

STRONGMAN SECUTITIES (PVT.) LIMITED

AUDIT OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024



Aslam Malik & Co. Chartered Accountants

Lahore Office

Address: Suite # 19, First Floor, Central Plaza, New Garden Town, Lahore.
Phone: 042-35858693, 042-35858694, 042-35856819, Fax: 35856019

Islamabad Office

Address: House # 726, Street 34, Margalla Town, Off Muree Road, Islamabad.
Phone: 051-2374282, 2374283, Fax: 051-2374281

Karachi Office

Address: 1001-1003 Tenth Floor Chapal Plaza Hasrat Muhani Road off I.I Chundrigar Road Karachi
Phone: 021-32425911 -5, Fax: 021- 32432134

Quetta Office

Address: 1st Floor, Haji Fateh Khan Center, Adalat Road, Quetta.
Phone: +92-81-2823837

Web: www.aslammalik.com

Email: info@aslammalik.com

Email : aslammalik@brain.net.pk



Aslam Malik & Co. Chartered Accountants



● www.aslammalik.com
✉ info@aslammalik.com

INDEPENDENT AUDITOR'S REPORT

To The Members of Strongman Securities (Private) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements **Strongman Securities (Private) Limited** (the Company), which comprise the statement of financial position as at **June 30, 2024**, 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 material 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 June 30, 2024 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the director's report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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.

The Board of directors is 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 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).

The engagement partner on the audit resulting in this independent auditor's report is **Hafiz Muhammad Ahmad Saleem**.



Chartered Accountants



October 30, 2024

Lahore

UDIN: AR20241014816ycxKU2C

STRONGMAN SECURITIES (PVT.) LIMITED**Statement of Financial Position***As at June 30, 2024*

		2024	2023
ASSETS	Note	Rupees	Rupees
Non-current assets			
Property and equipment	5	40,398,997	40,396,358
Intangible assets	6	6,056,300	6,056,300
Long term investments	7	5,496,475	9,006,818
Long term deposits	8	3,332,500	2,786,057
		55,284,272	58,245,533
Current assets			
Trade & other receivables	9	-	1,914,059
Prepayments and advances	10	3,314,496	2,510,342
Short term investment	11	12,298,766	8,325,522
Cash and bank balances	12	697,299	2,746,922
		16,310,562	15,496,845
		71,594,834	73,742,378
EQUITY & LIABILITIES			
Share capital and reserves			
Issued, subscribed and paid-up capital	13	65,000,000	65,000,000
Capital Reserve			
Unrealized surplus / (deficit) on re-measurement of investments measured at FVOCI		(2,943,275)	567,068
Revenue reserve			
Unappropriated profit		6,269,622	2,079,223
Total equity		68,326,347	67,646,291
Non-current liabilities			
Long-term borrowings	14	-	2,827,000
		-	2,827,000
Current liabilities			
Trade and other payables	15	3,268,487	3,269,087
Current tax liability	16	-	-
		3,268,487	3,269,087
Contingencies and commitments	17	-	-
		71,594,833	73,742,378

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

Chief Executive Officer



Mahreen Siddiq
Director



STRONGMAN SECURITIES (PVT.) LIMITED**Statement of Profit or Loss***For the year ended June 30, 2024*

	Note	2024 Rupees	2023 Rupees
Operating revenue	18	4,616,520	6,907,867
Gain/(loss) on sale of short term investments		322,762	2,952,104
Unrealized gain/(loss) on remeasurement of investments classified at FVTPL		1,533,557	(235,666)
		6,472,839	9,624,305
Other income /(loss)	19	4,547,749	697,330
Operating and administrative expenses	20	(6,282,228)	(9,725,798)
Operating profit / (loss)		4,738,359	595,837
Finance costs	21	(3,412)	(7,285)
Profit / (loss) before taxation		4,734,947	588,552
Income tax expense	22	(544,548)	(127,215)
Profit/(loss) for the year		4,190,399	461,337
Earnings/(loss) per share - basic	23	6.45	0.71

