

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

	Note	Dec-23 Rupees	2023 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	16,820,442	19,266,620
Intangible assets	5	5,000,000	5,000,000
Long term investments	6	265,175,129	265,175,129
Long term deposits	7	3,325,000	2,075,000
Deferred tax asset net	8	-	-
		290,320,571	291,516,749
CURRENT ASSETS			
Trade and other receivable - net	9	17,950,697	11,151,891
Prepayments, deposits and advances	10	21,775,000	14,921,495
Tax Refundable	11	1,699,038	1,699,038
Short term investments	12	2,292,820	1,595,120
Cash and bank balances	13	53,667,294	15,878,153
		97,384,849	45,245,697
		387,705,420	336,762,446
EQUITY & LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital	14	94,029,300	94,029,300
Unappropriated profit		219,092,495	206,972,771
Director's Loan	15	17,000,000	10,000,000
		330,121,795	311,002,071
NON-CURRENT LIABILITIES			
Other long term payable	16	-	-
CURRENT LIABILITIES			
Trade and other payables	17	55,860,583	24,037,333
Provision for taxation	18	1,723,042	1,723,042
		57,583,625	25,760,375
CONTINGENCIES AND COMMITMENTS			
	19	387,705,420	336,762,446

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

Chief Executive Officer



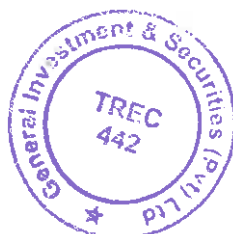
Director

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Note	Dec-2023 Rupees	2023 Rupees
Revenue			
	20	34,091,970	31,164,566
Fair value gain/(loss) on equity instruments at FVTPL		697,700	39,975,956
Gain on sale of equity instruments at FVTPL - net			282,341
		<u>34,789,670</u>	<u>71,422,863</u>
Operating and Administrative expenses	21	(21,547,478)	(31,321,525)
Operating profit		<u>13,242,192</u>	<u>40,101,338</u>
Other income /(Loss)	22	836,357	(651,987)
Profit before taxation		<u>14,078,549</u>	<u>39,449,351</u>
Taxation	23	(1,958,825)	(1,958,825)
Profit after taxation		<u><u>12,119,724</u></u>	<u><u>37,490,526</u></u>
Represented by:			
Unrealized Gain on Investment		<u>697,700</u>	<u>39,975,956</u>
Net (Loss) excluding unrealized gain/(loss)		<u><u>11,422,024</u></u>	<u><u>(2,485,431)</u></u>

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

Chief Executive Officer



Director

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023

	Dec-2023 Rupees	2023 Rupees
(loss)/ Profit after taxation	12,119,724	37,490,525
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	12,119,724	37,490,525

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



Chief Executive Officer





Director

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Note	Dec-23 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / Profit before taxation		14,078,549	39,449,350
Adjustments:			
Depreciation		2,446,179	3,007,972
Loss on Disposal		-	-
Provision for Bad debt		506,156	871,082
Unrealized loss / (gain) on short-term investments		(697,700)	(39,975,956)
Dividend income		(13,776,465)	(9,698,073)
		(11,521,830)	(45,794,975)
Profit before working capital changes		2,556,719	(6,345,625)
(Increase) / decrease in current assets			
Trade receivable - net		(6,798,806)	(2,889,908)
Deposits, prepayments and other receivables		(6,853,505)	4,158,436
		(13,652,311)	1,268,528
Increase/(decrease) in current liabilities			
Trade and other payables		31,823,250	(16,367,495)
Cash generated from / (used in) operations		20,727,658	(21,444,592)
Dividends received		13,776,465	9,698,073
Income tax paid		(2,464,981)	(3,422,370)
		11,311,484	6,275,703
Net cash generated from / (used in) operating activities		32,039,142	(15,168,889)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of property and equipment		-	(4,029,741)
Increase in short term investment		-	-
Decrease/(increase) in long-term deposits		1,250,000	975,000
Net cash generated from / (used in) investing activities		(1,250,000)	(3,054,741)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan from Directors (repaid / converted) / received - net		7,000,000	(3,000,000)
Net cash generated from/(used in) financing activities		7,000,000	(3,000,000)
Net (decrease) / increase in cash and cash equivalents		37,789,141	(21,223,631)
Cash and cash equivalents at the beginning of the year		15,878,153	37,101,784
Cash and cash equivalents at the end of the year	13	53,667,294	15,878,153

