
CONDENSED INTERIM FINANCIAL STATEMENTS

For Three Month Period Ended September 30, 2022

CONDENSED INTERIM BALANCE SHEET

As at September 30, 2022 (Un-audited)

(Rupees '000)

		(Un Audited)	(Audited)
	Note	Sep 2022	Jun 2022
ASSETS			
<i><u>Non-Current assets</u></i>			
Property, plants and equipments	4	4,803	5,380
Intangible assets		5,439	5,502
Long term loans, advances and deposits		4,814	3,931
Deferred tax asset		1,945	1,945
		17,001	16,758
<i><u>Current assets</u></i>			
Advances, deposits, prepayments and other receivables	5	94,337	240,253
Marketable securities - held for trading	6	13,290	13,800
Trade debts - unsecured - considered good	7	154,209	123,778
Taxation		67,565	64,792
Cash and bank balances	8	609,285	518,879
		938,686	961,502
		955,687	978,260
LIABILITIES			
<i><u>Non-Current liabilities</u></i>			
Deferred liability		1,112	-
		1,112	-
<i><u>Current liabilities</u></i>			
Current Portion of Long Term Loan		55,000	55,000
Trade payables	9	517,925	514,881
Creditors, accrued and other liabilities	10	25,091	43,725
		598,016	613,606
		599,128	613,606
As at July 01, 2021		356,559	364,654
<i>Contingencies and Commitments</i>	11		
REPRESENTED BY			
<i>Issued, Subscribed and Paidup Share Capital</i>			
Authorised capital			
35,000,000 ordinary shares of Rs. 10 each		500,000	500,000
Issued, subscribed and paid-up capital	12	304,601	304,601
Capital Reserve		11,077	11,077
Unappropriated profit / (loss)		40,881	48,976
		356,559	364,654
		-	-
BOOK VALUE PER SHARE		11.71	11.97

The Annexed notes 1 to 14 form an integral part of these Condensed Interim Financial Statements.

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CONDENSED INTERIM PROFIT & LOSS ACCOUNT

For Three Months Period Ended September 30, 2022 (Un-audited)

(Rupees '000)

	Note	Quarter Ended	
		September 30, 2022	2021
Period ended June 30, 2022			
Brokerage revenue		37,064	79,125
Capital gain / (loss) on Investments		-	(5)
Other income	13	15,980	11,172
		53,044	90,292
Operating and administrative expenses		(57,617)	(61,178)
		(4,573)	29,114
Finance cost		(2,457)	(1,721)
Gain / (loss) due to change in fair value of marketable securities	6	(510)	(5,454)
PROFIT / (LOSS) Before Taxation		(7,540)	21,939
<u>Taxation</u>			
- Current		(556)	(6,362)
- Deferred		-	-
		(556)	(6,362)
PROFIT / (LOSS) After Taxation		(8,096)	15,577
EARNING PER SHARE		(0.27)	0.51

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CONDENSED INTERIM Cash Flow Statement

For Three Months Period Ended September 30, 2022 (Un-audited)

(Rupees '000)

	Note	Sep 2022	Sep 2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before taxation		(7,540)	21,939
<i>Adjustment for:</i>			
Depreciation		643	689
Amortization of intangible assets		63	26
Provision for doubtful debts		-	604
(Gain) / loss on re-measurement of held for trading investments		510	5,454
Capital loss / (gain) on sale of investments -net		-	5
(Gain) / loss on disposal of property and equipment		-	(30)
Finance cost		2,457	1,721
Gratuity expense		1,112	1,076
		4,785	9,545
<i>Changes in working capital</i>			
<i>(Increase) / decrease in current assets</i>			
Trade debts		(30,431)	(175,749)
Investments - held for trading		-	(489)
Trade deposits and short term prepayments		146,325	137,360
		115,894	(38,878)
<i>Decrease in current liabilities</i>			
Trade and other payables		(15,615)	(124,342)
		97,524	(131,736)
<i>Cash used in operations</i>			
Gratuity paid		-	(312)
Income tax paid		(3,329)	(2,097)
Finance cost paid		(2,433)	(336)
		(5,762)	(2,745)
<i>Net cash used in operating activities</i>			
		91,762	(134,481)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment		(65)	(1,657)
Proceeds from disposal of property and equipment		-	30
Decrease / (increase) Long term loans - (Staff loan)		(1,291)	(1,619)
<i>Net cash from investing activities</i>		(1,356)	(3,246)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		-	(45,690)
<i>Net cash from / (used in) financing activities</i>		-	(45,690)
<i>Net increase / (decrease) in cash and cash equivalents</i>			
		90,406	(183,417)
<i>Cash and cash equivalents at beginning of the year</i>			
		518,879	812,282
<i>Cash and cash equivalents at end of the month</i>			
		609,285	628,865
<i>Cash and Cash Equivalents</i>			
Cash and bank balances		609,285	927,026
Short term running finance		-	(298,161)
		609,285	628,865