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


Chief Executive Officer




Director



STRONGMAN SECURITIES (PVT.) LIMITED

Statement of Comprehensive Income

For the year ended June 30, 2024

	<i>Note</i>	2024 Rupees	2023 Rupees
Profit/(loss) for the year		4,190,399	461,337
Other comprehensive income/ (loss)			
Items that will not be reclassified subsequently to profit or loss			
Unrealized gain / (loss) during the period in the market value of investments measured at FVOCI		(3,510,343)	(7,400,056)
Total comprehensive income/(loss) for the year		<u>680,056</u>	<u>(6,938,719)</u>

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



Chief Executive Officer





Director



STRONGMAN SECURITIES (PVT.) LIMITED

Statement of Changes in Equity

For the year ended June 30, 2024

	Issued, subscribed and paid-up capital	Unappropriated profit/ (loss)	Unrealized surplus / (deficit) on re-measurement of investments measured at FVOCI	Total
Rupees.....			
Balance as at June 30, 2022	65,000,000	1,617,886	7,967,124	74,585,010
Total comprehensive income for the year				
Profit for the year	-	461,337	-	461,337
Other comprehensive income/(loss)	-	-	(7,400,056)	(7,400,056)
	-	461,337	(7,400,056)	(6,938,719)
Balance as at June 30, 2023	65,000,000	2,079,223	567,068	67,646,291
Total comprehensive income for the year				
Profit/(loss) for the year	-	4,190,399	-	4,190,399
Other comprehensive income/(loss)	-	-	(3,510,343)	(3,510,343)
	-	4,190,399	(3,510,343)	680,056
Balance as at June 30, 2024	65,000,000	6,269,622	(2,943,275)	68,326,347

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

Chief Executive Officer



Mahseen Siddiq

Director

STRONGMAN SECURITIES (PVT.) LIMITED

Statement of Cash Flows

For the year ended June 30, 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/ (loss) before taxation		4,734,947	588,552
Adjustments:			
Depreciation and impairment	5	41,861	43,690
Provision for doubtful debts	9	-	2,094,710
Realized loss / (gain) on sale of short-term investments		-	(2,952,104)
Unrealized loss / (gain) on short-term investments		-	235,666
Dividend income		(474,328)	(434,695)
		(432,467)	(1,012,733)
Operating profit/(loss) before working capital changes		4,302,480	(424,181)
(Increase)/decrease in current assets			
Trade & other receivables		1,914,059	(3,372,376)
Prepayments and advances		(1,157,408)	(1,570,938)
Increase/(decrease) in current liabilities			
Trade and other payables		(600)	(2,304,121)
		756,051	(7,247,435)
Cash generated from / (used in) operations		5,058,531	(7,671,616)
Proceeds from net sales of / (acquisition of) short-term investments		(3,973,244)	2,347,363
Dividends received		474,328	434,695
Taxes paid		(191,295)	(127,215)
		(3,690,211)	2,654,843
Net cash generated from/(used in) from operating activities		1,368,320	(5,016,773)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment		(44,500)	(31,300)
Decrease / (increase) in long-term deposits		(546,443)	-
Net cash generated from / (used in) investing activities		(590,943)	(31,300)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from sale of LSE Shares		-	-
Proceeds from / (repayment of) long-term borrowings		(2,827,000)	(673,000)
Net cash generated from / (used in) financing activities		(2,827,000)	(673,000)
Net (decrease)/increase in cash and cash equivalents		(2,049,623)	(5,721,073)
Cash and cash equivalents at the beginning of the year		2,746,922	8,467,995
Cash and cash equivalents at the end of the year	12	697,299	2,746,922

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

Chief Executive Officer



Mahseen Siddiq

Director

Property and equipment

	2024			
	Land	Office equipment	Furniture and fixtures	Total Rupees
As at July 1, 2023				
Cost	40,000,000	625,337	199,300	40,824,637
Accumulated Depreciation	-	(320,858)	(107,421)	(428,279)
Net book value	40,000,000	304,479	91,879	40,396,358
Movement during the period				
Additions	-	44,500	-	44,500
Disposals				
Cost	-	-	-	-
Depreciation	-	-	-	-
Depreciation charge for the period	-	32,673	9,188	41,861
As at June 30, 2024				
Cost	40,000,000	669,837	199,300	40,869,137
Accumulated Depreciation	-	(353,531)	(116,609)	(470,140)
Net book value	40,000,000	316,306	82,691	40,398,997
Depreciation rate per annum	0%	10%	10%	

