

**FLOAT SECURITIES (PRIVATE) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**Independent Auditor's Report to the members of  
Float Securities (Private) Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the annexed financial statements of **Float Securities (Private) Limited** (the Company), which comprise the statement of financial position as at **June 30, 2022**, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive loss, 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, 2022 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

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

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

Management is responsible for the other information. The other information comprises of the information in the Director's Report.

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.

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## **Responsibilities of Management and Board of Directors for the Financial Statements**

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

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

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.

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.


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

### **Report on Other Legal and Regulatory Requirements**

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

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

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

  
**Chartered Accountants**  
**Karachi**

**Date: October 04, 2022**

**UDIN: AR202210130QOxP3ozBt**



# FLOAT SECURITIES (PVT.) LIMITED

TREC Holder: Pakistan Stock Exchange (PSX)

## FLOAT SECURITIES (PRIVATE) LIMITED

### DIRECTORS' REPORT FOR YEAR ENDED 30<sup>th</sup> June 2022

The Board of Directors of Float Securities (Private) Limited is pleased to present the 16<sup>th</sup> Annual Report of the company, along with the Audited Annual Financial statements and Auditors' Report thereon for the year ended June 30, 2022.

#### Financial Review

The company incurred loss before tax for the current year amounting to Rs (20,304,698) against a profit of Rs27,752,548 in the same period last year. This was mainly due to unrealized loss amounting to Rupees (19,583,825), as against a gain of Rs 17,358,285 earned by the company in the same period last year.

This was due to reduction in market valuation of listed stocks held by the company as at year end.

The company also witnessed a reduction in the operating revenues during the year under review, amounting to Rs Rs1,805,010 as against Rs 4,737,334 for the same period last year.

Stock Valuations were affected due to economic conditions within the country during the reporting period.

The company continued its focus on controlling administrative and operating costs.

We expect the Brokerage Commission to be affected in 2022-23 due to unfavorable operating environments and the economic impact of floods within the country.

#### Earnings (Deficit) Per Share

Earnings per share for the current year is Rs (3.05) vs Rs 3.89 in the previous year.

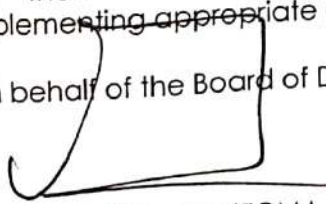
#### Dividends

The Board of Directors have not recommended any dividend for the current year.

#### Acknowledgement

We thank our staff for their efforts, especially given inflationary pressures and implementing appropriate procedures to ensure the company remains fully compliant.

On behalf of the Board of Directors

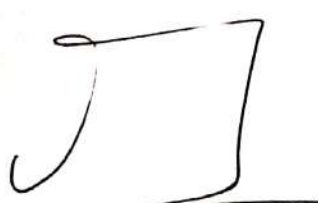
  
Imran Khalil Naseer (FCMA, CGMA)  
Director | Chief Executive Officer  
Dated: 4<sup>th</sup> OCTOBER' 2022



**FLOAT SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2022**

		2022	2021
	Note	----- (Rupees) -----	
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<b>Authorized share capital</b>			
7,000,000 (2020: 7,000,000) ordinary shares of Rs. 10/- each		<b>70,000,000</b>	70,000,000
Issued, subscribed and paid-up capital	4	<b>70,000,000</b>	70,000,000
Accumulated (loss)/ profit		<b>(1,015,651)</b>	20,365,079
		<b>68,984,349</b>	90,365,079
<b>Current liabilities</b>			
Trade and other payables	5	<b>473,788</b>	7,232,643
Contingencies and commitments	6	<b>69,458,137</b>	97,597,722
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	7	<b>2,256,758</b>	2,257,985
Intangible asset	8	<b>2,500,000</b>	2,500,000
Long term investments	9	<b>8,439,750</b>	8,439,750
Long term deposits	10	<b>100,000</b>	500,000
		<b>13,296,508</b>	13,697,735
<b>Current assets</b>			
Trade debts and other receivables	11	<b>24,494</b>	387,737
Advances, deposits and prepayments		<b>875,982</b>	-
Short term investments	13	<b>51,962,291</b>	72,922,882
Advance income tax - net	14	<b>2,430,277</b>	2,426,617
Cash and bank balances	15	<b>868,584</b>	8,162,751
		<b>56,161,628</b>	83,899,987
		<b>69,458,137</b>	97,597,722

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

  
**Chief Executive**

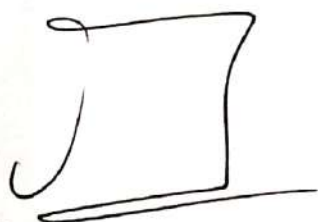
  
**Director**

**FLOAT SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2022**

		2022	2021
	<i>Note</i>	----- (Rupees) -----	
Operating revenue	16	<b>1,805,010</b>	4,737,334
Capital (loss)/ gain on short term investments	17	<b>(2,875,471)</b>	8,429,482
		<b>(1,070,461)</b>	13,166,816
Unrealised (loss)/ Gain on investment classified as 'fair value through profit or loss	18	<b>(19,583,825)</b>	17,358,285
Administrative and operating expenses	19	<b>(5,381,215)</b>	(6,162,611)
<b>Operating (loss)/ income</b>		<b>(26,035,501)</b>	24,362,490
Other income	20	<b>5,730,803</b>	3,390,059
		<b>(20,304,698)</b>	27,752,548
Finance cost	21	<b>(15,376)</b>	(23,327)
<b>(Loss)/ profit before taxation</b>		<b>(20,320,074)</b>	27,729,222
Taxation	22	<b>(1,060,656)</b>	(508,161)
<b>(Loss)/ profit after taxation</b>		<b>(21,380,730)</b>	27,221,060
Other comprehensive income		-	-
(Loss)/ earning per share - basic and diluted	23	<b>(3.05)</b>	3.89

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

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Chief Executive



Director

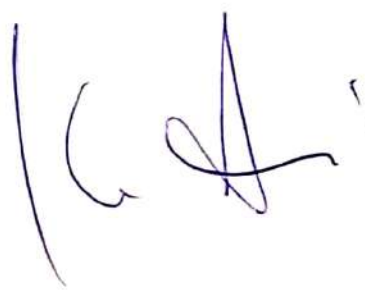
**FLOAT SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	2022	2021
<i>Note</i>	----- (Rupees) -----	
(Loss)/ profit after taxation	(21,380,730)	27,221,060
Other comprehensive income	-	-
Total comprehensive income / (loss) for the year	<u>(21,380,730)</u>	<u>27,221,060</u>

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

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**Chief Executive**

  
**Director**