

**PRIME SECURITIES (PRIVATE) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

PRIME SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	Note	Dec-21 Rupees	Jun-21 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	77,470	90,828
Intangible assets	5	2,750,000	2,750,000
Long term deposits	6	7,100,000	7,100,000
		9,927,470	9,940,828
CURRENT ASSETS			
Short term investments	7	22,040,604	35,761,881
Trade receivables	8	1,258,512	925,899
Advances, deposits, pre-payments and other receivables	9	57,381,191	56,254,245
Cash & bank balance	10	26,636,979	13,848,794
		107,317,286	106,790,820
TOTAL ASSETS		117,244,756	116,731,648
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized Capital			
6,000,000 (June 2021: 6,000,000) ordinary shares of Rs. 10/- each		60,000,000	60,000,000
Issued, subscribed and paid-up capital	11	56,000,000	56,000,000
Reserves		38,420,694	52,111,013
		94,420,694	108,111,013
LIABILITIES			
CURRENT LIABILITIES			
Trade payable		22,697,431	6,582,554
Accrued expenses & other liabilities	12	126,630	2,038,080
		22,824,061	8,620,635
CONTINGENCIES AND COMMITMENTS	13	-	-
TOTAL EQUITY AND LIABILITIES		117,244,756	116,731,648

Chief Executive

Director

PRIME SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Note	Dec-21 Rupees	Jun-21 Rupees
REVENUE			
Operating revenue	14	1,342,827	4,481,269
Unrealised (loss) / gain on remeasurement of investment at fair value - through profit or loss		(4,466,257)	6,475,029
		<u>(3,123,430)</u>	<u>10,956,298</u>
Administrative expenses	15	(2,199,466)	(9,806,778)
Finance cost	16	(6,125)	(8,758)
		<u>(2,205,591)</u>	<u>(9,815,535)</u>
Operating (loss) / profit		(5,329,020)	1,140,763
Other income	17	893,723	1,930,753
(Loss) / profit before taxation		(4,435,298)	3,071,517
Taxation	18	-	766,095
(Loss) / profit after taxation		<u>(4,435,298)</u>	<u>3,837,612</u>
(Loss) / Earnings per share- basic and diluted	19	<u>(0.79)</u>	<u>0.69</u>

Chief Executive

Director

PRIME SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2021

Note	Dec-21 Rupees	Jun-21 Rupees
(Loss) / profit after taxation	(4,435,298)	3,837,612
<u>Other comprehensive loss for the year</u>		
Items that will not be reclassified to statement of profit or loss subsequently		
Unrealised (loss) / income on remeasurement of investment - At fair value - through other comprehensive income	(9,255,021)	13,417,618
Total comprehensive (loss) / income for the year	(13,690,318)	17,255,231

Chief Executive

Director

PRIME SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021

	<i>Reserves</i>				
	Issued, subscribed & paid up capital	Unappropriated profit	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, 2020	56,000,000	34,963,901	(108,119)	34,855,782	90,855,782
Profit for the year	-	3,837,612	-	3,837,613	3,837,613
Gain on remeasurement of investment at fair value - through other comprehensive income	-	-	13,417,618	13,417,618	13,417,618
Balance as at June 30, 2021	56,000,000	38,801,513	13,309,499	52,111,013	108,111,013
Loss for the year	-	(4,435,298)	-	(4,435,298)	(4,435,298)
Loss on remeasurement of investment at fair value - through other comprehensive income	-	-	(9,255,021)	(9,255,021)	(9,255,021)
Balance as at December 31, 2021	56,000,000	34,366,215	4,054,478	38,420,694	94,420,694

Chief Executive

Director

PRIME SECURITIES (PRIVATE) LIMITED
NOTES TO THE ACCOUNTS

4 PROPERTY AND EQUIPMENT

	Office renovation	Office equipments	Computer	Furniture & fixture	Total
	<i>(Rupees)</i>	<i>(Rupees)</i>	<i>(Rupees)</i>	<i>(Rupees)</i>	<i>(Rupees)</i>
<u>Net carrying value basis</u>					
Year ended December 31, 2021					
Opening net book value (NBV)	30,796	45,709	8,492	5,831	90,828
Additions (at cost)	-	-	-	-	-
Disposals (at NBV)	-	-	-	-	-
Depreciation charge	(3,080)	(6,856)	(2,548)	(875)	(13,358)
Closing net book value (NBV)	27,716	38,853	5,944	4,956	77,470
<u>Gross carrying value basis</u>					
As at December 31, 2021					
Cost	205,180	375,450	1,374,231	99,710	2,054,571
Accumulated depreciation	(177,464)	(336,597)	(1,368,287)	(94,754)	(1,977,101)
Net book value (NBV)	27,716	38,853	5,944	4,956	77,470
<u>Net carrying value basis</u>					
Year ended June 30, 2021					
Opening net book value (NBV)	34,218	53,775	12,132	6,860	106,985
Additions (at cost)	-	-	-	-	-
Disposals (at NBV)	-	-	-	-	-
Depreciation charge	(3,422)	(8,066)	(3,640)	(1,029)	(16,157)
Closing net book value (NBV)	30,796	45,709	8,492	5,831	90,828
<u>Gross carrying value basis</u>					
As at June 30, 2021					
Cost	205,180	375,450	1,374,231	99,710	2,054,571
Accumulated depreciation	(174,384)	(329,741)	(1,365,739)	(93,879)	(1,963,743)
Net book value (NBV)	30,796	45,709	8,492	5,831	90,828
Depreciation Rates (%)	10	15	30	15	