	2023			
	Land	Office equipment	Furniture and fixtures	Total Rupees
As at July 1, 2022				
Cost	-	575,537	161,300	736,837
Accumulated Depreciation	-	(253,817)	(88,840)	(342,657)
Net book value	-	321,720	72,460	394,180
Movement during the period				
Additions	-	31,300	-	31,300
Disposals				
Cost	-	-	-	-
Depreciation	-	-	-	-
Depreciation charge for the period	-	33,481	10,209	43,690
As at June 30, 2023				
Cost	40,000,000	625,337	199,300	40,824,637
Accumulated Depreciation	-	(320,858)	(107,421)	(428,279)
Net book value	40,000,000	304,479	91,879	40,396,358
Depreciation rate per annum	0%	10%	10%	



Mahseen Siddiq



6 INTANGIBLE ASSETS

	Note	2024 Rupees	2023 Rupees
Trading Rights Entitlement Certificate ("TREC")	6.1	2,500,000	2,500,000
Rooms - Lahore Stock Exchange	6.2	3,556,300	3,556,300
		6,056,300	6,056,300
Impairment		-	-
		6,056,300	6,056,300

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

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

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

7 LONG-TERM INVESTMENTS

Investments at fair value through OCI

LSE Financial Services Limited (unquoted) - at fair value	7.1	9,006,818	16,406,874
Adjustment for remeasurement to fair value		(3,510,343)	(7,400,056)
		5,496,475	9,006,818

During the year

- 7.1 The LSEFSL Demerger Entitlement in EOD for every 1000 shares of 998.6205 of LSE Ventures Limited as on June 21, 2024, as well as LSEFSL issued Bonus shares of 1,138,436 during the year. LSE Ventures Limited is a listed company with PSX and shares are ready to trade in open market. All shares of LSE PropTech Limited and LSE Ventures Limited were pledged against PSX

2024	2023	Symbol	Name of Investee	2024	2023
Number of Shares				Market Value in Rupees	
-	295,536	LSEPL	LSE PROPTech LIMITED	-	1,421,528
822,810	842,810	LSEVL	LSE VENTURES LIMITED	4,731,158	7,585,290
245,294	-	LSECL	LSE CAPITAL LIMITED	765,317	-
1,068,104	1,138,346			5,496,475	9,006,818

8 LONG-TERM DEPOSITS

Central Depository Company Limited	102,500	102,500
National Clearing Company of Pakistan Limited	1,200,000	1,200,000
E-Clear Deposits	2,000,000	1,453,557
Other security deposits	30,000	30,000
	3,332,500	2,786,057

9 TRADE DEBTS

Considered good	9.1	-	1,914,059
Considered doubtful		104,277	3,858,520
		104,277	5,772,579
Less: Provision for doubtful debts	9.2	(104,277)	(3,858,520)
		-	1,914,059



Mahveen Siddiq

- 9.1 The unsecured trade debts is amounting to Rs:114,296. Allowances for expected credit loss is calculated on the basis of ageing analysis more than 360 days and unsecured balances which ever is higher.

Note	2024 Rupees	2023 Rupees
------	----------------	----------------

- 9.2 Movement in provision against trade debts is as under:

Opening balance (as at July 1)	3,599,520	1,763,810
Addition profit and loss during the year	(3,495,243)	2,094,710
	<u>104,277</u>	<u>3,858,520</u>
Amounts written off during the year		-
Closing balance (as at June 30)	<u>104,277</u>	<u>3,858,520</u>

9.3 **Ageing Analysis**

Particulars	Past Due 30 Days	Past Due 31-60 Days	Past Due 61-90 Days	Past Due 91-120 Days	Past Due 121-180 Days	Past Due 181-360 Days	Total Gross Amount Due
Client Debts	-	-	-	-	-	104,277	104,277

- 9.4 The Trade Debts include following amounts receivable from Related Party:

Name of Related Party	Basis of Relationship	Percentage of Share Holding	2024 Rupees	2023 Rupee
Khawaja M.Siddiq Akbar	CEO/Director	63%	-	1,476,809
Mahreen Siddiq	Director	5%	-	205,008
Zahid Jagir	Director	6%	-	2,208,324

9.5 **Ageing of Related Party**

Name of Related Party	1-90 Days	180-360 Days	Overdue for more than 360
Khawaja M.Siddiq Akbar	-	-	-
Mahreen Siddiq	-	-	-
Zahid Jagir	-	-	-

- 9.6 Total value of securities pertaining to client held in CDS NIL
- 9.7 Value of pledge securities of clients with NCCPL NIL
- 9.8 Value of pledge securities of clients with LSE NIL
- 9.9 Value of securities pledge of clients with financial Institutions NIL
- 9.10 The Securities are valued using Market rate at the year end.

