

**DARSON SECURITIES LIMITED
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

INDEPENDENT AUDITORS' REPORT

To the members of Darson Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Darson Securities Limited (The company)**, which comprise the statement of financial position as at 30 June 2021, and the statement of profit or loss, the statement of 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, the statement of profit or loss, the statement of 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 30 June 2021 and of the loss and comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with 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 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.

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 either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board 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 Requirements

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, the statement of profit or loss, the statement of 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 Ushr Ordinance, 1980 (XVIII of 1980).
- e) The Company was in compliance with the requirement of section 78 of Securities Act 2015, and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the financial statements was prepared.

The engagement partner on the audit resulting in this independent auditor's report is Arqum Naveed.

Muniff Ziauddin & Co
Muniff Ziauddin & Co.
Chartered Accountants
Lahore

Dated: 07 OCT 2021

DARSON SECURITIES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	4	71,735,904	63,501,233
Intangible assets	5	54,656,685	54,502,096
Long term investments	6	19,669,681	19,605,539
Long term deposits	7	1,843,450	3,443,450
		<u>147,905,720</u>	<u>141,052,318</u>
CURRENT ASSETS			
Trade debts	8	105,718,715	59,818,561
Loan and advances	9	9,362,769	19,015,708
Short term deposits, prepayments and other receivables	10	194,327,782	55,082,663
Short term investments	11	118,840,716	67,544,944
Tax refund due from the Government	12	35,417,045	36,376,471
Cash and bank balances	13	74,792,104	86,299,411
		<u>538,459,131</u>	<u>324,137,758</u>
TOTAL ASSETS		<u>686,364,851</u>	<u>465,190,076</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid up share capital	14	200,000,000	200,000,000
Fair value reserve of long term investment at FVOCI		15,823,641	15,759,499
Unappropriated profit		197,053,955	128,518,687
		<u>412,877,596</u>	<u>344,278,186</u>
NON CURRENT LIABILITIES			
Long term loan	15	3,215,202	-
CURRENT LIABILITIES			
Trade and other payables	16	269,449,531	120,911,890
Current portion of loan	15	822,522	-
		<u>270,272,053</u>	<u>120,911,890</u>
CONTINGENCIES AND COMMITMENTS			
	17	-	-
TOTAL EQUITY AND LIABILITIES		<u>686,364,851</u>	<u>465,190,076</u>

The annexed notes, from 1 to 35, form an integral part of these financial statements.



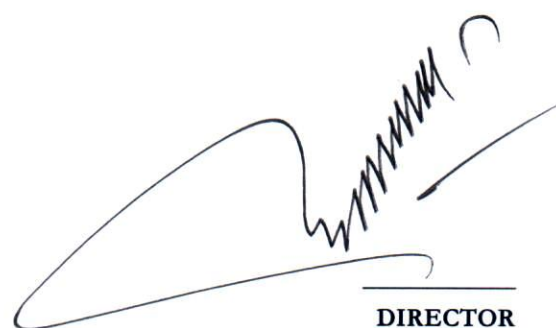
DARSON SECURITIES LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
Operating Revenue	18	242,944,864	82,186,017
Capital gain / (loss) on sale of investments - net		5,502,046	(20,321,940)
Gain on re-measurement of investments through profit or loss - net	19	35,944,373	14,761,795
		<u>284,391,283</u>	<u>76,625,872</u>
Operating and administrative expenses	20	(222,988,180)	(85,743,521)
Other income	21	14,068,235	9,134,823
Profit from operations		<u>75,471,338</u>	<u>17,174</u>
Finance cost	22	(1,032,912)	(139,968)
Profit / (loss) before taxation		<u>74,438,426</u>	<u>(122,794)</u>
Taxation	23	(5,903,158)	(1,751,935)
Profit / (loss) after taxation		<u><u>68,535,268</u></u>	<u><u>(1,874,729)</u></u>

The annexed notes, from 1 to 35, form an integral part of these financial statements.



CHIEF EXECUTIVE

DIRECTOR

DARSON SECURITIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
Profit / (loss) after taxation		68,535,268	(1,874,729)
Other comprehensive income			
Items that will not be subsequently reclassified to statement of profit or loss			
Surplus on re-measurement of investment at FVOCI	6.1.1	64,142	15,759,499
Items that may be subsequently reclassified to statement of profit or loss		-	-
Total comprehensive income for the year		<u>68,599,410</u>	<u>13,884,770</u>

The annexed notes, from 1 to 35, form an integral part of these financial statements.



DARSON SECURITIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2021

	Issued, subscribed and paid-up capital	Fair value reserve of long term investment at FVOCI	Unappropriated profit	Total Equity
	----- (Rupees) -----			
Balance as at July 01, 2019	200,000,000	-	130,393,416	330,393,416
Loss after taxation	-	-	(1,874,729)	(1,874,729)
Other comprehensive income	-	15,759,499	-	15,759,499
Total comprehensive income for the year	-	15,759,499	(1,874,729)	13,884,770
Balance as at June 30, 2020	200,000,000	15,759,499	128,518,687	344,278,186
Balance as at July 01, 2020	200,000,000	15,759,499	128,518,687	344,278,186
Profit after taxation	-	-	68,535,268	68,535,268
Other comprehensive income	-	64,142	-	64,142
Total comprehensive income for the year	-	64,142	68,535,268	68,599,410
Balance as at June 30, 2021	<u>200,000,000</u>	<u>15,823,641</u>	<u>197,053,955</u>	<u>412,877,596</u>

The annexed notes, from 1 to 35, form an integral part of these financial statements.



CHIEF EXECUTIVE




DIRECTOR

DARSON SECURITIES LIMITED
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) before taxation		74,438,426	(122,794)
<i>Adjustments for non cash items and other:</i>			
- Depreciation of property and equipment	4	3,889,758	2,427,306
- Allowance for expected credit losses	8.1	908,699	-
- Amortisation of intangible assets	5.2	121,411	67,319
- Unrealized gain on investments	19	(35,944,373)	(14,761,795)
- Capital (gain) / loss on sale of investments - net		(5,502,046)	20,321,940
- Gain on sale of property and equipment		-	(500,000)
- Finance cost	22	1,032,912	139,968
		<u>(35,493,639)</u>	<u>7,694,738</u>
Changes in working capital		38,944,787	7,571,944
<i>(Increase) / decrease in current assets:</i>			
Trade debts		(46,808,853)	(21,587,086)
Loans and advances		9,652,939	(16,668,985)
Short term deposits, prepayments and other receivables		(139,245,119)	(11,628,686)
<i>Increase in current liabilities:</i>			
Trade and other payables		148,537,637	86,124,531
		<u>(27,863,396)</u>	<u>36,239,774</u>
Financial cost paid		(1,032,912)	(139,968)
Taxes paid		(4,943,732)	(1,963,369)
Net cash generated from operating activities		5,104,747	41,708,381
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of property and equipment		(12,124,429)	(8,159,446)
Proceeds from disposal of property and equipment		-	22,000,000
Payment for acquisition of intangibles		(276,000)	(517,250)
Payment for short term investments		(9,849,349)	(18,129,074)
Decrease in long term deposits		1,600,000	200,000
Net cash used in investing activities		(20,649,778)	(4,605,770)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing obtained		4,438,000	-
Repayment of long term loan		(400,276)	-
Net cash generated from financing activities		4,037,724	-
Net increase/(decrease) in cash and cash equivalents		(11,507,307)	37,102,611
Cash and cash equivalents at the beginning of the year		86,299,411	49,196,800
Cash and cash equivalents at the end of the year	13	74,792,104	86,299,411

The annexed notes, from 1 to 35, form an integral part of these financial statements.



