ASA STOCKS (PVT.) LIMITED

Unaudited Financial Statements

For The Period Ended 31 December 2023

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ASA STOCKS (PVT.) LIMITED

Statement of Financial Position

As at 31 December 2023

	Note	Dec-23 (Unaudited) Rupees	Jun-23 (Audited) Rupees
ASSETS			
Non-current assets			
Property and equipment	5	2,340,999	2,529,372
Intangible assets	6	7,803,634	7,803,634
Long term deposits	8	198,670	190,000
		10,343,303	**10,523,006**
Current assets			
Prepayments and advances	10	100,148	93,407
Income tax refundable	11	2,272,272	2,268,856
Short term investment	12	63,812,254	50,524,878
Cash and bank balances	13	368,208	978,713
		66,552,882	**53,865,855**
		76,896,185	**64,388,861**
EQUITY & LIABILITIES			
Share capital and reserves			
Issued, subscribed and paid-up capital	14	65,520,000	65,520,000
Unappropriated profit /(loss)		(76,874,791)	(93,243,255)
Unrealized surplus/(deficit) on re-measurement of investments measured at FVOCI		(4,466,705)	(546,980)
Long-term loan from Director	15	66,125,000	66,125,000
Total equity		**50,303,504**	**37,854,765**
Current liabilities			
Trade and other payables	16	693,583	634,999
Provision for taxation	17	829,922	829,922
Short-term borrowings	18	25,069,175	25,069,175
		26,592,681	**26,534,096**
Contingencies and commitments	19	-	-
		76,896,185	**64,388,861**

The annexed notes from 1 to 26 form an integral part of these financial statements.

Chief Executive Officer

ASA STOCKS (PVT.) LIMITED TREC HOLDER PSX Ltd. TREC # 284

Director

ASA STOCKS (PVT.) LIMITED

Statement of Profit or Loss

For the Period Ended 31 December 2023

	Note	Dec-23 (Unaudited) Rupees	Jun-23 (Audited) Rupees
Operating revenue	20	649,410	2,929,594
Gain/(loss) on sale of short term investments		-	-
Unrealized gain/(loss) on remeasurement of investments classified at FVTPL		17,207,101	(5,097,057)
		17,856,511	**(2,167,463)**
Operating and administrative expenses	22	(1,704,519)	(3,138,109)
Operating profit / (loss)		16,151,992	**(5,305,572)**
Financial charges	23	(3,528)	(637,401)
Other income and (losses)	21	220,000	435,240
Profit / (loss) before taxation		**16,368,464**	**(5,507,732)**
Taxation	24	-	(432,096)
Profit/(loss) for the year		**16,368,464**	**(5,939,828)**
Earnings/(loss) per share - basic	25	**24.98**	**(9.07)**

The annexed notes from 1 to 26 form an integral part of these financial statements.

Chief Executive Officer

Director

ASA STOCKS (PVT.) LIMITED
Statement of Comprehensive Income
For the Period Ended 31 December 2023

	Note	Dec-23 (Unaudited) Rupees	Jun-23 (Audited) Rupees
Profit/(loss) for the year		16,368,464	(5,939,828)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Unrealized gain / (loss) during the period in the market value of investments measured at FVOCI		(3,919,725)	7,400,056
Total comprehensive income/(loss) for the year		12,448,739	1,460,228

The annexed notes from 1 to 26 form an integral part of these financial statements.

Chief Executive Officer

ASA STOCKS (PVT.) LIMITED TREC HOLDER PSX Ltd. TREC # 784

Director

ASA STOCKS (PVT.) LIMITED

Statement of Cash Flows

For the Period Ended 31 December 2023

	Note	Dec-23 (Unaudited) Rupees	Jun-23 (Audited) Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before taxation		16,368,464	(5,507,732)
Adjustments:			
Depreciation and impairment	5	188,373	444,020
Unrealized loss / (gain) on short-term investments	12	(17,207,101)	5,097,057
Financial Charges	23	(3,528)	637,401
Dividend income	20	(553,703)	(2,836,618)
		(17,575,958)	3,341,860
Operating profit before working capital changes		(1,207,494)	(2,165,872)
(Increase)/decrease in current assets			
Trade & other receivables		-	-
Prepayments and advances		(6,741)	(93,407)
Increase/(decrease) in current liabilities			
Trade and other payables		58,584	509,998
		51,844	416,591
Cash generated from / (used in) operations		(1,155,650)	(1,749,281)
Finance charges		3,528	(637,401)
Dividends received		553,703	2,836,618
Taxes paid		(3,416)	(437,039)
		553,815	1,762,178
Net cash from operating activities		(601,836)	12,896
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from net sales of / (acquisition of) short-term investments			-
Decrease / (increase) in long-term deposits		(8,670)	100,000
Net cash generated from / (used in) investing activities		(8,670)	100,000
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Short term borrowing		-	(15,429,992)
Increase in Short term borrowing		-	16,069,175
Net cash generated from / (used in) financing activities		-	639,183
Net (decrease)/increase in cash and cash equivalents		(610,506)	752,080
Cash and cash equivalents at the beginning of the year		978,713	226,634
Cash and cash equivalents at the end of the year		368,207	978,713