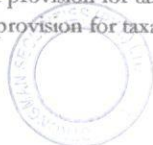
The value of securities pertaining to client and Balances lying with E-Clear after shifting to trade only brokers.

PREPAYMENTS & ADVANCES

NCCPL future exposure and Receivable Balance		1,294,924	1,860,293
E-Clear receivable		1,732,777	-
Advances to employee		-	10,000
Income tax refundable	10.1	286,795	640,049
		<u>3,314,496</u>	<u>2,510,342</u>

10.1 Income tax refundable

Opening balance (as at July 1)	640,049	606,961
Add: Current year additions	191,295	160,303
	<u>831,343</u>	<u>767,264</u>
Less: Adjustment against previous year provision for taxation	(544,548)	(127,215)
Less: Adjustment against current year provision for taxation		
Closing balance (as at June 30)	<u>286,795</u>	<u>640,049</u>



Mahreen Siddiq

II SHORT TERM INVESTMENT

Note	2024 Rupees	2023 Rupees
------	----------------	----------------

Investments at fair value through profit or loss

Investments in listed securities	10,442,447	5,609,084
Realized Gain/(loss)	322,762	2,952,104
Unrealized Gain/(loss)	1,533,557	(235,666)
	<u>12,298,766</u>	<u>8,325,522</u>

11.1 Investments at fair value through profit or loss

2024	2023	Symbol	Name of Investee	2024	2023
Number of Shares				Market Value in Rupees	
300,000	300,000	ASL	AISHA STEEL MILLS LIMITED	2,208,000	1,620,000
203,400	-	AMTEX	AMTEX LIMITED	642,744	-
500	500	ATRL	ATTOCK REFINERY LIMITED	175,795	85,815
43,312	43,312	BOP	THE BANK OF PUNJAB	210,929	150,293
49,000	-	CLCPS	CHENAB LTD. CUM PREF.SHA	92,120	-
12,000	12,000	CENERGY	CENERGYICO PK LIMITED	46,200	34,080
3,000	3,000	DCL	DEWAN CEMENT LIMITED	25,620	12,450
10,000	10,000	DFML	DEWAN FAROOQUE MOTORS LIMITED	404,900	107,400
4,798	4,798	FABL	FAYSAL BANK LIMITED	251,607	96,824
1,035,000	1,035,000	HASCOL	HASCOL PETROLEUM LIMITED	6,406,650	5,744,250
20,875	15,000	KEL	K-ELECTRIC LIMITED	96,651	25,800
367	367	MCB	MCB BANK LIMITED	83,316	42,010
-	50,000	PIAA	PAKISTAN INTERNATIONAL AIRLINES	-	168,000
244,141	-	PIAHCLA	PIA HOLDING COMPANY LTD	3,193,364	-
5,500	5,500	SSGC	SUI SOUTHERN GAS COMPANY LIMITED	52,140	47,245
1,075	1,075	TELE	TELECARD LIMITED	7,762	7,095
2,000	2,000	TRG	TRG PAKISTAN LIMITED - CLASS 'A'	124,100	184,260
<u>1,934,968</u>	<u>1,482,552</u>			<u>14,021,899</u>	<u>8,325,522</u>

11.2 Value of pledge securities of house with NCCPL

NIL

11.3 Value of pledge securities of house with LSE

NIL

III CASH AND BANK BALANCES

Cash in hand	2,055	1,004
Cash at bank		
House account	692,454	69,588
Client account	2,790	2,676,330
	12.1	<u>695,244</u>
Total cash and bank		<u>697,299</u>

12.1 Cash in current accounts includes customers' assets in the amount of PKR 2,790 (2023: 2,676,330) held in designated bank accounts.

12.2 The Client shares and balances lying with E-Clear after shifting to trade only Broker.

IV ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

13.1 Authorized capital

750,000 (2023: 750,000) ordinary shares of PKR 100 each.

