



**COLLATERAL**  
**SERVICES LIMITED**

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

# **CORPORATE INFORMATION**

## **Board of Directors**

Mr. Rizwan Ullah (Chairman)

Mr. Tauqir Ahmed Siddiqui (Chief Executive)

Mr. Muhammad Nawaz

Syed Ameer Abid

Mr. Noor Habib

Mr. Mureed Hussain

Mr. Abdul Sattar

**CFO & Company Secretary**

Tauqir Ahmed Siddiqui

**Auditors:**

M/s. Rizwani Imtiaz & Co  
(Chartered Accountants)

**IRA/Legal Advisors**

M/s. Shahid Anwar Bajwa & Co

**Registered Office:**

Room No.604, 6<sup>th</sup> Floor, Plot A-13  
Block 7/8, Sky Mark Tower, Shahrah-e-Faisal  
Karachi

**Tel:** 021-34381644, 021-34552299

**Website:** [www.cslpk.net](http://www.cslpk.net)

**Email:** [info@cslpk.net](mailto:info@cslpk.net)

Date: 07-10-2023

## DIRECTORS' REPORT

Dear Shareholders,

On behalf of the directors, I present 24<sup>th</sup> Annual Report and the audited financial statements and auditors' report of the company for the financial year ended June 30, 2023.

### Operating Results:

The company has posted a loss after taxation amounting to Rs.1.634 (M) for the year ended June 30, 2023 as compared to loss of Rs 2.784 (M) recorded last year.

During the year under report strength of our outsource employees deputed to HBL has been reduced from 85 to 75 due to retirement / resignation / death.

Due to the operating loss, the Board of Directors has not recommended payment of dividend this year also.

During the year under report suppliers business has recorded volume of Rs.12.593 (M) as compared to Rs.3.183 (M) of last year showing increase of Rs. 9.410 (M) due to multiple reasons.

### Appropriations:-

The appropriations recorded during the year are as under:-

Un - appropriated profit brought forward	23.804(M)
Profit/Loss after tax for the year ended 30 June,2023	(1.633)(M)
Unrealized gain on re-measurement of Investment	0.227(M)
Un - appropriated profit carried forward	22.398(M)

### Earning per Share:-

The earning per share has been worked out to Rs.(1.630) as against last year's earning per share of Rs.(2.78).

### Auditors:-

The present auditors, M/s. Rizwani Intiaz & Co. – Chartered Accountants, retire and being eligible, offer themselves for reappointment.

### Acknowledgment:

I extend my sincere token of gratitude to all the devoted employees of the company and hope for a prosperous future.

For and on behalf of the board

Tauqir Ahmed Siddiqui  
Chief Executive Officer

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF COLLATERAL SERVICES LIMITED  
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS****OPINION**

We have audited the annexed financial statements of **COLLATERAL SERVICES LIMITED** (the company) which comprise the statement of financial position as at June 30, 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the company's affairs as at June 30, 2023 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

**BASIS FOR OPINION**

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

Management is responsible for the other information. The other information comprises the Directors report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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**RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Boards of Directors are responsible for overseeing the Company's financial reporting process.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT

Based on our audit, we further report that in our opinion

- a) proper books of account have been kept by the company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Usher Ordinance, 1980 (XVIII of 1980).