The annexed notes from 1 to 26 form an integral part of these financial statements.

Chief Executive Officer

Director

ASA STOCKS (PVT.) LIMITED
Statement of Changes in Equity
For the Period Ended 31 December 2023

	Issued, subscribed and paid-up capital	Unappropriated profit/ (loss)	Unrealized surplus / (deficit) on re-measurement of investments measured at FVOCI	Total
Balance as at June 30, 2022	65,520,000	(87,303,427)	6,853,076	(14,930,351)
Total comprehensive income for the year				
Profit/(loss) for the year	-	(5,939,828)	-	(5,939,828)
Other comprehensive income/(loss)	-	-	(7,400,056)	(7,400,056)
	-	**(5,939,828)**	**(7,400,056)**	**(13,339,884)**
Balance as at June 30, 2023 - Audited	**65,520,000**	**(93,243,255)**	**(546,980)**	**(28,270,235)**
Total comprehensive income for the year				
Profit/(loss) for the year	-	16,368,464	-	16,368,464
Other comprehensive income/(loss)	-	-	(3,919,725)	(3,919,725)
	-	16,368,464	**(3,919,725)**	12,448,739
Balance as at December 31, 2023- Unaudited	**65,520,000**	**(76,874,791)**	**(4,466,705)**	**(15,821,496)**

The annexed notes from 1 to 26 form an integral part of these financial statements.

Chief Executive Officer

ASA STOCKS (PVT.) LIMITED TREC HOLDER PSX Ltd. TREC # 284

Director

ASA STOCKS (PVT.) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended December 31, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

ASA STOCKS (PVT.) LIMITED (the "Company") was incorporated in Pakistan on **November 08, 2012** as a private limited company, limited by shares, under the Companies Ordinance 1984 (Now Companies Act. 2017). The Company is a holder of Trading Rights Entitlement Certificate ("TREC") of Pakistan Stock Exchange Limited.
The Company is principally engaged in brokerage of shares, stocks, purchase and sale of securities, financial consultancy, brokerage, underwriting, portfolio management and securities research.

2. The geographical location of Company's offices are as follows:

Registered Office: 79/A-C1, Gulberg III, Lahore, Pakistan.

Corporate Office: 79/A-C1, Gulberg III, Lahore, Pakistan.

3. BASIS OF PREPARATION

3.1 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 as applicable in Pakistan comprise of:

- Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) 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, and relevant provisions of the Securities Brokers (Licensing and Operations) Regulations 2016 (the "Regulations").

In case requirements differ, the provisions or directives of the Companies Act, 2017 and/or the Regulations shall prevail.

3.2 Accounting convention

These financial statements have been prepared on settlement base under the historical cost convention, except:

- Short Term Investments in quoted equity securities (whether classified as assets at fair value through profit or loss, or at fair value through other comprehensive income), which are carried at fair value;
- Investments in unquoted equities, measured at fair value through other comprehensive income;

- Investments in associates, which are recorded in accordance with the equity method of accounting for such investments; and
- Derivative financial instruments, which are marked-to-market as appropriate under relevant accounting and reporting standards.

3.3 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

3.4 Accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are continually evaluated and are based on historical experience as well as expectations of future events and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Company's financial statements are as follows:

(i) Estimates of useful lives and residual values of items of property, plant and equipment (Note 5);
(ii) Estimates of useful lives of intangible assets (Note 6);
(iii) Allowance for credit losses (Note 4.5.4);
(iv) Fair values of unquoted equity investments (Note 7);
(v) Classification, recognition, measurement / valuation of financial instruments (Note 4.5); and
(vi) Provision for taxation (Note 17);

3.5 New accounting pronouncements

3.5.1 New and amended standards and interpretations mandatory for the first time for the financial year beginning July 01, 2022:

Effective date
January 01, 2022

(a) IAS 37 - Onerous contracts

Under IAS 37 'Provisions, Contingent Liabilities and Contingent Assets', a contract is 'onerous' when the unavoidable costs of meeting the contractual obligations – i.e. the lower of the costs of fulfilling the contract and the costs of terminating it –outweigh the economic benefits. The amendments clarify that the 'costs of fulfilling a contract' comprise both the incremental costs – e.g. direct labour and materials; and an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.

