of expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements.

3 Functional and presentation currency

These financial statements are presented in Pakistan rupees, which is the functional and presentation currency for the Company. The figures have been rounded-off to nearest rupees, unless otherwise stated.

4. Property and equipment

4.1 Reconciliation of the carrying amounts at the end of the period is as follows.

Particulars	Cost			Rate	Accumulated Depreciation			Written down value as at June 30, 2024
	As at Jan 01, 2024	Additions during the period	As at June 31, 2024		As at Jan 01, 2024	Charge for the period	As at June 31, 2024	
	-----Rupees-----			%	-----Rupees-----			
Furniture and fixtures	1,745,101	12,000	1,757,101	15	667,276	81,230	748,506	1,008,595
Computers	1,554,248	-	1,554,248	30	1,201,033	53,080	1,254,113	300,135
Office equipment	1,539,282	110,900	1,650,182	15	666,716	45,154	711,870	938,312
	4,838,631	122,900	4,961,531		2,535,025	179,464	2,714,489	2,247,044

4.2 Reconciliation of the carrying amounts at the beginning of the year is as follows. (Audited)

Particulars	Cost			Rate	Accumulated Depreciation			Written down value as at December 31, 2023
	As at January 01, 2023	Additions during the period	As at December 31, 2023		As at January 01, 2023	Charge for the period	As at December 31, 2023	
	-----Rupees-----			%	-----Rupees-----			
Furniture and fixtures	1,145,931	599,170	1,745,101	15	477,557	189,719	667,276	1,077,825
Computers	1,382,680	171,568	1,554,248	30	1,078,933	122,100	1,201,033	353,215
Office equipment	1,356,632	182,650	1,539,282	15	512,238	154,478	666,716	872,566
	3,885,243	953,388	4,838,631		2,068,728	466,297	2,535,025	2,303,606

		(Un-Audited) June 30, 2024	(Audited) December 31, 2023
	Note	Rupees	Rupees
5. Intangible assets			
LSE room		4,640,225	4,640,225
Trading Right Entitlement Certificate (TREC)		2,500,000	2,500,000
		<u>7,140,225</u>	<u>7,140,225</u>
6. Long term security deposits			
National Clearing Company of Pakistan Limited		200,000	200,000
Central Depository Company		100,000	100,000
Deposit against base minimum capital		9,990,527	7,940,527
Basic deposit for regular		200,000	200,000
Basic deposit for future		1,000,000	1,000,000
Deposit against MSF		100,000	100,000
Others		201,500	201,500
		<u>11,792,027</u>	<u>9,742,027</u>
7. Long term investment Recognized at Fairvalue Through OCI Investment in shares (listed)		<u>7,856,075</u>	<u>7,121,931</u>
LSE Proptech Ltd (LSEPL) 413,751 Shares		-	1,493,641
LSE Venture Ltd (LSEVL) 1,179,935@Rs. 5.04/-		6,784,626	5,628,290
LSE Capital Ltd (LSECL) 343,413@Rs.3.12/-		1,071,449	
		<u>7,856,075</u>	<u>7,121,931</u>
7.1	After demerger scheme of LSE Proptech Ltd (LSEPL), LSEPL shares has be converted into LSE Capital Limited (LSECL) with ratio 82.99% . Under the scheme 413,751 shares of LSEPL converted into 343,413 shares of LSECL.		
8. Trade debts			
- Considered good		<u>105,976,591</u>	<u>11,206,494</u>
	This includes Rs. 3,535,825/13 (Dec-2023: Rs.857,907/83) receivable from related parties.		
9. Advances , prepayments & other receivables			
Advances to suppliers		4,100	-
Prepayment		1,425	1,425
Exposure deposit - NCCPL	9.1	70,655,000	56,650,000
Accrued income		3,817,253	1,580,596
		<u>74,477,778</u>	<u>58,232,021</u>
9.1	This includes Rs. 70,655,000/- (Dec-2023: 56,650,000) given to NCCPL against ready and future exposure for trade activity.		
10. Tax due from Government			
Tax refund due from Government		2,926,153	2,182,958
Advance tax paid during the period		1,674,588	2,273,079
		<u>4,600,741</u>	<u>4,456,037</u>
Less: Adjusted during the period		-	(1,529,884)
		<u>4,600,741</u>	<u>2,926,153</u>

		(Un-Audited) June 30, 2024 Rupees	(Audited) December 31, 2023 Rupees
11. Cash and bank balances			
Cash at hand		50,000	-
Cash at bank			
Saving account		95,178	443,077
Current account		59,083,545	46,316,999
		<u>59,228,722</u>	<u>46,760,077</u>
12. Share Capital			
Authorized			
20,000,000 (Dec-2023: 20,000,000) ordinary shares of Rs.10 each		<u>200,000,000</u>	<u>200,000,000</u>
12.1. Issued, subscribed and Paid up			
10,150,000 (Dec-2023: 10,150,000) ordinary shares of Rs.10 each fully paid-up in cash		<u>101,500,000</u>	<u>101,500,000</u>
12.2. Share Deposit money		<u>100,000,000</u>	<u>-</u>
It represents cash injected by The Bank of Punjab i.e parent bank against further issue of shares. The company is in process of completing regulatory requirements for issuance of shares.			
13. Trade and other payables			
Trade payables		50,084,094	40,517,852
Others payable	13.1.	4,472,069	5,133,637
		<u>54,556,163</u>	<u>45,651,489</u>
This includes Rs. 1,189/- (Dec-2023: 5,689) payable to related parties.			
13.1 Others payable			
Accrued liabilities		2,488	2,488
Worker welfare fund payable		658,816	286,411
Other payables		3,810,765	4,332,238
Audit fee payable		-	512,500
		<u>4,472,069</u>	<u>5,133,637</u>