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DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

1 LEGAL STATUS AND OPERATIONS

Darson Securities Limited ("the Company") was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) having CIUN 0041048 as a public unlisted company on March 11, 2000. The Company is a Trading Right Entitlement Certificate (TREC) holder of Pakistan Stock Exchange Limited and had also acquired membership of the Pakistan Mercantile Exchange Limited (Formerly National Commodity Exchange Limited). It is principally engaged in the business of brokerage, underwriting, buying and selling of stocks, shares, modaraba certificates, etc. The location and addresses of the registered and corporate office of the Company is as follow:-

LOCATIONS AND ADDRESSES OF COMPANY'S OFFICES

Sr.	Particulars	Location
1.	Head Office	Room no. 102, 1st Floor, Lahore Stock Exchange Building, Lahore.
2.	Corporate Office	Room 807 & 808, 8th Floor, Business and Finance Center, Karachi

2 BASIS OF PREPARATION

2.1 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 applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and
- provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of Measurement

These financial statements have been prepared under the historical cost convention except otherwise stated in the relevant accounting policy.

2.3 Functional and presentation currency

These financial statements are presented using the currency of economic environment of the country in which the company operations. These financial statements are presented in Pakistan Rupees, which is also the Company's functional currency.

2.4 CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS

The preparation of financial statements in conformity with approved accounting and reporting standards, requires management to use certain accounting estimates and exercise judgements in the process of applying the Company's accounting policies. Estimates and judgements are regularly evaluated and are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods, if the revision affects both current and future periods. The areas involving significant estimates or judgements are:

- Useful lives, residual values and depreciation method of property and equipment - Note 3.1 & 4
- Useful lives, residual values and amortisation method of intangible assets - Note 3.2 & 5
- Allowance for expected credit loss - Note 3.4.4, 3.5 & 9.1
- Current income tax expense, provision for current tax and recognition of deferred tax asset - Note 3.9
- Estimation of provisions - Note 3.10
- Estimation of contingent liabilities - Note 3.15
- Revenue - Note 3.8
- Impairment of non financial assets - Note 3.12

2.5 New or amendments to existing standards and interpretations

2.5.1 Standards, amendments to published standards and interpretations that are effective in the current year

Certain standards, amendments and interpretations to IFRS are effective for accounting periods beginning on July 1, 2020 but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these financial statements

2.5.2 Standards, interpretations and amendments to published accounting and reporting standard that are not yet effective

The following standards, amendments to the IFRS and interpretations are mandatory for companies having accounting periods beginning on or after July 1, 2021:

Amendments to existing Standards:		Effective date (annual periods beginning on or after)
IFRS - 3	Business Combinations (Amendments)	1 January 2022
IFRS - 7	Financial Instruments: Disclosures (Amendments)	1 January 2021
IFRS - 9	Financial Instruments (Amendments)	1 January 2021
IFRS - 16	Leases (Amendments)	1 January 2021
IAS - 1	Presentation of Financial Statements (Amendments)	1 January 2023
IAS - 8	Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	1 January 2023
IAS - 12	Income Taxes (Amendments)	1 January 2023
IAS - 16	Property, Plant and Equipment (Amendment)	1 January 2022
IAS - 37	Provisions, Contingent Liabilities and Contingent Assets (Amendments)	1 January 2022

Further, following new standard have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan:-

IFRS 17 - Insurance Contracts

The Company expects that application of above standards will not have any material impact on the Company's financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements:

3.1 Property and Equipment**Cost**

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost in relation to property and equipment comprises acquisition and other directly attributable cost incurred in bringing the asset to its intended use. 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 entity and cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of profit or loss during the period in which they incurred.

Depreciation

Depreciation on property and equipment is charged to statement of profit or loss on a reducing balance method so as to write off cost / depreciable amount of an asset over its estimated useful life at the rates as disclosed in the Note 4 to the financial statements. Depreciation is charged from the date the assets are put to use while no depreciation is charged after the date when the assets are disposed off. The residual value and useful lives are reviewed by the management at each financial year end and adjusted if impact on depreciation is significant.

Derecognition

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

3.2 Intangible assets

These include membership cards of PMEX, Trading Right Entitlement Certificates (TREC) and Offices and Website & Software.

a) Finite useful life

These are measured on initial recognition at cost. Following initial recognition these are carried at cost less accumulated amortisation and accumulated impairment losses, if any. The carrying amounts are reviewed at each reporting date to assess whether they are recorded in excess of their recoverable amount and where carrying values exceed estimated recoverable amount, these are written down to their estimated recoverable amount. Intangible assets are amortised using the reducing balance method over their useful life as disclosed in Note 5.2 to the financial statements.

b) Infinite useful life

These are measured on initial recognition at cost. Following initial recognition these are carried at cost less accumulated impairment, if any. Cost on initial recognition in an acquisition transaction is determined as the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire an asset at the time of asset acquisition. When there is an exchange of assets and the fair value of neither the asset received nor the asset given up can be reliably measured, the cost of the asset received should be measured at the carrying amount of the asset given up. The carrying amounts are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts and where carrying values exceed estimated recoverable amount, these are written down to their estimated recoverable amount.

3.3.1 Computer software

These are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is computed using the reducing balance method over assets estimated useful life at the rates stated in Note 5.2 to the financial statements, after taking into accounts residual value, if any. The residual values, useful life and amortisation methods are reviewed and adjusted, if appropriate, at each reporting date.

Amortisation is charged from the date the assets are put to use while no amortisation is charged after the date when the assets are disposed off.

Gains and losses on disposal of such assets, if any, are included in the statement of profit or loss.

3.3.2 Membership cards and offices

These are stated at cost less accumulated 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.

3.4 Financial Instruments

A financial instrument is any asset that gives rise to a financial asset of an entity and a financial liability or equity instruments of another entity. The Company recognizes an investment when and only when it becomes a party to the contractual provisions of the instrument evidencing investment.

3.4.1 Financial Assets

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

- (a) financial assets measured at amortised 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 amortised cost

A financial asset is measured at amortised 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 amortised cost or at fair value through other comprehensive income, as aforesaid.

