

**PUNJAB CAPITAL SECURITIES
(PRIVATE) LIMITED**

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

For the 09 Months Ended January 01, 2024 to September 30, 2024

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

	Note	(Un-Audited) September 30, 2024 Rupees	(Audited) December 31, 2023 Rupees
ASSETS			
NON - CURRENT ASSETS			
Property and equipment	4	2,121,658	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	10,235,933	7,121,931
Deferred tax asset-net		576,045	576,045
		31,865,888	26,883,834
CURRENT ASSETS			
Trade debts	8	116,282,101	11,206,494
Advances , prepayments & other receivables	9	62,969,177	58,232,021
Tax due from Government	10	3,441,457	2,926,153
Cash and bank balances	11	61,718,830	46,760,077
		244,411,565	119,124,745
TOTAL ASSETS		276,277,454	146,008,579
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	12	101,500,000	101,500,000
Share deposit Money	12.2	100,000,000	-
Fair value reserve		(5,093,018)	(8,207,020)
Accumulated profit/(losses)		24,855,751	4,098,960
		221,262,733	97,391,940
CURRENT LIABILITIES			
Trade and other payables	13	47,389,061	45,651,489
Provision for taxation		7,625,661	2,965,150
		55,014,722	48,616,639
TOTAL EQUITY AND LIABILITIES		276,277,454	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 SEPTEMBER 30, 2024

	Note	09 Month Ended September 30, 2024	09 Month Ended September 30, 2023	03 Month Ended September 30, 2024	03 Month Ended September 30, 2023
		Rupees	Rupees	Rupees	Rupees
Brokerage income	15	39,387,368	17,712,642	13,329,092	9,073,202
Administrative & operative expenses	16	(34,497,990)	(20,227,183)	(13,043,980)	(7,871,287)
Operating Profit/(Loss)		4,889,378	(2,514,541)	285,112	1,201,915
Bank charges	17	(8,858)	(194)	(8,782)	(2)
		4,880,520	(2,514,735)	276,329	1,201,913
Other income	18	24,258,504	6,417,225	10,614,843	3,595,436
Profit/(loss) before taxation		29,139,023	3,902,490	10,891,173	4,797,348
Taxation	19	(8,382,232)	(1,066,149)	(3,170,595)	(958,156)
Profit/(Loss) after taxation		20,756,791	2,836,341	7,720,578	3,839,193

OTHER COMPREHENSIVE INCOME

Items which will not will be classified
in profit & loss account

Unrealized gain charged to OCI	3,114,002	(14,377,858)	2,379,858	(3,107,982)
Other comprehensive income/ for the period	3,114,002	(14,377,858)	2,379,858	(3,107,982)
Total Comprehensive income/ (loss) for the year	23,870,793	(11,541,517)	10,100,437	731,211

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 SEPTEMBER 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)
	25,000,000	-	(14,918,241)	6,615,960	16,697,719
Balance as at December 31, 2023	<u>101,500,000</u>	<u>-</u>	<u>(8,207,020)</u>	<u>4,098,960</u>	<u>97,391,940</u>
Balance as at January 01, 2024	101,500,000	-	(8,207,020)	4,098,960	97,391,940
Profit for the Period	-	-	-	20,756,791	20,756,791
Share deposit money	-	100,000,000	-	-	100,000,000
Other comprehensive income	-	-	3,114,002	-	3,114,002
	-	-	3,114,002	20,756,791	123,870,793
Balance as at September 30, 2024	<u>101,500,000</u>	<u>100,000,000</u>	<u>(5,093,018)</u>	<u>24,855,751</u>	<u>221,262,733</u>