  
CHARTERED ACCOUNTANTS  
KARACHI

DATE **07 OCT 2023**

ENGAGEMENT PARTNER: ABDUL QADIR  
ULIN: AR2023104287vNKchabF 

**COLLATERAL SERVICES LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2023**

	<u>Note</u>	<u>2023</u> <u>Rupees</u>	<u>2022</u> <u>Rupees</u> <u>Restated</u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3	355,434	445,202
Intangible assets - software		1	1
Long-term deposits	4	112,635	112,635
		<u>468,070</u>	<u>557,838</u>
<b>Current Assets</b>			
Short-term investments	5	21,734,079	26,862,473
Trade debtors - considered good	6	1,978,221	349,018
Advance, deposits, prepayments and other receivables	7	1,516,253	987,715
Taxation - net	14	13,019,357	12,538,474
Cash and bank balances	8	2,466,014	1,133,119
		<u>40,713,924</u>	<u>41,870,799</u>
<b>TOTAL ASSETS</b>		<u><b>41,181,994</b></u>	<u><b>42,428,637</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
<b>Authorized capital</b>			
5,000,000 (2022: 5,000,000) ordinary shares of Rs.10/- each		<u>50,000,000</u>	<u>50,000,000</u>
<b>Issued, subscribed and paid up capital</b>			
1,000,000 (2022: 1,000,000) ordinary shares of Rs.10/- each fully paid in cash		10,000,000	10,000,000
Unappropriated profit		<u>22,398,263</u>	<u>23,804,577</u>
		<u>32,398,263</u>	<u>33,804,577</u>
<b>Current Liabilities</b>			
Trade and other payables	9	769,662	609,991
Unclaimed dividend		8,014,069	8,014,069
		<u>8,783,731</u>	<u>8,624,060</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>41,181,994</b></u>	<u><b>42,428,637</b></u>

The annexed notes 1 to 18 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

**COLLATERAL SERVICES LIMITED**  
**STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Note</u>	<u>2 0 2 3</u> Rupees	<u>2 0 2 2</u> Rupees Restated
Revenue - net	10	198,120	718,955
Profit on sales	11	1,444,684	154,287
Operating and administrative expenses	12	(6,638,450)	(6,416,125)
Financial charges - bank charges		(20,401)	(11,557)
		(6,658,851)	(6,427,682)
Operating loss		(5,016,047)	(5,544,440)
Other operating income	13	4,099,462	3,199,412
Loss before taxation		(916,585)	(2,345,028)
Current Taxation			
- for the year	14.1	(1,118,068)	(890,891)
- prior year		400,943	451,030
		(717,125)	(439,861)
Loss after taxation		(1,633,710)	(2,784,889)
Loss per share		(1.63)	(2.78)

The annexed notes 1 to 18 form an integral part of these financial statements. *CV*

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**



**COLLATERAL SERVICES LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Note</u>	<u>2 0 2 3</u> Rupees	<u>2 0 2 2</u> Rupees Restated
Loss after taxation		(1,633,710)	(2,784,889)
<b>Other comprehensive loss</b>			
Adjustment of prior year sales tax refundable		-	(2,119,367)
Unrealized gain on remeasurement of investment		227,396	-
<b>Total comprehensive loss</b>		<u>(1,406,314)</u>	<u>(4,904,256)</u>

The annexed notes 1 to 18 form an integral part of these financial statements. *MS*

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

**COLLATERAL SERVICES LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

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	<u>Note</u>	<u>2 0 2 3</u> <u>Rupees</u>	<u>2 0 2 2</u> <u>Rupees</u> <u>Restated</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before taxation		(916,585)	(2,345,028)
Adjustments for :			
Depreciation	3	89,768	144,834
Operating loss before working capital changes		(826,817)	(2,200,194)
Working capital changes:			
(Increase) / decrease in current assets:			
Trade debtors		(1,629,203)	1,283,711
Advances, deposits, prepayments and other receivable		(528,538)	(811,354)
		(2,157,741)	472,377
(Decrease) / Increase in current liabilities:			
Trade and other payables		159,671	(2,768,583)
Cash used in operations		(2,824,887)	(4,496,400)
Income tax paid	14	(1,198,008)	(935,938)
Net cash outflow from operating activities		(4,022,895)	(5,432,338)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investments in bank TDRs and trustee income funds-net		(3,244,210)	(23,007,992)
Long term deposits		-	63,641
Disposal of short term investments		8,600,000	24,000,000
Net cash inflow from investing activities		5,355,790	1,055,649
Net increase / (decrease) in cash and cash equivalents		1,332,895	(4,376,689)
Cash and cash equivalents at the beginning of the year		1,133,119	5,509,808
Cash and cash equivalents at the end of the year	8	2,466,014	1,133,119

The annexed notes 1 to 18 form an integral part of these financial statements.