Effective date

(b) IAS 16 - Proceeds before an asset's intended use **January 01, 2022**

IAS 16 'Property, Plant and Equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss. The amendments apply retrospectively, but only to items of PPE made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendments.

The other new standards, amendments to approved accounting standards and interpretations that are mandatory for the financial year beginning on July 01, 2022 are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations.

3.5.2. New / revised accounting standards, amendments to published accounting standards and interpretations that are not yet

The following new standards and amendments to approved accounting standards are not effective for the financial year beginning on July 01, 2022 and have not been early adopted by the Company:

Effective date

(a) IAS 1 - Disclosure of accounting policies **January 01, 2023**

Amendments to IAS 1, 'Presentation of Financial Statements' includes requiring companies to disclose their material accounting policies rather than their significant accounting policies, clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed and also clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

Effective date

(b) IAS 8 - Definition of accounting estimates **January 01, 2023**

The International Accounting Standards Board (the Board) has issued these amendments to end diversity in treatment of accounting estimates and clarified how companies should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. Developing an accounting estimate includes both selecting a measurement technique (estimation or valuation technique) – e.g. an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 Financial Instruments; and – choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The effects of changes in such inputs or measurement techniques are changes in accounting estimates.

Effective date

(c) IAS 12 - Deferred tax **January 01, 2023**

The amendments narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision.

Effective date
January 01, 2024

(d) IAS 1 - Classification of liabilities as current or non-current

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of this amendments, the requirement for a right to be unconditional has been removed and instead, the amendments requires that a right to defer settlement must have substance and exist at the end of the reporting period. This right may be subject to a company complying with conditions (covenants) specified in a loan arrangement. At October 31, 2022, after reconsidering certain aspects of the amendments, the IASB reconfirmed that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.

Effective date
January 01, 2024

(e) IFRS 16 - Sale and leaseback transaction

Amendments impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-lease back transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered.

There are number of other standards, amendments and interpretations to the approved accounting standards that are not yet effective and are also not relevant to the Company and therefore, have not been presented here.

Other than the aforesaid amendments, the IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 - First Time Adoption of Financial Reporting Standards

- IFRS 17 - Insurance Contracts

The above amendments are not likely to affect the financial statements of the Company.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented.

4.1 Property and equipment

Items of property and equipment are stated at cost less accumulated depreciation (if any) and impairment losses (if any). Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of profit or loss account during the year in which they are incurred. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Where such subsequent costs are incurred to replace parts and are capitalized, the carrying amount of replaced parts is derecognized. All other repair and maintenance expenditures are charged to profit or loss during the year in which they are incurred.

Depreciation on all items of property and equipment is calculated using the reducing balance method, in accordance with the rates specified in note 5 to these financial statements and after taking into account residual value, if material. Residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. Depreciation is charged on an asset from when the asset is available for use until the asset is disposed of.

An item of property and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Any gain or loss arising on asset derecognition (calculated as the difference between net disposal proceeds and the carrying amount of the asset) is included in the profit and loss account in the year in which the asset is derecognized.

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each financial year end. The Company's estimate of residual value of property and equipment as at December 31, 2023 did not require any adjustment.

4.2 Intangible assets

Intangible assets with indefinite useful lives, including Trading Right Entitlement Certificate ("TREC"), are stated at cost less accumulated impairment losses, if any. An intangible asset is considered as having an indefinite useful life when, based on an analysis of all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company. An intangible asset with an indefinite useful life is not amortized. However, it is tested for impairment at each balance sheet date or whenever there is an indication that the asset may be impaired. Gains or losses on disposal of intangible assets, if any, are recognized in the profit and loss account during the year in which the assets are disposed of.

4.2.1 Membership cards and offices

This is stated at cost less impairment, if any. The carrying amount is reviewed at each reporting date to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds estimated recoverable amount, it is written down to its estimated recoverable amount.

4.3 Investment property

Investment properties are held for capital appreciation and are measured initially at its cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value at each reporting date. The changes in fair value are recognized in the statement of profit or loss.