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

Chief Executive Officer

Director

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023

	Note	Issued, subscribed and paid-up capital	Revenue reserve Unappropriated profit/(loss)	Director's Loan	Total
		Rupees			
Balance as at June 30, 2021		79,945,000	168,911,316	-	248,856,316
Adjustment of error	31	-	8,293,026	-	8,293,026
Balance as at June 30, 2021-Restated		79,945,000	177,204,342	-	257,149,342
Total comprehensive income for the year					
Gain/(Loss) for the year		-	762,203	-	762,203
Other comprehensive income/(loss)		-	-	-	-
Director Loan classified under Equity		-	-	13,000,000	13,000,000
			762,203	13,000,000	13,762,203
Balance as at June 30, 2022-Restated		79,945,000	177,966,545	13,000,000	270,911,545
Total comprehensive income for the year					
Bonus Shares Issued		8,484,300	(8,484,300)	-	-
Shares issued for Cash		5,600,000	-	-	5,600,000
Gain/(Loss) for the year		-	37,490,526	-	37,490,526
Other comprehensive income/(loss)		-	-	-	-
Repayment of Loan		-	-	(3,000,000)	(3,000,000)
		14,084,300	29,006,226	(3,000,000)	40,090,526
Balance as at June 30, 2023		94,029,300	206,972,771	10,000,000	311,002,071
Bonus Shares Issued		-	-	-	-
Shares issued for Cash		-	-	-	-
Gain/(Loss) for the year		-	12,119,724	-	12,119,724
Other comprehensive income/(loss)		-	-	-	-
Repayment of Loan		-	-	7,000,000	7,000,000
Balance as at December 31, 2023		94,029,300	219,092,495	17,000,000	323,121,795

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

Chief Executive Officer



Director

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1 CORPORATE AND GENERAL INFORMATION

1.1 Legal status and operations

General Investment Securities (Private) Limited (the "Company") is a private limited company incorporated in Pakistan on November 11, 1997 under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017). The Company is a holder of Trading Rights Entitlement Certificate ("TREC") of Pakistan Stock Exchange Limited.

The Company is principally engaged in the business of investment advisory, purchase and sale of securities, financial consultancy, brokerage, underwriting, portfolio management and securities research.

The geographical location and address of Company and its branch office is as follows:

Business Units Geographical Location

Registered offices Office #1209, 12th Floor, ISE Tower, 55-B Jinah Avenue, Blue Area, Islamabad.

Branch Office Office # 6, Block 1, Mall Business Center, The Mall Road, Rawalpindi.

2 ACCOUNTING CONVENTION AND BASIS FOR PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) for SMEs issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017. In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

2.2 Basis of measurement

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

- Investments in quoted equity securities (whether classified as assets at fair value through profit or loss, or at fair value through other comprehensive income), which are carried at fair value;
- Investments in unquoted equities, measured at fair value through other comprehensive income;
- Investments in associates, which are recorded in accordance with the equity method of accounting for such investments; and
- Derivative financial instruments, which are marked-to-market as appropriate under relevant accounting and reporting standards.

2.3 Accounting estimates and judgments

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

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

- (i) Estimates of useful lives and residual values of items of property, plant and equipment;
- (ii) Estimates of useful lives of intangible assets;
- (iii) Provision for Bad debt;
- (iv) Fair values of unquoted equity investments;
- (v) Classification, recognition, measurement / valuation of financial instruments; and
- (vi) Provision for taxation

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

2.4 Change of Accounting Framework

The accounting framework for the preparation of financial has been changed from International Financial reporting standard to International Financial Reporting Standards (IFRS) for Small and Medium Entities (SMEs) issued by IASB. This change has no effect on the measurement of assets and liabilities except the investment at fair value through other comprehensive income (FVTOCI) has been reclassified to fair value through profit or loss (FVTPL), resultantly the fair value reserve through other comprehensive income has also been reclassified to fair value gain through profit or loss as mentioned below:

	2023 Rupees	2021 Rupees
Decrease in Unrealized surplus on remeasurement of investments measured at FVOCI		122,824,344
Increase in Unappropriated Profit	5,820,591	122,824,344

2.5 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is also the company's functional currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Property and equipment

Initial Recognition

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

Subsequent measurement

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

Depreciation

Depreciation on all items of property and equipment is calculated using the reducing balance method, in accordance with the rates specified in note 4 to these financial statements and after taking into account residual value, if material. Residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. Depreciation is charged on an asset from the date when the asset is available for use until the asset is disposed off.