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**CHIEF EXECUTIVE**

  
**DIRECTOR**

**COLLATERAL SERVICES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Particulars	Issued, subscribed and paid up capital	Unappropriated Profit	Total
	-----Rupees-----		
<b>Balance as at June 30, 2021</b>	<b>10,000,000</b>	<b>28,708,833</b>	<b>38,708,833</b>
Total comprehensive loss for the year ended June 30, 2022			
Loss after taxation during the year	-	(2,784,889)	(2,784,889)
Other comprehensive loss for the year - restated	-	(2,119,367)	(2,119,367)
	-	(4,904,256)	(4,904,256)
<b>Balance as at June 30, 2022</b>	<b>10,000,000</b>	<b>23,804,577</b>	<b>33,804,577</b>
Total comprehensive loss for the year ended June 30, 2023			
Loss after taxation during the year	-	(1,633,710)	(1,633,710)
Other comprehensive income for the year	-	227,396	227,396
	-	(1,406,314)	(1,406,314)
<b>Balance as at June 30, 2023</b>	<b>10,000,000</b>	<b>22,398,263</b>	<b>32,398,263</b>

The annexed notes 1 to 18 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

**COLLATERAL SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**1 STATUS AND NATURE OF ACTIVITY:**

The Company was incorporated on 1998 as a public unlisted company under the companies Ordinance, 1984 (now Companies Act, 2017) at Karachi. The registered office of the company is situated at Office No. 604, 6th floor, Plot A - 13, Block 7/8, Sky Mark Tower, Shahrah-e-Faisal, Karachi. The main activities of the company are HR Services provider, godown inspection for stock verification, muccaddamage services for banks and financial institutions, taking over and operating or otherwise dealing with assets and / or projects of debtors, advising debtors on reconstruction of projects and / or rescheduling of debts and to act as a consultant and agent to banks and insurance companies. At present the main business of the company is HR services provider and Suppliers.

**2 SIGNIFICANT ACCOUNTING POLICIES:**

The significant accounting policies adopted in the preparation of these financial statements are set out below.

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. The accounting and reporting Standards applicable in Pakistan comprise of:

International Financial Reporting Standard for " Small and Medium-Sized Entities (IFRS for SMEs) issued by 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 and directives issued under the Companies Act, 2017 differ from the IFRS for SMEs, the provisions and directives issued under the companies Act, 2017 have been followed.

**2.2 Critical accounting estimates and judgments**

The preparation of financial statements in conformity with approved standards requires the use of certain critical accounting estimates, it also requires management to exercise its judgment in the process of applying company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

**2.3 Accounting convention**

These financial statements have been prepared under the historical cost convention basis.

**2.4 Property, plant and equipment**

These are stated at cost less accumulated depreciation. Depreciation is charged to income applying the reducing balance method at the rates mentioned in note no. 3. Depreciation on additions is charged from the month the asset is available for use and on disposals upto the preceding month of disposals.

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Maintenance and normal repairs are charged to income as and when incurred while cost of major replacement and improvements, if any, are capitalized.

Gain or Loss on sale / disposal of fixed assets is included in income currently.

## **2.5 Intangible assets**

This represents cost of computer software less amortization at the rate of 33% per annum using the straight-line method. Cost of computer software is amortized over a period of three years.

## **2.6 Impairment**

may be impaired and if such condition exist the carrying amount of such assets are reviewed to assess whether they are recorded in excess of recoverable amount. Where the carrying amount exceeds the respective recoverable amount, assets are written down to their recoverable amount and the resulting impairment loss is recognized in profit and loss account. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

## **2.7 Loans and advances**

These are stated at cost less impairment, if any.

## **2.8 Trade and other payables**

Liabilities for trade and other accounts payable are measured at cost which is the fair value of the consideration to be paid in the future for goods and services received whether billed to the company or not.

## **2.9 Provisions**

Provisions are recognized when the company has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation.

## **2.10 Taxation**

### **Current**

Provision for current taxation in the accounts is based on taxable income at the current rate of taxation. The company does not account for deferred taxation, as there are no major timing differences.

### **Deferred**

The Company account for deferred taxations, if any, by using the liability method. The Company recognize deferred tax liability for all taxable temporary differences, while deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax losses and tax credits, if any, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forward of unused tax losses and tax credits can be utilized.

## **2.11 Revenue recognition**

Revenue from contractual receipts is recognized when invoice issued to service receiver.

Profit on investments and savings accounts is recognized on accrual basis.

## **2.12 Investments**

All investments are initially recorded at cost. Subsequently it is stated at market value.