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



CHIEF EXECUTIVE OFFICER

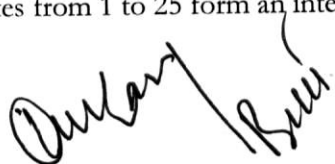


DIRECTOR

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

Note	09 Month Ended	09 Month Ended
	September 30, 2024	September 30, 2023
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	29,139,023	3,902,490
Adjustments for non-cash charges and other items:		
Depreciation	304,849	256,596
Accrued markup	(5,277,628)	(1,926,930)
Dividend income	-	-
Financial charges	8,858	194
Operating profit/(loss) before working capital changes	24,175,103	2,232,350
Effect on cash flow due to Working capital changes		
(Increase)/decrease in current assets		
Advances , prepayments & other receivables	540,505	(11,059,330)
Trade debts	(105,075,607)	(27,819,475)
Increase in current liabilities		
Trade and other payables	1,737,572	2,063,318
Cash flows from operations	(78,622,427)	(34,583,137)
Income tax paid	(4,237,059)	(1,416,055)
Financial charges paid	(8,858)	(194)
Dividend income received	-	-
Net cash generated from/(used in) operating activities	(82,868,345)	(35,999,386)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of operating fixed assets	(122,900)	(171,568)
Security deposit	(2,050,000)	1,250,000
Net cash generated from/(used in) investing activities	(2,172,900)	1,078,432
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	14,958,753	(9,920,954)
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	61,718,830	25,838,443

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 SEPTEMBER 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 Sept 30, 2024
	As at Jan 01, 2024	Additions during the period	As at Sept 30, 2024		As at Jan 01, 2024	Charge for the period	As at Sept 30, 2024	
	Rupees			%	Rupees			
Furniture and fixtures	1,745,101	12,000	1,757,101	15	667,276	121,996	789,272	967,829
Computers	1,554,248	-	1,554,248	30	1,201,033	79,619	1,280,652	273,596
Office equipment	1,539,282	110,900	1,650,182	15	666,716	103,235	769,951	880,231
	4,838,631	122,900	4,961,531		2,535,025	304,850	2,839,875	2,121,658

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)	(Audited)
		September 30, 2024	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 Fair value Through OCI			
Investment in shares (listed)		<u>10,235,933</u>	<u>7,121,931</u>
LSE Proptech Ltd (LSEPL) 413,751 Shares		-	1,493,641
LSE Venture Ltd (LSEVL) 1,179,935@Rs. 5.75/-		9,085,500	5,628,290
LSE Capital Ltd (LSECL) 343,413@Rs.3.12/-		1,150,434	
		<u>10,235,933</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>116,282,101</u>	<u>11,206,494</u>
	This includes Rs. 613,784 (Dec-2023: Rs.857,907/83) receivable from related parties.		
9. Advances , prepayments & other receivables			
Advances to suppliers		21,791	
Prepayment		14,758	1,425
Exposure deposit - NCCPL	9.1	57,655,000	56,650,000
Accrued income		5,277,628	1,580,596
		<u>62,969,177</u>	<u>58,232,021</u>
9.1	This includes Rs. 57,655,000/- (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		2,783,597	2,273,079
		<u>5,709,750</u>	<u>4,456,037</u>
Less: Adjusted during the period		<u>(2,268,293)</u>	<u>(1,529,884)</u>
		<u>3,441,457</u>	<u>2,926,153</u>

	(Un-Audited) September 30, 2024	(Audited) December 31, 2023
Note	Rupees	Rupees
11. Cash and bank balances		
Cash at hand	50,490	-
Cash at bank		
Saving account	95,323	443,077
Current account	<u>61,573,017</u>	<u>46,316,999</u>
	<u><u>61,718,830</u></u>	<u><u>46,760,077</u></u>
12. Share Capital Authorized		
40,000,000 (Dec-2023: 20,000,000) ordinary shares of Rs.10 each	<u>400,000,000</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. After completing the regulatory requirements, the company has submitted the application in SECP for approval for issuance of shares.		
13. Trade and other payables		
Trade payables	42,960,780	40,517,852
Others payable	13.1. <u>4,428,281</u>	<u>5,133,637</u>
	<u>47,389,061</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	728,361	286,411
Other payables	3,697,432	4,332,238
Audit fee payable	-	512,500
	<u>4,428,281</u>	<u>5,133,637</u>

