

**PUNJAB CAPITAL SECURITIES  
(PRIVATE) LIMITED**

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

**For the 03 Months Ended January 01, 2024 to March 31, 2024**

**PUNJAB CAPITAL SECURITIES (PRIVATE) LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2024**

	Note	(Un-Audited) March 31, 2024 Rupees	(Audited) December 31, 2023 Rupees
<b><u>ASSETS</u></b>			
<b>NON - CURRENT ASSETS</b>			
Property and equipment	4	2,337,315	2,303,606
Intangible assets	5	7,140,225	7,140,225
Long term security deposits	6	11,042,027	9,742,027
Long term investment	7	7,692,902	7,121,931
Deferred tax asset-net		576,045	576,045
		28,788,514	26,883,834
<b>CURRENT ASSETS</b>			
Trade debts	8	9,386,234	11,206,494
Advances , prepayments & other receivables	9	63,734,285	58,232,021
Tax due from Government	10	3,556,807	2,926,153
Cash and bank balances	11	41,741,368	46,760,077
		118,418,694	119,124,745
<b>TOTAL ASSETS</b>		147,207,207	146,008,579
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital	12	101,500,000	101,500,000
Fair value reserve		(7,636,051)	(8,207,020)
Accumulated profit/(losses)		9,060,270	4,098,960
		102,924,219	97,391,940
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	39,291,388	45,651,489
Provision for taxation		4,991,601	2,965,150
		44,282,989	48,616,639
<b>TOTAL EQUITY AND LIABILITIES</b>		147,207,207	146,008,579
<b>CONTINGENCIES AND COMMITMENTS</b>	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 MARCH 31, 2024**

	Note	(Un-Audited)	(Un-Audited)
		<b>03 Month Ended March 31, 2024</b>	<b>03 Month Ended March 31, 2023</b>
		Rupees	Rupees
Brokerage income	15	12,554,827	3,890,109
Administrative & operative expenses	16	(8,992,519)	(5,544,278)
<b>Operating Profit/(Loss)</b>		<b>3,562,308</b>	<b>(1,654,169)</b>
Bank charges	17	(2)	(189)
		<b>3,562,306</b>	<b>(1,654,358)</b>
Other income	18	3,425,454	1,271,455
<b>Profit/(loss) before taxation</b>		<b>6,987,760</b>	<b>(382,902)</b>
Taxation	19	(2,026,450)	(48,626)
<b>Profit/(Loss) after taxation</b>		<b>4,961,310</b>	<b>(431,528)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items which will not will be classified in profit & loss account			
Unrealized gain charged to OCI		570,971	-
Other comprehensive income/ for the period		570,971	-
<b>Total Comprehensive income/ (loss) for the year</b>		<b>5,532,280</b>	<b>(431,528)</b>

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 MARCH 31, 2024**

	Issued, subscribed and paid-up capital	Share deposit money	Fair Value Reserve	Accumulated Profit/loss	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
<b>Balance as at January 01, 2023</b>	<b>76,500,000</b>	<b>-</b>	<b>6,711,221</b>	<b>(2,517,000)</b>	<b>80,694,221</b>
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
<b>Balance as at December 31, 2023</b>	<b>101,500,000</b>	<b>-</b>	<b>(8,207,020)</b>	<b>4,098,960</b>	<b>97,391,940</b>
<b>Balance as at January 01, 2024</b>	<b>101,500,000</b>	<b>-</b>	<b>(8,207,020)</b>	<b>4,098,960</b>	<b>97,391,940</b>
Profit for the Period	-	-	-	4,961,310	4,961,310
Other comprehensive income	-	-	570,971	-	570,971
	-	-	570,971	4,961,310	5,532,280
<b>Balance as at March 31, 2024</b>	<b>101,500,000</b>	<b>-</b>	<b>(7,636,049)</b>	<b>9,060,270</b>	<b>102,924,220</b>

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 MARCH 31, 2024**

Note	<b>03 Month Ended March 31, 2024</b>	<b>03 Month Ended March 31, 2023</b>
	Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before taxation	6,987,760	(382,902)
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation	77,797	71,740
Accrued markup	(2,505,822)	(1,076,160)
Dividend income	-	-
Financial charges	2	189
<b>Operating profit/(loss) before working capital changes</b>	<b>4,559,737</b>	<b>(1,387,134)</b>
<b>Effect on cash flow due to Working capital changes</b>		
<b>(Increase)/decrease in current assets</b>		
Advances , prepayments & other receivables	(2,996,442)	(11,059,331)
Trade debts	1,820,260	5,371,698
<b>Increase in current liabilities</b>		
Trade and other payables	(6,360,101)	(2,149,136)
<b>Cash flows from operations</b>	<b>(2,976,546)</b>	<b>(9,223,903)</b>
Income tax paid	(630,654)	(211,020)
Financial charges paid	(2)	(189)
Dividend income received	-	-
<b>Net cash generated from/(used in) operating activities</b>	<b>(3,607,202)</b>	<b>(9,435,111)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of operating fixed assets	(111,506)	(14,500)
Long term investment	-	-
Security deposit	(1,300,000)	-
<b>Net cash generated from/(used in) investing activities</b>	<b>(1,411,506)</b>	<b>(14,500)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	-	-
<b>Net cash generated from financing activities</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>(5,018,709)</b>	<b>(9,449,611)</b>
Cash and cash equivalents at the beginning of the period	46,760,077	35,759,397
<b>Cash and cash equivalents at the end of the year</b>	<b>41,741,368</b>	<b>26,309,786</b>

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 MARCH 31, 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 year is as follows.

