

**INVESTMENT MANAGERS SECURITIES (PRIVATE) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**INVESTMENT MANAGERS SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

	Note	Rupees Dec 2023	Rupees Jun-23
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property & equipment	4	2,656,131	2,979,305
Intangible assets	5	2,500,000	2,500,000
Deferred tax asset	6	3,730,838	3,730,838
Long term advances & deposits	7	7,016,000	7,016,000
		15,902,969	16,226,143
<b>CURRENT ASSETS</b>			
Trade receivables	8	21,365,518	21,277,235
Short term investment	9	16,173,796	11,861,852
Advances, deposits & other receivables	10	65,969,984	52,142,169
Cash & bank balances	11	48,740,193	3,524,977
		152,249,491	88,806,234
<b>TOTAL ASSETS</b>		<b>168,152,460</b>	<b>105,032,377</b>
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
<b>Authorized Capital</b>			
30,000,000 (June 2023: 30,000,000) ordinary shares of Rs. 10/- each		300,000,000	300,000,000
Issued, subscribed and paid-up capital	12	200,004,000	200,004,000
Reserves		(88,003,944)	(98,282,018)
		112,000,056	101,721,982
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade payables		55,576,770	937,473
Accrued expenses & other liabilities	13	575,633	2,372,922
		56,152,403	3,310,395
<b>CONTINGENCIES AND COMMITMENTS</b>	14	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>168,152,460</b>	<b>105,032,377</b>

*The annexed notes from 1 to 20 form an integral part of these financial statements.*

Chief Executive

Director



**INVESTMENT MANAGERS SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

Note	Rupees Dec 2023	Rupees Jun-23
<b>Profit after taxation</b>	<b>7,369,662</b>	<b>709,750</b>
<b><u>Other comprehensive income for the year</u></b>		
<b>Items that will not be reclassified to statement of profit or loss subsequently</b>		
Unrealised gain / (loss) on remeasurement of investment - At fair value - through other comprehensive income	2,908,412	(3,059,779)
<b>Total comprehensive income / (loss) for the year</b>	<b>10,278,074</b>	<b>(2,350,030)</b>

*The annexed notes from 1 to 20 form an integral part of these financial statements.*

**Chief Executive**

**Director**

**INVESTMENT MANAGERS SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

Note	Rupees Dec 2023	Rupees Jun-23
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before taxation	7,369,662	(2,713,528)
<b>Add / (less) : Items not involved in movement of fund:</b>		
Depreciation	479,774	541,539
Capital loss on sale of securities	-	159
Unrealised (gain) / loss on remeasurement of investment at fair value - through profit or loss	(1,403,532)	1,476,578
Finance costs	9,159	17,261
	(914,599)	2,035,538
<b>Cash generated from / (used in) operating activities before working capital changes</b>	<b>6,455,064</b>	<b>(677,992)</b>
<b>Net change in working capital</b>	<b>(a) 39,858,294</b>	<b>(8,664,837)</b>
	<b>46,313,358</b>	<b>(9,342,828)</b>
Finance costs paid	(9,159)	(17,261)
Taxes paid	(932,384)	(1,288,427)
<b>Net cash generated from / (used in) operating activities</b>	<b>45,371,815</b>	<b>(10,648,517)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(156,600)	(70,000)
<b>Net cash used in investing activities</b>	<b>(156,600)</b>	<b>(70,000)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>45,215,215</b>	<b>(10,718,517)</b>
Cash and cash equivalent at beginning of the year	3,524,978	14,243,494
<b>Cash and cash equivalent at end of the year</b>	<b>20 48,740,193</b>	<b>3,524,978</b>
<b>(a) Statement of change in working capital</b>		
<b>(Increase) / decrease in current assets</b>		
Trade receivables	(88,283)	4,684,340
Short term investment	-	(159)
Advances, deposits & other receivables	(12,895,431)	(2,365,873)
	<b>(12,983,714)</b>	<b>2,318,308</b>
<b>Increase / (decrease) in current liabilities</b>		
Trade payables	54,639,297	(8,223,277)
Accrued expenses & other liabilities	(1,797,289)	(2,759,868)
	<b>52,842,008</b>	<b>(10,983,145)</b>
<b>Net change in working capital</b>	<b>39,858,294</b>	<b>(8,664,837)</b>

*The annexed notes from 1 to 20 form an integral part of these financial statements.*