PRIME SECURITIES (PRIVATE) LIMITED
NOTES TO THE ACCOUNTS

Note	Dec-21 Rupees	Jun-21 Rupees
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5 INTANGIBLE ASSETS

Trading Right Entitlement Certificate - Pakistan Stock Exchange Limited	5.1	2,500,000	2,500,000
Membership card - Pakistan Mercantile Exchange Limited		250,000	250,000
		2,750,000	2,750,000

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 & ADVANCES

National Clearing Company of Pakistan Limited		1,400,000	1,400,000
Central Depository Company of Pakistan Limited		100,000	100,000
Advance against purchase of office in Pakistan Mercantile Exchange Limited		2,500,000	2,500,000
Pakistan Mercantile Exchange Limited		750,000	750,000
Deposit against Base Minimum Capital Requirement		2,350,000	2,350,000
		7,100,000	7,100,000

7 SHORT TERM INVESTMENT

Investments at fair values through profit & loss

Listed equity securities		11,640,443	5,165,414
Unrealized gain / (loss) as a result of remeasurement at market value		(4,466,257)	6,475,029
Market value	7.1	7,174,186	11,640,443

Investments at fair values through other comprehensive income

Shares of Pakistan Stock Exchange Limited		24,121,438	10,703,821
Unrealised gain / (loss) on remeasurement of investment		(9,255,021)	(3,351,701)
Market value	7.2	14,866,418	24,121,438

PRIME SECURITIES (PRIVATE) LIMITED
NOTES TO THE ACCOUNTS

Note	Dec-21 Rupees	Jun-21 Rupees
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Investments at fair values through profit & loss

7.1	Dec-21	Jun-21	Symbol	Name of Investee	Dec-21	Jun-21
	Number of shares				Market value in Rupees	
	521,759	521,759	PSX	PAKISTAN STOCK EXCHANGE LIMITED	7,174,186	11,640,443
	521,759	521,759		TOTAL	7,174,186	11,640,443

7.2 Investments at fair values through other comprehensive income

	Dec-21	Jun-21	Symbol	Name of Investee	Dec-21	Jun-21
	Number of shares				Market value in Rupees	
	1,081,194	1,081,194	PSX	PAKISTAN STOCK EXCHANGE LIMITED	14,866,418	24,121,438
	1,081,194	1,081,194		TOTAL	14,866,418	24,121,438
	1,602,953	1,602,953		GRAND TOTAL	22,040,604	35,761,881

8 TRADE RECEIVABLES

Considered good	791,383	710,500
Considered doubtful	-	-
	791,383	710,500
Provision for doubtful debts	-	-
	791,383	710,500
From clearing house	467,129	215,399
	1,258,512	925,899

9 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

Exposure deposit	20,000,000	19,000,000
Advance to related parties	34,000,000	34,000,000
Advance to employees	167,500	144,000
Advance tax	3,213,691	3,110,245
	57,381,191	56,254,245

PRIME SECURITIES (PRIVATE) LIMITED
NOTES TO THE ACCOUNTS

Note	Dec-21 Rupees	Jun-21 Rupees
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10 CASH & BANK BALANCES

Cash in hand		4,127	40,812
Cash at bank - in current accounts	10.1	26,632,852	13,807,982
		26,636,979	13,848,794

10.1 Bank balance pertains to:

Clients		22,697,431	6,627,554
Brokerage House		3,935,422	7,180,428
		26,632,852	13,807,982

11 ISSUED, SUBSCRIBED & PAID-UP-CAPITAL

Number of shares				
Dec-21	Jun-21			
5,600,000	5,600,000	Ordinary shares of Rs. 10 each fully paid in cash	56,000,000	56,000,000
-	-	Ordinary shares of Rs. 10 each issued for consideration other than cash.	-	-
5,600,000	5,600,000		56,000,000	56,000,000

12 ACCRUED EXPENSES & OTHER LIABILITIES

Accrued expenses		-	10,000
Other liabilities		126,630	1,886,149
SST payable		-	141,932
		126,630	2,038,080

13 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as on December 31, 2021 (June 30, 2021: Nil).

14 OPERATING REVENUE

Brokerage commission including sales tax on services	1,022,236	5,063,834
Less: Sales tax on services		(582,565)
Net brokerage commission excluding sales tax on services	1,022,236	4,481,269
Add: Dividend income	320,591	-
	1,342,827	4,481,269

PRIME SECURITIES (PRIVATE) LIMITED
NOTES TO THE ACCOUNTS

Note	Dec-21 Rupees	Jun-21 Rupees
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15 ADMINISTRATIVE EXPENSES

Directors' remuneration	-	3,000,000
Staff salaries & allowances	691,000	1,649,000
Rent, rates and taxes	154,000	250,500
Telephone and communication charges	57,380	84,800
Utility charges	73,960	129,425
Printing and stationery	13,540	51,570
Computer & software expense	247,820	397,016
Entertainment	149,245	243,350
Fee and subscriptions	176,840	180,760
Postage & courier	16,880	28,930
Auditors' remuneration	-	180,000
Vehicle fuel and maintenance	16,000	47,990
Repairs and maintenance	17,000	12,000
Commission expense	-	2,308,818
Legal and professional charges	27,000	67,200
Service and transaction charges	540,752	1,101,298
Depreciation	13,358	16,157
Other expenses	4,691	57,964
	2,199,466	9,806,778

16 FINANCE COST

Bank charges	6,125	8,758
	6,125	8,758

17 OTHER INCOME

Profit on exposure deposit	520,038	972,028
IPO commission	6,412	-
Recoveries	367,273	958,725
	893,723	1,930,753

18 TAXATION

Current	-	96,180
Prior	-	(862,275)
	-	(766,095)