14. Contingencies and commitments

There are no material contingencies and commitments at the balance sheet date. (Nil: 2023)

	06 Month Ended June 30, 2024	06 Month Ended June 30, 2023
Note	Rupees	Rupees
15. Brokerage income		
Commission income - Regular & Future	26,053,021	8,464,918
Commission income - MF	5,255	174,522
	26,058,276	8,639,440
16. Administrative & operative expenses		
Salaries, allowances and other benefits	11,211,867	8,436,074
Sales reward allowance	5,108,023	787,261
Shariah advisor fee	-	300,000
Rent, rates and taxes	592,223	398,255
Repairs and maintenance	361,490	420,506
Utilities	444,155	327,267
Fees & subscription	339,603	205,415
PSX, clearing house and CDC charges, etc.	1,828,539	480,386
Insurance charges	196,269	84,729
Travelling and conveyance	25,300	29,700
Depreciation	179,464	164,168
Communication, printing and stationery	204,956	162,039
Legal and professional charges	261,050	145,820
Marketing expenses	132,300	152,250
Worker welfare fund	372,405	63,324
Entertainment	194,536	197,512
Misc. expenses	1,830	1,190
	21,454,010	12,355,896
17. Bank charges		
Bank charges	65	165
FED charges	11	27
	76	192
18. Other income		
Income from financial assets		
Profit on bank deposit	1,328,573	32,529
Margin finance income	2,032	14,571
Margin Trading income	4,012,583	-
Return on exposure deposit with PSX	6,340,630	2,260,000
Return on exposure deposit - BMC	995,226	514,690
Commission receivable on MF	36,832	-
Income receivable on MF	33,283	-
Margin Trading income Receivable	870,501	-
Misc. income	24,001	-
	13,643,661	2,821,789

	06 Month Ended June 30, 2024	06 Month Ended June 30, 2023
	Rupees	Rupees
19. Taxation		
Current period	5,239,594	107,993
Deffered tax	-	-
	5,239,594	107,993

20. Remuneration of Chief Executive, Director and Executives

The aggregate amount charged in the financial statements for the period for remuneration, including all benefits, to the Chief Executive, Director and Executives of the Company are as follows:

	Chief Executive	
	06 Month Ended June 30, 2024	06 Month Ended June 30, 2023
	Rupees	Rupees
Managerial remuneration	2,627,760	2,189,802
Other benefits	797,377	624,000
Performance bonus	684,313	198,352
Provident fund	136,806	114,006
	4,246,256	3,126,160
No. of persons	1	1

20.1 No remuneration is paid to any Director other than Chief Executive.

21. Related party transaction

The related parties comprise parent, associates, directors and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under respective notes of these financials statement. Other significant transactions with related parties are as follows:

Relationship with the Company	Nature of transactions	06 Month Ended June 30, 2024	06 Month Ended June 30, 2023
		Rupees	Rupees
Parent Company			
The Bank of Punjab	Commission income	7,377,526	3,180,531
	Balance Receivable	3,535,825	1,420,252
First Punjab Modaraba	Commission income	-	-
	Balance Payable	(1,189)	(5,689)
Key management personnel			
Chief Executive Officer	Commission paid to PCS	639,765	117,608
Head of Operations	Commission paid to PCS	14,657	1,546
Senior Risk Manager	Commission paid to PCS	-	90
Head of Internal Audit	Commission paid to PCS	-	1,140

22. Provident fund and related disclosures

	(Un-Audited) June 30, 2024 Rupees	(Audited) December 31, 2023 Rupees
Size of the fund	<u><u>3,203,890</u></u>	<u><u>3,574,804</u></u>
Percentage of investments made	<u><u>78%</u></u>	<u><u>34%</u></u>
Fair value of investments	<u><u>2,500,000</u></u>	<u><u>1,200,000</u></u>
Cost of investments made	<u><u>2,500,000</u></u>	<u><u>1,200,000</u></u>

The investments out of the provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and rules formulated for this purpose.

23. No. of employees

The total and average number of employees respectively are as follows:

	(Un-Audited) June 30, 2024 Number	(Audited) December 31, 2023 Number
Number of employees	<u><u>19</u></u>	<u><u>19</u></u>
Average number of employees	<u><u>19</u></u>	<u><u>18</u></u>

24. Date of authorization

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

25. General

Figures have been rounded off to the nearest rupees.

CHIEF EXECUTIVE OFFICER

DIRECTOR