Disposal

An item of property and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal.

Any gain or loss arising on asset derecognition (calculated as the difference between net disposal proceeds and the carrying amount of the asset) is included in the profit and loss account in the year in which the asset is derecognized.

Judgments and estimates

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

Impairment

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Change in estimate

The Company reviews useful lives of property and equipment on a regular basis. Any change in estimates in future years which might affect the carrying amounts of the respective items of property and equipment with a corresponding effect on the depreciation charge and impairment loss. Further, management also on a year basis reviews the carrying amounts of certain classes of property and equipment which are carried at revalued amounts. Any change in estimate in future years which might affect the carrying amount of these classes with a corresponding effect on the surplus on revaluation of property and equipment, related deferred tax liability and related charge of incremental depreciation.

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

3.2 Intangible Asset - Acquired

TREC Certificates and PMEX Certificate

These are stated at cost less impairment losses (if any). Cost includes expenditure that is directly attributable to the acquisition of the items. Trading Right Entitlement Certificates and Membership Card have indefinite useful life and accordingly are not amortized however, these are tested for impairment only. Impairment loss is recognized in profit and loss account.

Judgments and estimates

The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any changes in estimate accounted for on a prospective basis.

3.3 Financial Instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument and assets and liabilities are stated initially at cost which is the fair value of consideration given or received. The financial assets are subsequently measured at fair value, amortized cost or cost as the case may be with classifications into i) at fair value through profit or loss (FVTPL) and ii) at amortized cost. Subsequently:

i) Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

ii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise.

Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in Statement of Profit or loss. Currently, there are no financial liabilities designated at FVTPL.

3.3.1 Impairment of financial assets

The financial assets other than those that are carried at fair value are assessed at each reporting date to determine whether there is any objective evidence of their impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably. The impairment loss is recognized immediately in the statement of profit or loss and the carrying amount of the related financial asset is reduced accordingly. An impairment loss is reversed only if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

3.3.2 Derecognition of financial instruments

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability. The Company de-recognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

3.4 Impairment non-financial assets

At each reporting date, the company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. A reversal of impairment loss for a cash generating unit is allocated to the assets of the unit, except for goodwill, pro rata with the carrying amounts of those assets. The increase in the carrying amounts shall be treated as reversals of impairment losses for individual assets and recognised in profit or loss unless the asset is measured at revalued amount. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.

3.5 Trade Receivable
Measurement

Trade receivable are recognised initially at fair value and subsequently measured at cost less provision for doubtful debts.

Impairment

A provision for impairment of trade debts is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the debts. The amount of the provision is recognised in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

Judgments and estimates

Management reviews its trade debtors on a continuous basis to identify receivables where collection of the amount is no longer probable. These estimates are based on historical experience and are subject to change in condition at the time of actual recovery.

3.6 Taxation

Income tax expense comprises current and deferred tax.

Current

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management yearly evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the year when the differences reverse, based on tax rates that have been enacted or substantially enacted by the balance sheet date.

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

Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various legal forums. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognised deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Off-setting

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.7 Settlement Date Accounting

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

3.8 Cash and cash equivalents

These are measured at cost which is the fair value. For the purposes of cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash in hand, balances with banks on current and savings accounts.

3.9 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are approved by the company's shareholders.

3.10 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.11 Trade and other payables

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

3.12 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount could be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Judgement and estimates

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

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.

3.13 Revenue recognition

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Brokerage Commission

Brokerage, consultation and advisory fee and commission on securities and commodities is recognized as and when related services are rendered.

Income on bank deposits

Mark-up / interest on bank deposits and return on investments is recognized on time apportionment basis when right to receive is established using effective interest rate.

Dividend income

Dividend income is recognised in profit or loss as other income when:

- the Company's right to receive payment have been established;
- it is probable that the economic benefits associated with the dividend will flow to the company; and
- the amount of the dividend can be measured reliably.