4.4 Investment in associates

Associates are all entities over which the Company has significant influence but not control. Investments in associates where the Company has significant influence are accounted for using the equity method of accounting. Under the equity method of accounting, investments in associates are initially recognized at cost and the carrying amount of investment is increased or decreased to recognize the Company's share of the associate's post-acquisition profits or losses in income, and its share of the post-acquisition movement in reserves is recognized in other comprehensive income.

4.5 Financial instruments

4.5.1. The Company classifies its financial assets in the following three categories:

(a) Financial assets measured at amortized cost;
(b) Financial assets measured at fair value through other comprehensive income (FVOCI); and
(c) Financial assets measured at fair value through profit or loss (FVTPL).

(a) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it is held within business model whose objective is to hold assets to collect contractual cash flows, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(b) Financial assets at FVOCI

A financial asset is classified as at fair value through other comprehensive income when either:

(i) It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; or

(ii) It is an investment in equity instrument which is designated as at fair value through other comprehensive income in accordance with the irrevocable election available to the Company at initial recognition. Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(c) Financial assets at FVTPL

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income, as aforesaid.

Such financial assets are initially measured at fair value.

4.5.2 Initial recognition

The Company recognizes an investment when and only when it becomes a party to the contractual provisions of the instrument evidencing investment.

Regular way purchase of investments are recognized using settlement date accounting i.e. on the date on which settlement of the purchase transaction takes place. However, the Company follows trade date accounting for its own (the house) investments. Trade date is the date on which the Company commits to purchase or sell its asset.

Transactions of purchase under resale (reverse-repo) of marketable securities including the securities purchased under margin trading system are entered into at contracted rates for specified periods of time. Amounts paid under these agreements in respect of reverse repurchase transactions are recognized as a receivable. The difference between purchase and resale price is treated as income from reverse repurchase transactions in marketable transactions / margin trading system and accrued on a time proportion basis over the life of the reverse repo agreement.

4.5.3 Subsequent measurement

(a) Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses.

"Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in the profit and loss account.

(b) Financial assets at FVOCI

These are subsequently measured at fair value less accumulated impairment losses.

A gain or loss on a financial asset measured at fair value through other comprehensive income is recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment (except for investments in equity instruments which are designated as at fair value through other comprehensive income in whose case the cumulative gain or loss previously recognized in other comprehensive income is not so reclassified). Interest is calculated using the effective interest method and is recognized in profit or loss.

(c) Financial assets at FVTPL

These assets are subsequently measured at fair value.

Net gains or losses arising from remeasurement of such financial assets as well as any interest income accruing thereon are recognized in profit and loss account.

4.5.4 Impairment

Financial assets

The Company applies a three-stage approach to measure allowance for credit losses, using an expected credit loss approach as required under IFRS 9, for financial assets measured at amortized cost. The Company's expected credit loss impairment model reflects the present value of all cash shortfalls related to default events, either over the following twelve months, or over the expected life of a financial instrument, depending on credit deterioration from inception. The allowance / provision for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

Where there has not been a significant decrease in credit risk since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to the remaining term to maturity is used.

When a financial instrument experiences a significant increase in credit risk subsequent to origination but is not considered to be in default, or when a financial instrument is considered to be in default, expected credit loss is computed based on lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue effort or cost. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessments, including forward-looking information.

Forward-looking information includes reasonable and supportable forecasts of future events and economic conditions. These include macro-economic information, which may be reflected through qualitative adjustments or overlays. The estimation and application of forward-looking information may require significant judgment.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. The Company makes this assessment on an individual asset basis, after consideration of multiple historical and forward-looking factors. Financial assets that are written off may still be subject to enforcement activities in order to comply with the Company's processes and procedures for recovery of amounts due.

Non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount - defined as the higher of the asset's fair value less costs of disposal and the asset's value-in-use (present value of estimated future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and asset-specific risk) - is estimated to determine the extent of the impairment loss.

For the purpose of assessing impairment, assets are grouped into cash-generating units: the lowest levels for which there are separately identifiable cash flows.

4.6 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4.7 Trade debts and other receivables

Trade debts and other receivables are stated initially at amortised cost using the effective interest rate method.

Provision is made on the basis of lifetime ECLs that result from all possible default events over the expected life of the trade debts and other receivables. Bad debts are written off when considered irrecoverable.

4.8 Cash and cash equivalents

Cash and cash equivalents are carried at cost and include cash in hand, balances with banks in current and deposit accounts, stamps in hand, other short-term highly liquid investments with original maturities of less than three months and short-term running finances.