The Annexed notes 1 to 14 form an integral part of these Condensed Interim Financial Statements.

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CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For Three Months Period Ended September 30, 2022 (Un-audited)

	Share capital	Capital Reserve	Accumulated Profit/(loss)	Total
	----- Rupees -----			
Balance as at June 30, 2021	304,601	16,615	75,911	397,127
Profit/ (loss) for the period ended June 30, 2022			15,945	15,945
Dividend 2020-21			(45,690)	(45,690)
Other Comprehensive Income - Gratuity Fund		(5,538)	2,811	(2,727)
Balance as at June 30, 2022	304,601	11,077	48,977	364,655
Profit/ (loss) for the period ended September 30, 2022	-	-	(8,096)	(8,096)
Balance as at September 30, 2022	304,601	11,077	40,881	356,559

The Annexed notes 1 to 14 form an integral part of these Condensed Interim Financial Statements.

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NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

For Three Months Period Ended September 30, 2022 (Un-audited)

1. THE COMPANY AND ITS OPERATIONS

Foundation Securities (Private) Limited (the Company), is Wholly owned subsidiary of The Fauji Foundation Pakistan, was incorporated in Pakistan as a private limited company on January 18, 2005, under the Companies Ordinance, 1984 (repealed with the enactment of companies Act 2017) and its registered office is situated at Ground Floor, Bahria Complex II, M.T. Khan Road, Karachi - 74000. The Company is a Trading Right Entitlement Certificate (TREC) holder of the Karachi Stock Exchange Limited and a corporate member of Pakistan Mercantile Exchange Limited.

The Company is principally engaged in the business of equity and commodities brokerage, equity research and corporate financial advisory services.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These Interim Financial Statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, along with directives issued by Securities and Exchange Commission of Pakistan (SECP) and directives issued under the Companies Act, 2017. In case requirements differ, the provisions of, or directives issued under the Companies Act 2017 shall prevail.

These Condense Interim Financial Statements do not include all the information and disclosures required in the Annual Financial Statements and should be read in conjunction with company's Annual Financial Statement for the year ended June 30, 2022.

3.0 ACCOUNTING POLICIES

The Accounting Policies adopted in the preparation of these condensed Interim Financial Statements are consistent with those of the financial year ended June 30, 2022.

Notes to the Financial Statements

For the period ended September 30, 2022

4 PROPERTY, PLANTS AND EQUIPMENTS

(Rupees '000)

	September 30, 2022					Total
	Office equipment and appliances	Furniture and fixtures	Computer equipment	Vehicles (owned)	Vehicles (leased)	
As at July 01, 2022						
Cost	17,124	12,044	36,494	4,983	-	70,645
Accumulated depreciation	15,400	11,200	33,734	4,930	-	65,264
Net book value	1,724	844	2,760	53	-	5,381
Opening net book value	1,724	844	2,760	53	-	5,381
Additions	-	-	65	-	-	65
<i>Transfer from leased assets</i>						
Cost	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-
Disposals						
Cost	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Depreciation charge for the year	143	63	384	53	-	643
Closing net book value	1,581	781	2,441	-	-	4,803
Period ended September 30, 2022						
Cost	17,124	12,044	36,559	4,983	-	70,710
Accumulated depreciation	15,543	11,263	34,118	4,983	-	65,907
Net book value as at September 30, 2022	1,581	781	2,441	-	-	4,803
Depreciation rate % per annum	20	10	33.33	20	20	