Chief Executive

Director

**INVESTMENT MANAGERS SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<i>Reserves</i>				<b>Total</b>
	<b>Issued, subscribed &amp; paid up capital</b>	<b>Unappropriated loss</b>	<b>Unrealised gain on remeasurement of investment at fair value - through other comprehensive income</b>	<b>Sub Total</b>	
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	
<b>Balance as at June 30, 2022</b>	<b>200,004,000</b>	<b>(96,180,664)</b>	<b>248,675</b>	<b>(95,931,988)</b>	<b>104,072,012</b>
Profit for the year	-	709,750	-	<b>709,750</b>	<b>709,750</b>
Loss on remeasurement of investment at fair value - through other comprehensive income	-	-	(3,059,779)	<b>(3,059,779)</b>	<b>(3,059,779)</b>
<b>Balance as at June 30, 2023</b>	<b>200,004,000</b>	<b>(95,470,914)</b>	<b>(2,811,104)</b>	<b>(98,282,018)</b>	<b>101,721,982</b>
Profit for the year	-	7,369,662	-	7,369,662	<b>7,369,662</b>
Gain on remeasurement of investment at fair value - through other comprehensive income	-	-	2,908,412	2,908,412	<b>2,908,412</b>
<b>Balance as at December 31, 2023</b>	<b>200,004,000</b>	<b>(88,101,252)</b>	<b>97,307</b>	<b>(88,003,944)</b>	<b>112,000,056</b>

*The annexed notes from 1 to 20 form an integral part of these financial statements.*

**Chief Executive**

**Director**

#### 4 PROPERTY AND EQUIPMENT

	Office equipments	Computer equipments	Furniture & fixtures	Total
	<i>(Rupees)</i>	<i>(Rupees)</i>	<i>(Rupees)</i>	<i>(Rupees)</i>
<b><u>Net carrying value basis</u></b>				
<b>Year ended December 31, 2023</b>				
Opening net book value (NBV)	309,472	62,590	2,607,242	<b>2,979,305</b>
Additions (at cost)	156,600		-	<b>156,600</b>
Disposals (at NBV)	-	-	-	<b>-</b>
Depreciation charge	(69,911)	(18,777)	(391,086)	<b>(479,774)</b>
Closing net book value (NBV)	<b>396,161</b>	<b>43,813</b>	<b>2,216,156</b>	<b>2,656,131</b>
<b><u>Gross carrying value basis</u></b>				
<b>As at December 31, 2023</b>				
Cost	1,390,915	1,192,306	6,432,375	<b>9,015,596</b>
Accumulated depreciation	(994,754)	(1,148,493)	(4,216,219)	<b>(6,359,466)</b>
<b>Net book value (NBV)</b>	<b>396,161</b>	<b>43,813</b>	<b>2,216,156</b>	<b>2,656,131</b>
<b><u>Net carrying value basis</u></b>				
<b>Year ended June 30, 2023</b>				
Opening net book value (NBV)	319,085	64,415	3,067,343	<b>3,450,844</b>
Additions (at cost)	45,000	25,000	-	<b>70,000</b>
Disposals (at NBV)	-	-	-	<b>-</b>
Depreciation charge	(54,613)	(26,825)	(460,101)	<b>(541,539)</b>
Closing net book value (NBV)	<b>309,472</b>	<b>62,590</b>	<b>2,607,242</b>	<b>2,979,305</b>
<b><u>Gross carrying value basis</u></b>				
<b>As at June 30, 2023</b>				
Cost	1,234,315	1,192,306	6,432,375	<b>8,858,996</b>
Accumulated depreciation	(924,843)	(1,129,716)	(3,825,133)	<b>(5,879,692)</b>
<b>Net book value (NBV)</b>	<b>309,472</b>	<b>62,590</b>	<b>2,607,242</b>	<b>2,979,305</b>
<b>Depreciation rates (%)</b>	<b>15</b>	<b>30</b>	<b>15</b>	

	Notes	Rupees Dec 2023	Rupees Jun-23
<b>5 INTANGIBLE ASSET</b>			
Trading Right Entitlement Certificate - Pakistan Stock Exchange Limited	5.1	2,500,000	2,500,000
<b>5.1</b>			
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.			
<b>6 DEFERRED TAX ASSETS</b>			
<i>Deductible temporary difference</i>			
Unrealized loss on re-measurement of investment		221,487	221,487
Provision for expected credit losses		3,470,273	3,470,273
Accelerated depreciation		38,797	38,797
Carried Forward of Capital Loss		281	281
<b>Deferred tax asset</b>		<b>3,730,838</b>	<b>3,730,838</b>
<b>7 LONG TERM DEPOSITS</b>			
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
		<b>7,016,000</b>	<b>7,016,000</b>
<b>8 TRADE RECEIVABLES</b>			
Considered good		22,063,535	11,557,381
Considered doubtful		-	20,243,949
		<b>22,063,535</b>	<b>31,801,330</b>
Allowance for expected credit loss	8.1	(11,966,458)	(11,966,458)
		<b>10,097,078</b>	<b>19,834,872</b>
From clearing house		11,268,441	1,442,363
		<b>21,365,518</b>	<b>21,277,235</b>
<b>9 SHORT TERM INVESTMENT</b>			
<i>Investments at fair values through profit &amp; loss</i>			
Shares of Pakistan Stock Exchange Limited		3,861,017	5,337,595
Unrealised gain / (loss) on remeasurement of investment at fair value - through profit or loss		1,403,532	(1,476,578)
<b>Market value</b>		<b>5,264,548</b>	<b>3,861,017</b>
<i>Investments at fair values through other comprehensive income</i>			
Shares of Pakistan Stock Exchange Limited		8,000,836	11,060,615
Unrealised gain / (loss) on remeasurement of investment		2,908,412	(3,059,779)
<b>Market value</b>		<b>10,909,247</b>	<b>8,000,836</b>
<b>GRAND TOTAL</b>		<b>16,173,796</b>	<b>11,861,852</b>