75,000,000 75,000,000

13.2 Issued, subscribed and paid-up share capital

650,000 (2023: 650,000) ordinary shares of PKR 100/- each, issued for cash

65,000,000 65,000,000
65,000,000 65,000,000



Mahseen Siddiq

13.3 Pattern of shareholding

	Number of Shares		Percentage	
	2024	2023	2024	2023
Khawaja Muhammad Siddiq Akbar	410,000	540,000	63%	83%
Mahreen Siddiq	35,000	35,000	5%	5%
Umaid Khan	37,500	37,500	6%	6%
Abu Bakar Siddique	130,000	-	20%	0%
Zahid Jagir	37,500	37,500	6%	6%
	650,000	650,000	100%	100%

14 LONG-TERM FINANCING

Long-term borrowings

Note	2024 Rupees	2023 Rupees
14.1	-	2,827,000
	<u>-</u>	<u>2,827,000</u>

14.1 This balance represents amounts that become due to Directors of the Company due to amounts extended to cover various expenditures. These amounts are extended free of interest and are repayable at the discretion of the Company.

15 TRADE AND OTHER PAYABLES

Trade creditors
Exposure Payable
Accrued and other payables

15.1	16,763	1,123,362
	-	1,450,000
	<u>3,251,724</u>	<u>695,725</u>
	<u>3,268,487</u>	<u>3,269,087</u>

15.1 This amount includes PKR Nil (2023: 500,000) due to related parties.

Name of Related Party	Basis of Relationship	Percentage of Share Holding	2024 Rupees	2023 Rupee
Zahid Jagir	Director	6%	-	500,000

16 CURRENT TAX LIABILITY

Opening balance (as at July 1)
Add: Current Year Provision

-	-
544,548	154,836
<u>544,548</u>	<u>154,836</u>

Less: Adjustment against previous year advance tax
Less: Adjustment against current year advance tax
Closing balance (as at June 30)

-	(27,621)
(544,548)	(127,215)
<u>-</u>	<u>-</u>

17 CONTINGENCIES AND COMMITMENTS

17.1 There are no contingencies or commitments of the Company as at June 30, 2024 (2023: Nil).

18 OPERATING REVENUE

Brokerage income
Less: Sales tax on services
Net Brokerage Commission excluding sales tax on services
Commission paid to E-Clear
Dividend income

5,311,746	7,706,157
(849,879)	(1,232,985)
<u>4,461,867</u>	<u>6,473,172</u>
(319,675)	-
474,328	434,695
<u>4,616,520</u>	<u>6,907,867</u>



Mahreen Siddiq

19 OTHER INCOME / (LOSSES)

Note	2024 Rupees	2023 Rupees
Income from financial assets		
Mark-up on:		
Mark-up on RMS	1,052,505	697,330
	<u>1,052,505</u>	<u>697,330</u>
Income from non-financial assets/liabilities		
Reversal of provision for doubtful debts	3,495,243	-
	<u>4,547,749</u>	<u>697,330</u>

20 OPERATING & ADMINISTRATIVE EXPENSES

Staff Salaries & Other Benefits		3,781,709	4,696,742
Electricity/ Water/ Gas		302,284	379,469
Travelling/ Conveyance/ Vehicles Running / Maintenance		165,400	144,240
Other Expenses		134,313	295,069
Regulatory Charges		1,000,590	1,244,315
Auditor's remuneration	20.1	153,703	258,250
Communication		160,560	194,058
Stationery/ Printing/ Photocopies/ Office Supplies		64,190	52,730
Rates/ Taxes/ Cess		22,594	14,795
Repair / Maintenance		120,290	184,930
Legal & Professional Charges		90,500	6,000
Provision For Doubtful Debts	9.2	-	2,094,710
Insurance		219,234	8,500
Donations		25,000	108,300
Depreciation	5	41,861	43,690
		<u>6,282,228</u>	<u>9,725,798</u>

20.1. Auditor's remuneration

Statutory audit	153,703	258,250
Certifications and other charges	-	-
	<u>153,703</u>	<u>258,250</u>

21 FINANCE COSTS

Bank and other charges	3,412	7,285
	<u>3,412</u>	<u>7,285</u>

22 INCOME TAX EXPENSES

Current tax expense / (income)		
for the year	535,424	154,836
prior years	9,124	(27,621)
	<u>544,548</u>	<u>127,215</u>

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

23 EARNINGS PER SHARE

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

	2024 Rupees	2023 Rupees
Profit / (loss) after taxation, attributable to ordinary shareholders	4,190,399	461,337
Weighted average number of ordinary shares in issue during the year	650,000	650,000
Earnings per share	6.45	0.71

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

24 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

No remuneration has been given to chief executive, Directors during the year June 30, 2024 (2023: NIL).