4.9 Borrowings

Borrowings are recognized initially at fair value, net of attributable transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss account over the period of the borrowings using the effective interest method.

4.10 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost using the effective interest method. They are classified as current if payment is due within twelve months of the reporting date, and as non-current otherwise.

4.11 Staff retirement benefits

The Company did not have any retirement benefits plan.

4.12 Taxation

Income tax expense comprises current and deferred tax.

Current

Provision for current taxation is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using rates enacted or substantively enacted at the reporting date, and takes into account tax credits, exemptions and rebates available, if any. The charge for current tax also includes adjustments, where necessary, relating to prior years which arise from assessments framed / finalized during the year.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences at the reporting date between the tax base and carrying amount of assets and liabilities for financial reporting purposes

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and carried forward unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and carried forward unused tax losses can be utilized. Carrying amount of all deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantially enacted by the reporting date.

Deferred tax is charged or credited in the statement of profit or loss account, except in the case of items credited or charged to comprehensive income or equity, in which case it is included in comprehensive income or equity.

4.13 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

4.14 Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of any direct expenses. Revenue is recognized on the following basis:

- Brokerage and commission income is recognized when brokerage services are rendered.
- Dividend income is recognized when the right to receive the dividend is established.
- Return on deposits is recognized using the effective interest method.
- Income on fixed term investments is recognized using the effective interest method.
- Gains / (losses) arising on sale of investments are included in the profit and loss account in the period in which they arise.
- Unrealized capital gains / (losses) arising from marking to market financial assets are included in profit and loss (for assets measured at FVTPL) or OCI (for assets measured at FVOCI) during the period in which they arise.
- Income / profit on exposure deposits is recognized using the effective interest rate.

4.15 Dividend income

Dividends received from investments measured at fair value through profit or loss and at fair value through other comprehensive income. Dividends are recognized in the statement of profit or loss when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of a part of the cost of an investment. In this case, dividend is recognized in other comprehensive income if it relates to an investment measured at fair value through other comprehensive income.

4.16 Mark up / interest income

Mark-up / interest income is recognized on a time proportion basis on the principal amount outstanding and at the rate applicable.

4.17 Borrowings

These are recorded at the proceeds received. Finance costs are accounted for on accrual basis and are disclosed as accrued interest / mark-up to the extent of the amount unpaid at the reporting date.

4.18 Borrowing costs

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of the relevant asset.

4.19 Fiduciary assets

Assets held in trust or in a fiduciary capacity by the Company are not treated as assets of the Company.

4.20 Foreign currency transactions and translation

Monetary assets and liabilities in foreign currencies are translated into functional currency at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are translated into functional currency at the rates of exchange prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in income.

4.21 Derivative financial instruments

Derivative financial instruments are recognized at their fair value on the date on which a derivative contract is entered into. Subsequently, any changes in fair values arising on marking to market of these instruments are taken to the profit and loss account.

4.22 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted and recorded at rates that are not less than market.

4.23 Settlement Date Accounting

All "Regular Way" Purchases and Sales of financial assets are recognized on settlement date on which the company commits to purchase and sale of financial assets through E-clear. The Company clients and propriety settlement performed by E-clear, because company shifted its category to Trade only and no client balance and share lying with the company. All client balances and share custody shifted to E-clear. Now, all sale and Purchase recognized by E-clear.

5 PROPERTY AND EQUIPMENT

	Dec-23					
	Office Building	Computer Equipment	Furniture & Fixtures	Electric Equipment	Vehicles	Total
As at July 1, 2023						
Cost	145,520	550,630	537,830	155,826	5,743,000	7,132,806
Accumulated Depreciation	(100,634)	(421,434)	(390,370)	(145,869)	(3,545,127)	(4,603,434)
Net book value	44,886	129,196	147,460	9,957	2,197,873	2,529,372
Movement during the period						
Additions	-	-	-	-	-	-
Disposals						
Cost	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Depreciation charge for the period	2,244	12,920	7,373	996	164,840	188,373
As at December 31, 2023						
Cost	145,520	550,630	537,830	155,826	5,743,000	7,132,806
Accumulated Depreciation	(102,878)	(434,354)	(397,743)	(146,865)	(3,709,967)	(4,791,807)
Net book value	42,642	116,276	140,087	8,961	2,033,033	2,340,999
Depreciation rate per annum	10%	20%	10%	20%	15%	