Others

Gain / loss on sale of investment is recognized in the year in which they arise.

3.14 Borrowings

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

3.15 Fiduciary assets

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

3.16 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the Board of Directors, it is in the interest of the Company to do so.

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

4 PROPERTY AND EQUIPMENT

2023										
Particulars	Cost			Accumulated Depreciation				Net Book Value as at 31 Dec 2023	Rate of Depreciation	
	As at 1 July 2023	Additions	Disposals	As at 31 Dec 2023	As at 1 July 2023	Disposals	For the year		As at 31 Dec 2023	Depreciation %age
Rupees										
Computer Equipment	2,244,001	-	-	2,244,001	1,996,796	-	247,205	2,244,001	-	30
Fixture and Furniture	841,058	-	-	841,058	741,406	-	42,053	783,459	57,599	10
Office Equipment	1,563,928	-	-	1,563,928	1,194,250	-	78,196	1,272,446	291,482	10
Vehicles	27,716,324	-	-	27,716,324	9,166,239	-	2,078,724	11,244,963	16,471,361	15
	32,365,311	-	-	32,365,311	13,098,691	-	2,446,179	15,544,870	16,820,442	

2022										
Particulars	Cost			Accumulated Depreciation				Net Book Value as at 30 June 2022	Rate of Depreciation	
	As at 1 July 2021	Additions	Disposals	As at 30 June 2022	As at 1 July 2021	Disposals	For the year		As at 30 June 2022	%age
Rupees										
Computer Equipment	2,244,001	-	-	2,244,001	1,644,997	-	351,799	1,996,796	247,205	30
Fixture and Furniture	841,058	-	-	841,058	730,334	-	11,072	741,406	99,652	10
Office Equipment	1,563,928	-	-	1,563,928	1,153,174	-	41,075	1,194,249	369,679	10
Vehicles	23,686,584	4,029,740	-	27,716,324	6,562,214	-	2,604,025	9,166,239	18,550,085	15
	28,335,571	4,029,740	-	32,365,311	10,090,719	-	3,007,972	13,098,691	19,266,621	

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

5 INTANGIBLE ASSETS

	Note	Dec-23 Rupees	2023 Rupees
Trading Right Entitlement Certificate ("TREC")	5.1	2,500,000	2,500,000
Pakistan Mercantile Exchange Membership Card	5.2	2,500,000	2,500,000
		<u>5,000,000</u>	<u>5,000,000</u>

5.1 The Company has pledged/hypothecated Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited (PSX) at a notional value of Rs. 2.5 million to meet Base Minimum Capital (BMC) requirement.

5.2 These are carried at below notional value which is Rs. 2.5 million as published by the PMEX.

6 LONG TERM INVESTMENTS - FVTPL

Non-listed Equity Securities

Opening Balance	6.1	265,175,129	225,192,498
Additions during the year			
Adjustment for remeasurement to fair value			39,982,631
	6.2	<u>265,175,129</u>	<u>265,175,129</u>

6.1 As a result of the demutualization and corporatization of stock exchanges, the Company received 3,034,603 shares at Rs.10 each share, of ISE Towers REIT Management Limited. Of these, (1,820,762 shares) were held in a separate Central Depository Company Limited ("CDC") sub-account, blocked until they are sold to strategic investors, financial institutions and/or the general public. The remaining shares 1,213,841 shares were allotted to the Company.

The Company acquired 12,897,623 further shares from other companies and pledged the 1,679,238 to Pakistan Stock Exchange (PSX) to meet the Base Minimum Capital requirement of the company.

6.2 These shares are neither listed on any exchange nor are they actively traded. As a result, fair value has been estimated by reference to the latest break-up value of Rs. 20.56 according to audited financial statements of ISE REIT Management Company Limited for the year ended June 30, 2023 (2022: Rs. 17.46) or net asset value per share of these shares notified by ISE Towers REIT Management Limited.