5 FINANCIAL INSTRUMENTS BY CATEGORY

2024			
Amortized cost	FVOCI	FVTPL	Total
Rupees			

ASSETS

Non-current assets

Long term deposits	3,332,500	-	-	3,332,500
Long term investment	-	5,496,475	-	5,496,475

Current assets

Short term investment	-	-	12,298,766	12,298,766
Trade & other receivables	-	-	-	-
Prepayments and advances	3,314,496	-	-	3,314,496
Cash and bank balances	697,299	-	-	697,299

LIABILITIES

Current liabilities

Trade and other payables	3,268,487	-	-	3,268,487
--------------------------	-----------	---	---	-----------

2023			
Amortized cost	FVOCI	FVTPL	Total
Rupees			

ASSETS

Non-current assets

Long-term deposits	2,786,057	-	-	2,786,057
Long term investment	-	9,006,818	-	9,006,818

Current assets

Short term investment	-	-	8,325,522	8,325,522
Trade & other receivables	1,914,059	-	-	1,914,059
Prepayments and advances	2,510,342	-	-	2,510,342
Cash and bank balances	2,746,922	-	-	2,746,922

LIABILITIES

Current liabilities

Trade and other payables	3,269,087	-	-	3,269,087
--------------------------	-----------	---	---	-----------

(Handwritten signature and circular stamp)

Mahseen Siddiq



26 FINANCIAL RISK MANAGEMENT

26.1 Risk management framework

The Director / Chief Executive has overall responsibility for the establishment and oversight of the Company's risk management framework. He is also responsible for developing and monitoring the Company's risk management policies, which are monitored and assessed for effectiveness throughout the year. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and to establish internal control over risk. Through its training and management standards and procedures, the Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's activities are exposed to a variety of financial risks: market risk, credit risk and liquidity risk. The Company has established adequate procedures to manage each of these risks as explained below.

26.2 Market risk

Market risk is the risk that the value of financial instruments may fluctuate as a result of changes in market interest rates, changes in the credit rating of the issuer of the instruments, change in market sentiments, speculative activities, supply and demand of securities and/or changes in liquidity in the market.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

26.2.1 Currency risk

Currency risk mainly arises where receivables and payables exist due to transactions with foreign undertakings. The Company is not exposed to major foreign exchange risk in this respect.

26.2.2 Interest rate risk

Yield risk is the risk of decline in earnings due to adverse movements of the yield curve. Interest rate risk is the risk that the value of the financial instruments will fluctuate due to changes in market interest rates. Sensitivity to interest / mark-up rate risk arises from mismatches or gaps in the amounts of interest / mark-up based assets and liabilities that mature or reprice in a given period. The Company manages this risk by matching the maturity / repricing of financial assets and liabilities through appropriate policies.

26.2.3 Price risk

Price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices, whether such changes are due to factors specific to individual financial instruments (including factors specific to issuers of such instruments) or due to macroeconomic or other factor affecting similar financial instruments being traded in the market.

The Company is exposed to price risk in respect of investments carried at fair value (whether as available-for-sale investments or as instruments at fair value through profit or loss). Such price risk comprises both the risk that price of individual equity investments will fluctuate and the risk that there will be an index-wide movement in prices. Measures taken by the Company to monitor, manage and mitigate price risk include daily monitoring of movements in stock indexes (such as the KSE 100 index) as well as of the correlation between the Company's investment portfolio with stock indexes.

26.3 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 counterparties 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.

Credit risk of the Company arises from deposits with banks and financial institutions, trade debts, loans and advances, investments and other receivables. The carrying amount of financial assets represents the maximum credit exposure, although this maximum is a theoretical formulation as the Company frequently holds collateral against potential credit losses.