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### **2.13 Financial instruments**

Financial Assets are investments, advances, deposits, other receivables and cash and bank balances. These are stated at their normal value as reduced by the appropriate allowances for estimated irrecoverable amount. Financial liabilities are classified according to substance of contractual arrangements entered into nominal value.

### **2.14 Offsetting of financial assets and financial liabilities**

Financial asset and financial liability is offset and net amount reported in the balance sheet, if the company has a legal enforceable right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

### **2.15 Staff retirements benefits**

#### **Defined benefit plan**

The Company operates an approved funded gratuity scheme for all its eligible employees. Gratuity is based on employee's last drawn gross salary. Contribution are made to the scheme on the basis of actuarial valuation and charged to income. The last Actuarial valuation was carried out as of June, 30 2012 using the "Projected Unit Credit Method". Six or more months of service in excess of completed year of service shall be counted as one complete year however less than six months of service shall be ignored.

Provision for gratuity has not been made on the basis of actuarial valuation as the management is of the view that the values determined by actuarial valuation method would not be materially different. Moreover short fall, if any, will be recovered from the service receiver as a standard practice.

As far short fall of gratuity fund provision for the year as well as previous year concerned, it is an understanding with Habib Bank Limited that such short fall would be recouped on final settlement of gratuity payments to eligible employees.

### **2.16 Cash & cash equivalents**

Cash and cash equivalents includes cash in hand, cash at bank and short-term highly liquid investments that are readily convertible to cash and subject to insignificant risk of changes in their values.

### **2.17 Functional and presentation currency**

These financial statements are presented in Pakistan Rupees which is the functional currency of the company.

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### 3 PROPERTY, PLANT AND EQUIPMENT

Note	2023	2022
	Rupees	Rupees
Operating Fixed Assets	355,434	445,202

#### 3.1 Operating Fixed Assets

Particulars	Office equipment	Motor Vehicles	Computers	Air - Conditioners	Furniture and fixtures	Telephone and Mobile	Generator	Total
(Rupees)								
<b>At June 30, 2021</b>								
Cost	169,368	1,174,000	462,504	164,464	324,670	113,400	119,848	2,528,254
Accumulated depreciation	(162,676)	(798,527)	(454,317)	(162,073)	(159,549)	(81,229)	(119,846)	(1,938,217)
<b>Net book value</b>	<b>6,692</b>	<b>375,473</b>	<b>8,187</b>	<b>2,391</b>	<b>165,121</b>	<b>32,171</b>	<b>2</b>	<b>590,037</b>
<b>Year ended June 30, 2022</b>								
Opening net book value as at July 01, 2021	6,692	375,473	8,187	2,391	165,121	32,171	2	590,037
<b>Disposals</b>								
-Cost	-	-	-	-	-	-	(39,848)	(39,848)
-Depreciation	-	-	-	-	-	-	39,847	39,847
	-	-	-	-	-	-	(1)	(1)
Depreciation for the year	(1,338)	(75,095)	(2,728)	(478)	(33,024)	(32,171)	-	(144,834)
<b>Closing Net book value</b>	<b>5,354</b>	<b>300,378</b>	<b>5,459</b>	<b>1,913</b>	<b>132,097</b>	<b>-</b>	<b>1</b>	<b>445,202</b>
<b>At June 30, 2022</b>								
Cost	169,368	1,174,000	462,504	164,464	324,670	113,400	80,000	2,488,406
Accumulated depreciation	(164,014)	(873,622)	(457,045)	(162,551)	(192,573)	(113,400)	(79,999)	(2,043,204)
<b>Net book value</b>	<b>5,354</b>	<b>300,378</b>	<b>5,459</b>	<b>1,913</b>	<b>132,097</b>	<b>-</b>	<b>1</b>	<b>445,202</b>
<b>Year ended June 30, 2023</b>								
Opening net book value as at July 01, 2022	5,354	300,378	5,459	1,913	132,097	-	1	445,202
Depreciation for the year	(1,071)	(60,076)	(1,819)	(383)	(26,419)	-	-	(89,768)
<b>Closing Net book value</b>	<b>4,283</b>	<b>240,302</b>	<b>3,640</b>	<b>1,530</b>	<b>105,678</b>	<b>-</b>	<b>1</b>	<b>355,434</b>
<b>At June 30, 2023</b>								
Cost	169,368	1,174,000	462,504	164,464	324,670	113,400	80,000	2,488,406
Accumulated depreciation	(165,085)	(933,698)	(458,864)	(162,934)	(218,992)	(113,400)	(79,999)	(2,132,972)
<b>Net book value</b>	<b>4,283</b>	<b>240,302</b>	<b>3,640</b>	<b>1,530</b>	<b>105,678</b>	<b>-</b>	<b>1</b>	<b>355,434</b>
<b>Annual Rate of Depreciation</b>								
(% per annum)	20	20	33.33	20	20	20	20	20