Such financial assets are initially measured at fair value and transaction cost if any, expensed out in the statement of profit or loss.

3.4.1.1 Subsequent measurement**(a) Financial assets measured at amortised cost**

These assets are subsequently measured at amortised cost (determined using the effective interest method) less accumulated impairment losses, if any. Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in statement of profit or loss.

(b) Financial assets at FVOCI

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

A gain or loss on a financial asset measured at fair value through other comprehensive income is recognised in statement of comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised 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 recognised in statement of 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 statement of profit or loss.

3.4.2 Financial Liabilities**(a) Initial measurement**

Financial liabilities are classified as measured at amortised cost or 'at fair value through profit or loss' (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit or loss.

(b) Subsequent measurement

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit or loss. Any gain or loss on de-recognition is also recognized in the statement of profit or loss.

3.4.3 Derecognition**a) Financial Assets**

Financial assets are derecognized when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

b) Financial Liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of profit or loss.

3.4.4 Impairment

The Company's financial assets that are subject to the impairment requirements of IFRS 9 are trade debts.

The Company applies the IFRS 9 'Simplified Approach' to measuring expected credit losses which uses a lifetime expected loss allowance for above mentioned financial assets. The Company measures expected credit losses in a way that reflects an unbiased and probability-weighted amount, time value of money and reasonable and supportable information at the reporting date about the past events, current conditions and forecast of future economic conditions. The Company recognises in statement of profit or loss, as an impairment loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

3.4.5 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 realize the asset and settle the liability simultaneously.

3.5 Trade debts and other receivables

Trade debts are initially recognized at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit loss. The company has applied simplified approach to measure expected credit losses, which uses a life time expected credit loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

3.6 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position are carried at cost. For the purpose of statement of cash flows cash and cash equivalents comprise cash and bank balances in deposit and current accounts.

3.7 Trade and other payables

These amounts represents liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid.

3.8 Revenue recognition

Revenue is recognised at the time when control is transferred to the customer. This is usually when services are provided. Revenue from different sources of income is recognized as follows:

- Brokerage, commission etc. are recognized as and when such services are provided.
- Profit on saving accounts, profit on exposure deposits and markup on marginal financing is recognized at effective yield on time proportion basis.
- Dividend income is recorded when the right to receive the dividend is established.
- Gains / (losses) arising on sale of investments are included in the statement of profit or loss in the period in which they arise.
- Unrealized capital Gains / (losses) arising from mark to market of investments classified as at financial assets at fair value through profit or loss are included in statement of profit or loss for the period in which they arise.

3.9 Taxation**Current**

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using enacted or substantially enacted at the reporting date and after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provide for tax made in previous years arising from assessments framed during the year for such years.

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 amounts of assets and liabilities for financial reporting purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized 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 realized.

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, except in the case of items credited or charged to statement of comprehensive income or directly to equity, in which case it is included in comprehensive income or equity.

3.10 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past event, 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.

3.11 Foreign Currency Translation

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transactions. All monetary assets and liabilities denominated in foreign currencies at the year end are translated at exchange rates prevailing at the balance sheet date. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transactions. Exchange differences are included in statement of profit or loss for the year.

3.12 Impairment of non financial assets

The carrying amount of the company's assets, for which policy is given separately, are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists the assets' recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of asset exceeds its recoverable amount. Impairment losses are charged to statement of profit or loss.

3.13 Settlement date accounting

All "regular way" purchases and sales of financial assets are recognized on the settlement date, i.e. the date on which the transaction is settled. Regular way purchases or sales of financial assets are those, the contract for which requires delivery of assets within the time frame generally established by regulation or convention in the market.

However, the company follows trade date accounting for its own investments. Trade date is the date on which the company commits to purchase or sell its asset.

3.14 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

4 PROPERTY AND EQUIPMENT

	Land	Furniture and Fixture	Office Equipments	Computer Equipments	Vehicles	TOTAL
(-----Rupees-----)						
As at July 01, 2019						
Cost	65,042,600	5,908,714	6,130,153	5,461,770	18,570,212	101,113,449
Accumulated depreciation	-	(4,571,558)	(2,806,112)	(3,531,458)	(10,935,228)	(21,844,356)
Net book value	65,042,600	1,337,156	3,324,041	1,930,312	7,634,984	79,269,093
Year Ended June 30, 2020						
Opening net book value	65,042,600	1,337,156	3,324,041	1,930,312	7,634,984	79,269,093
Additions during the year	-	-	918,637	4,294,309	2,946,500	8,159,446
Disposals/transfer/write-off						
Cost	(21,500,000)	-	-	-	-	(21,500,000)
Accumulated depreciation	-	-	-	-	-	-
Net book value	(21,500,000)	-	-	-	-	(21,500,000)
Depreciation charge	-	(133,716)	(368,552)	(342,434)	(1,582,604)	(2,427,306)
Closing net book value	43,542,600	1,203,440	3,874,126	5,882,187	8,998,880	63,501,233
As at June 30, 2020						
Cost	43,542,600	5,908,714	7,048,790	9,756,079	21,516,712	87,772,895
Accumulated depreciation	-	(4,705,274)	(3,174,664)	(3,873,892)	(12,517,832)	(24,271,662)
Net Book Value	43,542,600	1,203,440	3,874,126	5,882,187	8,998,880	63,501,233
As at July 01, 2020						
Cost	43,542,600	5,908,714	7,048,790	9,756,079	21,516,712	87,772,895
Accumulated depreciation	-	(4,705,274)	(3,174,664)	(3,873,892)	(12,517,832)	(24,271,662)
Net book value	43,542,600	1,203,440	3,874,126	5,882,187	8,998,880	63,501,233
Year Ended June 30, 2021						
Opening net book value	43,542,600	1,203,440	3,874,126	5,882,187	8,998,880	63,501,233
Additions during the year	-	-	2,252,633	3,331,541	6,540,255	12,124,429
Disposals/transfer/write-off						
Cost	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
Net book value	-	-	-	-	-	-
Depreciation charge	-	(120,344)	(496,933)	(782,687)	(2,489,794)	(3,889,758)
Closing net book value	43,542,600	1,083,096	5,629,826	8,431,041	13,049,341	71,735,904
At June 30, 2021						
Cost	43,542,600	5,908,714	9,301,423	13,087,620	28,056,967	99,897,324
Accumulated depreciation	-	(4,825,618)	(3,671,597)	(4,656,579)	(15,007,626)	(28,161,420)
Net Book Value	43,542,600	1,083,096	5,629,826	8,431,041	13,049,341	71,735,904
Annual rate of depreciation	-	10%	10%	10%	20%	

DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
5 INTANGIBLE ASSETS			
Trading Right Entitlement Certificate and Offices	5.1	53,052,165	53,052,165
Membership - Pakistan Mercantile Exchange Limited (PMEX)		1,000,000	1,000,000
		<u>54,052,165</u>	<u>54,052,165</u>
Website and Software	5.2	604,520	449,931
		<u>54,656,685</u>	<u>54,502,096</u>

5.1 Trading Right Entitlement Certificate and Offices

Trading Right Entitlement Certificate

Cost		5,000,000	5,000,000
Impairment		(2,500,000)	(2,500,000)
	5.1.1	<u>2,500,000</u>	<u>2,500,000</u>

Offices-booths

Pakistan Stock Exchange Limited		50,552,165	50,552,165
		<u>53,052,165</u>	<u>53,052,165</u>

5.1.1 This represents TREC received by the company in accordance with the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012. These have been carried at cost less accumulated impairment losses, if any.