Malik Ciddis



Measures taken by management to manage and mitigate credit risk include:

- Development of and compliance with risk management, investment and operational policies / guidelines (including guidelines in respect of entering into financial contracts);
- Assignment of trading limits to clients in accordance with their net worth;
- Collection / maintenance of sufficient and proper margins from clients;
- Initial and ongoing client due diligence procedures, where clients' financial position, past experience and other factors are considered;
- Collection and maintenance of collateral if, as and when deemed necessary and appropriate;
- Diversification of client and investments portfolios; and
- Engagement with creditworthy / high credit rating parties such as banks, clearing houses and stock exchanges.

The Company continually monitors the quality of its debtor portfolio, both on an individual and portfolio basis, and provides against credit losses after considering the age of receivables, nature / quantum of collateral and debtor-specific factors (such as creditworthiness and repayment capacity).

The carrying amount of financial assets, which represents the maximum credit exposure before consideration of collateral and counterparty creditworthiness, is as specified below:

	2024	2023
Long-term investments	5,496,475	9,006,818
Short term investment	12,298,766	8,325,522
Long-term deposits	3,332,500	2,786,057
Prepayments and advances	3,027,701	2,510,342
Trade & other receivables	-	1,914,059
	<u>24,155,442</u>	<u>24,542,798</u>

26.4 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations, settled by delivering cash or another financial asset, as they fall due. Prudent liquidity risk management requires the maintenance of sufficient cash and marketable securities, the availability of adequate funds through committed credit facilities and the ability to close out market positions due to the dynamic nature of the business and the industry it operates in. The Company finances its operations through equity and, as and when necessary, borrowings, with a view to maintaining an appropriate mix between various sources of financing.

The table below classifies the Company's financial liabilities into relevant maturity groupings based on the time to contractual maturity date, as at the balance sheet date. The amounts in the table are contractual undiscounted cash flows.

Financial liabilities	Carrying amount	As at June 30, 2024	
		Within one year	More than one year
Trade and other payables	3,268,487	3,268,487	-
Total	<u>3,268,487</u>	<u>3,268,487</u>	<u>-</u>
		As at June 30, 2023	
Financial liabilities	Carrying amount	Within one year	More than one year
Trade and other payables	3,269,087	3,269,087	-
Total	<u>3,269,087</u>	<u>3,269,087</u>	<u>-</u>

The Company does not expect that the timing or quantum of cash flows outlined in the table above will change significantly, and as a result expects to be able to fulfill its obligations as they come due.



Mahseen Siddiq



27 CAPITAL RISK MANAGEMENT

The Company's objective in managing capital is to ensure that the Company is able to continue as a going concern so that it can continue to provide adequate returns to shareholders and benefits to other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. As well, the Company has to comply with capital requirements as specified under the Securities Brokers (Licensing and Operations) Regulations, 2016 (as well as other relevant directives from regulating bodies issued from time to time).

Consistent with industry practice, the Company manages its capital risk by monitoring its debt levels and liquid assets, keeping in view future investment requirements.

28 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the amount that would be received on the sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to materially curtail the scale of its operations or to undertake a transaction on adverse terms.

Various judgments and estimates are made in determining the fair value of financial instruments that are recognized and measured at fair value in the Company's financial statements. To provide an indication about the reliability of inputs used in determining fair value, financial instruments have been classified into three levels, as prescribed under accounting standards. An explanation of each level follows the table.

Recurring FV Measurement as at June 30, 2024	Level I	Level II	Level III	Total
Long-term investment - at FVOCI	-	5,496,475	-	5,496,475
Short-term investment - available-for-sale	-	-	-	-
Short-term investments - at FVTPL	12,298,766	-	-	12,298,766
Recurring FV Measurement as at June 30, 2023	Level I	Level II	Level III	Total
Long-term investment - at FVOCI	-	9,006,818	-	9,006,818
Short-term investment - available-for-sale	-	-	-	-
Short-term investments - at FVTPL	8,325,522	-	-	8,325,522

In the fair value hierarchy in the preceding table, inputs and valuation techniques are as follows:

- 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.

There were no transfers into or out of Level 1 measurements.