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Note	2023	2022
	Rupees	Rupees

#### 4 LONG TERM DEPOSITS

##### Security deposits:

Telephone	1,635	1,635
Rent	111,000	111,000
	<u>112,635</u>	<u>112,635</u>

#### 5 SHORT-TERM INVESTMENTS

	Opening balance	Addition during the year	Encashment during the year	Gain On Remeasurement As At 30 June 2023	Total 2023	Total 2022
NBP MM Fund FSI Fund	26,862,473	3,244,210	(8,600,000)	227,396	21,734,079	26,862,473
Telenor Micro Finance Bank Limited	-	-	-	-	-	-
	<u>26,862,473</u>	<u>3,244,210</u>	<u>(8,600,000)</u>	<u>227,396</u>	<u>21,734,079</u>	<u>26,862,473</u>

5.1 These carried expected profit @ 14.60% to 22.50%.

#### 6 TRADE DEBTORS - CONSIDERED GOOD

<u>1,978,221</u>	<u>349,018</u>
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6.1 No amount is over due.

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	Note	2023 Rupees	2022 Rupees
<b>7 Advance, deposits and prepayments</b>			
Advance to staff		499,968	479,149
Earnest money deposit		868,795	140,000
Prepaid insurance		-	56,566
<b>Other receivable</b>			
Others		-	312,000
Sales tax refundable		147,490	-
		147,490	312,000
		<u>1,516,253</u>	<u>987,715</u>

## 8 CASH AND BANK BALANCES

Cash in hand		-	-
Cash at banks in:			
- current accounts		2,008	3,172
- saving accounts	8.1	2,464,006	1,129,947
		<u>2,466,014</u>	<u>1,133,119</u>
		<u>2,466,014</u>	<u>1,133,119</u>

- 8.1 The saving accounts carries profit rates ranging between 12% to 20% per annum (2022: 7 % to 8.25% per annum).

## 9 TRADE AND OTHER PAYABLES

<b>Accrued Expenses</b>			
Provision for COD	9.1	136,000	136,000
Payable for trading		48,500	216,400
Audit fee		110,000	110,000
Other accruals		475,162	5,924
		<u>769,662</u>	<u>468,324</u>
<b>Other Liabilities</b>			
Insurance death claim		-	141,667
		<u>769,662</u>	<u>609,991</u>

- 9.1 This represents difference of lump sum payment under Charter of Demands (COD) 2015 - 2016.

*new*

	Note	2023 Rupees	2022 Rupees
<b>10 RECEIPTS / REVENUE - net</b>			
Contractual receipts - net	10.1	198,120	718,955
		<u>198,120</u>	<u>718,955</u>
10.1 Gross Contractual receipts		31,014,177	29,597,484
Less: Sales tax		<u>(2,835,642)</u>	<u>(2,593,599)</u>
		28,178,535	27,003,885
Contractual hiring cost	10.2	<u>(27,980,415)</u>	<u>(26,284,930)</u>
		<u>198,120</u>	<u>718,955</u>
10.2 Contractual hiring cost			
Salaries		24,128,628	22,675,026
Insurance		630,809	737,292
EOBI		1,268,298	1,126,983
Social Security		1,557,640	1,224,659
Uniforms		395,040	520,970
		<u>27,980,415</u>	<u>26,284,930</u>
<b>11 Profit on sales</b>			
Gross Sales		13,755,798	3,571,003
Less: Sales Tax		<u>(1,162,727)</u>	<u>(387,811)</u>
Net Sale		12,593,071	3,183,192
<b>Cost of sales</b>			
Purchase for trading		11,029,797	2,917,719
Tender documents purchase		13,850	6,650
Cartage expense		24,200	26,157
Conveyance charges		52,260	53,290
Salaries		4,400	6,300
Miscellaneous		23,880	8,789
		11,148,387	3,018,905
		<u>1,444,684</u>	<u>164,287</u>