	2021 Rupees	2020 Rupees
5.2 Website and Software		
Net carrying amount		
Opening net book value	449,931	-
Additions	276,000	517,250
Amortisation	(121,411)	(67,319)
Closing net book value	<u>604,520</u>	<u>449,931</u>
Gross carrying amount		
Cost	725,931	517,250
Accumulated Amortisation	(121,411)	(67,319)
Net book value	<u>604,520</u>	<u>449,931</u>
Amortisation rate	<u>20%</u>	<u>20%</u>

6 LONG TERM INVESTMENTS

Investments - at fair value through other comprehensive income

- LSE Financial Services Limited	6.1	19,605,539	3,846,040
- Adjustment for remeasurement to fair value		64,142	15,759,499
		<u>19,669,681</u>	<u>19,605,539</u>

6.1 This represents trading rights in LSE Financial Services Limited shares which had been replaced with membership cards of stock exchanges pursuant to the promulgation of Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012 (the Act). Subsequently from 11th January, 2016, Lahore, Islamabad and Karachi Stock Exchanges have been integrated to form Pakistan Stock Exchange with the approval of SECP. Pursuant to demutualization in 2012, the stock exchanges were functioning as Guarantee Limited Companies, wherein ownership and trading rights were conferred to members through membership cards, the ownership in the stock exchanges has been restricted from the right to trade on the exchange. Therefore, the membership cards were replaced by shares and trading rights entitlement certificate (TREC) in the exchange, representing ownership and rights to trade respectively. As a result 843,975 shares of Rs.10/- each have been allotted to the Company out of which 60% (506,385) of the shares were blocked in a separate account held with CDC and remaining 40% were available to members with no conditions on their future sale.

The Institute of Chartered Accountants of Pakistan (ICAP) in its 'selected opinion' concluded that the demutualization, in substance, had not resulted in exchange of dissimilar assets, and therefore no gain or loss should be recognized and the segregation of ownership rights and the trading rights should be accounted for by allocating the cost /carrying value of the membership card between the two distinct assets on a reasonable basis. The transaction is in nature an exchange of an intangible asset (membership card) with a financial asset (shares) together with an intangible asset (TREC).

Institute of Chartered Accountants of Pakistan further in its 'selected opinion' stressed that any subsequent measurement of the shares and / or TREC would only be possible where reliable fair values can be measured. This would most likely happen when the blocked shares are sold to the strategic investor or to the general public through an IPO and an active market develops for the TREC.

The shares are neither listed on any exchange nor are they actively traded. The latest net asset value per share of these shares as notified by LSE Financial Services Limited on 23.06.2020 was Rs. 23.23 per share as at June 30, 2020.

DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
7 LONG TERM DEPOSITS			
Trading deposits placed with			
Deposit with CDC		200,000	200,000
Deposit with PSX		200,000	200,000
Deposit with NCCPL		1,200,000	1,200,000
Deposit with PMEX		-	100,000
Other security deposits			
Deposit with PSO		243,450	243,450
Deposit with Landlord against property		-	1,500,000
		<u>1,843,450</u>	<u>3,443,450</u>
8 TRADE DEBTS			
Trade debts - considered good	8.2	105,718,715	59,818,561
Trade debts - considered doubtful		908,699	-
		<u>106,627,414</u>	<u>59,818,561</u>
Less : Allowance for expected credit losses	8.1	(908,699)	-
		<u>105,718,715</u>	<u>59,818,561</u>
8.1 Movement in allowance for expected credit losses of trade debts is as below:			
Opening balance		-	-
Charge for the year		908,699	-
Closing balance		<u>908,699</u>	<u>-</u>
8.2 This includes Rs. 2.47 million (2020:Rs. 13.22 million) due from related parties. The Company holds capital securities having fair value of Rs. 555.08 million (2020: Rs.269.78 million) owned by its clients, as collaterals against trade debts.			
Name of Related Party		Maximum aggregate amount outstanding with reference to Month end balance	
Chief Executive Officer		<u>16,176,681</u>	
8.3 Aging Analysis		2021 Rupees	2020 Rupees
The aging analysis of trade debt is as follows:			
Upto fourteen days		99,193,849	50,377,307
More than fourteen days		6,524,866	9,441,295
		<u>105,718,715</u>	<u>59,818,602</u>
9 LOAN AND ADVANCES			
Unsecured - Considered good			
Advance to employees - unsecured		8,549,018	19,015,708
Advance against software		813,751	-
		<u>9,362,769</u>	<u>19,015,708</u>
10 SHORT TERM DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Pakistan mercantile exchange clearing deposit		1,530,796	1,642,026
National clearing company of Pakistan limited	10.1	28,087,407	1,130,514
Exposure margin deposit - future	10.1	96,878,018	27,360,012
Exposure margin deposit - ready	10.1	65,677,251	24,080,323
Prepayments		1,667,243	384,521
Other receivables		487,067	485,267
		<u>194,327,782</u>	<u>55,082,663</u>
10.1 These represents deposits with National Clearing Company of Pakistan Limited against exposure arising out of trading in securities in accordance with the regulations of the Pakistan Stock Exchange Limited and National Clearing Company Pakistan Limited.			
11 SHORT TERM INVESTMENTS	Note	2021 Rupees	2020 Rupees
At fair value through profit or loss:			
Shares of listed companies - at fair value	11.1	118,840,716	67,544,944
11.1 Investments in shares of listed companies at fair value through profit or loss:			

DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

Name of Securities	2021		2020	
	Number of shares		Rupees	Rupees
Pakistan Stock Exchange Limited	1,644,500	1,644,500	36,688,795	16,280,550
Bank of Punjab Limited	888,455	773,955	7,463,022	6,501,222
Bank Alfalah Limited	146,355	146,355	4,709,704	4,913,137
Pakistan Engineering Company Limited	1,100	16,900	388,300	2,470,780
Silk Bank Limited	1,652,494	1,683,494	3,321,513	1,414,135
Escorts Investments Bank Limited	150,500	106,000	1,518,545	826,800
Engro Corporation Limited	1,768	2,433	520,870	712,674
Worldcall Telecom Limited	743,600	713,600	2,944,656	620,832
Zeal Pak Cement Factory Limited	2,842,200	2,842,200	1,250,568	1,250,568
Standard Chartered Bank (Pakistan) Limited	50,000	50,002	1,694,000	1,377,055
Beema Pakistan Limited	445,000	445,000	-	-
Habib Bank Limited	12,772	11,272	1,562,910	1,091,919
MCB Bank Limited	9,418	16,518	1,505,279	2,677,072
TRG Pakistan Limited	28,000	-	4,714,360	-
Others	3,058,066	2,525,513	50,558,194	27,408,200
			118,840,716	67,544,944

12 TAX REFUND DUE FROM THE GOVERNMENT

Opening balance		36,376,471	36,165,037
Add: Paid during the year		4,943,732	1,963,369
		41,320,203	38,128,406
Adjusted against provision for taxation		(5,903,158)	(1,751,935)
Tax deducted at source		35,417,045	36,376,471

13 CASH AND BANK BALANCES

Cash in hand		142,837	183,738
Cash at bank			
- In current accounts		34,396,968	10,477,556
- In saving accounts	13.1	40,252,299	75,638,117
	13.2	74,649,267	86,115,673
		74,792,104	86,299,411

13.1 This carries profit rate ranging from 5.5% to 6.0% (2020: 6.75%) per annum.

13.2 Cash at bank			
- House account		4,270,516	2,488,714
- Client account		70,378,751	83,626,959
		74,649,267	86,115,673

14 SHARE CAPITAL

14.1 AUTHORIZED SHARE CAPITAL

2021	2020		2021	2020
(---Number of shares---)			Rupees	Rupees
5,000,000	5,000,000	Ordinary shares of Rs. 100 each	500,000,000	500,000,000

14.2 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2021	2020		2021	2020
(---Number of shares---)				
2,000,000	2,000,000	Ordinary shares of Rs. 100 each fully paid in cash	200,000,000	200,000,000

14.2.1 There is no change in the issued, subscribed and paid up capital of the company therefore reconciliation of number of shares outstanding is not provided.

DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

15 LONG TERM LOAN

	Note	2021 Rupees	2020 Rupees
Long term loan	15.1	4,037,724	-
Opening balance		-	-
Loan obtained during the year		4,438,000	-
Interest expense		197,752	-
Loan paid during the year		(598,028)	-
Closing balance		4,037,724	-
Current		822,522	-
Non-Current		3,215,202	-
		4,037,724	-

15.1 This represents long term loan obtained from Soneri Bank Limited for the purpose of purchasing vehicles. The markup rate is 1YK+2%. These loans are secured through Joint Ownership of the vehicles purchased by utilising the loans

	Note	2021 Rupees	2020 Rupees
15.2 Maturity Analysis of long term loan - undiscounted contractual cash flows			
Up to one year		1,187,180	-
After one year		3,797,688	-
		4,984,868	-

16 TRADE AND OTHER PAYABLES

Trade creditors	244,919,128	117,688,543
Accrued expenses	24,530,403	3,223,347
	269,449,531	120,911,890

17 CONTINGENCIES AND COMMITMENTS

There are no known contingencies and commitments as at June 30, 2021 (June 30, 2020 : NIL).

18 OPERATING REVENUE

Brokerage Income	239,479,359	79,629,800
Dividend Income	3,465,505	2,556,217
	242,944,864	82,186,017

19 GAIN ON RE-MEASUREMENT OF INVESTMENTS THROUGH PROFIT OR LOSS - NET

Market value	118,840,716	67,544,944
Cost of the investment	82,896,343	52,783,149
	35,944,373	14,761,795

20 OPERATING AND ADMINISTRATIVE EXPENSES

Salaries and other benefits		121,361,482	42,417,269
Commission		39,445,330	13,581,539
Entertainment		8,238,100	5,128,493
Utility		6,378,038	4,906,833
Computer charges		5,728,398	4,005,752
CDC and NCCPL charges		7,639,232	262,495
Miscellaneous		11,967,470	3,300,497
Depreciation	4 & 5	3,889,758	2,427,306
Directors remuneration		2,220,000	2,220,000
Legal and professional charges		2,533,541	1,720,698
Printing and stationary		1,534,762	1,537,343
Rent		310,000	1,320,000
Traveling and conveyance		588,937	545,130
Insurance		1,426,466	508,385
Fee and other regulatory charges		1,452,366	437,968
SECP transaction fee		1,196,964	365,201
Auditors' remuneration	20.3	275,000	350,000
Allowance for expected credit loss		908,699	-
Communication and postage		287,301	337,024
Donation	20.1	5,484,925	304,269
Amortisation	5.2	121,411	67,319
		222,988,180	85,743,521

20.1 None of the directors and their spouses have any interest in donee's fund to which donations are made.

20.2 Donation of Rs. 5,000,000 was given to Roshni Trust Guiranwala.

DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
20.3 Auditors' Remuneration			
Annual Audit fee		275,000	250,000
Interim review fee		-	100,000
		<u>275,000</u>	<u>350,000</u>
21 OTHER INCOME			
Other miscellaneous income		12,465,158	6,230,764
Profit on deposits with banks		1,603,077	2,404,059
Gain on disposal of land		-	500,000
		<u>14,068,235</u>	<u>9,134,823</u>
22 FINANCE COST			
Bank charges		835,160	139,968
Interest on long term loan		197,752	-
		<u>1,032,912</u>	<u>139,968</u>
23 TAXATION			
Current	23.1	5,903,158	1,751,935
Deferred	23.2	-	-
		<u>5,903,158</u>	<u>1,751,935</u>

23.1 Income tax assessments of the Company are deemed to be finalized as per tax returns filed up to tax year 2020. Tax returns are subject to further assessment under provisions of the Income Tax Ordinance, 2001 ("the Ordinance") unless selected for an audit by the taxation authorities. The Commissioner of Income Tax may, at any time during a period of five years from date of filing of return, select a deemed assessment order for audit.

The company has sufficient brought forward tax losses as at the year end in accordance with provisions of the Income Tax Ordinance, 2001.

23.2 The company has not recognized deferred tax asset amounting to Rs. 8.513 million (2020: Rs. 7.321 million) as the company does not foresee any future taxable income against which unused tax losses may be adjusted.

24 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the entity.

	2021			2020		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
Managerial remuneration	2,220,000	-	15,711,654	2,220,000	-	9,330,000
Bonus	-	-	-	-	-	-
Housing and Utilities	-	-	-	-	-	-
	<u>2,220,000</u>	<u>-</u>	<u>15,711,654</u>	<u>2,220,000</u>	<u>-</u>	<u>9,330,000</u>
Number of persons	1	2	9	1	2	4

25 RELATED PARTY TRANSACTIONS

The related parties comprise key management personnel of the Company. The Company in the ordinary course of business carries out transactions with these related parties at arm's length.