	Jun-23					
	Office Building	Computer Equipment	Furniture & Fixtures	Electric Equipment	Vehicles	Total
As at July 1, 2022						
Cost	145,520	550,630	537,830	155,826	5,743,000	7,132,806
Accumulated Depreciation	(95,647)	(389,135)	(373,985)	(143,380)	(3,157,267)	(4,159,414)
Net book value	49,873	161,495	163,845	12,446	2,585,733	2,973,392
Movement during the period						
Additions	-	-	-	-	-	-
Disposals						
Cost	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Depreciation charge for the period	4,987	32,299	16,384	2,489	387,860	444,020
As at June 30, 2023						
Cost	145,520	550,630	537,830	155,826	5,743,000	7,132,806
Accumulated Depreciation	(100,634)	(421,434)	(390,370)	(145,869)	(3,545,127)	(4,603,434)
Net book value	44,886	129,196	147,460	9,957	2,197,873	2,529,372
Depreciation rate per annum	10%	20%	10%	20%	15%	

	Note	Dec-2023 (Unaudited) Rupees	Jun-2023 (Audited) Rupees
6 INTANGIBLE ASSETS			
Trading Rights Entitlement Certificate ("TREC")	6.1	2,500,000	2,500,000
Rooms - Lahore Stock Exchange	6.2	5,303,634	5,303,634
		7,803,634	7,803,634
Impairment		-	-
		7,803,634	**7,803,634**

6.1 Pursuant to the Stock Exchange (Corporatization, Demutualization and Integration) Act, 2012, stock exchanges operating as guarantee limited companies were converted to public limited companies. Ownership rights in exchanges were segregated from the right to trade on an exchange. As a result of such demutualization and corporatization, the Company received shares of the relevant exchange and a Trading Rights Entitlement Certificate ("TREC") against its membership card.

The TREC has been recorded as an indefinite-life intangible asset pursuant to the provisions and requirements of IAS 38. As the TREC is not a commonly tradable instrument, the value approved by the Board of Directors of the Pakistan Stock Exchange Limited ("PSX") post-mutualization was used as the initial value of the intangible. PSX vide notice. PSX/N-225 dated February 16, 2021 have notified the notional fees of a Trading Right Entitlement Certificate which amounts to Rs. 2.5 million.

6.2 This represent cost of rooms given by Lahore Stock Exchage with indefunite useful life. These are considered to be indefnite as there is no foreseeable limit on the period during which an entity expects to consume the future economic benefits

7 LONG-TERM INVESTMENTS			
Investments at fair value through OCI			
LSE Financial Services Limited (unquoted) - at fair value		-	16,406,874
Shares transferred to Short term Investment		-	(16,406,874)
		-	-

7.1 The LSEFSL Demerger Entitlement in EOD For every share 1000 share of 998.6205 of LSE Ventures Limited as on June 21, 2023. LSE Ventures Limited is listed company with PSX and shares are ready trade in open market and Company indent to dispose of the investment in due course of time, it was re-classified as a Short term investment.

8 LONG-TERM DEPOSITS			
Central Depository Company Limited		100,000	100,000
Other security deposits		98,670	90,000
		198,670	**190,000**
9 TRADE DEBTS			
Considered good	9.1	-	-
Considered doubtful		-	11,418,137
		-	**11,418,137**
Less: Provision for doubtful debts	9.2	-	(11,418,137)
		-	-

9.1 Allowances for expected credit loss is calculated on the basis of ageing analysis more than 360 days and Unsecured balances which ever is higher.

9.2 Movement in provision against trade debts is as under:

Opening balance (as at July 1)		11,418,137	11,418,137
Add: Allowance for expected credit loss		-	-
		11,418,137	**11,418,137**
Less: Amounts written off during the year		-	-
Closing balance (as at June 30)		**11,418,137**	**11,418,137**

10 TRADE DEPOSITS & OTHER RECEIVABLES			
Receivables from Eclear		23,406	23,406
Other receivables		76,742	70,001
		100,148	**93,407**