7 LONG TERM DEPOSITS

	Dec-23 Rupees	2023 Rupees
Central Depository Company Limited	100,000	100,000
National Clearing Company of Pakistan Limited	200,000	200,000
PMEX Deposit	<u>1,250,000</u>	<u>1,250,000</u>
	1,550,000	1,550,000
Other security deposits	<u>1,775,000</u>	<u>525,000</u>
	<u>3,325,000</u>	<u>2,075,000</u>

8 DEFERRED TAX ASSET / LIABILITY NET

The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Deferred tax Asset / (Liability)	-	-
	<u>-</u>	<u>-</u>

8.1 Analysis of change in deferred tax

Property, Plant & Equipment		(11,850)
Provision for Expected credit loss		1,103,622
Revaluations of equity instruments to FVTPL		1,936
Unused Tax losses		3,544,876
Minimum Tax credit carried forward		2,680,551
	8.1.1	<u>-</u>
		<u>7,319,135</u>

8.1.1 As at June 30, 2023, deferred tax asset amounting to Rs.0 (June 30, 2022: Rs.7,319,135) has not been recognized in these financial statements as the Company does not foresee sufficient taxable profits in future.

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9	TRADE AND OTHER RECEIVABLE	Note	Dec-2023 Rupees	2023 Rupees
	Other parties		15,263,398	8,712,475
	Related parties		3,689,310	1,037,002
			18,952,708	9,749,477
	Other Receivable		3,309,729	5,208,008
			22,262,437	14,957,485
	Less: Provision for bad debts			
	Customer	9.3	(4,311,741)	(3,805,594)
			17,950,697	11,151,891

This represents amount receivable against trading of securities in all markets which will be settled on 4-July-2022

9.3 Provision for Bad Debt

Balance as at July 1	3,805,594	2,934,513
Charged during the year	506,156	871,082
Closing balance (as at June 30)	4,311,750	3,805,594

This represents amount receivable against trading of securities in all markets which will be settled on 4-July-2023

10	PREPAYMENTS, DEPOSITS AND ADVANCES	Dec-2023 Rupees	2023 Rupees
	Short-term loans and advances		
	Advances to employees	400,000	200,000
	Loan to director-(Ozair Aslam)	525,000	-
	Advance to suppliers	-	-
	Security Deposit	50,000	1,300,000
		975,000	1,500,000
	Short-term deposits		
	NCCPL exposure Margin - House	20,800,000	2,960,000
	NCCPL exposure Margin - Clients	-	10,461,495
		20,800,000	13,421,495
		21,775,000	14,921,495
11	TAX REFUNDABLE		
	Opening balance (as at July 1)	2,120,878	2,120,878
	Add: Current year additions	1,500,266	1,500,266
	Less: Adjustment against provision for taxation	(1,922,106)	(1,922,106)
	Balance at the end of the year	1,699,038	1,699,038

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12 SHORT TERM INVESTMENTS - FVTPL

Opening Balance	1,595,120	1,601,795
Fair value adjustment	697,700	(6,675)
	2,292,820	1,595,120

	Market value	
Beema Pakistan company limited - Freeze - 16,000 (2022: 16,000) Shares	-	-
Business & Industrial Insurance co ltd - Freeze - 459 (2022: 459) Shares	-	-
Fauji Foods limited - 500 (2022: 500) Shares	5,570	2,870
Norrie Textile Mills limited - 85,500 (2022: 85,500) Shares	-	-
Oil & Gas Development company limited - 20,000 (2022: 20,000) Shares	2,249,000	1,560,000
Popular Islamic Modarba - 3,000 (2021: 3,000) Shares	38,250	32,250
Zeal Pak Cement Factory ltd - Freeze - 146,821 (2022: 146,821) Shares	-	-
	2,292,820	1,595,120

12.1 Fair values of these equity shares are determined by reference to published price quotations in an active market.

13 CASH AND BANK BALANCES

	Note	Dec-2023 Rupees	2023 Rupees
Cash in hand		12,633	198
Cash at bank - Local currency			
Current accounts		50,448,249	14,232,215
Savings accounts	13.1	3,206,412	1,645,740
		53,667,294	15,878,153

13.1 Average rate of markup for the year ended 2023 is 8.22% (2022: 10.58%)

14 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

14.1 Authorized capital

1,800,000 (2022: 1,800,000) ordinary shares of PKR 100 each, fully paid in cash	180,000,000	180,000,000
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14.2 Issued, subscribed and paid-up share capital

2023	2022			
855,450	799,450	Ordinary shares of Rs.100 each, issued for cash	85,545,000	85,545,000
		Ordinary Shares of Rs.100 each issued as bonus shares	-	-
			85,545,000	85,545,000