14. Contingencies and commitments

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

Note	09 Month Ended	09 Month Ended
	September 30, 2024	September 30, 2023
	Rupees	Rupees
15. Brokerage income		
Commission income - Regular & Future	39,268,744	17,528,296
Commission income - MF	118,624	184,346
	<u>39,387,368</u>	<u>17,712,642</u>
16. Administrative & operative expenses		
Salaries, allowances and other benefits	16,048,615	12,376,582
Sales reward allowance	8,655,971	2,571,825
Shariah advisor fee	-	300,000
Rent, rates and taxes	1,042,326	737,247
Repairs and maintenance	621,594	660,234
Utilities	1,078,551	740,325
Fees & subscription	1,952,830	316,895
PSX, clearing house and CDC charges, etc.	2,818,703	1,052,329
Insurance charges	206,788	87,616
Travelling and conveyance	140,470	44,716
Depreciation	304,849	256,596
Communication, printing and stationery	273,886	299,500
Legal and professional charges	364,050	211,830
Marketing expenses	195,300	220,500
Worker welfare fund	441,950	63,324
Entertainment	342,477	286,474
Misc. expenses	9,630	1,190
	<u>34,497,990</u>	<u>20,227,183</u>
17. Bank charges		
Bank charges	8,836	167
FED charges	22	27
	<u>8,858</u>	<u>194</u>
18. Other income		
Income from financial assets		
Profit on bank deposit	2,360,203	55,344
Margin finance income	69,119	33,635
Margin Trading income	8,574,894	1,245,864
Return on exposure deposit with PSX	8,899,583	4,213,323
Return on exposure deposit - BMC	1,404,419	868,331
Commission receivable on MF	623,856	-
Income receivable on MF	1,451,605	-
Margin Trading income Receivable	850,823	-
Misc. income	24,001	728
	<u>24,258,504</u>	<u>6,417,225</u>

	09 Month Ended September 30, 2024	09 Month Ended September 30, 2023
	Rupees	Rupees
19. Taxation		
Current period	8,382,232	1,066,149
Deferred tax	-	-
	<u>8,382,232</u>	<u>1,066,149</u>

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	
	09 Month Ended September 30, 2024	09 Month Ended September 30, 2023
	Rupees	Rupees
Managerial remuneration	3,941,640	3,284,703
Other benefits	1,034,352	936,000
Performance bonus	684,313	198,352
Provident fund	205,209	171,009
	<u>5,865,514</u>	<u>4,590,064</u>
No. of persons	<u>1</u>	<u>1</u>

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	09 Month Ended September 30, 2024	09 Month Ended September 30, 2023
		Rupees	Rupees
Parent Company			
The Bank of Punjab	Commission income	9,113,555	6,011,040
	Balance Receivable	613,784	1,294,704
First Punjab Modaraba	Commission income	-	-
	Balance Payable	(1,189)	(5,689)
Key management personnel			
Chief Executive Officer	Commission paid to PCS	1,028,384	185,274
Head of Operations	Commission paid to PCS	24,248	1,638
Senior Risk Manager	Commission paid to PCS	-	120
Head of Internal Audit	Commission paid to PCS	-	2,040

22. **Provident fund and related disclosures**

	(Un-Audited) September 30, 2024 Rupees	(Audited) December 31, 2023 Rupees
Size of the fund	<u>3,827,827</u>	<u>3,574,804</u>
Percentage of investments made	<u>100%</u>	<u>34%</u>
Fair value of investments	<u>3,827,827</u>	<u>1,200,000</u>
Cost of investments made	<u>3,827,827</u>	<u>1,200,000</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) September 30, 2024 Number	(Audited) December 31, 2023 Number
Number of employees	<u>20</u>	<u>19</u>
Average number of employees	<u>20</u>	<u>18</u>

24. **Date of authorization**

These financial statements have been authorized for issue by the Board of Directors of the Company on 13 NOV 2024

25. **General**

Figures have been rounded off to the nearest rupees.


CHIEF EXECUTIVE OFFICER


DIRECTOR