29 CAPITAL MANAGEMENT

The Company objectives when managing capital are to safeguard the company's ability as a going concern. In order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

32 CAPITAL ADEQUACY

The Capital Adequacy level as required by CDC is Calculated as Follows

	Notes	Amount (Rupees)
Total Assets	29.2.1	71,594,834
Less: Total Liabilities		(3,268,487)
Capital Adequacy Level		68,326,347

While determining the value of the total assets of the TREC Holder, Notional value of the TREC Certificate held by STRONGMAN SECURITIES (PVT.) LIMITED as at year ended June 30th 2024 as determined by Pakistan Stock Exchange has been considered.

30 RELATED PARTY TRANSACTIONS

The related parties of the Company comprise of shareholders/ directors, key management personnel, entities with common shareholding, entities over which the directors are able to exercise influence and entities under common directorship. Transactions with related parties and the balances outstanding at year end are disclosed in the respective notes to the financial statements. (see note # 9 &15)

31 EVENTS AFTER REPORTING PERIOD

No events occurred after the reporting period that would require adjustment or disclosure in the

32 NUMBER OF EMPLOYEES

Total number of employees at the end of year was 6 (2023: 6). Average number of employees was 6.

33 RE-CLASSIFICATION AND RE-ARRANGEMENTS

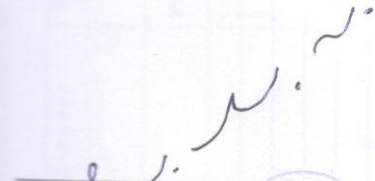
Corresponding figures have been reclassified and re-arranged wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison, and in order to improve compliance with disclosure requirements.

34 GENERAL

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

35 AUTHORIZATION

35.1 These financial statements were authorized for issue on October 30, 2024 by the Board of Directors of the Company.



Chief Executive





Director



STRONGMAN SECURITIES (PVT.) LIMITED
 MEMBER PAKISTAN STOCK EXCHANGE LIMITED
 EXPLANATORY NOTES TO THE NET CAPITAL BALANCE AS AT JUNE 30, 2024

Investment in Listed Securities in the name of Company		Holding as per CDC	Market Value as on June 30, 2024	TOTAL		15%	VAR %	Higher of 15% or VAR	Hair Curt Value	Net Value
Security Symbol	Security Name			Position Owned	Rate					
AMTEX	AMTEX LTD	228,400	3.16	721,744	15	60	60	433,046	288,698	
AATRL	ATTOCK REFINERY LTD.	500	351.59	175,795	15	15	15	26,369	149,426	
BOP	THE BANK OF PUNJAB.	43,312	4.87	210,929	15	23	23	47,459	163,470	
GLCPS	CHENAB LTD.PREF.SH	49,000	1.88	92,120	15	60	60	55,272	36,848	
CNERY	CNERGY PAKISTAN LIMITED	12,000	3.85	46,200	15	28	28	12,705	33,495	
DCL	DEWAN CEMENT LIMITED	3,000	8.54	25,620	15	33	33	8,327	17,294	
DFML	DEWAN FAROOQUE MOTORS LTD.	10,000	40.49	404,900	15	23	23	91,103	313,798	
HASCOL	HASCOL PETROLEUM LIMITED	425,226	6.19	2,632,149	15	23	23	592,234	2,039,915	
KEL	K-ELECTRIC LIMITED	105,875	4.63	490,201	15	23	23	110,295	379,906	
LSECL	LSE CAPITAL LIMITED	245,294	3.12	765,317	15	33	33	248,728	516,589	
LSEVL	LSE VENTURES LIMITED	822,810	5.75	4,731,158	15	60	60	2,838,695	1,892,463	
MCB	MCB BANK LIMITED	367	227.02	83,316	15	18	18	14,580	68,736	
PIAHCLA	PIA HOLDING COMPANY LIMITED - CLASS-A	269,141	13.08	3,520,364	15	33	33	1,144,118	2,376,246	
SSGC	SUI SOUTHERN GAS COMPANY LIMITED.	5,500	9.48	52,140	15	15	15	7,821	44,319	
TELE	TELECARD LIMITED	1,075	7.22	7,762	15	23	23	1,746	6,015	
TRG	TRG PAKISTAN LIMITED - CLASS 'A'	2,000	62.05	124,100	15	18	18	21,718	102,383	
TOTAL VALUE				14,083,816	5,654,216	8,429,600				



Mahveen Siddiq