Particulars	Cost			Rate	Accumulated Depreciation			Written down value as at March 31, 2024
	As at Jan 01, 2024	Additions during the period	As at March 31, 2024		As at Jan 01, 2024	Charge for the period	As at March 31, 2024	
	-----Rupees-----			%	-----Rupees-----			
Furniture and fixtures	1,745,101	12,000	<b>1,757,101</b>	15	667,276	40,315	707,591	<b>1,049,510</b>
Computers	1,554,248	99,506	<b>1,653,754</b>	30	1,201,033	26,540	1,227,573	<b>426,181</b>
Office equipment	1,539,282	-	<b>1,539,282</b>	15	666,716	10,942	677,658	<b>861,624</b>
	<b>4,838,631</b>	<b>111,506</b>	<b>4,950,137</b>		<b>2,535,025</b>	<b>77,797</b>	<b>2,612,822</b>	<b>2,337,315</b>

4.2 Reconciliation of the carrying amounts at the beginning of the period 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
	<b>3,885,243</b>	<b>953,388</b>	<b>4,838,631</b>		<b>2,068,728</b>	<b>466,297</b>	<b>2,535,025</b>	<b>2,303,606</b>

		(Un-Audited) March 31, 2024	(Audited) December 31, 2023
	Note	Rupees	Rupees
<b>5. Intangible assets</b>			
LSE room		4,640,225	4,640,225
Trading Right Entitlement Certificate (TREC)		<u>2,500,000</u>	<u>2,500,000</u>
		<u><u>7,140,225</u></u>	<u><u>7,140,225</u></u>
<b>6. Long term security deposits</b>			
National Clearing Company of Pakistan Limited		200,000	200,000
Central Depository Company		100,000	100,000
Deposit against base minimum capital		9,240,527	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>11,042,027</u>	<u>9,742,027</u>
<b>7. Long term investment Recognized at Fairvalue Through OCI Investment in shares ( listed)</b>		<u>7,692,902</u>	<u>7,121,931</u>
LSE Proptech Ltd (LSEPL) 413,751@Rs.4.22/-		1,746,029	1,493,641
LSE Venture Ltd (LSEVL) 1,179,935@Rs. 5.04/-		5,946,872	5,628,290
		<u>7,692,902</u>	<u>7,121,931</u>
<b>7.1</b>	After demerger scheme of LSE Financial Service Limited, LSEFS shares has be converted into LSE Proptech Ltd (LSEPL) and LSE Venture Ltd (LSEVL) with ratio 35.017% and 99.86 % respectively. Under the scheme 1,181,565 shares of LSEFS converted into 1,179,935 shares of LSEVL and 413,750 shares of LSEPL received.		
<b>8. Trade debts</b>			
- Considered good		<u>9,386,234</u>	<u>11,206,494</u>
	This includes Rs.1,556,604/- (Dec-2023: Rs.857,907/-) receivable from related parties.		
<b>9. Advances , prepayments &amp; other receivables</b>			
Advances to suppliers		72,038	-
Prepayment		1,425	1,425
Exposure deposit - NCCPL	9.1	61,155,000	56,650,000
Accrued income		<u>2,505,822</u>	<u>1,580,596</u>
		<u><u>63,734,285</u></u>	<u><u>58,232,021</u></u>
<b>9.1</b>	This includes Rs. 61,155,000/- (Dec-2023: 56,650,000) given to NCCPL against ready and future exposure for trade activity.		
<b>10. Tax due from Government</b>			
Tax refund due from Government		2,926,153	2,182,958
Advance tax paid during the period		<u>630,654</u>	<u>2,273,079</u>
		<u>3,556,807</u>	<u>4,456,037</u>
Less: Adjusted during the period		<u>-</u>	<u>(1,529,884)</u>
		<u><u>3,556,807</u></u>	<u><u>2,926,153</u></u>