	June 30, 2022					Total
	Office equipment and appliances	Furniture and fixtures	Computer equipment	Vehicles (owned)	Vehicles (leased)	
As at July 01, 2021						
Cost	17,409	12,044	34,108	4,984	-	68,545
Accumulated depreciation	15,161	10,949	32,416	4,335	-	62,861
Net book value	2,248	1,095	1,692	649	-	5,684
Opening net book value	454	1,105	430	1,244	-	3,233
Additions	52	-	2,436	-	-	2,488
<i>Transfer from leased assets</i>						
Cost	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-
Disposals						
Cost	(337)	-	(50)	-	-	(387)
Depreciation	(337)	-	(50)	-	-	(387)
Depreciation charge for the year	577	251	1,369	595	-	2,792
Closing net book value	(71)	854	1,497	649	-	2,929
Period ended June 30, 2022						
Cost	17,124	12,044	36,494	4,983	-	70,645
Accumulated depreciation	15,400	11,200	33,734	4,930	-	65,264
Net book value as at June 30, 2022	1,724	844	2,760	53	-	5,381
Depreciation rate % per annum	20	10	33.33	20	20	

(Rupees '000)

	Sep 2022	Jun 2022
5 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
<i>Deposits and Prepayments</i>		
- Exposure - (Pakistan Stock Exchange)	21,000	21,000
- Exposure - (National Clearing Company of Pakistan)	54,122	203,572
- Exposure - (Pakistan Merchantile Exchange)	1,820	1,795
- Other Deposits	25	25
- Prepayments	6,906	1,736
Loans & Advances	3,270	4,477
Other Receivables - Net of Provision	7,194	7,648
	94,337	240,253
6 MARKETABLE SECURITIES - HELD FOR TRADING		
Marketable Securities - Held for trading	13,800	30,006
Unrealized gain/(loss) on investments classified as 'financial assets at fair value through profit or loss'	(510)	(16,206)
	13,290	13,800
7 TRADE DEBTS - (UNSECURED) - CONSIDERED GOOD		
Receivable against purchase of marketable securities on behalf of clients	178,175	147,744
Less: Provision of doubtful debts - Considered doubtful	(23,966)	(23,966)
	154,209	123,778
8 CASH AND BANK BALANCES		
Current Accounts	101,626	19,243
Saving Accounts	507,566	499,569
Total cash at banks	609,192	518,812
Cash in Hand	93	67
Total	609,285	518,879
9 TRADE PAYABLES		
Payable against sale of marketable securities on behalf of clients	507,605	474,560
Payable to National Clearing Company of Pakistan (NCCPL)	10,320	40,321
	517,925	514,881
10 CREDITORS, ACCRUED AND OTHER LIABILITIES		
Accrued expenses	13,873	31,309
Withholding tax payable	1,305	1,874
Other liabilities	9,913	10,542
	25,091	43,725
11 Contingencies and Commitments		
There are no significant contingencies and commitments subsequent to year end.		
12 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL		

Category of Shareholder	Number of Share Held	Value of Share Held	Percentage
Fauji Foundation	30,460,057	304,600,570	99.99
Others	3	30	0.01
Total Amount	30,460,060	304,600,600	100.00

Quarter Ended September 30,

2022

2021

13 OTHER INCOME

Share application and forms brokerage	-	138
Profit on bank deposits	13,445	7,788
Gain/(loss) on disposal of fixed assets	-	30
Other income including profit on cash margins (NCCPL / PSX)	2,535	3,216
	<u>15,980</u>	<u>11,172</u>

14 General

Corresponding figures have been rearranged and reclassified, wherever necessary to facilitate comparison.

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