

**INVESTMENT MANAGERS SECURITIES (PRIVATE) LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2022**

INVESTMENT MANAGERS SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

	Note	Rupees Dec 2022	Rupees Jun 2022
ASSETS			
NON-CURRENT ASSETS			
Property & equipment	4	3,187,199	3,450,844
Intangible assets	5	2,500,000	2,500,000
Long term advances & deposits	6	7,016,000	7,016,000
		12,703,199	12,966,844
CURRENT ASSETS			
Trade receivables	7	31,961,153	25,961,575
Short term investment	8	12,951,860	16,398,210
Advances, deposits & other receivables	9	39,832,991	48,795,428
Cash & bank balances	10	12,823,389	14,243,494
		97,569,393	105,398,707
TOTAL ASSETS		110,272,592	118,365,551
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized Capital			
30,000,000 ordinary shares of Rs. 10/- each		300,000,000	300,000,000
Issued, subscribed and paid-up capital	11	200,004,000	200,004,000
Reserves		(98,261,433)	(95,931,988)
		101,742,567	104,072,012
LIABILITIES			
CURRENT LIABILITIES			
Trade payables		8,378,637	9,160,750
Accrued expenses & other liabilities	12	151,388	5,132,789
		8,530,025	14,293,539
CONTINGENCIES AND COMMITMENTS	13	-	-
TOTAL EQUITY AND LIABILITIES		110,272,592	118,365,551

Chief Executive

Director

INVESTMENT MANAGERS SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED DECEMBER 31, 2022

	Note	Rupees Dec 2022	Rupees Jun 2022
REVENUE			
Operating revenue	14	3,839,805	11,895,252
Capital gain on sale of securities		-	414,354
Unrealised loss on remeasurement of investment at fair value - through profit or loss		(1,121,782)	(6,302,848)
		2,718,023	6,006,758
Administrative expenses	15	(6,865,352)	(18,309,749)
Finance cost	16	(10,306)	(14,138)
		(6,875,658)	(18,323,887)
Operating loss		(4,157,635)	(12,317,129)
Other income	17	4,152,757	14,033,795
(Loss) / profit before taxation		(4,878)	1,716,666
Taxation	18	-	(1,146,528)
(Loss) / profit after taxation		(4,878)	570,137

Chief Executive

Director

INVESTMENT MANAGERS SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED DECEMBER 31, 2022

	<i>Reserves</i>				
	Issued, subscribed & paid up capital	Unappropriated loss	Unrealised gain on remeasurement of investment at fair value- through other comprehensive income	Sub Total	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Balance as at June 30, 2021	200,004,000	(96,750,801)	13,309,498	(83,441,302)	116,562,698
Profit for the year	-	570,137	-	570,137	570,137
Loss on remeasurement of investment at fair value - through other comprehensive income	-	-	(13,060,823)	(13,060,823)	(13,060,823)
Balance as at June 30, 2022	200,004,000	(96,180,664)	248,675	(95,931,988)	104,072,011
Loss for the period	-	(4,878)	-	(4,878)	(4,878)
Loss on remeasurement of investment at fair value - through other comprehensive income	-	-	(2,324,567)	(2,324,567)	(2,324,567)
Balance as at December 31, 2022	200,004,000	(96,185,542)	(2,075,892)	(98,261,433)	101,742,566

Chief Executive

Director

INVESTMENT MANAGERS SECURITIES (PRIVATE) LIMITED
NOTES TO THE ACCOUNTS

4 PROPERTY AND EQUIPMENT

	Office equipments	Computer equipments	Furniture & fixtures	Total
	<i>(Rupees)</i>	<i>(Rupees)</i>	<i>(Rupees)</i>	<i>(Rupees)</i>
<u>Net carrying value basis</u>				
Year ended December 31, 2022				
Opening net book value (NBV)	319,085	64,415	3,067,343	3,450,844
Additions (at cost)	-	-	-	-
Disposals (at NBV)	-	-	-	-
Depreciation charge	(23,931)	(9,662)	(230,051)	(263,644)
Closing net book value (NBV)	295,154	54,752	2,837,292	3,187,199
<u>Gross carrying value basis</u>				
As at December 31, 2022				
Cost	1,189,315	1,167,306	6,432,375	8,788,996
Accumulated depreciation	(894,161)	(1,112,554)	(3,595,083)	(5,601,798)
Net book value (NBV)	295,154	54,752	2,837,292	3,187,199
<u>Net carrying value basis</u>				
Year ended June 30, 2022				
Opening net book value (NBV)	304,394	74,021	3,608,639	3,987,055
Additions (at cost)	71,000	18,000	-	89,000
Disposals (at NBV)	-	-	-	-
Depreciation charge	(56,309)	(27,606)	(541,296)	(625,211)
Closing net book value (NBV)	319,085	64,415	3,067,343	3,450,844
<u>Gross carrying value basis</u>				
As at June 30, 2022				
Cost	1,189,315	1,167,306	6,432,375	8,788,996
Accumulated depreciation	(870,230)	(1,102,891)	(3,365,032)	(5,338,155)
Net book value (NBV)	319,085	64,415	3,067,343	3,450,842
Depreciation rates (%)	15	30	15	