Notes	Rupees Dec 2023	Rupees Jun-23
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## 10 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

Exposure deposit	10.1	40,700,000	27,700,000
Income tax refundable		5,272,848	4,340,464
Advance to related party		19,688,806	19,688,806
Advance to staff		308,330	412,899
		<b>65,969,984</b>	<b>52,142,169</b>

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

## 11 CASH AND BANK BALANCES

Cash in hand		10,000	10,000
Cash at Bank			
<i>in call treasury accounts</i>	11.1	48,730,193	3,514,977
		<b>48,740,193</b>	<b>3,524,977</b>

### 11.1 *Bank balance pertains to:*

Clients		47,254,604	1,420,607
Brokerage House		1,475,589	2,094,370
		<b>48,730,193</b>	<b>3,514,977</b>

## 12 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Number of shares				
2024	2023			
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
<b>20,000,400</b>	<b>20,000,400</b>		<b>200,004,000</b>	<b>200,004,000</b>

## 13 ACCRUED EXPENSES & OTHER LIABILITIES

Accrued expenses		218,386	203,487
Payable to dealers		115,344	1,844,972
Withholding tax payable		2,278	264,960
Sindh sales tax payable		239,625	59,503
		<b>575,633</b>	<b>2,372,922</b>

Notes	Rupees Dec 2023	Rupees Jun-23
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#### 14 CONTINGENCIES AND COMMITMENTS

14.1 There are no contingencies and commitments as at December 31, 2023 (June 30, 2023: Nil)

#### 15 OPERATING REVENUE

Brokerage Commission including sales tax on services	6,304,700	7,993,783
Less: Sales tax on services	-	(939,081)
Net brokerage commission excluding sales tax on services	<b>6,304,700</b>	<b>7,054,702</b>
Dividend income	-	-
	<b>6,304,700</b>	<b>7,054,702</b>

#### 16 ADMINISTRATIVE EXPENSES

Directors' remuneration	600,000	2,400,000
Salaries, wages and other benefits	1,048,500	2,393,000
Rent, rates and taxes	391,618	880,610
Repair and maintenance	285,600	961,496
Telephone and communication charges	97,080	163,530
Service and transaction charges	1,759,319	1,986,970
Utility charges	475,309	622,228
Computer, software and I.T.expenses	221,875	495,958
Entertainment	231,430	634,665
Dealers' expenses & benefits	732,799	2,781,991
Legal and professional	253,800	236,720
Fees and subscriptions	46,050	687,540
Postage and courier	550	3,010
Printing and stationery	7,130	95,820
Vehicle running and travelling	26,500	144,320
Generator expenses	24,211	54,719
Auditors' remuneration	-	189,000
Depreciation	479,774	541,539
Penalty	-	350,000
Donation	-	145,000
Other expenses	395,929	438,875
	<b>7,077,474</b>	<b>16,206,991</b>

#### 17 FINANCE COST

Bank charges	9,159	17,261
	<b>9,159</b>	<b>17,261</b>

Notes	Rupees Dec 2023	Rupees Jun-23
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**18 OTHER INCOME**

**From financial assets**

Profit on exposure deposit

	3,199,724	4,596,895
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Profit on savings accounts

	2,538,976	2,436,711
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	<b>5,738,700</b>	<b>7,033,606</b>
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**From non-financial assets**

Cost recoveries

	1,009,363	824,063
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Reversal of expected credit loss

	-	75,089
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	<b>1,009,363</b>	<b>899,152</b>
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	<b>6,748,063</b>	<b>7,932,758</b>
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**19 TAXATION**

Current

	-	307,560
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Prior

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Deferred

	-	(3,730,838)
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	-	<b>(3,423,278)</b>
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**20 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:

Cash & bank balances

	48,740,193	3,524,977
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	<b>48,740,193</b>	<b>3,524,977</b>
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