	Note	Dec-2023 (Unaudited) Rupees	Jun-2023 (Audited) Rupees
11 INCOME TAX REFUNDABLE			
Opening balance (as at July 1)		2,268,856	1,831,817
Add: Current year additions		3,416	437,039
		2,272,272	2,268,856
Less: Adjustment against provision for taxation		-	-
Balance at the end of the year		2,272,272	2,268,856
12 SHORT TERM INVESTMENTS			
Investments at fair value through profit or loss			
Investments in listed securities		41,518,060	46,615,117
Unrealized Gain/(loss)		17,207,101	(5,097,057)
Investments in listed securities	*12.1*	58,725,161	41,518,060
Investment at fair value through other comprehensive income			
Shares of LSEVL		7,585,290	12,147,341
Un realized gain/(loss) on remeasurement of Investment		(3,565,082)	(4,562,051)
	12.2	4,020,208	7,585,290
Shares of LSEPL		1,421,528	4,259,533
Un realized gain/(loss) on remeasurement of Investment		(354,643)	(2,838,004)
	12.2	1,066,885	1,421,528
		5,087,093	9,006,818
	12.1 & 12.2	63,812,254	50,524,878

12.1 Investments at fair value through profit or loss

Dec-23	Jun-23	Symbol	Name of Investee	Dec-23	Jun-23
Number of shares				Market value in rupees	
78,750	78,750	AGHA	AGHA STEEL INDUSTRIES LIMITED	1,120,613	765,450
57,500	57,500	AKBL	ASKARI BANK LIMITED	1,421,400	745,200
170,000	170,000	ASL	AISHA STEEL MILLS LIMITED	1,475,600	918,000
123,750	123,750	BOP	THE BANK OF PUNJAB	801,900	429,413
25,000	25,000	DGKC	D.G. KHAN CEMENT COMPANY LIMITED	1,935,000	1,282,500
700,000	700,000	DSL	DOST STEELS LIMITED	3,990,000	3,717,000
56,250	56,250	FCCL	FAUJI CEMENT COMPANY LIMITED	1,064,250	661,500
56,028	56,028	FFBL	FAUJI FERTILIZER BIN QASIM LIMITED	1,787,293	660,010
27,000	27,000	FFC	FAUJI FERTILIZER COMPANY LIMITED	3,056,130	2,657,880
165,000	165,000	FFL	FAUJI FOODS LIMITED	1,838,100	947,100
1,300,000	1,300,000	HASCOL	HASCOL PETROLEUM LIMITED	9,646,000	7,215,000
200,000	200,000	HIRAT	HIRA TEXTILE MILLS LIMITED	460,000	262,000
270,000	270,000	JSCL	JAHANGIR SIDDIQUI & COMPANY LIMITED	3,917,700	2,565,000
200,000	200,000	LOTCHEM	LOTTE CHEMICAL PAKISTAN LIMITED	5,398,000	5,504,000
30,000	30,000	MLCF	MAPLE LEAF CEMENT FACTORY LIMITED	1,167,600	849,900
104,380	104,380	PAEL	PAK ELEKTRON LIMITED	2,356,900	944,639
130,000	130,000	PAKRI	PAKISTAN REINSURANCE COMPANY LIMITED	999,700	821,600
740,389	740,389	PIBTL	PAKISTAN INTERNATIONAL BULK TERMINAL LIM	4,938,395	3,042,999
112,000	112,000	PRL	PAKISTAN REFINERY LIMITED	3,269,280	1,518,720
1,600,000	1,600,000	SILK	SILKBANK LIMITED	1,744,000	1,600,000
25,000	25,000	SNGP	SUI NORTHERN GAS PIPELINES LIMITED	1,838,000	984,250
310,000	310,000	SSGC	SUI SOUTHERN GAS COMPANY LIMITED	3,512,300	2,662,900
700,000	700,000	WTL	WORLDCALL TELECOM LIMITED	987,000	763,000
7,181,047	7,181,047		TOTAL	58,725,161	41,518,060

12.2 Investment at fair value through other comprehensive income

Dec-23	Jun-23	Symbol	Name of investee	Dec-23	Jun-23
Number of share				Market Value in rupees	
295,536	295,536	LSEPL	LSE PROPTECH LIMITED	1,066,885	1,421,528
842,811	842,810	LSEVL	LSE VENTURES LIMITED	4,020,208	7,585,290
1,138,347	1,138,346		TOTAL	5,087,093	9,006,818
8,319,394	8,319,393		GRAND TOTAL	63,812,254	50,524,878

	Dec-2023	Jun-2023
13 CASH AND BANK BALANCES		
Cash in hand	217,428	213,323
Cash at bank		
House Accounts	150,780	765,390
	368,208	978,713

	Note	Dec-2023 (Unaudited) Rupees	Jun-2023 (Audited) Rupees

14 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

14.1 Authorized capital

660,000 (2023: 660,000) ordinary shares of PKR 100 each.		66,000,000	66,000,000

14.2 Issued, subscribed and paid-up share capital

655,200 (2023: 655,200) ordinary shares of PKR 100/- each, issued for cash		65,520,000	65,520,000
		65,520,000	65,520,000