	(Un-Audited) March 31, 2024	(Audited) December 31, 2023
Note	Rupees	Rupees
<b>11. Cash and bank balances</b>		
Cash at hand	53,000	-
Cash at bank		
Saving account	95,178	443,077
Current account	41,593,190	46,316,999
	<u>41,741,368</u>	<u>46,760,077</u>
<b>12. Share Capital</b>		
<b>Authorized</b>		
20,000,000 (Dec-2023: 20,000,000) ordinary shares of Rs.10 each	<u>200,000,000</u>	<u>200,000,000</u>
<b>12.1. Issued, subscribed and Paid up</b>		
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>
<b>13. Trade and other payables</b>		
Trade payables	35,928,934	40,517,852
Others payable	13.1. <u>3,362,454</u>	<u>5,133,637</u>
	<u>39,291,388</u>	<u>45,651,489</u>
This includes Rs.5,689/- (Dec-2023: 5,689/-) payable to related parties.		
<b>13.1 Others payable</b>		
Accrued liabilities	2,488	2,488
Worker welfare fund payable	286,411	286,411
Other payables	2,561,055	4,332,238
Audit fee payable	512,500	512,500
	<u>3,362,454</u>	<u>5,133,637</u>

**14. Contingencies and commitments**

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

	03 Month Ended March 31, 2024	03 Month Ended March 31, 2023
Note	Rupees	Rupees
<b>15. Brokerage income</b>		
Commission income - Regular & Future	12,549,820	3,715,587
Commission income - MF	5,007	174,522
	<u>12,554,827</u>	<u>3,890,109</u>
<b>16. Administrative &amp; operative expenses</b>		
Salaries, allowances and other benefits	4,401,595	3,713,370
Sales reward allowance	2,289,355	344,915
Shariah advisor fee	-	150,000
Rent, rates and taxes	316,694	189,000
Repairs and maintenance	175,900	154,430
Utilities	224,292	105,736
Fees & subscription	213,973	123,713
PSX, clearing house and CDC charges, etc.	751,773	209,838
Insurance charges	124,231	84,729
Travelling and conveyance	12,700	16,860
Depreciation	77,797	71,740
Communication, printing and stationery	125,723	50,174
Legal and professional charges	110,150	63,000
Marketing expenses	69,300	89,250
Worker welfare fund	-	63,324
Entertainment	99,036	114,199
Misc. expenses	-	-
	<u>8,992,519</u>	<u>5,544,278</u>
<b>17. Bank charges</b>		
Bank charges	2	162
FED charges	-	27
	<u>2</u>	<u>189</u>
<b>18. Other income</b>		
<b>Income from financial assets</b>		
Profit on bank deposit	-	5,885
Margin finance income	2,032	14,571
Margin Trading income	66,527	-
Return on exposure deposit with PSX	2,964,037	1,000,999
Return on exposure deposit - BMC	392,859	250,000
	<u>3,425,454</u>	<u>1,271,455</u>

	<b>03 Month Ended March 31, 2024</b>	<b>03 Month Ended March 31, 2023</b>
	Rupees	Rupees
<b>19. Taxation</b>		
Current period	2,026,450	48,626
	<b>2,026,450</b>	<b>48,626</b>

**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:

	<b>Chief Executive</b>	
	<b>03 Month Ended March 31, 2024</b>	<b>03 Month Ended March 31, 2023</b>
	Rupees	Rupees
Managerial remuneration	1,094,901	952,089
Other benefits	312,000	312,000
Provident fund	57,003	49,569
	<b>1,463,904</b>	<b>1,313,658</b>
<b>No. of persons</b>	<b>1</b>	<b>1</b>

**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:

<b>Relationship with the Company</b>	<b>Nature of transactions</b>	<b>03 Month Ended March 31, 2024</b>	<b>03 Month Ended March 31, 2023</b>
		Rupees	Rupees
Parent Company			
The Bank of Punjab	Commission income	3,921,124	1,297,971
	Balance Receivable	-	913,766
	Balance Payable	(3,163) -	8,189
<b>Key management personnel</b>			
Chief Executive Officer	Commission paid to PCS	264,292	70,692
Head of Operations	Commission paid to PCS	6,489	780
Senior Risk Manager	Commission paid to PCS	-	90
Head of Internal Audit	Commission paid to PCS	-	1,875



**22. Provident fund and related disclosures**

	<b>(Un-Audited)</b> <b>March 31,</b> <b>2024</b> <b>Rupees</b>	<b>(Audited)</b> <b>December 31,</b> <b>2023</b> <b>Rupees</b>
Size of the fund	<u><u>4,054,486</u></u>	<u><u>3,574,804</u></u>
Percentage of investments made	<u><u>74%</u></u>	<u><u>34%</u></u>
Fair value of investments	<u><u>3,000,000</u></u>	<u><u>1,200,000</u></u>
Cost of investments made	<u><u>3,000,000</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:

	<b>(Un-Audited)</b> <b>March 31,</b> <b>2024</b> <b>Number</b>	<b>(Audited)</b> <b>December 31,</b> <b>2023</b> <b>Number</b>
Number of employees	<u><u>20</u></u>	<u><u>19</u></u>
Average number of employees	<u><u>20</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**