Transactions with related parties such as remuneration and other benefits paid to directors, chief executive and executives during the year are disclosed in Note 8.2 and 24 of the financial statements. However, details of other transactions with the related parties have been specifically disclosed elsewhere in these financial statements, are as under:

Relationship with party	Nature of transactions	2021 Rupees	2020 Rupees
Chief Executive Officer	Trade Debts	2,474,204	13,220,143
	Brokerage commission earned	1,263,619	412,423

26 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

26.1 Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Board meets frequently throughout the year for developing and monitoring the Company's risk management policies. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

26.2 Financial assets and liabilities by category and their respective maturities

	Balances as at June 30, 2021		Balances as at June 30, 2020	
	Maturity up to one year	Maturity after one year	Maturity up to one year	Maturity after one year
Financial assets				
Investment at fair value through other comprehensive income				
Long term investments	-	19,669,681	-	19,605,539
Investment at fair value through profit or loss				
Short term investments	118,840,716	-	67,544,944	-
At amortised cost				
Long term deposits	-	1,843,450	-	3,443,450
Trade debts - considered good	105,718,715	-	59,818,561	-
Short term deposits, prepayments and other receivables	192,660,539	-	54,698,142	-
Cash and bank balances	74,792,104	-	86,299,411	-
	<u>373,171,358</u>	<u>1,843,450</u>	<u>200,816,114</u>	<u>3,443,450</u>
	<u>492,012,074</u>	<u>21,513,131</u>	<u>268,361,058</u>	<u>23,048,989</u>
Financial liabilities at amortised cost				
Trade and other payables	260,679,974	-	120,911,890	-
Long term loan	822,522	3,215,202	-	-
	<u>261,502,496</u>	<u>3,215,202</u>	<u>120,911,890</u>	<u>-</u>

26.3 Fair Values estimate

In case of equity instruments, the Company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 : Quoted market price (unadjusted) in an active market.

Level 2 : Valuation techniques based on observable inputs.

Level 3 : Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

i) Fair value at initial recognition:

The Company takes in to account factors specific to the transaction and to the asset or liability, when determining whether or not the fair value at initial recognition equals the transaction price. Except for long term deposits and long term investment, the fair value of financial assets and financial liabilities recognized in these financial statements equals the transaction price at initial recognition.

ii) Valuation techniques and inputs used:

For financial instruments, since majority of the interest bearing instruments are variable rate based instruments carried at amortised cost, there is no difference in carrying amount and the fair value.

iii) Fair value of the Company's financial assets and liabilities that are measured at fair value on recurring basis after initial recognition:

The company uses widely recognized valuation techniques, for determining the fair value of assets and liabilities, that use only observable market data and require little management judgement and estimation. The long term investment and short term investments at fair value through other comprehensive income and through profit or loss respectively been categorized as follows:-

	Level	June 30, 2021		June 30, 2020	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets carried at Fair Value:					
Long term investments	2	19,669,681	19,669,681	19,605,539	19,605,539
Short term investments	1	118,840,716	118,840,716	67,544,944	67,544,944

DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

iv) Fair value of the Company's financial assets and liabilities that are not measured at fair value after initial recognition:

The carrying amount of financial assets and financial liabilities recognized in these financial statements approximate their respective fair values.

26.4 Financial Risk Factors

The Company has exposures to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

26.5 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentrations of credit risk.

Credit risk of the Company arises from deposits with banks, trade debts, deposits with regulatory authorities, long term investments, short term investments and other receivables. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Company has developed its own risk management policies and guidelines whereby clients are provided trading limits according to their net worth and proper margins are collected and maintained from the clients. The management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful of recovery. The Company's management, as part of risk management policies and guidelines, reviews clients' financial position, considers past experience and other factors, and obtains necessary collaterals to reduce credit risks. Further, credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings.

The Company's policy is to enter into financial contracts in accordance with the internal risk management policies, investment and operational guidelines approved by the Board of Directors.

	2021 Rupees	2020 Rupees
The carrying amount of financial assets represent the maximum credit exposure, as specified below:		
at amortised cost		
Long term investments	19,669,681	19,605,539
Long term deposits	1,843,450	3,443,450
Trade receivable - considered good	105,718,715	59,818,561
Short term deposits, prepayments and other receivables	194,327,782	54,698,142
Bank balances	74,649,267	86,115,673
	396,208,895	223,681,365

i) Credit quality and impairment:

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to historical information about counterparty default rates. Counterparties, with the exception of long-term deposits, long term investments, trade debts and other receivables have external credit ratings determined by various credit rating agencies as follow:

Bank Name	Agency	ST Rating	LT Rating	2021 Rupees	2020 Rupees
MCB Bank Limited	PACRA	A1+	AAA	20,474,975	6,021,598
Habib Bank Limited	JCR-VIS	A-1+	AAA	9,197,421	3,008,355
Bank Al Habib Limited	PACRA	A1+	AAA	1,402,116	23,206
Bank Alfalah Limited	PACRA	A1+	AA+	422,614	200,443
Silk Bank Limited	JCR-VIS	A-2	A-	47,497	56,689
Habib Metro Bank Limited	PACRA	A1+	AA+	582,656	30,478
BankIslami Pakistan Limited	PACRA	A1	A+	1,716,775	745,853
JS Bank Ltd	PACRA	A1+	AA-	438,204	181,706
United Bank Limited	JCR-VIS	A-1+	AAA	679,170	369,698
Soneri Bank Limited	PACRA	A1+	AA-	39,682,839	75,477,647
Bank of Punjab	PACRA	A1+	AA+	5,000	-
				74,649,267	86,115,673

26.6 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of adequate funds through committed credit facilities and the ability to close out market positions due to dynamic nature of the business. The Company finances its operations through equity, borrowings and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit lines. The following are the contractual maturities of the financial liabilities. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

	2021 Rupees	2020 Rupees
Maturity up to one year:		
Trade and other payables	269,449,531	120,911,890
Current portion of loan	<u>822,522</u>	<u>-</u>
	<u>270,272,053</u>	<u>120,911,890</u>
Maturity for more than one year:		
Loan	<u>3,215,202</u>	<u>-</u>

26.7 Market risk

Market risk means that fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as, foreign exchange rates, interest rates and equity prices. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises of three types of risk: foreign exchange or currency risk, interest rate risk and equity risk. The market risk associated with the company's business activities are discussed as under:

Foreign Exchange Risk Management

Currency Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company is not exposed to currency risk as the Company does not maintain bank accounts in foreign currencies and does not have any receivables and payables in foreign currency.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company analyzes its interest rate exposure on a regular basis by monitoring existing facilities against prevailing market interest rates and taking into accounts various other financing options available.

Financial liabilities

Variable rate instruments:
 Long term loan

	2021 Rupees	2020 Rupees
	<u>4,037,724</u>	<u>-</u>

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate will not effect fair value of any financial instrument.