14.3 Shareholders holding 5% or more of total shareholding

	Number of Shares		Percentage	
	Dec-2023	2023	Dec-2023	2023
Ch. Muhammad Aslam	874,848	874,848	102.27%	102.27%

15 DIRECTOR'S LOAN

Director's Loan	15.1	17,000,000	10,000,000
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15.1 During the year June 30, 2022, the management revised the terms of the agreement with the director whereby the loan is repayable on the discretion of the company and it is unsecured and interest free loan. This loan is accounted for in accordance with the technical Release - 32 issued by ICAP

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
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	Dec-2023	2023
	Rupees	Rupees
15.2 Director's Loan movement during the year		
Opening Balance	10,000,000	13,000,000.00
Addition/Transfer	17,000,000	
Repayment	(10,000,000)	- 3,000,000.00
Closing Balance	<u>17,000,000</u>	<u>10,000,000</u>
16 OTHER LONG TERM PAYABLE		
Other payables	<u>-</u>	<u>-</u>
17 TRADE AND OTHER PAYABLES		
Trade creditors	55,192,926	22,659,084
Accrued & Other payables	667,657	1,378,249
	<u>55,860,583</u>	<u>24,037,333</u>
18 PROVISION FOR TAXATION		
Balance at the beginning of the year	1,686,323	1,686,323
Add: Current year provision	1,723,042	1,723,042
	3,409,365	3,409,365
Less: Adjustment against advance tax	(1,686,323)	(1,686,323)
Balance Payable / (Receivable)	<u>1,723,042</u>	<u>1,723,042</u>
19 CONTINGENCIES AND COMMITMENTS		
19.1 There are no contingencies or commitments of the Company as at Dec 31, 2023 (2023: Nil).		
20 REVENUE	Note	
Commission Income Equity Trading	<u>22,160,664</u>	<u>24,611,131</u>
Commission Income Commodity trading	<u>250,000</u>	<u>250,000</u>
	22,410,664	24,861,131
Less: Federal Excise Duty	(2,095,159)	(3,394,638)
	20,315,505	21,466,493
Dividend income	<u>13,776,465</u>	<u>9,698,073</u>
	13,776,465	9,698,073
	<u>34,091,970</u>	<u>31,164,566</u>

GENERAL INVESTMENT & SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

		Dec-23	2023
		Rupees	Rupees
21 OPERATING AND ADMINISTRATIVE EXPENSES			
Staff salaries, allowances and other benefits		8,407,415	23,123,227
Depreciation		2,446,179	2,893,809
Traveling and conveyance		123,650	82,203
Telephone		128,050	269,900
Entertainment		337,089	198,009
Advertisement		50,000	174,650
Auditors' remuneration	21.1	324,250	175,000
PSX and CDC charges		1,055,981	1,013,268
PMEX charges		71,703	101,518
ISE charges		-	715,412
NCCPL charges		404,241	149,982
Newspapers and periodicals		5,083	12,765
Internet charges		6,954	16,420
Printing and stationery		34,500	50,355
Postage and courier charges		11,356	45,110
Fee and subscription		342,537	578,868
Legal and Professional charges		28,135	590,949
Repair and maintenance		53,000	34,020
Vehicle Running and Maintenance		510,885	921,728
Rent, rate and taxes		6,011,445	6,151,818
Software charges		47,250	156,081
Office expenses		136,190	257,410
Bank and other charges		-	3,263
Utilities		552,561	829,837
Miscellaneous		459,024	1,001
		21,547,478	38,546,603
21.1 Auditor's remuneration			
Audit Services			
Annual Audit fee		324,250	145,000
Non-audit services			
Certifications for regulatory purposes		-	30,000
		324,250	175,000
22 OTHER INCOME / (LOSS)			
Profit on savings account		-	171,071
Bad debts Gain / (Loss)		506,156	374,580
Miscellaneous income		330,201	62,306
Loss on disposal of Fixed assets		-	(180,794)
		836,357	427,163
23 TAXATION	Note	Dec-2023	2023
		Rupees	Rupees
Current tax		1,723,042	1,723,042
Prior year		235,783	235,783
Deferred tax		1,958,825	1,958,825