INVESTMENT MANAGERS SECURITIES (PRIVATE) LIMITED
NOTES TO THE ACCOUNTS

Notes	Rupees Dec 2022	Rupees Jun 2022
5 INTANGIBLE ASSET		
Trading Right Entitlement Certificate - Pakistan Stock Exchange Limited	5.1	<u>2,500,000</u>
		<u>2,500,000</u>
5.1 This represents Trading Right Entitlement Certificate (TREC) received from Pakistan Stock Exchange Limited (PSX) 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 DEPOSITS		
National Clearing Company of Pakistan Limited	1,400,000	1,400,000
Central Depository Company of Pakistan Limited	100,000	100,000
Other deposits	16,000	16,000
Base minimum Capital	5,500,000	5,500,000
	<u>7,016,000</u>	<u>7,016,000</u>
7 TRADE RECEIVABLES		
Considered good	41,581,526	37,250,967
Considered doubtful	-	-
	<u>41,581,526</u>	<u>37,250,967</u>
Allowance for expected credit loss	(12,041,547)	(12,041,547)
	<u>29,539,979</u>	<u>25,209,420</u>
From clearing house	2,421,174	752,155
	<u>31,961,153</u>	<u>25,961,575</u>
8 SHORT TERM INVESTMENT		
<i>Investments at fair values through profit & loss</i>		
Shares of Pakistan Stock Exchange Limited	5,337,595	11,640,443
Unrealised loss on remeasurement of investment at fair value - through profit or loss	(1,121,782)	(6,302,848)
	<u>4,215,813</u>	<u>5,337,595</u>
<i>Investments at fair values through other comprehensive income</i>		
Shares of Pakistan Stock Exchange Limited	11,060,615	24,121,438
Unrealised loss on remeasurement of investment	(2,324,567)	(13,060,823)
	<u>8,736,048</u>	<u>11,060,615</u>
GRAND TOTAL	<u>12,951,860</u>	<u>16,398,210</u>

INVESTMENT MANAGERS SECURITIES (PRIVATE) LIMITED
NOTES TO THE ACCOUNTS

Notes	Rupees Dec 2022	Rupees Jun 2022
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9 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

Exposure deposit	9.1	35,500,000	44,800,000
Income tax refundable		3,912,991	3,359,596
Dividend receivable		-	272,502
Advance to staff		420,000	363,330
		39,832,991	48,795,428

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

10 CASH AND BANK BALANCES

Cash in hand		10,000	10,000
Cash at Bank			
<i>in savings accounts</i>		-	-
<i>in current accounts</i>			
	10.1	12,813,389	14,233,494
		12,823,389	14,243,494

10.1 *Bank balance pertains to:*

Clients		8,415,061	9,647,457
Brokerage House		4,401,928	4,586,037
		12,816,989	14,233,494

11 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Number of shares				
Dec 2022	Jun 2022			
11,000,400	11,000,400	Ordinary shares of Rs. 10 each fully paid in cash	110,004,000	110,004,000
9,000,000	9,000,000	Ordinary shares of Rs. 10 each issued for consideration other than in cash.	90,000,000	90,000,000
20,000,400	20,000,400		200,004,000	200,004,000

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.

INVESTMENT MANAGERS SECURITIES (PRIVATE) LIMITED
NOTES TO THE ACCOUNTS

Notes	Rupees Dec 2022	Rupees Jun 2022
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12 ACCRUED EXPENSES & OTHER LIABILITIES

Accrued expenses	12,562	15,745
Other liabilities	96,427	53,427
Payable to dealers	-	4,400,000
Withholding tax payable	1,316	601,068
SST payable	41,084	62,549
	151,388	5,132,789

13 CONTINGENCIES AND COMMITMENTS

13.1 There are no contingencies and commitments as at December 31, 2022 (June 30, 2022: nil)

14 OPERATING REVENUE

Brokerage Commission including sales tax on services	3,839,805	13,079,367
Less: Sales tax on services	-	(1,504,706)
Net brokerage commission excluding sales tax on services	3,839,805	11,574,661
Dividend income	-	320,591
	3,839,805	11,895,252

15 ADMINISTRATIVE EXPENSES

Directors' remuneration	1,200,000	2,400,000
Salaries, wages and other benefits	1,135,500	2,195,000
Rent, rates and taxes	210,000	390,000
Repair and maintenance	595,568	780,636
Telephone and communication charges	88,240	207,319
Service and transaction charges	180,065	3,347,030
Utility charges	1,374,737	468,573
Computer, software and I.T.expenses	274,468	550,200
Entertainment	337,400	602,335
Dealers' expenses & benefits	287,692	5,269,796
Legal and professional	32,400	225,191
Fees and subscriptions	126,321	381,050
Postage and courier	3,010	4,450
Printing and stationery	26,380	92,010
Vehicle running and travelling	83,320	168,020
Generator expenses	28,817	42,035
Auditors' remuneration	307,800	340,000
Depreciation	263,644	625,211
Donations	145,000	-
Other expenses	164,990	220,893
	6,865,352	18,309,749

16 FINANCE COST

Bank charges	10,306	14,138
	10,306	14,138

INVESTMENT MANAGERS SECURITIES (PRIVATE) LIMITED
NOTES TO THE ACCOUNTS

Notes	Rupees Dec 2022	Rupees Jun 2022
17		
<u>OTHER INCOME</u>		
From financial assets		
Profit on exposure deposit	2,524,491	2,519,221
Profit on savings accounts	1,164,811	1,227,793
IPO commission	-	7,903
	3,689,302	3,754,917
From non-financial assets		
Cost recoveries	463,455	1,559,830
Reversal of expected credit loss	-	8,719,048
	463,455	10,278,878
	4,152,757	14,033,795
18		
<u>TAXATION</u>		
Current	-	454,051
Prior	-	692,477
	-	1,146,528