Cash flow sensitivity analysis for variable rate instruments

If interest rates on long term loan at the year end, fluctuate by 1% higher /lower with all the other variables held constant, loss after taxation for the year would have been Rs. 40,377 (2020: Rs. Nil) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

Equity Price Risk

Equity price risk represents the risk that fair value of financial instrument will fluctuate because of changes in the market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factor affecting all or similar financial instruments traded in the market. The Company is exposed to equity price risk since it has investments in quoted equity securities amounting to Rs. 118.840 million (2020: Rs. 67.545 million) at the reporting date. The Company manages price risk by monitoring exposure in quoted equity securities and implementing the strict discipline in internal risk management and investment policies.

27 CAPITAL RISK MANAGEMENT

The Company's objective when managing capital is to safe guard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stake holders and to maintain strong capital base to support the development of its business. The Company manages its capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure the Company may adjust amount of dividend paid to shareholders or issue new shares.

27.1 NET CAPITAL BALANCE

Net capital requirements of the Company are set and regulated by Pakistan Stock Exchange Limited. These requirements are put in place to ensure sufficient solvency margins and are based on excess of current assets over current liabilities.

The Net Capital Balance as required under Third Schedule of Securities and Exchange Rules, 1971 read with the SECP guidelines is calculated as follows;

DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

<u>DESCRIPTION</u>	<u>VALUATION</u>	<u>Note</u>	<u>Rupees</u>
CURRENT ASSETS			
Bank balances and cash deposits	As per book value	26.2 (i)	258,735,762
Trade debts	Book value less overdue for more than 14 days	26.2 (ii)	99,193,849
Investment in Listed Securities in the name of broker	Securities marked to market less 15% discount	26.2 (iii)	101,014,609
Securities purchased for client	Securities purchased for the client and held by the member where the payment has not been received within 14 days.	26.2 (iv)	2,092,972
Listed TFCs/Corporate Bonds of not less than BBB grade assigned by a credit rating company in Pakistan	Marked to market less 10% discount		-
FIBs	Marked to market less 5% discount		-
Treasury bills	At market value		-
			<u>461,037,192</u>
CURRENT LIABILITIES			
Trade Payable	Book value less Overdue for more than 30 days	26.2 (v)	201,735,637
Other liabilities	As per Book values	26.2 (vi)	67,713,894
			<u>269,449,531</u>
NET CAPITAL BALANCE			<u><u>191,587,661</u></u>
27.2 Notes to the Net Capital Balance			
(i) Bank balances and cash deposits			
These are stated at book value.			
Cash in hand			142,837
Bank balance pertaining to:			
Brokerage house			4,270,516
Client			70,378,751
Total bank balance			74,649,267
Margins			
Deposit against exposure and losses with Pakistan Stock Exchange			162,555,269
Deposit against MTS exposure margin with NCCPL			21,388,389
			<u>258,735,762</u>
(ii) Trade debts			
These are valued at cost less bad and doubtful debts (if any) and debts outstanding for more than 14 days.			
Total debts			105,718,715
Outstanding for more than 14 days			(6,524,866)
Balance generated within 14 days and/or not yet due			<u>99,193,849</u>
(iii) Investment in Listed Securities in the name of broker			
Securities marked to market			118,840,716
Less 15% discount			(17,826,107)
			<u>101,014,609</u>
(iv) Securities purchased for client			
Overdue balance for more than 14 days - gross value		<u>6,524,866</u>	
Lower of overdue balance and securities held against such balance		<u>2,092,972</u>	<u>2,092,972</u>

DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

(v) **Trade Payables**

Book value	244,919,128
Less: Overdue for more than 30 days	(43,183,491)
	201,735,637

(vi) **Other Liabilities**

Accrued expenses	24,530,403
Creditors overdue for more than 30 days	43,183,491
	67,713,894

27.3 Liquid Capital

Sr. #	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.	Assets			
1.1	Property & Equipment	71,735,904	100.00%	-
1.2	Intangible Assets	53,656,685	100.00%	-
1.3	Investment in Govt. Securities (150,000*99)	-	-	-
1.4	Investment in Debt. Securities			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	-	-	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	-	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
1.5	Investment in Equity Securities			
	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher.	118,840,716	20,543,921	98,296,795
	ii. If unlisted, 100% of carrying value.	19,669,681	100.00%	-
	iii. Subscription money against Investment in IPO/offer for Sale: Amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.	-	-	-
	iv. 100% Haircut shall be applied to Value of Investment in any asset including shares of listed securities that are in Block, Freeze or Pledge status as on reporting date. (July 19, 2017) Provided that 100% haircut shall not be applied in case of investment in those securities which are Pledged in favor of Stock Exchange / Clearing House against Margin Financing requirements or pledged in favor of Banks against Short Term financing arrangements. In such cases, the haircut as provided in schedule III of the Regulations in respect of investment in securities shall be applicable (August 25, 2017)	-	-	-
1.6	Investment in subsidiaries	-	-	-
1.7	Investment in associated companies/undertaking			
	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-	-	-
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.	1,600,000	100.00%	-
1.9	Margin deposits with exchange and clearing house.	190,642,676	-	190,642,676
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	1,910,693	100.00%	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)	-	-	-
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	-	-
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. (<i>Securities purchased under repo arrangement shall not be included in the investments.</i>)	-	-	-
1.15	i. Short Term Loan To Employees: Loans are Secured and Due for repayment within 12 months	8,549,018	-	8,549,018
	ii. Receivables other than trade receivables	36,230,796	1,697,404	34,533,392
1.16	Receivables from clearing house or securities exchange(s)			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-
	claims on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-

DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

1.17	Receivables from customers			
	i. In case receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut. <i>i. Lower of net balance sheet value or value determined through adjustments.</i>	-	-	-
	ii. In case receivables are against margin trading, 5% of the net balance sheet value. <i>ii. Net amount after deducting haircut</i>	-	-	-
	iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, <i>iii. Net amount after deducting haircut</i>	-	-	-
	iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. <i>iv. Balance sheet value</i>	94,138,604	-	94,138,604
	v. In case of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts. <i>v. Lower of net balance sheet value or value determined through adjustments</i>	9,105,948	5,626,278	5,626,278
	<i>vi. 100% haircut in the case of amount receivable form related parties.</i>	2,474,204	100.00%	-
1.18	Cash and Bank balances			
	i. Bank Balance-proprietary accounts	4,270,516	-	4,270,516
	ii. Bank balance-customer accounts	70,378,751	-	70,378,751
	iii. Cash in hand	142,837	-	142,837
1.19	Total Assets	683,347,029		506,578,867
	2. Liabilities			
2.1	Trade Payables			
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	244,919,128	-	244,919,128
2.2	Current Liabilities			
	i. Statutory and regulatory dues	-	-	-
	ii. Accruals and other payables	24,530,403	-	24,530,403
	iii. Short-term borrowings	-	-	-
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	822,522	-	822,522
	vi. Deferred Liabilities	-	-	-
	vii. Provision for bad debts	-	-	-
	viii. Provision for taxation	-	-	-
	ix. Other liabilities as per accounting principles and included in the financial statements	-	-	-
2.3	Non-Current Liabilities			
	i. Long-Term financing	-	-	-
	a. Long-Term financing obtained from financial instituon: Long term portion of financing obtained from a financial institution including amount due against finance lease	3,215,202	3,215,202	-
	b. Other long-term financing	-	-	-
	ii. Staff retirement benefits	-	-	-
	<i>iii. Advance against shares for Increase in Capital of Securities broker: 100% haircut may be allowed in respect of advance against shares if:</i> a. The existing authorized share capital allows the proposed enhanced share capital b. Boad of Directors of the company has approved the increase in capital c. Relevant Regulatory approvals have been obtained d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed. e. Auditor is satisfied that such advance is against the increase of capital.	-	-	-
	iv. Other liabilities as per accounting principles and included in the financial statements	-	-	-
2.4	Subordinated Loans			

DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted: The Schedule III provides that 100% haircut will be allowed against subordinated Loans which fulfill the conditions specified by SECP. In this regard, following conditions are specified: a. Loan agreement must be executed on stamp paper and must clearly reflect the amount to be repaid after 12 months of reporting period b. No haircut will be allowed against short term portion which is repayable within next 12 months. c. In case of early repayment of loan, adjustment shall be made to the Liquid Capital and revised Liquid Capital statement must be submitted to exchange.	-	-	-
	ii. Subordinated loans which do not fulfill the conditions specified by SECP	-	-	-
2.5	Total Liabilities	273,487,255		270,272,053
3. Ranking Liabilities Relating to :				
3.1	Concentration in Margin Financing			
	The amount calculated client-to- client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees.	-	51,389,060	51,389,060
3.2	Concentration in securities lending and borrowing			
	The amount by which the aggregate of: (i) Amount deposited by the borrower with NCCPL (ii) Cash margins paid and (iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed	-	-	-
3.3	Net underwriting Commitments			
	(a) in the case of right issue : if the market value of securities is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issue where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting	-	-	-
	(b) in any other case : 12.5% of the net underwriting commitments	-	-	-
3.4	Negative equity of subsidiary			
	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary	-	-	-
3.5	Foreign exchange agreements and foreign currency positions			
	5% of the net position in foreign currency.Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency	-	-	-
3.6	Amount Payable under REPO	-	-	-
3.7	Repo adjustment			
	In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities. In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	-	-	-
3.8	Concentrated proprietary positions			
	If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security .If the market of a security exceeds 51% of the proprietary position,then 10% of the value of such security	-	1,834,440	1,834,440
3.9	Opening Positions in futures and options	-	-	-
	i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts	-	63,196,478	63,196,478
	ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met	-	1,925,129	1,925,129
3.10	Short sell positions			
	i. In case of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts	-	-	-
	ii. In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.	-	-	-
3.11	Total Ranking Liabilities	-		118,345,107
	Liquid capital balance	409,859,774		117,961,707

DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
28 NUMBER OF EMPLOYEES		
Number of employees at year end	19	19
Average number of employees during the year	19	19

29 DETAIL OF SECURITIES AS PER BACK OFFICE RECORD AND CDC RECORD

As per Back Office Record	Own Account		As per CDC Record	Client Account	
	No. of Shares	No. of Shares		No. of Shares	No. of Shares
Securities Held (REG)	11,704,229	135,933,295	Securities available	7,045,353	126,678,180
			Securities Pledged with PSX / NCCPL	3,991,375	5,710,582
Securities Held (MF)	12,108,400	-	Securities pledged with Banks	636,000	-
			Pre-Settlement Delivery	1,500	4,611,765
			Reconciling Entries:		
			Pending out	-	86,768
			Freezed securities	30,001	-
			MFS (HOUSE)	12,108,400	-
			Book closure (BYCO Petroleum)	-	(1,154,000)
Total	23,812,629	135,933,295	Total	23,812,629	135,933,295

30 DETAIL OF SECURITIES PLEDGED

	No. of shares	Amount in Rs.
- House account	4,627,375	88,929,498
- Client account	5,710,582	122,982,315
	10,337,957	211,911,813

31 PATTERN OF SHARE HOLDING

CATEGORIES OF SHAREHOLDERS			
DIRECTORS AND THEIR SPOUSE(S) AND MINOR CHILDREN	SHAREHOLDERS	SHARES HELD	PERCENTAGE
NAME			
Muhammad Anwar Dar		386,100	19.31%
Muhammad Farooq Dar		751,900	37.60%
Malik Dil Awayz Ahmed		2,000	0.10%
Malik Nadeem Asghar		55,000	2.75%
Wahced Asghar Malik		55,000	2.75%
Muhammad Ayan Dar		262,500	13.13%
Muhammad Hassan Dar		262,500	13.13%
Esha Dar		131,250	6.56%
Rida Dar		93,750	4.69%
Associated companies, undertakings and related parties		-	0.00%
Executives		-	0.00%
Public Sector Companies and Corporations		-	0.00%
Banks, development finance institutions, non-banking finance companies, insurance companies, takaful, modarabas and pension funds		-	0.00%
Others		-	0.00%
Total		2,000,000.00	100%
SHAREHOLDERS HOLDING 5% OR MORE			
NAME		SHARES HELD	PERCENTAGE
Muhammad Anwar Dar		386,100	19.31%
Muhammad Farooq Dar		751,900	37.60%
Muhammad Ayan Dar		262,500	13.13%
Muhammad Hassan Dar		262,500	13.13%
Esha Dar		131,250	6.56%

	2021	2020
	Rupees	Rupees
32 CAPITAL ADEQUACY LEVEL		
The Capital adequacy level as required by CDC is calculated as follows;		
Total Assets	686,364,851	465,190,076
Less: Total Liabilities	273,487,255	120,911,890
Less: Revaluation Reserves (created upon revaluation of fixed assets)	-	-
	412,877,596	344,278,186

**DARSON SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021**

While determining the value of the total assets of the TREC Holder, Notional value of the TRE certificate held by Darson Securities Limited as at June 30, 2021 as determined by Pakistan Stock Exchange has been considered.

33 CORRESPONDING FIGURES

The corresponding figures have been rearranged and reclassified, wherever considered necessary, to comply with the requirements of the Companies Act, 2017 and for the purpose of comparison and better presentation. There have been no reclassification in these financial statements.

34 GENERAL

Figures have been rounded off to the nearest rupee.

35 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors in meeting held on October 07, 2021.

CHIEF EXECUTIVE



DIRECTOR