*aw*

	Note	2 0 2 3 Rupees	2 0 2 2 Rupees
<b>12 OPERATING AND ADMINISTRATIVE EXPENSES</b>			
Salaries and allowances	12.1	3,236,670	3,832,987
Office rent		501,656	471,392
Telephone & mobile expenses		98,602	97,890
Vehicle maintenance		103,060	75,025
News Paper and periodicals		-	10,590
Legal and professional charges		1,431,241	524,171
Fee and subscriptions		-	28,501
Conveyance charges		60,630	43,081
Entertainment		69,262	86,174
Postage and courier		43,813	86,146
Printing and stationary		31,196	41,618
Depreciation	3	89,768	144,834
Audit fee		110,000	110,000
Insurance		50,000	67,037
Repair and maintenance - Office premises		70,700	65,300
Electricity charges		257,828	261,132
Repair and maintenance - computer		71,160	70,560
Directors fee	12.1	44,000	105,600
Meeting expenses		56,348	74,052
Internet charges		6,900	600
Professional Tax		99,706	43,500
Utilities		7,312	5,682
Miscellaneous		198,598	170,253
		<b>6,638,450</b>	<b>6,416,125</b>

**12.1 REMUNERATIONS OF CHIEF EXECUTIVE AND DIRECTORS**

The aggregate amounts charged in the financial statements in respect of remuneration, including all benefits and fees to the chief executive and directors of the Company were as follows:

	Chief Executive		Directors	
	2 0 2 3 Rupees	2 0 2 2 Rupees	2 0 2 3 Rupees	2 0 2 2 Rupees
Fee	-	-	44,000	105,600
Managerial remunerations	612,000	694,800	235,000	668,076
Conveyance	232,327	257,156	76,570	192,856
	<b>844,327</b>	<b>951,956</b>	<b>355,570</b>	<b>966,532</b>
No. of persons	1	1	6	6

In addition to the above, Chief Executive has been provided with free use of company's maintained car.

*W*

	Note	2023	2022
		Rupees	Rupees
<b>13 OTHER OPERATING INCOME</b>			
<b>Income from financial assets</b>			
Profit on term deposits receipts - TDRs		-	655,774
Profit on saving accounts		130,204	162,414
		<u>130,204</u>	<u>818,188</u>
<b>Income from other financial assets</b>			
Dividend on NBP fund		3,816,717	2,345,873
Other income		152,541	35,351
		<u>3,969,258</u>	<u>2,381,224</u>
		<u>4,099,462</u>	<u>3,199,412</u>
<b>14 TAXATION - NET</b>	14.1	<u>13,019,357</u>	<u>12,538,474</u>
<b>14.1 TAXATION</b>			
Balance at July 01,		12,538,474	12,042,396
<b>Add:</b>			
Withholding tax during the year		1,198,008	639,890
Withholding tax of previous year net of provision		251,001	200,624
Income tax refundable		149,942	546,455
		<u>1,598,951</u>	<u>1,386,969</u>
<b>Less:</b>			
Provision of taxation- current year		(1,118,068)	(890,891)
Withholding tax of previous year net of provision		-	-
		<u>(1,118,068)</u>	<u>(890,891)</u>
Balance as at June 30,		<u>13,019,357</u>	<u>12,538,474</u>
<b>15 NUMBER OF EMPLOYEES</b>			
As at June 30,		<u>75</u>	<u>85</u>
Average during the year		<u>80</u>	<u>85</u>

#### 16 CORRESPONDING FIGURES

Corresponding figures have been resited wherever necessary, no major restatement has been made other than mentioned below.

	From prior year	To other operating income
Other operating income	<u>296,048</u>	<u>296,048</u>
	From advances, deposits, prepayments and other receivables	To OCI
Other comprehensive loss	<u>2,119,367</u>	<u>2,119,367</u>

#### 17 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 07 OCT 2023 by Board of Directors of the Company.

#### 18 GENERAL

Figures in these financial statements have been rounded off to the nearest rupee.

  
CHIEF EXECUTIVE

  
DIRECTOR