14.3 Pattern of Shareholding

	Number of Shares		Percentage	
	Dec-23	Jun-23	Dec-23	Jun-23
Mr. Ahmad Shoaib Akram	352,800	352,800	54%	54%
Mr. Muhammad Akram	151,200	151,200	23%	23%
Mrs. Zahida Akram	72,000	72,000	11%	11%
Mr. Ahmad Junaid Akram	79,200	79,200	12%	12%
	655,200	655,200	100%	100%

15 LONG-TERM FINANCING

Loan from Directors - unsecured	15.1	66,125,000	66,125,000
		66,125,000	66,125,000

15.1 This represents interest-free loans received from Directors of the Company payable at company discretionary power when ability to pay and Long term in nature.

Mr. Muhammed Akram	14,775,000	14,775,000
Mrs. Zahida Akram	31,380,000	31,380,000
Mr. Ahmad Shoaib Akram	8,245,000	8,245,000
Mr. Ahmad Junaid Akram	11,725,000	11,725,000
	66,125,000	66,125,000

16 TRADE AND OTHER PAYABLES

Trade creditors	5,878	5,876
Accrued and other payables	687,705	629,123
	693,583	634,999

17 PROVISION FOR TAXATION

Opening balance(as at July 01)	829,922	397,826
Add/(less): Current Year Provision	-	432,096
	829,922	829,922
Less: Adjustment against current year advance tax	-	-
Balance at the end of the period	829,922	829,922

18 SHORT-TERM BORROWINGS

From:		
Loan from Director- unsecured	25,069,175	25,069,175
	25,069,175	25,069,175

18.1 This amount represents loans extended by Directors of the Company to meet short-term working capital needs. As the terms of the borrowing is payable with in one year due to this the entire amount has been treated as short-term, in accordance with relevant guidance.

19 CONTINGENCIES AND COMMITMENTS

19.1 There are no contingencies or commitments of the Company as at Dec 31, 2023(2023: Nil).

20 OPERATING REVENUE

Brokerage income	113,938	110,686
Less: Sales tax on services	(18,230)	(17,710)
Net Brokerage Commission excluding sales tax on services	95,708	92,976
Commission to E-Clear	-	-
Net Brokerage Commission	95,708	92,976
Dividend income	553,703	2,836,618
	649,410	2,929,594

	Note	Dec-2023 (Unaudited) Rupees	Jun-2023 (Audited) Rupees
21 OTHER INCOME / (LOSSES)			
Income from financial assets		220,000	402,000
Rental Income		-	33,240
Profit on Eclear balances			
		220,000	435,240
22 OPERATING & ADMINISTRATIVE EXPENSES			
Directors' Salaries		-	90,000
Staff Salaries & Other Benefits		414,000	778,000
Electricity, Water & Gas		497,962	816,309
Travelling/ Conveyance/ Vehicle Running/ Maintenance		10,540	3,570
Communication		192,152	361,684
Repair & Maintenance		-	12,750
Stationery, Printing, Photocopies & Office Supplies		4,275	16,926
Regulatory charges		215,854	186,425
Auditors Remuneration	22.1	-	85,000
Rates, Taxes & Cess		106,454	181,005
Other Expenses		74,909	162,420
Depreciation	5	188,373	444,020
		1,704,519	3,138,109
22.1 Auditor's remuneration			
Statutory audit		-	85,000
		-	**85,000**
23 FINANCIAL CHARGES			
Mark-up on interest-bearing loans		-	635,183
Bank and other charges		3,528	2,218
		3,528	**637,401**
24 INCOME TAX EXPENSES			
Current tax expense / (income) for the period		-	432,096
		-	**432,096**

The tax provision made in the financial statements is considered sufficient.

25 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit after tax for the year by the weighted average number of shares outstanding during the period, as follows:

	Dec-2023	Jun-2023
Profit / (loss) after taxation, attributable to ordinary shareholders	16,368,464	(5,939,828)
Weighted average number of ordinary shares in issue during the period	655,200	655,200
Earnings per share	**24.98**	**(9.07)**

No figure for diluted earnings per share has been presented as the Company has not issued any dilutive instruments carrying options which would have an impact on earnings per share when exercised.

26 GENERAL

Amounts have been rounded off to the nearest rupee, unless otherwise stated.

Chief Executive Officer

ASA STOCKS (PVT.) LIMITED
TREC HOLDER
PSX Ltd.
TREC # 284

Director